

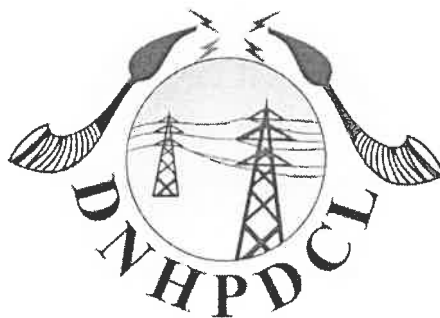
Truing up for FY 2019-20,
Review of FY 2020-21,
ARR and Tariff Revision Proposal for FY 2021-22
Main Text & Formats (Volume I)

Submitted to:

Joint Electricity Regulatory Commission
Gurgaon

By

DNH Power Distribution Corporation Ltd.



December 2020

**BEFORE THE JOINT ELECTRICITY REGULATORY COMMISSION
FOR THE STATE OF GOA & UNION TERRITORIES**

Filing No.....

Case No.....

IN THE MATTER OF: Filing of Aggregate Revenue Requirement (ARR) for FY
2021-22 under Section 61, 62 and 64 of the Electricity Act,
2003

AND

IN THE MATTER OF DNH Power Distribution Corporation Limited
(hereinafter referred to as "DNHPDCL" or "The
Petitioner" or "The Department")
..... Petitioner

The Applicant respectfully submits as under: -

1. DNH Power Distribution Corporation Limited (DNHPDCL) is a statutory body engaged in the procurement of electricity and distribution in the Union Territory of Dadra & Nagar Haveli. Consequent to the enactment of the Electricity Act, 2003 (hereinafter referred to as the "Act"), the process of approval of proposed tariffs is vested with the State Commission. Based on the provisions of Section 61, 62 and 64 of the Act, DNHPDCL is filing the current Petition, in order to meet its financial requirements.
2. This is a Petition indicating the Truing up Petition for FY 2019-20, Review of FY 2020-21, Aggregate Revenue Requirement (ARR) and Tariff Proposal of DNHPDCL for the FY 2021-22 (Financial Year 2021-22).



AFFIDAVIT

**BEFORE HON'BLE JOINT ELECTRICITY REGULATORY COMMISSION FOR THE
STATE OF GOA & UNION TERRITORIES**

File No. _____

Case No. _____

IN THE MATTER OF: Filing of Aggregate Revenue Requirement (ARR) for FY 2021-
22 under Section 61, 62 and 64 of the Electricity Act, 2003

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(hereinafter referred to as "DNHPDCL" or "The Petitioner" or
"The Department")
..... Petitioner

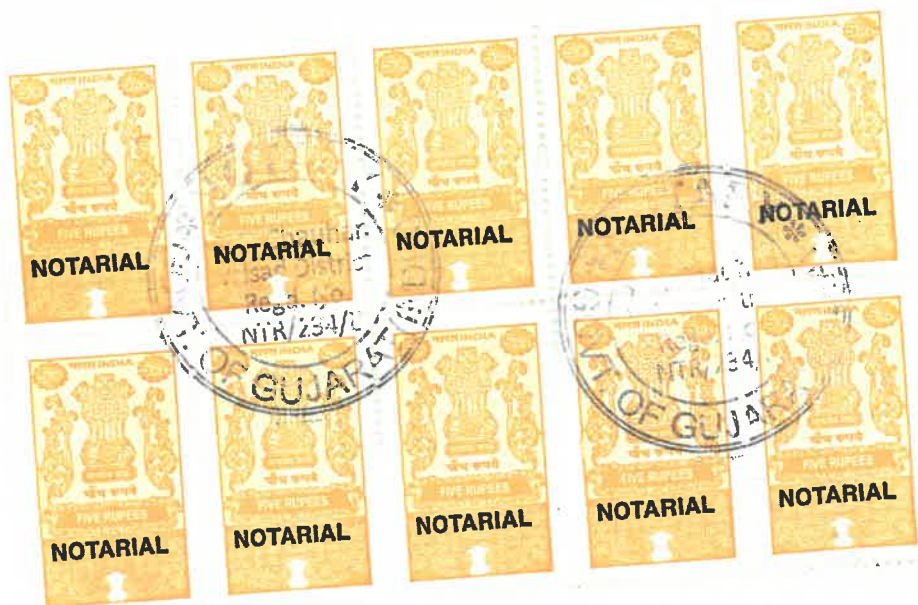
I, Shri Chhatrasinh Parmar, son of Shri Ambelal Parmar (aged 64 years), (occupation) Government Service residing at Valsad, the deponent named above do hereby solemnly affirm and state on oath as under:

1. That the deponent is the Chief Engineer, DNH Power Distribution Corporation Limited, who is authorized by the order of the Administration of Dadra & Nagar Haveli and is acquainted with the facts deposed as below.
2. I, the deponent name above do hereby verify that the contents of the accompanying petition are based on the records of the DNH Power Distribution Corporation Limited maintained in the ordinary course of business and believed them to be true and I believe that no part of it is false and no material facts have been concealed therefrom.

Details of enclosures:




Chief Engineer
DNH Power Distribution Corporation Ltd.
U.T. of Dadra & Nagar Haveli, Silvassa



Proposal for Aggregate Revenue Requirement (ARR) and the Tariff petition for the FY 2021-22 for determination of tariff.

Petition fee - Rs. 81,75,967/- vide RTGS.

As per The Joint Electricity Regulatory Commission for Goa & Union Territories (Conduct of Business) (Fourth Amendment (Regulations, 2015).

(The energy sales of the territory is projected at 6540.77 MUs and accordingly fees payable is Rs. 81,75,967/- (Rs. 1.25 (Rupees One) per 1000 units)).



[Signature]
For the DNH Power Distribution Corporation Limited

Petitioner

Place: Dadra & Nagar Haveli, Silvassa
Chief Engineer
DNH Power Distribution Corporation Ltd.
U.T. of Dadra & Nagar Haveli, Silvassa

I, _____, Advocate, _____, do hereby declare that the person making this affidavit is known to me through the perusal of records and I am satisfied that he is the same person alleging to be deponent himself.

Advocate

Solemnly affirmed before me on this _____ day of December 2020 at _____ p.m/a.m by the deponent who has been identified by the aforesaid Advocate. I have satisfied myself by examining the deponent that he understood the contents of the affidavit which has been read over and explained to him. He has also been explained about section 193 of Indian Penal Code that whoever intentionally gives false evidence in any of the proceedings of the Commission or fabricates evidence for purpose of being used in any of the proceedings shall be liable for punishment as per law.

Ref
S. T. Chauhan
S. T. Chauhan
Notary Valsad District,
Yogi Smruti, Mullawadi,
Valsad-396 001
Gujarat-INDIA

Book No.: 1
Page No.: 4
Serial No.: 24
Date: 8/12/2020
Certificate of Practice
Valid till: 23/7/2022

Solemnly affirmed before me
by Shri C. A. Sarvas
who has been identified by Shri
_____ whom I know Personally

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Notes:

In this Petition:

All currency figures used in this Petition, unless specifically stated otherwise, are in Rs Crore and Million Units.

This petition contains the Main Text of the Petition, Formats and Annexure (Volume II)



ACRONYM	DEFINITION
A&G Expenses	Administrative & General Expenses
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
Ckt. Km / ckm	Circuit Kilometres
EA 2003	Electricity Act 2003
G,T and D	Generation, Transmission and Distribution
GFA	Gross Fixed Assets
GoI	Government of India
IPPs	Independent Power Producers
JERC	Joint Electricity Regulatory Commission
DNHPDCL	DNH Power Distribution Corporation Limited
MU	Million Units
MYT	Multi-Year Tariff
O&M	Operations and Maintenance
PGCIL	Power Grid Corporation of India Limited
R&M Expenses	Repair & Maintenance Expenses
RoE	Return on Equity
T&D	Transmission and Distribution
S/S	Sub Station

Chapter 1: Introduction

1.1 DNHPDCL Profile

DNH Power Distribution Corporation Limited (DNHPDCL) has been incorporated from the erstwhile Electricity Department of Dadra & Nagar Haveli (ED-DNH) and started its operation from April 1, 2013. The Ministry of Power (MoP) had advised to corporatize the ED-DNH. The Ministry of Home Affairs vide letter no. U-3034/59/2010-CPD dated 29th September 2011 has conveyed approval to corporatize ED-DNH. Subsequently, the MoP vide letter no. 36/1/2010-R&R dated 29th February 2012 has conveyed its "No Objection" for the Corporatization of ED-DNH.

The Administrator of Dadra and Nagar Haveli after satisfying the necessity to Corporatize has incorporated the "DNH Power Distribution Corporation Limited" with the Registrar of Companies, Gujarat under the Companies Act, 1956 on 13th July 2012.

The Administrator of Dadra and Nagar Haveli in exercise of powers conferred vide Notification No. F No U-11030/2/2003-UTL dated 22nd June 2004, by Ministry of Home Affairs and under section 131,133 and 134 of the Electricity Act., 2003 has prepared the "Dadra & Nagar Haveli Electricity Reforms Transfer Scheme 2013" (hereinafter referred as the "Scheme"). This Scheme has provided the transfer of assets, liabilities, rights, functions, obligations, proceedings and personnel of distribution and associated divisions of ED-DNH to DNHPDCL. The functions and duties of DNHPDCL as mentioned in the Scheme document are as follows:

- Laying and operating of such electric line, sub-station and electrical plant that is primarily maintained for the purpose of distributing electricity in the area of supply of DNHPDCL, notwithstanding that such line, sub-station or electrical plant are high pressure cables or overhead lines or associated with such high pressure cables or overhead lines; or used incidentally for the purpose of transmitting electricity for others, in accordance with Electricity Act. 2003 or the Rules framed there under.

- Arranging, in-coordination with the Generating Company(ies) operating in or outside the State, for the supply of electricity required within the State and for the distribution of the same in the most economical and efficient manner;
- Supplying electricity, as soon as practicable to any person requiring such supply, within its competency to do so under the said Act;
- Preparing and carrying out schemes for distribution and generally for promoting the use of electricity within the State.

The present distribution system of DNHPDCL consists of 36.88 circuit km of 220 kV double circuit (D/C) lines, 279.90 km of 66 kV D/C lines, 833.70 circuit km of 11 kV lines along with 1102 distribution transformers.

At present, the UT of Dadra & Nagar Haveli gets power from 400/220 kV Substation of PGCIL Vapi, 400/200 kV Kala Substation of PGCIL (DNH).

The power demand is primarily dependent on the HT and LT industrial consumers contributing approximately 97% of the total sales. Considering the present demand from HT and LT industrial consumers, the demand by the end of FY 2021-22 is likely to reach around 6500 MUs. In view of the power requirements, DNHPDCL had proposed a number of schemes to be implemented during the coming years for strengthening and augmentation of the transmission and distribution system in the territory.

For meeting the RPO compliance the DNHPDCL has signed PPA with SECI for procurement of 200 MW Round the Clock (RTC) power.

DNHPDCL has total sub-transmission capacity of 1000 MVA, including 520 MVA in Kharadpada and 420 MVA Khadoli sub-stations. Total installed capacity at 66/11 kV sub-stations are 782 MVA. DNHPDCL is continuously striving for increasing its distribution capacity on account of increasing electricity demand from the HT/EHT consumers.

1.2 Multi Year Tariff Distribution Tariff Regulations, 2018

DNHPDCL's tariff determination is now governed by "Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2018, hereinafter referred to as "MYT Regulations". The MYT Regulations, 2018 provide a framework for calculating tariffs on a cost-plus basis initially for a period of three years and allow the licensee to recover operational expenses including depreciation, interest on working capital and debt, and return on equity amongst others. The MYT Regulations, 2018 segregate the items impacting tariffs into controllable and uncontrollable factors. Items that are uncontrollable are passed through to the consumers. Further, the MYT Regulations, 2018 identifies the uncontrollable and controllable parameters as follows:

1.2.1 Uncontrollable Parameters include

- 1 Force Majeure events;
- 2 Change in Law, judicial pronouncements and Orders of the Central Government, State Government or Commission;
- 3 Variation in the number or mix of Consumers or quantities of electricity supplied to Consumers;
- 4 Transmission loss;
- 5 Variation in the cost of power purchase due to variation in the rate of power purchase from approved sources, subject to clauses in the power purchase agreement or arrangement approved by the Commission;
- 6 Variation in fuel cost;
- 7 Change in power purchase mix;
- 8 Inflation;
- 9 Transmission Charges for a Distribution Licensee;
- 10 Variation in market interest rates for long-term loans;
- 11 Employee expenses limited to one time payment owing requirements of a pay commission and terminal liability of employees;
- 12 Taxes and Statutory levies;
- 13 Taxes on income;



14 Income from the realisation of bad debts written off:

1.2.2 Controllable Parameters include

- 1 Variations in capitalisation on account of time and/or cost overruns/ efficiencies in the implementation of a capital expenditure project not attributable to an approved change in scope of such project, change in statutory levies or force majeure events;
- 2 Variation in Interest and Finance Charges, Return on Equity, and Depreciation on account of variation in capitalisation, as specified in clause (a) above;
- 3 Variations in technical and commercial losses of Distribution Licensee;
- 4 Availability of transmission system;
- 5 Variations in performance parameters;
- 6 Failure to meet the standards specified in the Joint Electricity Regulatory Commission for the State of Goa & UTs (Standard of Performance for Distribution Licensees) Regulation, 2015, as amended from time to time;
- 7 Variations in labour productivity;
- 8 Variation in O&M Expenses, except to the extent of inflation;
- 9 Bad debts written off;

1.3 Contents of this Petition

This Petition covers the truing up of FY 2019-20, review for FY 20-21 and the basis, assumptions and projections of individual elements constituting the determination of ARR for the FY 2021-22. The Joint Electricity Regulatory Commission (JERC) for the State of Goa and Union Territories had issued the first Tariff Order for Electricity Department of Dadra & Nagar Haveli (DNHPDCL) for the FY 10-11 on 1st November, 2010 and subsequently the second and third Tariff Orders for FY 11-12 and FY 12-13 were issued on 13th September, 2011 and 31st July, 2012. The Hon'ble Commission had issued the fourth, fifth, sixth, seventh, eighth, ninth, tenth and eleventh Tariff Orders on 25th March 2013, 5th May, 2014, 1st April, 2015, 7th April, 2016, 9th June, 2017, 30th January, 2018, 20th May, 2019 and 18th May, 2020 for the FY 2013-14, FY 2014-15, FY 2015-16, MYT Control Period FY 2016-17 to FY 2018-19, FY 2017-18, FY 2018-19, MYT Control Period FY 2019-20 to FY 2021-22 and FY 2020-21 respectively. The Commission in its last Tariff Order for the FY 2020-21 has approved the

- ARR for the FY 2020-21 based on the actual cost for FY 18-19 and estimated expenses for FY 19-20.

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Chapter 2: True up for FY 2019-20

2.1 Principles for True up for FY 2019-20

As per The Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Multi Year Distribution Tariff) Regulations, 2018, the Hon'ble Commission shall undertake the True Up of licensee for FY 2019-20 based on the comparison of the actual performance of the past year with the approved estimates for such year.

In line with the provisions of JERC MYT Regulations, DNHPDCL is filing for True Up for the year FY 2019-20. Information provided in the True Up for FY 2019-20 is based on the Annual Audited Accounts and principles adopted by the Hon'ble Commission in its previous orders on Interest on Term Loan, Return on Equity, Interest on Working Capital and Depreciation. This actual performance has been compared with the approved parameters as per the order dated 20th May, 2019 and the revised parameters in the Tariff Order dated 18th May, 2020 for the FY 19-20.

Accordingly, revised Aggregate Revenue Requirement, revenue and gap for FY 2019-20 are given in the following sections of this chapter.

2.2 Energy Sales for FY 2019-20

The actual energy sale for FY 2019-20 has been shown below along with approved values by Hon'ble Commission vide Tariff Order 20th May, 2019 and the revised sales approved in the Tariff Order dated 18th May, 2020. The actual energy sales for FY 2019-20 are as under:

Table 1: Category wise sales for FY 2019-20

Particulars	(MU)		
	FY 19-20 Approved (20 May, 2019)	FY 19-20 Approved (18th May, 2020)	FY 19-20 Actual
Domestic	136.04	140.11	143.57
LIG/ Kutir Jyoti	0.00	0.00	10.45
Commercial	35.04	37.00	36.60

Particulars	FY 19-20	FY 19-20	FY 19-20
	Approved (20 May, 2019)	Approved (18th May, 2020)	Actual
Agriculture	7.32	6.62	5.25
LT Industry	215.89	224.93	219.44
HT/EHT Industry	5882.61	6001.23	5,860.85
Public Lighting	8.51	3.09	3.06
Public Water Works	7.72	5.04	5.01
Temp. Supply	3.39	2.73	3.75
Total Sales	6,296.52	6,420.75	6,288.00

It can be observed that the actual sales for FY 19-20 is lower than the sales approved by the Commission vide its Tariff order dated 18th May, 2020. The variation is mainly due to the lockdown restrictions imposed by the Government of India due to Covid19 during the month of March, 2020. The variation in sales of electricity to the consumers is attributed as uncontrollable factor. Therefore, DNPDCCL requests the Hon'ble Commission for the truing up of actual sales as shown in the Table above.

2.3 Distribution Losses for FY 2019-20

DNHPDCL has been making all efforts to contain the distribution losses. Consequent to the efforts, the distribution losses in DNHPDCL area is one of the lowest in the country.

The Hon'ble Commission vide its Tariff Orders dated 18th May, 2020 had approved the distribution loss at 4.30%. Against that the actual distribution losses in FY 2019-20 were 3.45%. The following Table shows the comparison of actual distribution losses of the DNHPDCL against that approved by the Hon'ble Commission vide its Tariff Orders dated 20th May, 2019 and 18th May, 2020.

Table 2: Distribution Loss for the FY 2019-20

Particulars	FY 19-20	FY 19-20	FY 19-20
	Approved (20 May, 2019)	Approved (18th May, 2020)	Actual
Distribution Loss	4.30%	4.30%	3.47%

(%)

The DNHPDCL requests the Hon'ble Commission to approve the actual T&D losses for FY 19-20.

2.4 Energy Requirement and Energy Balance

Based on the actual energy sales and the transmission & distribution loss units, the actual energy requirement for DNHPDCL has been furnished below. The energy requirement has been met through various sources as described in the subsequent section.

Table 3: Energy Requirement and Energy Balance for FY 2019-20

Particulars	(MU)	
	FY 19-20 Approved (18th May, 2020)	FY 19-20 Actual
Sales	6,420.75	6,288.00
Open Access Sales	0.00	0.00
Less: Energy Savings	0.00	0.00
Total Sales	6,420.75	6,288.00
Add: Losses	288.50	225.85
T&D Losses	4.30%	3.47%
Energy Required at Periphery	6709.25	6513.85
Add: Sales to common pool consumer	0.00	19.42
Add: Sales through IEX	0.00	16.81
Less: Own Generation	4.93	6.18
Total energy requirement at state periphery	6704.32	6543.89
Less: Energy Purchased through UI at Periphery	13.31	18.95
Less: Purchase from Renewable Sources	0.00	0.00
Less: Open Access Purchase	0.00	0.00
Less: Purchase from Power Exchange	860.44	999.80
Total Energy Required at Periphery	5,830.57	5,525.14
Transmission loss	221.50	227.75
Transmission loss (%)	3.66%	3.96%
Total Energy to be purchased	6,052.07	5,752.88
Total Energy requirement from tied up sources + UI at generator end +renewable sources	6,930.75	6,777.82
Total Energy requirement in UT including Open Access	6,930.75	6,777.82

The actual energy recorded at the periphery of DNHPDCL was 6513.85 MUs (including own generation) during FY 2019-20. Accordingly, the actual transmission losses stood at 227.75 MUs during the FY 2019-20.

2.5 Power Purchase Cost

DNHPDCL sources power from Central Generating Stations like Korba, Vindychal, Kahalgaon, Kawas, Sipat, Tarapur and Kakrapar atomic power stations of NPCIL etc. Besides, DNHPDCL also drew power from EMCO Energy Limited. The power procured during FY 19-20 as against that approved by the Hon'ble Commission is provided in the table below.

Table 4: Power Purchase Cost for FY 2019-20

Particulars	MUs		Cost	
	FY 19-20	FY 19-20	FY 19-20	FY 19-20
	Approved	Actual	Approved	Actual
Power Purchase Cost as per Note - 21	6,930.75	6777.42	3,495.69	3,356.08
Less: RPO Obligation provisioning				17.55
				3338.53
Add: Actual Expenses Incurred for RPO Compliances Note 17(ii)				162.51
Add: Interest (Carrying Cost) on power purchase Note- 24				0.63
Power Purchase Cost				3,501.67
Less: Sale through Exchange				5.73
Less: Sale through DSM				3.74
Less: Sale through SECD				4.04
Total Power Purchase Cost				3,488.16

The Hon'ble Commission had approved a power purchase cost of Rs. 3495.69 Crore in the last Tariff Order whereas the actual power purchase cost was Rs. 3488.16 Crore.

In the Annual Audited Accounts submitted to the Hon'ble Commission as Annexure of this petition the power purchase cost has been given as Rs. 3356.08 Crore which includes provisioning of RPO obligation of Rs. 17.55 crore (note 21 of the Annual Audited Accounts). Hence, the actual power purchase cost excluding the RPO obligation comes to Rs. 3338.53 Crore.

Further, the DNHPDCL has actually incurred an amount of Rs. 162.51 Crore (note 17 (ii) of the Annual Audited Accounts) towards meeting the RPO compliances as tabled below. The RPO compliances cost has been allowed under the regulation on the actual incurrence basis. Also, Rs. 0.63 Crore given under the finance charges has been included in the power purchase cost as the

same pertains to carrying cost levied by the generators on power purchase bills due to revision / true up methodology approved by the CERC. Hence, the total power purchase cost included finance charges and amount incurred for RPO compliances is Rs. 3501.67 crore.

The DNHPDCL purchased 18.95 MU during FY 2019-20 through UI at the cost of Rs. 9.00 Crore to meet the energy shortfall during the year at a cost of Rs. 4.75 per unit. The DNHPDCL also requests the JERC to allow the UI purchase during FY 19-20 without any penalty as the DNHPDCL has already incurred that amount and the total UI amount paid is included in the power purchase cost for FY 19-20.

Further, the revenue earned through sale of power through exchange, deviation settlement mechanism and SCED income amounting to Rs. 13.51 Crore (note 19 of Annual Audited Accounts) has been deducted from the power purchase cost to arrive at the total power purchase cost for the FY 2019-20. Hence, the total power purchase cost is Rs. 3488.16 crore.

Cost Incurred for RPO Compliance

The details of the REC purchased during the FY 2019-20 is provided in the table given below:

Table 5: RPO Compliance during FY 2019-20

Particulars	REC (MUs)	Amount (Rs. Crore)
Non-Solar REC	711.69	132.79
Solar REC	109.60	29.72
Own Generation	6.18	-
Total	827.47	162.51

The DNHPDCL purchased 18.95 MU during FY 2019-20 through UI at the cost of Rs. 9.00 Crore to meet the energy shortfall during the year at a cost of Rs. 4.75 per unit. The DNHPDCL also requests the JERC to allow the UI purchase during FY 19-20 without any penalty as the DNHPDCL has already incurred

that amount and the total UI amount paid is included in the power purchase cost for FY 19-20.

Further, power purchase cost is approximately the same as approved by the Hon'ble Commission for FY 2019-20. There is no abnormal / material variation, which requires any justification / explanation. This clearly establishes that DNHPDCL is making its best efforts to procure power at cheaper rate by scheduling the power from cheaper sources by reviewing the daily power requirement and making efforts to procure power through UI as per permissible norms instead of procuring costlier power from other sources.

The DNHPDCL requests the Hon'ble Commission to approve the actual power purchase cost for FY 19-20 without any deduction.

2.6 Operation and Maintenance Expenses

Operations and Maintenance (O&M) Expenses of the company consists of the following elements:

- Employee Expenses
- Repairs and Maintenance Costs
- Administrative and General Expenses

Employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses.

Repairs and Maintenance Expenses go towards systematic and planned maintenance, the day to day maintenance of the distribution network of the DNHPDCL and form an integral part of the company's efforts towards reliable and 24X7 power supply as also in the reduction of losses in the system. This further includes stores and spares used for maintenance activity and licensing fees paid to JERC.

Administration expenses mainly comprise of audit expenses, printing and stationery, advertisements, telephone and communication expenses, legal and



professional charges, fees and subscription, conveyance and travelling allowances and other miscellaneous office expenses.

The Hon'ble Commission had approved the O&M cost at Rs. 30.28 Crore and Rs. 30.30 Crore respectively vide Tariff 20th May, 2019 and 18th May, 2020 respectively. The actual and O&M expenses approved by the Hon'ble Commission are given in the table below:

Table 6: O&M Expenses for FY 2019-20

Particulars	(Rs. Crore)		
	FY 19-20 Approved (20 May, 2019)	FY 19-20 Approved (18th May, 2020)	FY 19-20 Actual
Employee Cost	14.51	12.83	12.95
R&M	8.81	11.38	19.50
A&G	6.96	6.09	7.31
O&M Expenses	30.28	30.30	39.76

During FY 2019-20, DNHPDCL incurred actual O&M expense of Rs. 39.76 Crore which included Employee cost of Rs. 12.95 Crore, Repair & Maintenance charges of Rs. 19.50 Crore and Administration & General Expenses of Rs. 7.31 Crore.

Analysis of O&M Expenses

The actual R&M expenses for FY 2019-20 were Rs. 19.50 crore as against the approved cost of Rs. 11.38 crore. The R&M expenditure actually incurred by DNHPDCL in comparison with EDDD and Chandigarh is given in the table below:

Table 7: Analysis of O&M Expenses

Particulars	DNHPDCL	EDDD	Chandigarh
Load Management (MU)	6800	2600	2800
220 KV(CKM)	37.00	33.00	0.00
66 KV(CKM)	280.00	89.00	124.00
33 KV (CKM)	0.00	0.00	28.00
11 kV (CKM)	834.00	420.00	889.00

Particulars	DNHPDCL	EDDD	Chandigarh
Total Line Length (CKM)	1151.00	542	1041.00
Approved R&M Cost for FY 2019-20 (Rs. Crore)	11.38	19.36	19.36

From the above table it may be seen that the Power Load Management of the DNHPDCL is higher by 150% as compared to EDDD and Chandigarh. Further, the line length maintained by the DNHPDCL is materially higher than as compared to EDDD and Chandigarh. Accordingly, the R&M expenses should be higher for DNHPDCL as compared to both the other utilities. However, the Commission has approved abnormally lower (approx. 50%) R&M expense for DNHPDCL as compared to both the other utilities. It is also worth to mention here that the distribution area of DNHPDCL is greater than both the other utilities. However, the methodology of approving the R&M expenditure is on the basis of previous year approved expenditure which is not a scientific methodology. Hence, the same results into approval a substantially lower R&M expenditure for the DNHPDCL. Hence, it is requested that the R&M expenses incurred by DNHPDCL during the FY 2019-20 may be allowed in the true up without any deduction.

The other two factors i.e. employee cost and A&G expenses are marginally higher than the cost approved by the Hon'ble Commission and the details of these expenditures has been provided in the Audited Financial Statements for the FY 2019-20. Hence, the same may also be approved by the Hon'ble Commission in the truing up for the FY 2019-20.

2.7 Capital Expenditure and Capitalization

The actual capitalization incurred by DNHPDCL during the FY 19-20 was Rs. 14.48 Crore, as against Rs. 5.70 approved by the Hon'ble Commission in its Tariff Order dated 20th May, 2019 and 18th May, 2020. The capital expenditure incurred and capitalization for FY 2019-20 against that approved by the Hon'ble Commission is as shown below:

Table 8: Capital Expenditure and Capitalization for FY 2019-20

Particulars	(Rs. Crore)		
	FY 19-20 Approved (20 May, 2019)	FY 19-20 Approved (18th May, 2020)	FY 19-20 Actual
Capital Expenditure	128.20	128.20	42.89
Capitalisation	5.70	5.70	14.48

The capitalization value of Rs. 14.48 Crore is excluding the value of new solar plants of Rs. 1.66 Crore capitalized during the FY 2019-20. The DNHPDCL, therefore, requests the Hon'ble Commission to approve the capital expenditure and capitalization for FY 19-20.

2.8 Depreciation

The depreciation has been worked out after applying the Depreciation rates as per the JERC (Multi Year Distribution Tariff) Regulations, 2018.

For computation of depreciation, DNHPDCL has considered the opening balance of the GFA for FY 19-20 and subsequently added the assets capitalized in FY 19-20.

Accordingly, the depreciation so arrived and approved depreciation for FY 19-20 are as shown below:

Table 9: Depreciation for FY 2019-20

Particulars	(Rs. Crore)		
	FY 19-20 Approved (20 May, 2019)	FY 19-20 Approved (18th May, 2020)	FY 19-20 Actual
Opening GFA	432.95	452.36	452.36
Addition during the year	5.70	5.70	14.48
Closing GFA	438.65	458.06	466.84
Average GFA	435.80	455.21	459.60
Depreciation during the year	16.87	15.76	10.82

The opening GFA as per Annual Accounts FY 2018-19 is Rs. 481.11 crore which also includes assets pertaining to solar plants amounting to Rs. 28.75 crore. Accordingly, opening GFA of Rs. 452.36 crore excluding the solar plants has

been considered. The addition during the year is Rs. 16.14 crore which include assets pertaining to solar plants amounting Rs. 1.66 Crore. Accordingly, the net addition during the FY 2019-20 is Rs. 14.48 Crore. Accordingly, the closing GFA considered above amounting to Rs. 466.84 crore is excluding the solar plant value of Rs. 30.41 Crore. The DNHPDCL, requests the Hon'ble Commission to approve the actual depreciation of Rs. 10.82 Crores excluding depreciation on solar plants for FY 19-20 without any deduction.

2.9 Interest and Finance Charges

For assessing interest on Loans in FY 19-20, DNHPDCL has considered the Opening Balance of Loans for FY 19-20 as approved by the Hon'ble Commission in its Tariff Order dated 18th May, 2020 for the Review of the ARR for FY 19-20. The normative loan addition in FY 19-20 has been computed as 70% of the capitalization for FY 19-20 which works out to Rs. 10.13 Crore. The capitalization for FY 19-20 was Rs. 14.48 Crore as per the annual audited accounts for FY 19-20.

The repayment of loans has been considered equal to the depreciation during the FY 2019-20. Further the rate of interest has been considered as equal to the SBI PLR as on 1st April, 2019 plus 100 basis points which is 9.55%.

The total Interest & Financial charges for FY 2019-20 computed by DNHPDCL as against approved by the Hon'ble Commission is as shown below:

Table 10: Interest on Loan for FY 2019-20

Particulars	(Rs. Crore)		
	FY 19-20 Approved (20 May, 2019)	FY 19-20 Approved (18th May, 2020)	FY 19-20 Actual
Opening Loan	12.44	26.11	26.11
Loan for additional Capex (70:30 debt-equity)	3.99	3.99	10.13
Loan Repayment	16.87	15.76	10.82
Closing Loan	6.22	14.34	25.42
Interest Cost on Avg. Loans	0.59	1.93	2.46

The DNHPDCL, requests the Hon'ble Commission to approve the interest on loan computed for FY 19-20.

2.10 Interest on Working Capital

The interest on working capital has been calculated based on the normative principles outlined by the Hon'ble Commission in the JERC (Multi Year Distribution Tariff) Regulations, 2018.

The working capital requirement for the Control Period has been computed considering the following parameters:

- a. O&M expense for one month
- b. Maintenance spares at 40% of R&M for one month
- c. Receivables for 2 months
- d. Less consumer security deposit but excluding Bank Guarantee/Fixed Deposit Receipt

DNHPDCL has computed interest on working capital at 10.55% (SBI base rate as on 1st April, 2019 plus 200 basis points). The interest on working capital for FY 19-20 as per applicable regulation against approved by the Hon'ble Commission is as shown below:

Table 11: Interest on Working Capital for FY 2019-20

Particulars	(Rs. Crore)		
	FY 19-20 Approved (20 May, 2019)	FY 19-20 Approved (18th May, 2020)	FY 19-20 Actual
O&M expense for one month	2.52	2.52	3.31
Maintenance spares at 40% of R&M for one month	0.29	0.38	0.65
Receivables for 2 months	517.64	562.82	561.64
Total	520.45	565.72	565.60
Less consumer security deposit but excluding Bank Guarantee/Fixed Deposit Receipt	39.19	53.08	60.63
Net Working Capital required after deduction of Security Deposit	481.26	512.64	504.97
Interest on Working Capital	48.85	54.08	53.27

The DNHPDCL, requests the Hon'ble Commission to approve the interested on working capital computed for FY 19-20.

2.11 Return on Equity

As per the JERC (Multi Year Distribution Tariff) Regulations, 2018, DNHPDCL is entitled for a Return on Equity (RoE).

The Regulation 27.2 and 27.3 of the MYT Regulations, 2018 stipulates the following:

“27.2 The return on equity for the Distribution Wires Business shall be allowed on the equity capital determined in accordance with Regulation 26 for the assets put to use at post-tax rate of return on equity specified in the prevalent CERC Tariff Regulations for transmission system.

27.3 The return on equity for the Retail Supply Business shall be allowed on the equity capital determined in accordance with Regulation 26 for the assets put to use, at the rate of sixteen (16) per cent per annum.”

The DNHPDCL has segregated the approved average equity (average of opening and closing equity) into average equity for Distribution Wires Business and Retail Supply Business based on the Allocation Statement provided in the MYT Regulations, 2018 i.e. 90% allocation for the Distribution Wires Business and 10% allocation for the Retail Supply Business. The Commission has considered a rate of 15.50% for the Distribution Wires Business (as per the prevalent CERC Regulations) and a rate of 16% for the Retail Supply Business. The equity component has been determined in accordance with the Regulation 26 of the MYT Regulations, 2018. The following table provides the Return on Equity approved for the FY 2019-20.

Table 12: Return on Equity for FY 2019-20

Particulars	(Rs. Crore)		
	FY 19-20 Approved (20 May, 2019)	FY 19-20 Approved (18th May, 2020)	FY 19-20 Actual
Opening Equity	94.26	100.08	135.71
Additions on account of new capitalisation	1.71	1.71	4.34
Closing Equity	95.97	101.79	140.05
Average Equity	95.12	100.94	137.88
Equity for wire business (90%)	85.61	90.84	124.09
Equity for Retail Supply Business (10%)	9.51	10.09	13.79
Return on Equity for Wire Business (%)	15.50%	15.50%	15.50%
Return on Equity for Retail Supply Business (%)	16.00%	16.00%	16.00%

Particulars	FY 19-20	FY 19-20	FY 19-20
	Approved (20 May, 2019)	Approved (18th May, 2020)	Actual
Return on Equity for Wire Business	13.27	14.08	19.23
Return on Equity for Retail Supply Business	1.52	1.61	2.21
Return on Capital Base	14.79	15.70	21.44

The DNHPDCL, requests the Hon'ble Commission to approve the return on equity computed for FY 19-20.

Additional ROE for the FY 2018-19 and FY 2016-17 & FY 2017-18

Regulation 27 of MYT Regulations, 2014 provide as follows:

- The Return on equity shall be computed on 30% of the capital base or actual equity, whichever is lower:
Provided that assets funded by consumer contribution, capital subsidies/grants and corresponding depreciation shall not form part of the capital base. Actual equity infused in the Distribution Licensee as per book value shall be considered as perpetual and shall be used for computation in this Regulation.
- The return on the equity invested in working capital shall be allowed from the date of start of commercial operation.
- 16% post-tax return on equity shall be considered irrespective of whether the Distribution Licensee has claimed return on equity in the ARR Petition"

As given above the MYT Regulations allow the utility to claim ROE on 30% of the capital base or the actual equity whichever is lower. However, in the true up petition of FY 2018-19 the Hon'ble Commission has allowed ROE on the basis of paid up equity share capital whereas the Regulation specifically provides that ROE should be allowed on the basis of equity and not on the basis of paid up equity capital. In this regard it is also worth mentioning that Regulation specifically states that ROE should be allowed irrespective of whether the Distribution Licensee has claimed return on equity in the ARR Petition. Hence, the DNHPDCL is claiming additional ROE for the FY 2018-19 as detailed in the table given below:

Table 13: Additional ROE for FY 2018-19

Particulars	(Rs. Crore)
	FY 18-19
Return on Equity claimed in the true up Petition of FY 2018-19	21.25
Return on Equity approved for FY 2018-19 in Tariff Order	15.55
Differential ROE claimed	5.70

The DNHPDCL, requests the Hon'ble Commission to approve the additional ROE amounting to Rs. 5.70 Crores for the FY 2018-19.

Further, the DNHPDCL has already filed an appeal before the Hon'ble APTEL against the allowance of the lower ROE in deviation with specific provision of JERC MYT Regulations for the FY 2016-17 and FY 2017-18 as claimed in the Tariff Petition filed for the FY 2020-21 amounting to Rs. 11.41 Crore.

In view of above it is submitted that the additional ROE of Rs. 17.11 Crore may please be allowed for the FY 2016-17 to FY 2018-19.

2.12 Income Tax

The JERC (Multi Year Distribution Tariff) Regulations, 2018, has a provision for Income Tax on actual payment basis. The DNHPDCL paid Rs. 2.63 Crore as income tax during the FY 2019-20.

Table 14: Income Tax for FY 2019-20

Particulars	(Rs. Crore)		
	FY 19-20	FY 19-20	FY 19-20
	Approved (20 May, 2019)	Approved (18th May, 2020)	Actual
Income Tax	0.00	0.00	2.63

The DNHPDCL, requests the Hon'ble Commission to approve the Income Tax for FY 19-20.

2.13 Interest on Security Deposit

In terms of the section 47 (4) of the Electricity Act, 2003 'the distribution licensee is required to pay interest on security deposit collected from consumers equivalent to bank rate or more as may be specified by the Commission. The DNHPDCL paid the interest on security deposit of Rs. 4.20 Crore to its consumers during the FY 2019-20. The opening security deposit for the FY 2019-20 was Rs. 53.08 Crore and the closing security deposit was Rs. 60.63 Crore.

Table 15: Interest on Security Deposit for FY 2019-20

Particulars	(Rs. Crore)		
	FY 19-20	FY 19-20	FY 19-20
	Approved (20 May, 2019)	Approved (18th May, 2020)	Actual
Interest on Security Deposit	2.45	2.7	4.20

The DNHPDCL, requests the Hon'ble Commission to approve the interest on security deposit for FY 19-20 as given in the table above.

2.14 Non-Tariff Income

The actual Non-Tariff Income of DNHPDCL for FY 19-20 was Rs. 8.22 Crore. The Hon'ble Commission had approved non-tariff income of Rs. 44.99 Crore and Rs. 14.17 Crore in the Tariff Orders dated 20th May, 2019 and 18th May, 2020 respectively. The details are as shown in the Table below:

Table 16: Non-Tariff Income for FY 2019-20

Particulars	(Rs. Crore)		
	FY 19-20 Approved (20 May, 2019)	FY 19-20 Approved (18th May, 2020)	FY 19-20 Actual
Non tariff Income	44.99	14.17	8.22
Tender Fees			0.02
Provision Written Back			0.09
Sale of Scrap			0.23
Miscellaneous Income			2.30
Other Operating Income			5.57

2.15 Incentive/Disincentive towards over/under achievement of norms of distribution losses

In the APR for FY 2019-20, the Commission had approved the T&D loss level of 4.30%. The DNHPDCL has achieved T&D loss of 3.45% against the approved loss level of 6.70%. The DNHPDCL, in accordance with Regulation 14.1 of the JERC MYT Regulations, 2018 (reproduced below) has determined the incentive towards the over-achievement of the target of Intra-State distribution loss for FY 2019-20 as follows:

"14.1 Approved aggregate gain to the Transmission Licensee or Distribution Licensee on account of controllable factors shall be shared equally between Licensee and Consumers:

Provided that the mechanism for sharing of gains or losses on account of controllable factors for a Generating Company shall be as specified in the prevalent CERC Tariff Regulations."

The incentive has been considered at INR 5.35/kWh, which is the Average Power Purchase cost (APPC) of the Petitioner. The APPC has been derived at State/UT Periphery based on the Power Purchase cost approved in the true-up and the Energy at the State/UT Periphery has been computed after grossing up the retail energy sales (6288.00 MU) with the actual Intra-State T&D Loss (3.47%).

Table 17: Incentive due to over-achievement of Intra-State Distribution Loss target

Particulars	Approved	Actual
Retail Sales	6288.00	6288.00
T%D Loss (%)	4.30%	3.47%
Power Purchase at State Periphery	6570.53	6513.85
Gain/Loss (MU)		56.68
Average Power Purchase Cost		5.35
Gain/Loss (MU)		30.35
Sharing of 50% of gain with Petitioner (Rs. Crore)		15.18

2.16 Annual Revenue Requirement for the FY 2019-20

Based on above expenses, the Table below summarizes Aggregate Revenue Requirement for FY 19-20 for DNHPDCL in comparison with values approved by the Hon'ble Commission in the last two Tariff Orders:

Table 18: Annual Revenue Requirement for FY 2019-20

Particulars	(Rs. Crore)		
	FY 19-20 Approved (20 May, 2019)	FY 19-20 Approved (18th May, 2020)	FY 19-20 Actual
Power Purchase Cost	3,037.02	3,495.69	3,488.16
O&M Expense	30.28	30.30	39.76
Depreciation	16.87	15.76	10.82
Interest Cost on Long-term Capital Loans	0.59	1.93	2.46
Interest on Working Capital Loans	48.85	54.08	53.27
Return on Equity	14.79	15.70	21.44
Additional ROE for previous year	0.00	0.00	17.11
Provision for Bad Debt	0.00	0.00	0.00
Interest on security deposit	2.45	2.70	4.20
Income Tax	0.00	0.00	2.63
Incentive/Disincentive on achievement of norms	0.00	0.00	15.18
Total	3,150.85	3,616.16	3,655.03
Less:			
Non-Tariff Income	44.99	14.17	8.22
Annual Revenue Requirement	3,105.86	3,601.99	3,646.81

DNHPDCL requests the Hon'ble Commission to kindly approve the ARR submitted hereinabove.



2.17 Revenue for FY 2019-20

During the FY 19-20, DNHPDCL's actual revenue from retail sales amounted to Rs. 3369.82 Crore as against Rs. 2970.56 Crore and Rs. 3376.89 Crore as approved by the Hon'ble Commission vide its Tariff Order dated 20th May, 2019 and 18th May, 2020 respectively.

Table 19: Revenue for FY 2019-20

Particulars	(Rs. Crore)		
	FY 19-20 Approved (20 May, 2019)	FY 19-20 Approved (18th May, 2020)	FY 19-20 Actual
Revenue from sale of power	2,970.56	3,376.89	3369.82
Total revenue	2970.56	3376.89	3369.82

2.18 Revenue (Gap)/Surplus for FY 2019-20

The Hon'ble Commission in Order dated 20th May, 2019 has approved a total Aggregate Revenue Requirement of Rs. 3015.86 Crore for FY 19-20. Further, the Commission has computed the revised ARR in the Tariff Order dated 18th May, 2020 of Rs. 3601.99 Crore. DNHPDCL has arrived at the trued-up Aggregate Revenue Requirement for FY 19-20 of Rs. 3646.81 Crore.

This revised Aggregate Revenue Requirement is compared against the revised income under various heads including revenue with existing tariff of Rs. 3369.82 Crore. Accordingly, total revenue gap of DNHPDCL for FY 19-20 is computed at Rs. 276.99 Crore as depicted in the Table below:

Table 20: Revenue Gap/Surplus for FY 2019-20

Particulars	(Rs. Crore)	
	FY 19-20 Approved (18th May, 2020)	FY 19-20 Actual
Annual Revenue Requirement	3601.99	3646.81
Revenue from sale of power	3376.89	3369.82
Revenue (Gap)/Surplus	(225.10)	(276.99)
Previous Years' (Gap)/Surplus Carried Over	100.14	100.14
Holding Cost	(1.18)	(3.66)
Net Revenue (Gap)/surplus	(126.14)	(180.51)

DNHPDCL requests the Hon'ble Commission to consider the revenue gap of Rs. 180.51 Crore for FY 19-20 arrived as part of truing up process.



Chapter 3: Review of FY 2020-21

The review of aggregate revenue requirement for FY 20-21 is based on quantum of energy sales, energy loss as well as various cost elements like power purchase cost, O&M expenses, interest cost and depreciation etc. This has been done based on actual data for six months and revised estimates for the remaining six months of FY 20-21. DNHPDCL analysis in respect of items given below is discussed in the following paras:

- a. Category wise Energy Sales & Revenues at existing tariffs;
- b. T&D Losses;
- c. Energy Requirement;
- d. Determination of Aggregate Revenue Requirement (ARR) by forecasting the following costs, other income & returns:
 - i. Power Purchase Cost
 - ii. Employee Cost
 - iii. Repairs & Maintenance Cost
 - iv. Admin & General Cost
 - v. Capital Investment Plan
 - vi. Interest Cost
 - vii. Interest on Working Capital
 - viii. Depreciation
 - ix. Provision for bad & doubtful debts
 - x. Return on Equity
 - xi. Income Tax
 - xii. Non-Tariff Income
- e. Determination of Gap between Revenue & Costs, Additional Revenue through the proposed Tariff Revision and the arrangements to cover the revenue gap.



3.1 Energy Sales

Based on the actual retail sales to various consumers, DNHPDCL has estimated the total retail energy sold for FY 20-21 as shown in the Table below:

Table 21: Category wise sales for FY 20-21 (Revised Estimate)

Particulars	(MU)		
	FY 20-21 Approved (20th May, 2019)	FY 20-21 Approved (18th May, 2020)	FY 20-21 RE
Domestic	146.74	153.82	154.19
LIG/ Kutir Jyoti	0.00	0.00	10.45
Commercial	36.83	39.23	33.78
Agriculture	7.77	7.14	5.01
LT Industry	219.82	234.21	181.50
HT/EHT Industry	6074.97	6243.48	4757.71
Public Lighting	8.80	3.09	2.68
Public Water Works	9.20	5.69	5.00
Temp. Supply	3.39	2.82	3.62
Total Sales	6,507.52	6,689.48	5,153.96

As can be seen, DNHPDCL's overall energy sales are significantly dependent upon HT/EHT Industries to the extent of around 94%. The sales proposed by DNHPDCL is based upon the actual power sold by the Corporation during the first six months of FY 2019-20. The estimated sales for the FY 2020-21 has reduced significantly due to the lockdown imposed by the Government of India during the month of the March, 2020. The DNHPDCL requests the Hon'ble Commission to approve the category wise sales estimated for the FY 2020-21.

3.2 Distribution loss for FY 20-21

DNHPDCL has considered the distribution losses of 4.20% for FY 20-21 as approved by the Hon'ble Commission in its last Tariff Order.

Table 22: Distribution losses for FY 20-21

Particulars	(%)		
	FY 20-21 Approved (20th May, 2019)	FY 20-21 Approved (18th May, 2020)	FY 20-21 RE
Distribution Loss	4.20%	4.20%	4.20%

It is requested to please approve the distribution loss for the FY 2020-21 as submitted in the table given above.

3.3 Energy Requirement of the System

The following Table depicts the energy requirement of the DNHPDCL for FY 20-21.

Table 23: Energy Requirement of the System

Particulars	(MU)	
	FY 20-21 Approved (18th May, 2020)	FY 20-21 RE
Sales	6,689.48	5,153.96
Open Access Sales	0.00	0.00
Less: Energy Savings	0.00	0.00
Total Sales	6,689.48	5,153.96
Add: Losses	293.28	225.96
T&D Losses	4.20%	4.20%
Energy Required at Periphery	6,982.76	5,379.91
Add: Sales to common pool consumer	0.00	0.79
Add: Sales through IEX	0.00	67.30
Less: Own Generation	5.38	6.18
Total energy requirement at state periphery	6,977.38	5,441.82
Less: Energy Purchased through UI at Periphery	0.00	11.73
Less: Purchase from Renewable Sources	1,664.40	0.00
Less: Open Access Purchase	0.00	0.00
Less: Purchase from Power Exchange	0.00	646.55
Total Energy Required at Periphery	5,312.98	4,783.54
Transmission loss	201.84	181.73
Transmission loss (%)	3.66%	3.66%
Total Energy to be purchased	5,514.82	4,965.27
Total Energy requirement from tied up sources & UI at generator end	7,184.60	5,629.73
Total Energy requirement in ut including Open Access	7,184.60	5,629.73

3.4 Energy Availability and power purchase cost

Dadra & Nagar Haveli has no generating stations of its own and relies on the firm and infirm allocation of power from Central Generating Stations like Korba, Vindhyachal, Kahalgaon, Kawas, Sipat, Tarapur, Kakrapar etc. to meet its energy requirement.

The DNHPDCL for the purpose of estimation of the power availability during FY 19-20 has considered the following sources of power:

- NTPC Western Region Generating Stations
- NTPC Eastern Region Generating Stations
- NSPCL (NTPC-SAIL Power Company Ltd)
- Nuclear Power Corporation of India Limited
- Private Sector Power Generating Companies
- Renewable energy sources – Solar and Non-Solar
- Other market sources

The Petitioner has allocation from Western as well as Eastern region from coal, gas and nuclear power stations. However, for meeting the supply-demand gap during the peak hours, the Petitioner has relied on energy exchange and over-drawal from the Grid (UI).

For projecting of the energy availability for FY 20-21, six months actual power purchase has been considered. For projection of remaining six months of power purchase for FY 20-21, firm and infirm allocation from various generating stations has been considered as per the allocation specified in the notification no's. WRPC/Comml-I/6/Alloc/2020 dated:- 15/10/2020 of Western Regional Power Committee. Detailed methodology for projecting the power availability to the Petitioner from various sources is summarized below.

Table 24: Energy Allocation from Central Generating Stations

Name of the plant	(MW)		
	Weighted average Infirm allocation	Weighted Average Firm allocation	Weighted average total allocation
KSTPP	51.20	0.00	51.20
KSTPS -3	19.68	2.20	21.88
VSTPP-I	37.03	5.00	42.03
VSTPP-II	27.97	4.00	31.97
VSTPP- III	27.97	6.00	33.97
VSTPP- IV	39.36	5.55	44.91
KAWAS	56.18	25.00	81.18
GGPP	56.74	2.00	58.74
Sipat - I	77.93	9.00	86.93

Name of the plant	Weighted average Infirm allocation	Weighted Average Firm allocation	Weighted average total allocation
Sipat - II	26.56	4.00	30.56
KHSTPP - II	3.50	0.00	3.50
Mauda I (MSTPS)	39.36	5.55	44.91
VSTPP-V	19.68	5.55	25.23
Mauda II	51.95	8.60	60.55
Solapur	51.95	21.57	73.52
Gadarwara	31.49	10.42	41.91
LARA	31.20	5.23	36.43
Kharagaon	51.95	16.83	68.78
NPCIL - KAPS	10.36	2.00	12.36
NPCIL - TAPP 3&4	35.03	7.00	42.03
Total	747.07	145.50	892.57
NSPCL Bhilai		100	100.00

Based on the actual power purchase cost of the first six months of FY 20-21 and the remaining six months projection, the revised estimated power purchase cost for FY 20-21 is presented in the following Table:

Table 25: Revised estimated Power Purchase cost for FY 20-21

Source	(Rs. Crore)						
	Units Purchased	Fixed Charges	Variable Charges	Other Charges	Rebate	All Charges Total	Per Unit Cost
NTPC Stations							
KSTPS	362.67	21.83	56.53	(0.82)	0.00	77.54	2.14
KSTPS 3	163.93	20.10	25.32	(0.29)	0.00	45.13	2.75
VSTPP-I	257.12	19.83	46.52	(1.00)	0.00	65.35	2.54
VSTPP-II	208.62	13.22	36.69	(0.43)	0.00	49.47	2.37
VSTPP- III	229.60	21.80	40.44	(0.90)	0.00	61.34	2.67
VSTPP- IV	298.17	45.77	50.93	(0.25)	0.00	96.44	3.23
KGPP	202.23	47.99	42.08	3.00	0.00	93.07	4.60
GGPP	164.52	44.38	35.56	2.78	0.00	82.72	5.03
Sipat-I	614.68	72.71	100.62	(0.29)	0.00	173.03	2.82
Sipat-II	215.11	23.44	36.41	(0.82)	0.00	59.03	2.74
Mauda	111.88	55.86	33.53	0.87	0.00	90.26	8.07
VSTPS-V	163.91	26.50	29.13	(0.29)	0.00	55.34	3.38
Mauda 2	126.30	59.60	38.69	1.25	0.00	99.53	7.88
Solapur	199.51	84.68	59.81	0.49	0.00	144.97	7.27
LARA	184.82	46.10	39.36	(0.06)	0.00	85.39	4.62
Gadarwara	204.90	55.63	53.68	0.18	0.00	109.49	5.34
Kharagaon	289.88	96.32	84.00	0.30	0.00	180.61	0.00
KHSTPP-II	18.15	1.82	3.92	0.02	0.00	5.76	3.17

Source	Units Purchased	Fixed Charges	Variable Charges	Other Charges	Rebate	All Charges Total	Per Unit Cost
Subtotal - NTPC	4016.02	757.58	813.19	3.69	48.99	1525.47	3.80
NSPCL - Bhilai	580.44	115.38	154.68	-1.31	0.00	268.75	4.63
NSPCL - Rourkela	0.00	0.00	0.00	0.00		0.00	0.00
NPCIL							
KAPS	80.59	0.00	19.11	0.00	9.11	10.00	1.24
TAPS	288.22	0.00	99.96	44.54	0.00	144.50	5.01
Subtotal	368.82	0.00	119.07	44.54	9.11	154.50	4.19
Power purchase from Other Sources							
Indian E. Exchange/Bilateral	646.55	0.00	218.97	0.00	0.00	218.97	3.39
UI	11.73	0.00	3.69	0.00	0.00	3.69	3.15
Solar	6.18	0.00	0.00	0.00	0.00	0.00	0.00
Non Solar	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Solar REC	0.00	0.00	36.37	0.00	0.00	36.37	0.00
Non Solar REC	0.00	0.00	48.65	0.00	0.00	48.65	0.00
Solar (SECI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Wind (SECI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	664.46	0.00	259.03	0.00	0.00	307.68	4.63
Rebate							
Total Power Purchase	5629.73	872.96	1345.97	46.92	58.10	2256.40	4.01
External Losses							
Availability at ED-DNH Periphery	5629.73	872.96	1345.97	46.92	58.10	2256.40	4.01
PGCIL CHARGES						399.47	
POSO						0.56	
WRPC						0.00	
Reactive charges						2.43	
MSTCL						0.00	
Intra-state transmission charges						41.45	
Grand Total of Charges	5629.73	872.96	1345.97	46.92		2700.30	4.80
GMR - Change in Law						0.24	
Grand Total of All Charges						2700.54	

Per unit variable cost, fixed cost and other charges have been considered at the same level as actual from April to September 2020.

Power purchase arrear for the remaining six months has been considered as nil as DNHPDCL has no prior information of arrear bills from the generators and transmission companies.

The Government of India, Ministry of Power has allocated 2% (38 MW) power to DNHPDCL on a long term basis from RGPPL. The DNHPDCL had also executed PPA with RGPPL. RGPPL had previously shut down the generating station on account of minimum technical load requirement as the main beneficiary i.e. Maharashtra was not scheduling the power. Accordingly, DNHPDCL has not considered any power purchase from RGPPL.

As per the revised RPO targets the DNHPDCL has to purchase 314.39 MUs of solar energy and 412.32 MUs of non-solar energy during the FY 2020-21. The DNHPDCL will fulfil the RPO target through generation of 6.18 MUs of solar power during the FY 2020-21. Rest of the RPO shall be fulfilled by purchase of Renewable energy certificates.

The DNHPDCL is receiving change in law claim bills allowed by CERC from GMR. An amount of Rs. 0.24 Crore has been considered during the FY 2020-21 to arrive at the net power purchase cost for FY 2020-21.

3.5 Operation & Maintenance Costs

The approved and revised estimated O&M cost for FY 20-21 is shown in the following Table:

Table 26: O&M Expense for FY 20-21

Particulars	(Rs. Cr.)		
	FY 20-21 Approved (20th May, 2019)	FY 20-21 Approved (18th May, 2020)	FY 20-21 RE
Employee Cost	16.60	13.41	13.65
R&M	8.92	11.53	22.41
A&G	7.26	6.34	7.70
O&M Expenses	32.78	31.28	43.75

The DNHPDCL has computed the employee cost and the A&G expenses as per the methodology given in the MYT Regulations, 2018 for the FY 2020-21. However, the R&M expenses have been estimated by considering the actual R&M expenses incurred during the FY 2019-20 and also taking into consideration the increase in the Annual License Fees of the utilities. The R&M expenses have increased substantially because of planned O&M activities

resulting in reduction of T&D losses and the actual R&M expenses for the FY 2019-20 were Rs. 19.50 Crore.

The DNHPDCL requests the Hon'ble Commission to approve the O&M expenses as submitted above for the FY 2020-21.

3.6 Capital Expenditure Plan

DNHPDCL has considered the capital expenditure and capitalization at the same level as approved by the Hon'ble Commission for the FY 2020-21 in its Tariff Order dated 18th May, 2020. The DNHPDCL requests the Hon'ble Commission to approve the capital expenditure against the scheme as submitted herewith.

A summary of the capital expenditure and capitalization for FY 20-21 vis-à-vis approved by the Commission is summarized in Table below:

Table 27: Capital Expenditure & Capitalization for FY 20-21

Particulars	(Rs. Cr.)		
	FY 20-21 Approved (20th May, 2019)	FY 20-21 Approved (18th May, 2020)	FY 20-21 RE
Capital Expenditure	30.19	30.19	30.19
Capitalisation	182.69	182.69	182.69

3.7 Gross Fixed Assets

The Commission in its last Tariff Order has approved the opening GFA, addition of assets and closing GFA for FY 20-21 at Rs. 458.06 Crore, Rs. 182.69 Crore and Rs. 640.75 Crore respectively.

DNHPDCL had Opening Gross Fixed Assets (GFA) of Rs. 452.36 Crore in FY 19-20. DNHPDCL has further added assets worth Rs. 10.13 Crore during FY 19-20. The closing GFA by the end of FY 19-20 stands at Rs. 466.84 Crore.

Based on the capital expenditure and capitalization estimated above, assets amounting to Rs. 182.69 Crore have been estimated to be capitalized during FY 20-21.

A summary of the Opening and Closing GFA and capitalization for FY 20-21 vis-à-vis approved by the Commission has been summarized in Table below:

Table 28: Opening and Closing GFA for FY 20-21

Particulars	(Rs. Cr.)		
	Opening GFA	Additions during the Year	Closing GFA
FY 2020-21 (Approved)	458.06	182.69	640.75
FY 2020-21 (RE)	466.84	182.69	649.53

3.8 Depreciation

Depreciation is charged on the basis of straight-line method, on the Gross Fixed Assets in use at the beginning of the year and addition in assets during the financial year. The depreciation is based on the original cost of the Gross Fixed Assets.

DNHPDCL has applied the following depreciation rates as specified in the MYT regulations, 2018.

Table 29: Depreciation rate

Asset Category	Depreciation Rate %
Plant & Machinery	3.60%
Buildings	1.80%
Vehicles	9.50%
Furniture & Fixtures	6.00%
Computers & Others	6.00%
Land	0.00%
Software-Intangible Assets	16.00%

Depreciation for the FY 20-21 is determined by applying aforesaid category-wise assets depreciation rates on the opening balance of Gross Fixed assets and average of the addition during the year projected for FY 20-21. The Table below summarizes the asset-wise depreciation vis-à-vis approved by the Commission and computed by DNHPDCL:

Table 30: Depreciation for FY 20-21

Particulars	(Rs. Cr.)		
	FY 20-21 Approved (20th May, 2019)	FY 20-21 Approved (18th May, 2020)	FY 20-21 RE
Opening GFA	438.65	458.06	466.84
Addition during the year	182.69	182.69	182.69
Closing GFA	621.34	640.75	649.53
Average GFA	530.00	549.41	558.19
Depreciation during the year	20.52	19.19	19.93

3.9 Interest & Financial Costs

3.9.1 Interest on Long-term / Capital Loans

Assets capitalized during the FY 2020-21 have been considered based on normative debt-equity ratio of 70:30 as per the as per the JERC (Multi Year Distribution Tariff) Regulations, 2018.

Interest rate of 9.55% has been considered for computation of interest cost for long-term loans which is similar to the 1 year SBI MCLR plus 100 basis points. The normative interest on long-term/capital loans against approved by the Commission in the Tariff Order dated 18th May, 2020 as against the revised estimates is shown in the Table below:

Table 31: Interest on Long-term/Capital Loans for FY 20-21

Particulars	(Rs. Cr.)		
	FY 20-21 Approved (20th May, 2019)	FY 20-21 Approved (18th May, 2020)	FY 20-21 RE
Opening Loan	0.00	14.34	25.42
Loan for additional Capex (70:30 debt-equity)	127.88	127.88	127.88
Loan Repayment	20.52	19.19	19.93
Closing Loan	107.36	123.03	133.38
Interest Cost on Avg. Loans	5.13	6.08	6.95

DNHPDCL requests the Hon'ble Commission to approve the interest cost on long-term loans as projected above.

3.9.2 Interest on Working Capital Borrowings

DNHPDCL has computed the Interest on Working Capital for the Control Period based on normative basis as per the JERC (Multi Year Distribution Tariff) Regulations, 2018.

The working capital requirement for the FY 2020-21 has been computed considering the following parameters:

- a. O&M expense for one month
- b. Maintenance spares at 40% of R&M for one month
- c. Receivables for 2 months
- d. Less consumer security deposit but excluding Bank Guarantee/Fixed Deposit Receipt

A rate of interest of 10.55% has been considered on the working capital requirement, being the 1 year SBI MCLR plus 200 basis points. This is in line with the JERC (Multi Year Distribution Tariff) Regulations, 2018 which states that "The rate of interest on working capital shall be equal one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the Financial Year in which the Petition is filed plus 200 basis points."

The normative interest on working capital for FY 20-21 considering the above methodology is summarized in the Table below:

Table 32: Interest on Working Capital for FY 20-21

Particulars	(Rs. Cr.)		
	FY 20-21 Approved (20th May, 2019)	FY 20-21 Approved (18th May, 2020)	FY 20-21 RE
O&M expense for one month	2.73	2.73	3.65
Maintenance spares at 40% of R&M for one month	0.30	0.30	0.75
Receivables for 2 months	536.61	598.28	484.55
Total	539.64	601.31	488.95
Less consumer security deposit but excluding Bank Guarantee/Fixed Deposit	39.19	53.08	60.63

Particulars	FY 20-21	FY 20-21	FY 20-21
	Approved (20th May, 2019)	Approved (18th May, 2020)	RE
Receipt			
Net Working Capital required after deduction of Security Deposit	500.45	548.23	428.32
Interest on Working Capital	50.80	57.84	41.76

3.10 Return on Equity

As per the JERC (Multi Year Distribution Tariff) Regulations, 2018, DNHPDCL is entitled for a Return on Equity (RoE).

The Regulation 27.2 and 27.3 of the MYT Regulations, 2018 stipulates the following:

“27.2 The return on equity for the Distribution Wires Business shall be allowed on the equity capital determined in accordance with Regulation 26 for the assets put to use at post-tax rate of return on equity specified in the prevalent CERC Tariff Regulations for transmission system.

27.3 The return on equity for the Retail Supply Business shall be allowed on the equity capital determined in accordance with Regulation 26 for the assets put to use, at the rate of sixteen (16) per cent per annum.”

The DNHPDCL has segregated the approved average equity (average of opening and closing equity) into average equity for Distribution Wires Business and Retail Supply Business based on the Allocation Statement provided in the MYT Regulations, 2018 i.e. 90% allocation for the Distribution Wires Business and 10% allocation for the Retail Supply Business. The Commission has considered a rate of 15.50% for the Distribution Wires Business (as per the prevalent CERC Regulations) and a rate of 16% for the Retail Supply Business. The equity component has been determined in accordance with the Regulation 26 of the MYT Regulations, 2018. The following table provides the Return on Equity approved for the FY 2020-21.

Table 33: Return on Equity for FY 20-21

Particulars	FY 20-21	FY 20-21	FY 20-21
	Approved (20th May, 2019)	Approved (18th May, 2020)	RE

Particulars	FY 20-21	FY 20-21	FY 20-21
	Approved (20th May, 2019)	Approved (18th May, 2020)	RE
Opening Equity	95.97	101.79	140.05
Additions on account of new capitalisation	54.81	54.81	54.81
Closing Equity	150.78	156.6	194.86
Average Equity	123.38	129.19	167.46
Equity for wire business (90%)	111.04	116.27	150.71
Equity for Retail Supply Business (10%)	12.34	12.92	16.75
Return on Equity for Wire Business (%)	15.50%	15.50%	15.50%
Return on Equity for Retail Supply Business (%)	16.00%	16.00%	16.00%
Return on Equity for Wire Business	17.21	18.02	23.36
Return on Equity for Retail Supply Business	1.97	2.07	2.68
Return on Equity	19.18	20.09	26.04

The DNHPDCL, requests the Hon'ble Commission to approve the return on equity computed for FY 20-21.

3.11 Interest on consumer security deposit

The Hon'ble Commission in its last Tariff Order has approved Rs. 2.70 Crore as interest payable on consumer security deposits. DNHPDCL has made a provision to pay Rs. 4.20 Crore as interest on consumer security deposits in FY 20-21. The details of the same have been given in the table below:

Table 34: Interest on Consumer Security Deposit for FY 20-21

Particulars	(Rs. Cr.)		
	FY 20-21	FY 20-21	FY 20-21
	Approved (20th May, 2019)	Approved (18th May, 2020)	RE
Interest on Security Deposit	2.45	2.70	4.20

The DNHPDCL, requests the Hon'ble Commission to approve the interest on consumer deposit computed for FY 20-21.

3.12 Income Tax

The MYT Regulations, 2018 provide for the provision of income tax. DNHPDCL has made a provision of Rs. 26.21 Crore towards tax on income for the FY 2020-21. Details of the actual income tax which will be paid by DNHPDCL

during the FY 2020-21 shall be submitted to the Hon'ble Commission at the time of truing up.

Table 35: Income Tax for FY 2020-21

Particulars	(Rs. Cr.)		
	FY 20-21 Approved (20th May, 2019)	FY 20-21 Approved (18th May, 2020)	FY 20-21 RE
Income Tax	0.00	0.00	26.21

3.13 Non-Tariff & Other Income

The non-tariff income for FY 20-21 has been estimated by considering elements like sale of scrap, reactive income, STOA application fees, supervision charges etc. However, one time income like provision written back has not been considered to estimate the non-tariff income for FY 2020-21. Details of the non-tariff income is provided in table below:

Table 36: Non-tariff Income for FY 20-21

Particulars	(Rs. Cr.)		
	FY 20-21 Approved (20th May, 2019)	FY 20-21 Approved (18th May, 2020)	FY 20-21 RE
Non tariff Income	47.24	14.88	8.22

Under the applicable MYT Regulations, the interest earned on equity or ROE which remains in the business as other investment should not be considered as non-tariff income. Further, the delayed payment charges should not be considered as non-tariff income. Hence, the non-tariff income for FY 2020-21 has been estimated on the line of requirement of applicable MYT Regulation on the basis of Annual Audited Account of FY 2019-20.

The DNHPDCL requests the Hon'ble Commission to approve the non-tariff income as submitted for the FY 2020-21.

3.14 Aggregate Revenue Requirement

The following Table summarizes DNHPDCL's Aggregate Revenue Requirement for FY 20-21 against approved by the Hon'ble Commission in the Tariff Order dated 18th May, 2020.

Table 37: Aggregate Revenue Requirement for FY 20-21

Particulars	(Rs. Cr.)		
	FY 20-21 Approved (20th May, 2019)	FY 20-21 Approved (18th May, 2020)	FY 20-21 RE
Power Purchase Cost	3,136.03	3,340.99	2,700.54
O&M Expense	32.78	31.28	43.75
Depreciation	20.52	19.19	19.93
Interest Cost on Long-term Capital Loans	5.13	6.08	6.95
Interest on Working Capital Loans	50.80	57.84	41.76
Return on Equity	19.18	20.09	26.04
Provision for Bad Debt	0.00	0.00	0.00
Interest on security deposit	2.45	2.70	4.20
Income Tax	0.00	0.00	26.21
Total	3,266.89	3,478.17	2,869.37
Less:			
Non-Tariff Income	47.24	14.88	8.22
Annual Revenue Requirement	3,219.65	3,463.29	2,861.15

3.15 Revenue from Existing Tariff

Revenue from sale of power for FY 20-21 is determined based on the energy sales estimated and category wise tariff prevalent in the UT of Dadra & Nagar Haveli.

Revenue from sale of power at existing tariff is estimated to be Rs. 2907.33 Crore in FY 20-21, as shown in the following Table. The estimated revenue for FY 20-21 is based on the six month actual revenue at the exiting tariff. The revenue for remaining six months of FY 20-21 has been computed based on the retail tariff notified by the Commission in the Tariff Order for the FY 2020-21 dated 18th May, 2020. The total revenue estimated for the FY 2020-21 includes the actual FPPCA billed during the first six months.

The Table below summarizes the revenue from sale of power at existing tariff for FY 20-21:

Table 38: Revenue from Sale of Power at Existing Tariff for FY 20-21

Particulars	(Rs. Cr.)	
	FY 20-21 Approved (18th May, 2020)	FY 20-21 RE
Revenue from sale of power*	3,589.67	2,843.02
Revenue from Surplus Power Sale	0.00	18.22
Revenue from Regulatory Surcharge	0.00	0.00
Revenue from FPPCA	0.00	46.09
Total revenue	3589.67	2907.33

3.16 Coverage of Revenue Gap

Revenue from sale of power within DNHPDCL is determined in the previous Table.

The following Table summarizes the Revenue surplus at existing tariff at Rs.46.18 Crore for FY 20-21.

Table 39: Revenue Gap/Surplus for FY 20-21

Particulars	(Rs. Cr.)	
	FY 20-21 Approved (18th May, 2020)	FY 20-21 RE
Annual Revenue Requirement	3463.29	2861.15
Revenue from sale of power	3589.67	2843.02
Revenue from Surplus Power Sale	0.00	18.22
Revenue from Regulatory Surcharge	0.00	0.00
Revenue from FPPCA	0.00	46.09
Revenue (Gap)/surplus	126.38	46.18
Previous Years' (Gap)/Surplus Carried Over	(126.14)	(180.51)
Holding Cost	(5.57)	(13.77)
Net Revenue (Gap)/surplus	(5.33)	(148.11)

The total revenue gap at the end of FY 2020-21 by taking into account the revenue gap arrived at after truing up of FY 2019-20 is Rs. 148.11 Crore. The Hon'ble Commission is requested to approve the same as part of the review of FY 2020-21.

Chapter 4: ARR for the FY 2021-22

DNHPDCL is submitting its ARR for the FY 2021-22 broadly on the basis of the principles outlined in MYT Tariff Regulations notified by JERC. DNHPDCL has considered the past trends and taken cognizance of other internal and external developments to estimate the likely performance for the FY 2021-22.

The following sections explain in detail the basis and forecasts of the following elements for the FY 2021-22:

- a. Category wise Energy Sales & Revenues at existing tariffs;
- b. T&D Losses;
- c. Energy Requirement;
- d. Determination of Aggregate Revenue Requirement (ARR) by forecasting the following costs, other income & returns:
 - i. Power Purchase Cost
 - ii. Employee Cost
 - iii. Repairs & Maintenance Cost
 - iv. Admin & General Cost
 - v. Capital Investment Plan
 - vi. Interest Cost
 - vii. Interest on Working Capital
 - viii. Depreciation
 - ix. Provision for bad & doubtful debts
 - x. Return on Equity
 - xi. Income Tax
 - xii. Non-Tariff Income
- e. Determination of Gap between Revenue & Costs, Additional Revenue through the proposed Tariff Revision and the arrangements to cover the revenue gap; and
- f. Tariff revision proposal for FY 21-22 to meet the Revenue Gap.

4.1 Load Growth

The Table given below summarizes the growth in sanctioned load over the past 6 years.

Table 40: Past Years' Load Growth

Consumer Category	(kVA)					
	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
	Actual	Actual	Actual	Actual	Actual	Actual
Domestic	1,06,147.80	93,886.64	96,077.52	1,01,282.64	105192.00	94309.00
LIG/ Kutir Jyoti	1,422.00	1,343.30	1,477.10	1,486.25	1585.00	1389.00
Commercial	35,543.17	24,488.24	25,751.93	26,690.54	27865.00	21347.00
Agriculture	5,217.49	5,479.20	5,590.32	5,778.89	5935.00	6593.00
LT Industry	1,06,349.80	1,09,910.05	1,13,066.56	1,15,920.90	119051.00	134784.00
HT/EHT Industry	11,26,669.00	11,46,822.00	11,43,066.00	11,57,756.00	1177554.00	1185935.00
Public Lighting	2,232.64	2,346.00	2,536.05	2,706.48	2886.00	2046.00
Public Water Works	1,979.55	2,257.12	2,443.62	2,885.62	3272.00	4790.00
Temp. Supply	3,661.54	2,358.59	2,358.78	2,536.66	2537.00	1690.00
Total	13,89,222.99	13,88,891.14	13,92,367.88	14,17,043.98	1445877.00	1452883.00

The projected load for the FY 2020-21 and FY 2021-22 has been given in the table below:

Table 41: Projected load growth for FY 2020-21 and FY 2021-22

Consumer Category	(kVA)	
	FY 20-21	FY 21-22
	RE	Projected
Domestic	109253.00	113470
LIG/ Kutir Jyoti	1690.00	1801
Commercial	29091.00	30371
Agriculture	6095.00	6260
LT Industry	122265.00	125566
HT/EHT Industry	1197690.00	1218170
Public Lighting	3077.00	3281
Public Water Works	3710.00	4207
Temp. Supply	2537.00	2537
Total	1475408.00	1505663.00

The same is in line with the Connected load approved by the Hon'ble Commission for the various categories for the FY 2020-21 and FY 2021-22 in the Business Plan dated 5th November, 2018. The Hon'ble Commission is requested to approve the connected load submitted for the FY 2020-21 and FY 2021-22.

4.2 Consumer Growth

The Table 42 below summarizes the category wise growth in consumers over the past 6 years.

Table 42: Past Years' Consumer Growth

Consumer Category	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
	Actual	Actual	Actual	Actual	Actual	Actual
Domestic	38,970	40773	42835	45205	47402	52072
LIG	14,223	13443	14603	14879	15089	17232
Commercial	6,986	7306	7586	7809	7980	8061
Agriculture	1,179	1211	1263	1313	1366	1286
LT Industry	2,001	2038	2063	2064	2077	2191
HT/EHT Industry	887	889	895	918	930	916
Public Lighting	310	324	350	374	398	411
Public Water Works	307	340	358	398	434	460
Temp. Supply	319.0	334	347	379	379	334
Total	65,182	66,658	70,300	73,339	76,055	82,963

The projected consumer growth for the FY 2020-21 and FY 2021-22 has been given in the table below:

Table 43: Projected consumer growth during FY 2020-21 and FY 2021-22

Consumers (Nos.)	FY 20-21	FY 21-22
	RE	Projected
Domestic	52121	54654
LIGH	15517	15736
Commercial	8333	8516
Agriculture	1479	1538
LT Industry	2104	2117
HT/EHT Industry	955	968
Public Lighting	451	480
Public Water Works	516	563
Temp. Supply	379	379
Total	81,855	84,951

The same is in line with the no. of consumers approved by the Hon'ble Commission vide its Order for the Business Plan dated 5th November, 2018. The Hon'ble Commission is requested to approve the no. of consumers submitted for the FY 2020-21 and FY 2021-22.

4.3 Energy Sales

The following table summarizes category wise actual energy sales from FY 2014-15 to FY 2019-20 for all the consumer segments. As can be seen, DNHPDCL's overall energy sales are significantly dependent upon HT/EHT Industries to the extent of around 94%.

Table 44: Category wise sales from FY 2014-15 to FY 2019-20

Consumer Category	(MU)					
	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
	Actual	Actual	Actual	Actual	Actual	Actual
Domestic	93.13	101.52	104.46	116.91	128.60	143.57
LIG/Kutir Jyoti	0.00	0.00	0.00	0.00	0.00	10.45
Commercial	27.05	28.78	30.36	32.72	34.20	36.60
Agriculture	4.31	5.77	6.20	6.50	7.23	5.25
LT Industry	187.51	200.86	211.70	208.24	216.07	219.44
HT/EHT Industry	4,840.64	4,421.50	3,384.17	5,295.13	5,670.85	5,860.85
Public Lighting	7.76	7.46	8.27	7.97	5.80	3.06
Public Water Works	3.23	3.56	4.55	5.45	6.24	5.01
Temp. Supply	2.60	2.95	3.20	3.39	3.43	3.75
Total Sales	5,166.23	4,772.40	3,752.91	5,676.30	6,072.42	6,288.00

The DNHPDCL is of the view that the factors affecting the actual consumption of electricity are numerous and often beyond the control of the utility including factors such as Government Policy, economic climate, weather conditions and force majeure events like natural disasters, etc. DNHPDCL, therefore for projecting the category-wise consumption for the FY 2020-21 and FY 2021-22 has considered the past growth trends in each of the consumer category including growth trend in number of consumers and connected load.

The energy sales for the FY 2021-22 have been determined based on CAGR for past years and actual energy sales in various consumer categories. Since the energy sales in each category depends upon a number of factors like growth in economy, climate, Government policies, etc, normalization in sales has been undertaken in order to remove any wide fluctuations.

The following Table summarizes category wise projected energy sales for the FY 2021-22 for DNHPDCL. As can be observed, the overall energy sales in UT of Dadra & Nagar Haveli are significantly dependent upon LT and HT/EHT industrial consumption.

The DNHPDCL submits to the Hon'ble Commission to approve the energy sales forecasted herein.

Table 45: Projected Category wise Energy Sales for FY 2021-22

Particulars	(MU)	
	FY 21-22 Approved (20th May, 2019)	FY 21-22 Projected
Domestic	158.29	156.55
LIG/ Kutir Jyoti	0.00	11.19
Commercial	38.31	38.89
Agriculture	8.25	5.46
LT Industry	223.82	227.55
HT/EHT Industry	6273.63	6088.87
Public Lighting	9.10	3.22
Public Water Works	10.95	5.26
Temp. Supply	3.39	3.79
Total Sales	6,725.74	6,540.77

It is requested to approve the energy sales projected for the FY 2021-22.

4.4 Distribution Loss Reduction

The DNHPDCL has achieved a significant reduction in transmission & distribution losses. The DNHPDCL would like to submit that the system improvement works executed every year under the plan schemes as well as planned maintenance activities of systems has resulted in the reduction of T & D losses.

DNHPDCL has achieved Distribution loss level of 3.45% for the FY 2019-20 as against the target of 4.30% given by the Hon'ble Commission in the Tariff Order for the FY 2019-20. Further, the Hon'ble Commission had set a T&D loss level target of 4.10% for the FY 2021-22 in the Tariff Order dated 20th May, 2019. The DNHPDCL has kept the T&D losses at the same level as approved by the Hon'ble Commission for FY 21-22. Reduction of Distribution loss will involve significant amount of capital expenditure and it is DNHPDCL's endeavour to

bring the Distribution loss level further down in the subsequent years. The projected distribution loss for the FY 2012-22 is as given in the table below:

Table 46: Proposed Distribution Losses

Particulars	FY 21-22	FY 21-22
	Approved (20th May, 2019)	Projected
Distribution Loss	4.10%	4.10%

The DNHPDCL requests the Hon'ble Commission to approve the Distribution loss as projected for the FY 2021-22.

4.5 Energy Requirement of the System

Based on the proposed loss levels and projected energy requirement and availability within the state, the Energy Balance is presented in the following table:

Table 47: Energy Requirement of the System during the FY 2021-22

Particulars	FY 21-22	FY 21-22
	Approved (20th May, 2019)	Projected
Sales	6,725.74	6,540.77
Open Access Sales	0.00	0.00
Less: Energy Savings	0.00	0.00
Total Sales	6,725.74	6,540.77
Add: Losses	287.54	279.64
T&D Losses	4.10%	4.10%
Energy Required at Periphery	7,013.28	6,820.41
Add: Sales to common pool consumer	0.00	0.63
Add: Sales through IEX	0.00	-
Less: Own Generation	5.23	6.18
Total energy requirement at state periphery	7008.05	6814.86
Less: Energy Purchased through UI at Periphery	0.00	0.00
Less: Energy Purchased through Renewable Sources	1927.20	175.20
Less: Open Access Purchase	0.00	0.00
Less: Purchase from Power Exchange	0.00	927.00
Total Energy Required at Periphery	5,080.85	5,712.66
Transmission loss	193.02	217.03
Transmission loss (%)	3.66%	3.66%
Total Energy to be purchased	5,273.87	5,929.69
Total Energy requirement from tied up sources & UI at generator end	7,206.30	7,038.07

Particulars	FY 21-22	FY 21-22
	Approved (20th May, 2019)	Projected
Total Energy requirement in ut including Open Access	7,206.30	7,038.07

4.6 Energy Availability

Dadra & Nagar Haveli has no generating stations of its own and relies on the firm and infirm allocation of power from Central Generating Stations like Korba, Vindhyachal, Kahalgaon, Kawas, Sipat, Tarapur, Kakrapar etc. to meet its energy requirement.

The DNHPDCL for the purpose of estimation of the power availability during the MYT Control Period has considered the following sources of power:

- NTPC Western Region Generating Stations
- NTPC Eastern Region Generating Stations
- NSPCL (NTPC-SAIL Power Company Ltd)
- Nuclear Power Corporation of India Limited
- Private Sector Power Generating Companies
- Renewable energy sources – Solar and Non-Solar
- Other market sources

The Petitioner has allocation from Western as well as Eastern region from coal, gas and nuclear power stations. However, for meeting the supply-demand gap during the peak hours, the Petitioner has relied on over-drawal from the Grid (UI).

For projecting of the energy availability for the FY 2020-21 and FY 2021-22, energy availability, firm and infirm allocation from various generating stations has been considered. Detailed methodology for projecting the power availability to the Petitioner from various sources is summarized below.

4.7 Power Purchase

Dadra & Nagar Haveli has firm and infirm allocated share in Central Sector Generating Stations (CSGS) of NTPC, Nuclear Power Corporation of India Ltd (NPCIL), and NTPC Sail Power Company Ltd (NSPCL).

The power availability for the FY 2020-21 and FY 2021-22 has been estimated based on the revised allocation issued by the Western Region Power Committee (WRPC) vide no's. WRPC/Comml-I/6/Alloc/2020 dated 15/10/2020. The energy allocation from various generating stations is summarized in table below:

Table 48: Energy Allocation from Central Generating Stations

(MW)			
Name of the plant	Weighted average Infirm allocation	Weighted Average Firm allocation	Weighted average total allocation
KSTPP	51.20	0.00	51.20
KSTPS -3	19.68	2.20	21.88
VSTPP-I	37.03	5.00	42.03
VSTPP-II	27.97	4.00	31.97
VSTPP- III	27.97	6.00	33.97
VSTPP- IV	39.36	5.55	44.91
KAWAS	56.18	25.00	81.18
GGPP	56.74	2.00	58.74
Sipat - I	77.93	9.00	86.93
Sipat - II	26.56	4.00	30.56
KHSIPP - II	3.50	0.00	3.50
Mauda I (MSTPS)	39.36	5.55	44.91
VSTPP-V	19.68	5.55	25.23
Mauda II	51.95	8.60	60.55
Solapur	51.95	21.57	73.52
Gadarwara	31.49	10.42	41.91
LARA	31.20	5.23	36.43
Kharagaon	51.95	16.83	68.78
NPCIL - KAPS	10.36	2.00	12.36
NPCIL - TAPP 3&4	35.03	7.00	42.03
Total	747.07	145.50	892.57
NSPCL Bhilai		100	100.00

It is expected that DNHPDCL will not be getting any power from Ratnagiri during the FY 2021-22 and therefore no power purchase from the plant has been considered.

Power purchase quantum from the NTPC stations for the FY 2021-22 has been calculated based on the installed capacity of each plant and by applying the PLF approved by the Hon'ble Commission vide. Order for the Business Plan dated 5th November, 2018.

Auxiliary consumption of 7.75% and 2.5% has been considered for coal and gas based generating stations, respectively.

Additionally, the DNHPDCL was procuring power from EMCO Energy Limited (GMR) power plant in Maharashtra. DNHPDCL had signed a seven year PPA with EMCO Energy Limited (GMR) and the same came to an end on June, 2020. Hence, power purchase from EMCO has not been considered for the FY 2021-22.

DNHPDCL will be getting 50 MW of wind energy from SECI from FY 2021-22 for which the agreement has already been signed. Further, the DNHPDCL has already installed 4.585 MW of solar plants in its territory for generation of solar energy out of which 4.1 MW is ground mounted and 485 KW is solar rooftop. A summary of the RPO obligation to be met by the DNHPDCL during the FY 2020-21 and FY 2021-22 has been given in the table below:

Table 49: Summary of RPO for the FY 2020-21 and FY 2021-22

Description	FY 2020-21	FY 2021-22
Sales within State (MU)	5,153.96	6,540.77
RPO obligation (%)	14.10%	17.00%
Solar	6.10%	8.00%
Non-Solar	8.00%	9.00%
RPO obligation for the year (MU)	726.71	1111.93
Solar	314.39	523.26
Non-Solar	412.32	588.67
RPO Compliance (Procurement and own generation)	6.18	181.38
Solar	6.18	6.18
Non-Solar	0.00	175.20
RPO Compliance (REC certificate purchase)	720.53	930.55
Solar	308.21	517.08
Non-Solar	412.32	413.47

For computing the power availability at the periphery, 3.66% external transmission losses have been applied on the gross power purchase for the FY 2020-21 and FY 2021-22.

Table 50 below depicts the station wise power purchase for FY 2020-21 and FY 2021-22.

Table 50: Power Purchase for the FY 2020-21 and FY 2021-22

Source	Units Purchased	Units Purchased
(MU)		
NTPC Stations		
KSTPS	362.67	368.22
KSTPS 3	163.93	159.12
VSTPP-I	257.12	292.12
VSTPP-II	208.62	219.61
VSTPP- III	229.60	236.09
VSTPP- IV	298.17	312.08
KGPP	202.23	277.35
GGPP	164.52	210.72
Sipat-I	614.68	632.20
Sipat-II	215.11	222.27
Mauda	111.88	174.18
VSTPS-V	163.91	175.33
Mauda 2	126.30	234.87
Solapur	199.51	356.47
LARA	184.82	246.81
Gadarwara	204.90	283.95
Kharagaon	289.88	466.04
KHSTPP-II	18.15	22.06
Subtotal - NTPC	4016.02	4889.52
NSPCL - Bhilai	580.44	703.06
NPCIL		
KAPS	80.59	70.53
TAPS	288.22	266.59
Subtotal	368.82	337.12
Power purchase from Other Sources		
Indian E. Exchange/Bilateral	646.55	927.00
UI	11.73	0.00
Solar	6.18	6.18
Non Solar	0.00	175.20
Solar REC	0.00	0.00

Source	Units Purchased	Units Purchased
Non Solar REC	0.00	0.00
Solar (SECI)	0.00	0.00
Wind (SECI)	0.00	0.00
Subtotal	664.46	1108.38
Rebate		
Total Power Purchase	5629.73	7038.07
External Losses		
Availability at ED-DNH Periphery	5629.73	7038.07

The Petitioner requests the Commission to approve the Power Purchase quantum estimated in the Table above.

4.8 Energy Requirement & Availability

Based on the data on estimated & projected sales and power purchase, an Energy Balance has been prepared to assess the T&D losses during the FY 2021-22.

Table 51: Energy Balance

Particulars	(MU)	
	FY 21-22 Approved (20th May, 2019)	FY 21-22 Projected
Sales	6,725.74	6,540.77
Open Access Sales	0.00	0.00
Less: Energy Savings	0.00	0.00
Total Sales	6,725.74	6,540.77
Add: Losses	287.54	279.64
T&D Losses	4.10%	4.10%
Energy Required at Periphery	7,013.28	6,820.41
Add: Sales to common pool consumer	0.00	0.63
Add: Sales through IEX	0.00	-
Less: Own Generation	5.23	6.18
Total energy requirement at state periphery	7008.05	6814.86
Less: Energy Purchased through UI at Periphery	0.00	0.00
Less: Energy Purchased through Renewable Sources	1927.20	175.20
Less: Open Access Purchase	0.00	0.00
Less: Purchase from Power Exchange	0.00	927.00
Total Energy Required at Periphery	5,080.85	5,712.66
Transmission loss	193.02	217.03
Transmission loss (%)	3.66%	3.66%

Particulars	FY 21-22	FY 21-22
	Approved (20th May, 2019)	Projected
Total Energy to be purchased	5,273.87	5,929.69
Total Energy requirement from tied up sources & UI at generator end	7,206.30	7,038.07
Total Energy requirement in ut including Open Access	7,206.30	7,038.07

4.9 Power Purchase Cost

The cost of purchase from the central generating stations for the FY 2021-22 is estimated based on the following assumptions:

1. Fixed cost for the FY 2021-22 has been projected by giving an escalation of 5% on the fixed cost estimated for various stations for the FY 2020-21.
2. Variable cost for each NTPC generating stations for the FY 2021-22 has been projected by giving an escalation of 5% on the actual variable cost incurred during the first six months of FY 2020-21 for various stations.
3. For nuclear plants i.e. KAPP and TAPP single part tariff, an escalation of 5% has been given on the actual average variable cost per unit incurred for the first six months of FY 2020-21 for projecting the cost for the FY 2021-22.
4. For NTPC-SAIL Bhilai unit 1 & 2, the fixed has been projected by giving an escalation of 5% on fixed cost estimated for the FY 2020-21 and for projecting the variable cost an escalation of 5% has been given on the actual average variable cost per unit incurred for the first six months of FY 2020-21.
5. For power purchase from renewable energy sources, for the FY 2021-22, the DNHPDCL has outsourced the maintenance cost of the solar plants to BHEL. For the purchase of 50 MW wind power a rate of Rs. 2.59 per unit has been considered for the FY 2021-22. The Total

Power Purchase cost from various sources for the FY 2021-22 is summarized in Table below:

Table 52: Projected Power Purchase Cost for the FY 2021-22

(Rs. Crore)

Source	Units Purchased	Fixed Charges	Variable Charges	Other Charges	All Charges Total	Per Unit Cost
NTPC Stations						
KSTPS	368.22	22.93	58.79	0.00	81.72	2.22
KSTPS 3	159.12	21.10	25.20	0.00	46.31	2.91
VSTPP-I	292.12	20.82	53.98	0.00	74.81	2.56
VSTPP-II	219.61	13.88	39.53	0.00	53.40	2.43
VSTPP- III	236.09	22.89	42.58	0.00	65.47	2.77
VSTPP- IV	312.08	48.06	54.56	0.00	102.62	3.29
KGPP	277.35	50.39	58.62	0.00	109.01	3.93
GGPP	210.72	46.60	46.36	0.00	92.96	4.41
Sipat-I	632.20	76.35	105.97	0.00	182.32	2.88
Sipat-II	222.27	24.61	38.52	0.00	63.13	2.84
Mauda	174.18	58.65	52.79	0.00	111.44	6.40
VSTPS-V	175.33	27.82	31.88	0.00	59.70	3.41
Mauda 2	234.87	62.58	72.23	0.00	134.81	5.74
Solapur	356.47	88.91	107.47	0.00	196.38	5.51
LARA	246.81	48.40	53.43	0.00	101.83	4.13
Gadarwara	283.95	58.41	75.52	0.00	133.94	0.00
Kharagaon	466.04	101.14	136.39	0.00	237.52	5.10
KHSTPP-II	22.06	1.91	4.85	0.00	6.76	3.07
Subtotal - NTPC	4889.52	795.46	1058.65	0.00	1854.12	3.79
NSPCL - Bhilai	703.06	121.15	181.93	0.00	303.07	4.31
NPCIL						
KAPS	70.53	0.00	17.19	0.00	17.19	2.44
TAPS	266.59	0.00	94.91	0.00	94.91	3.56
Subtotal	337.12	0.00	112.10	0.00	112.10	3.33
Power purchase from Other Sources						
Indian E. Exchange/Bilateral	927.00	0.00	315.18	0.00	315.18	3.40
UI	0.00	0.00	0.00	0.00	0.00	0.00
Solar	6.18	0.00	0.00	0.00	0.00	0.00
Non Solar	175.20	0.00	45.38	0.00	45.38	2.59
Solar REC	0.00	0.00	61.02	0.00	61.02	0.00
Non Solar REC	0.00	0.00	48.79	0.00	48.79	0.00
Solar (SECI)	0.00	0.00	0.00	0.00	0.00	0.00
Wind (SECI)	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	1108.38	0.00	470.36	0.00	470.36	4.24

Source	Units Purchased	Fixed Charges	Variable Charges	Other Charges	All Charges Total	Per Unit Cost
Rebate						
Total Power Purchase	7038.07	916.61	1823.04	0.00	2739.65	3.89
External Losses						
Availability at ED-DNH Periphery	7038.07	916.61	1823.04	0.00	2739.65	3.89

4.10 Transmission and Other Charges

Transmission charges payable to PGCIL are based on the total capacity allocation in the transmission network. DNHPDCL has a mix of firm and infirm capacity allocation from various Central Generating Stations which is revised by the Ministry of Power at regular intervals. Therefore, considering the changing capacity allocation, DNHPDCL has estimated the transmission charges. For the FY 2021-22 the transmission charges payable to the ED-DNH (Transmission Division) have also been considered by the DNHPDCL.

PGCIL transmission charges for the FY 2021-22 have been projected by considering the average monthly bill being received from PGCIL.

The transmission charges along with the total power purchase cost for the FY 2021-22 has been given in the table below:

Table 53: Total Power Purchase Cost for the FY 2021-22

Source	FY 2021-22
Power Purchase Cost	2739.65
PGCIL CHARGES	319.58
POSOCO	0.58
WRPC	0.00
Reactive charges	2.55
MSTCL	0.00
Intra-state transmission charges	36.00
Grand Total of Charges	3098.36

(Rs. Crore)

4.11 Operation & Maintenance Costs

Operation and Maintenance expenses comprise of the following heads:

- **Employees Expenses** which includes the salaries, dearness allowances, dearness pay, other allowances, performance incentives and retirement benefits paid to the staff;
- **Repair and Maintenance (R&M) Expenses**, which include all expenditure incurred on the maintenance and upkeep of transmission and distribution assets; and
- **Administrative and General Expenses**, which include all expenditure incurred in operating a business such as telephone charges, regulatory and consultancy fees such as energy auditing and chartered accountant fees, conveyance and travel expenses, water charges etc.

Summary of the past five year operation and maintenance expense is summarized in table below:

Table 54: Operation & Maintenance Expense

Year	O&M Expense
	Actual
FY 2015-16	21.02
FY 2016-17	23.68
FY 2017-18	32.89
FY 2018-19	32.92
FY 2019-20	39.76

The total O&M expense for FY 19-20 was Rs. 39.76 Crore as compared with FY 18-19 wherein the total O&M expense were Rs. 32.92 Crore.

The methodology adopted by DNHPDCL for projecting the values of each component of the O&M expense for the FY 2021-22 has been explained in following section.

4.11.1 Employee Expense

The Employee expense estimated by the Petitioner comprise of all costs related to employees like basic salary, dearness allowances, performance incentive, medical cost, leave travel allowances etc.

As per the MYT Regulations, 2018, the employees' expenses have been calculated as per the following formulae:

$$EMP_n = (EMP_{n-1}) \times (1+G_n) \times (CPI_{inflation})$$

where:

EMP_n - Employee expenses of the Distribution Licensee for the nth Year;

G_n is a growth factor for the nth Year. Value of G_n shall be determined by the Commission for each Year in the Multi Year Tariff Order for meeting the additional manpower requirement based on Licensee's filings, benchmarking, approved cost by the Commission in past and any other factor that the Commission feels appropriate:

CPI inflation: is the average increase in Consumer Price Index (CPI) for immediately preceding three (3) Years before the base Year;

The average growth in the CPI for the last three years is 5.35%. Total employee cost of DNHPDCL for the FY 2021-22 is as given in the table below:

Table 55: Projected Employee Expense for the FY 2021-22

Particulars	(Rs. Crore)	
	FY 21-22 Approved (20th May, 2019)	FY 21-22 Projected
Employee Cost	18.95	14.38

DNHPDCL would like to pray to the Hon'ble Commission that salaries/employee cost increase should be considered as uncontrollable factor specially factors like DA/Basic. Therefore, DNHPDCL requests the Hon'ble Commission to approve the employee costs as projected in the foregoing table.

4.11.2 Repairs & Maintenance Expense

Repairs and maintenance expense comprise of expenses incurred by the Petitioner with regard to maintenance and upkeep of the transmission and

distribution system. Adequate R&M activities help in reduction of transmission and distribution losses and breakdowns in the system.

The actual R&M expense for FY 19-20 for DNHPDCL was Rs. 19.50 Crore. For FY 2020-21, DNHPDCL has considered the R&M expense of Rs. 22.41 Crore.

As per the JERC Tariff Regulations the R&M expenses shall be calculated as percentage (as per the norm defined) of Opening Gross Fixed Assets for the year governed by following formula:

$$R\&M_n = K \times GFAn-1 \times (WPI \text{ inflation})$$

where:

R&M_n – Repair and Maintenance expenses of the Distribution Licensee for the nth Year;

GFAn-1 – Gross Fixed Asset of the transmission Licensee for the n-1th Year;

'K' is a constant (expressed in %). Value of K for each Year of the Control Period shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;

GFA : Gross Fixed Assets at the beginning of the Financial Year

Inflation Index is CPI : WPI :: 60 : 40

WPI inflation – is the average increase in the Wholesale Price Index (CPI) for immediately preceding three (3) Years before the base Year;

For projecting the R&M expense for the FY 2021-22, the DNHPDCL has considered the WPI inflation as 2.96%. Total repair & maintenance cost of DNHPDCL for the FY 2021-22 is summarized in the table below:

Table 56: Repairs & Maintenance Expense

Particulars	(Rs. Crore)	
	FY 21-22 Approved (20th May, 2019)	FY 21-22 Projected
R&M	12.64	25.61

DNHPDCL requests the Commission to approve the R&M expense without any disallowances as the same is necessary for proper maintenance and

strengthening of the system, quality of supply and reduction in T&D losses in the region in order to ensure consumer satisfaction.

4.11.3 Administration & General Expense

Administrative and General (A&G) expense comprise of various sub-heads including the following:

- Telephone, postage & telegrams charges;
- Travel and conveyance expenses;
- Consultancy and regulatory fees; and
- Consumer indexing fee

The actual A&G expense for FY 19-20 was Rs. 7.31 Crore. Further, DNHPDCL has estimated the A&G expense of Rs. 7.70 Crore for FY 20-21.

For projecting the A&G expenses for the FY 2021-22 the following formula has been used as given in the MYT Regulations:

$$A\&G_n = (A\&G_{n-1}) \times (CPI_{inflation})$$

where:

A&G_n - Administrative and General expenses of the Distribution Licensee for the nth Year;

CPI_{inflation} - is the average increase in Consumer Price Index (CPI) for immediately preceding three (3) Years before the base Year;

The A&G expenses projected for the FY 2021-22 have been given in the table below:

Table 57: A&G Expense

Particulars	(Rs. Crore)	
	FY 21-22 Approved (20th May, 2019)	FY 21-22 Projected
A&G	7.57	8.11

The Regulatory & Consultancy expenses for the FY 2021-22 has been projected as per the existing agreements, contracts with the consultants and the best estimates for the future regulatory and consultancy works.

DNHPDCL, therefore, requests the Hon'ble Commission to approve the A&G expenses projected for the FY 2021-22.

4.11.4 Total Operation and Maintenance Expense

Based on the employee, R&M and A&G expenses projected above, the total O&M expenditure for the FY 2021-22 is summarized in table below. The Hon'ble Commission is requested to approve the total O&M expense as projected by DNHPDCL.

Table 58: Total O&M Expense for the FY 2021-22

Particulars	(Rs. Crore)	
	FY 21-22 Approved (20th May, 2019)	FY 21-22 Projected
Employee Cost	18.95	14.38
R&M	12.64	25.61
A&G	7.57	8.11
O&M Expenses	39.16	48.10

4.12 Capital Expenditure Plan

As has been discussed above, the DNHPDCL is engaged in the procurement, and distribution of electricity to the various consumer categories in the Union Territory of Dadra and Nagar Haveli. Apart from the upcoming solar plants, it does not have its own power generation station and completely rely on the Central Sector Generating Stations (CSGS) in Western Region to meet its energy demand.

The scheme wise capital expenditure plan for the FY 2021-22 is given in the table below:

Table 59: Capital Expenditure for the FY 2020-21 and FY 2021-22

Sr.No.	Name of Scheme	(Rs. Crore)	
		Proposed Expenditure 2020-21	2021-22
	Ongoing Scheme		
1	Under ground cabling with establishment of 66/11 KV substation in SMC area, Silvassa town	0.00	0.00
	New Scheme		

Sr.No.	Name of Scheme	Proposed Expenditure	
		2020-21	2021-22
1	A scheme for Establishment of new 66/11 KV Sub Station at village Sayali with associated 66 KV underground line	9.44	0.00
2	A scheme for augmentation of 66/11 KV Kharadpada substation by adding 20 MVA Transformer	0.00	0.00
3	A scheme for Replacement of ACSR Panther conductor by High Capacity TACSR conductor of 66 KV Kharadpada - Athal substation	0.00	0.00
4	Scheme for integrated solution for various business processes such as billing finance HR and projects. (ERP SOFTWARE)	0.75	0.00
5	New 66 kV line from 220/66 kV Wagchipa Sub station	0.00	0.00
6	Smart Metering Projects	20.00	18.00
7	Total	30.19	18.00

The capital expenditure proposed is in line with the capital expenditure approved by the Hon'ble Commission for the FY 2020-21 and FY 2021-22 in the Business Plan dated 5th November, 2018.

The DNHPDCL requests the Hon'ble Commission to approve the capital expenditure against the scheme as submitted herewith.

A summary of the capital expenditure and capitalization for the FY 2020-21 and FY 2021-22 is summarized in Table below:

Table 60: Capital Expenditure & Capitalization for the FY 2020-21 and FY 2021-22

Sr.No.	Name of Scheme	(Rs. Crore)	
		Proposed Expenditure	
		2020-21	2021-22
		(RE)	(Projected)
1	Capital Expenditure	30.19	18.00
2	Capitalization	182.69	48.00

The DNHPDCL requests the Hon'ble Commission to approve the capital expenditure and capitalization as projected above.

4.13 Gross Fixed Assets

DNHPDCL had Rs. 452.36 Crore of Opening Gross Fixed Assets (GFA) in FY 19-20. Assets amounting to Rs. 14.48 Crore have been added to the GFA during the FY 2019-20.

Assets amounting to Rs. 182.69 Crore have been estimated to be added in the GFA during FY 20-21.

Similarly, based on the capital expenditure plan as detailed above, Rs. 48.00 Crore is proposed to be capitalized during the FY 2021-22.

A summary of the Opening and Closing GFA and capitalization has been summarized in table below:

Table 61: Opening and Closing GFA for the FY 2021-22

Particulars	(Rs. Crore)		
	Opening GFA	Additions during the Year	Closing GFA
FY 2021-22 (Approved)	621.34	48.00	669.34
FY 2021-22 (Projected)	649.53	48.00	649.53

The DNHPDCL requests the Hon'ble Commission to approve the GFA as projected above.

4.14 Depreciation

Depreciation is charged on the basis of straight-line method, on the Gross Fixed Assets in use at the beginning of the year and addition in assets during the financial year. The depreciation is based on the original cost of the Gross Fixed Assets.

DNHPDCL has applied the depreciation rates as specified in the MYT Regulations, 2018. However, depreciation rates pertaining to the vehicles and software-intangible assets have not been clarified in the MYT Regulations, hence depreciation rates as provided in the earlier Regulations have been adopted to work out the depreciation.

Depreciation for the FY 2021-22 is determined by applying aforesaid category-wise assets depreciation rates on the opening balance of Gross Fixed assets and average of the addition during the FY 2021-22. The DNHPDCL would like to submit to the Hon'ble Commission that it has computed the depreciation based on the closing value of GFA for FY 2020-21 and the estimated capitalization for the FY 2021-22.

Table 62: Depreciation

Particulars	(Rs. Crore)	
	FY 21-22 Approved (20th May, 2019)	FY 21-22 Projected
Opening GFA	621.34	649.53
Addition during the year	48.00	48.00
Closing GFA	669.34	649.53
Average GFA	645.34	649.53
Depreciation during the year	24.98	24.27

4.15 Interest & Financial Costs

4.15.1 Interest on Long-term / Capital Loans

Assets capitalized during the FY 2021-22 have been considered based on normative debt-equity ratio of 70:30 as per the as per the MYT Regulations, 2018.

Interest rate of 8.75% has been considered for computation of interest cost for long-term loans which is similar to the prevailing 1 year SBI MCLR plus 100 basis points. Details of the loan amounts and interest cost computed for the FY 2021-22 is summarized in Table below:

Table 63: Total Interest on Long-term Loans

Particulars	(Rs. Crore)	
	FY 21-22 Approved (20th May, 2019)	FY 21-22 Projected
Opening Loan	107.37	133.38
Loan for additional Capex (70:30 debt-equity)	33.60	33.60
Loan Repayment	24.98	24.27
Closing Loan	115.99	142.71
Interest Cost on Avg. Loans	10.67	12.08

Therefore, DNHPDCL requests the Hon'ble Commission to approve the interest cost on long-term loans as projected above.

4.15.2 Interest on Working Capital Borrowings

DNHPDCL has computed the Interest on Working Capital for the MYT Control Period based on normative basis as per the MYT Regulations, 2018.

The working capital requirement for the FY 2021-22 has been computed considering the following parameters:

- a. O&M Expenses for one (1) month; plus
- b. Maintenance spares at 40% of repair and maintenance expenses for one (1) month; plus
- c. Receivables equivalent to two (2) months of the expected revenue from Consumers at the prevailing tariff;
Less
- d. Amount, if any, held as security deposits under clause (b) of sub-section (1) of Section 47 of the Act from Consumers except the security deposits held in the form of Bank Guarantees:

A rate of interest of 9.75% has been considered on the working capital requirement, being the 1 year SBI MCLR plus 200 basis points as on 1st April of the year. This is in line with the MYT Regulations, 2018 which states that "The rate of interest on working capital shall be equal one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the Financial Year in which the Petition is filed plus 200 basis points." The normative interest on working capital for the FY 2021-22 considering the above methodology is summarized in the Table below:

Table 64: Interest on Working Capital for the FY 2021-22

Particulars	(Rs. Crore)	
	FY 21-22 Approved (20th May, 2019)	FY 21-22 Projected
O&M expense for one month	3.26	4.01

Particulars	FY 21-22	FY 21-22
	Approved (20th May, 2019)	Projected
Maintenance spares at 40% of R&M for one month	0.42	0.85
Receivables for 2 months	566.67	595.15
Total	570.35	600.01
Less consumer security deposit but excluding Bank Guarantee/Fixed Deposit Receipt	39.19	60.63
Net Working Capital required after deduction of Security Deposit	531.16	539.38
Interest on Working Capital	53.91	52.59

Therefore, DNHPDCL requests the Hon'ble Commission to approve the interest cost on working capital as projected above.

4.16 Return on Equity

As per the MYT Regulations, 2018 DNHPDCL is entitled for a Return on Equity (RoE).

The Regulation 27.2 and 27.3 of the MYT Regulations, 2018 stipulates the following:

"27.2 The return on equity for the Distribution Wires Business shall be allowed on the equity capital determined in accordance with Regulation 26 for the assets put to use at post-tax rate of return on equity specified in the prevalent CERC Tariff Regulations for transmission system.

27.3 The return on equity for the Retail Supply Business shall be allowed on the equity capital determined in accordance with Regulation 26 for the assets put to use, at the rate of sixteen (16) per cent per annum."

The DNHPDCL has segregated the approved average equity (average of opening and closing equity) into average equity for Distribution Wires Business and Retail Supply Business based on the Allocation Statement provided in the MYT Regulations, 2018 i.e. 90% allocation for the Distribution Wires Business and 10% allocation for the Retail Supply Business. The Commission has considered a rate of 15.50% for the Distribution Wires Business (as per the prevalent CERC Regulations) and a rate of 16% for the Retail Supply Business. The equity component has been determined in accordance with Regulation 26

of the MYT Regulations. The following table provides the Return on Equity approved for the FY 2021-22:

Table 65: Return on Equity for the FY 2021-22

Particulars	(Rs. Crore)	
	FY 21-22 Approved (20th May, 2019)	FY 21-22 Projected
Opening Equity	150.78	194.86
Additions on account of new capitalisation	14.4	14.40
Closing Equity	165.18	209.26
Average Equity	157.98	202.06
Equity for wire business (90%)	142.18	181.85
Equity for Retail Supply Business (10%)	15.8	20.21
Return on Equity for Wire Business (%)	15.50%	15.50%
Return on Equity for Retail Supply Business (%)	16.00%	16.00%
Return on Equity for Wire Business	22.04	28.19
Return on Equity for Retail Supply Business	2.53	3.23
Return on Equity	24.57	31.42

Therefore, DNHPDCL requests the Hon'ble Commission to approve the return on equity capital as projected above.

4.17 Interest on consumer security deposits

DNHPDCL has made a provision to pay Rs. 4.20 Crore as interest on consumer security deposits during the FY 201-22. The details of interest on consumer security deposit is given in the table below:

Table 66: Interest on Consumer Security Deposit for the FY 2021-22

Particulars	(Rs. Crore)	
	FY 21-22 Approved (20th May, 2019)	FY 21-22 Projected
Interest on Security Deposit	2.45	4.20

Therefore, DNHPDCL requests the Hon'ble Commission to approve the interest on consumer security deposit as projected above.

4.18 Income Tax

The MYT Regulations, 2018 provide for the provision of income tax. DNHPDCL has made a provision of Rs. 26.21 Crore towards tax on income for

the FY 2021-22. Details of actual income tax which will be paid by DNHPDCL during the FY 2021-22 shall be submitted to the Hon'ble Commission at the time of truing up.

Table 67: Income Tax for the FY 2021-22

Particulars	(Rs. Crore)	
	FY 21-22 Approved (20th May, 2019)	FY 21-22 Projected
Income Tax	0.00	26.21

4.19 Non-Tariff & Other Income

Non-tariff income includes meter rent/service line rentals, recovery for theft of power/malpractices; miscellaneous charges from consumers. Other income includes Interest on Staff loans & advances, Interest on advances to suppliers/contractors, and Miscellaneous receipts.

The non-tariff income for the FY 2021-22 has been estimated at the same level as determined for the FY 2021-22 by considering elements like sale of scrap, reactive income, STOA application fees, supervision charges etc. Details of the non-tariff income is provided in table below:

Table 68: Non-tariff Income for the FY 2021-22

Particulars	(Rs. Crore)	
	FY 21-22 Approved (20th May, 2019)	FY 21-22 Projected
Non tariff Income	49.60	8.22

4.20 Aggregate Revenue Requirement

The following Table summarizes DNHPDCL's Aggregate Revenue Requirement for the FY 2021-22.

Table 69: Aggregate Revenue Requirement for the FY 2021-22

Particulars	(Rs. Crore)	
	FY 21-22 Approved (20th May, 2019)	FY 21-22 Projected
Power Purchase Cost	3,293.91	3,098.36

Particulars	FY 21-22	FY 21-22
	Approved (20th May, 2019)	Projected
O&M Expense	39.16	48.10
Depreciation	24.98	24.27
Interest Cost on Long-term Capital Loans	10.67	12.08
Interest on Working Capital Loans	53.91	52.59
Return on Equity	24.57	31.42
Provision for Bad Debt	0.00	0.00
Interest on security deposit	2.45	4.20
Income Tax	0.00	26.21
Total	3,449.65	3,297.22
Less:		
Non-Tariff Income	49.60	8.22
Annual Revenue Requirement	3,400.05	3,289.01

4.21 Revenue at Existing Tariff

Revenue from sale of power for the FY 2021-22 is determined based on the energy sales estimated and category wise tariff prevalent in the UT of Dadra & Nagar Haveli as per the tariff notified by the Hon'ble Commission in the Tariff Order for the FY 2020-21 dated 18th May, 2020.

The table below summarizes the revenue from sale of power at existing tariff for the FY 2021-22:

Table 70: Revenue from Sale of Power at Existing Tariff for the FY 2021-22

Revenue @ Existing Tariff	(Rs. Crore)
	FY 21-22 Projected
Domestic	40.09
LIG	0.00
Commercial	16.26
Agriculture	1.11
LT Industry	120.87
HT/EHT Industry	3385.97
Public Lighting	1.35
Public Water Works	2.90
Temp. Supply	2.32
Total	3570.87
Revenue from Open Access	0.00
Revenue from surplus power	0.00
Total Revenue	3570.87

4.22 Coverage of Revenue Gap

Revenue from sale of power with-in the UT (category-wise) is determined in Table 70.

Table 71 summarizes the ARR for DNHPDCL for FY 2019-20, FY 2020-21 and FY 2021-22 along with the revenue and the resulting revenue (gap)/surplus. The cumulative surplus for the three years is Rs. 133.13 Crore as given in the table below.

Table 71: Revenue Gap for FY 21-22

Sr. No.	Particulars	(Rs. Crore)		
		2019-20 Actual	2020-21 Revised Estimates	2021-22 Projected
1	Total ARR	3,646.81	2,861.15	3,289.01
2	Revenue @ Existing Tariff	3,369.82	2,889.11	3,570.87
3	Revenue from Surplus Power Sale	0.00	18.22	0.00
4	Total Revenue (2+3)	3,369.82	2,907.33	3,570.87
5	Revenue (Gap)/Surplus (4-1)	(276.99)	46.18	281.87
	Covered By			
6	Previous Years' (Gap)/Surplus Carried Over	100.14	(180.51)	(148.11)
7	Total (Gap)/Surplus (5+6)	(176.85)	(134.34)	133.75
8	Holding Cost	(3.66)	(13.77)	(0.63)
9	Net (Gap)/Surplus (7+8)	(180.51)	(148.11)	133.13
10	Reduction in surplus @ Proposed Tariff	0.00	0.00	130.52
11	Net (Gap)/Surplus (9-10)	(180.51)	(148.11)	2.61

4.23 Average Cost of Supply

The following Table summarizes Average Cost of supply and total average realization at the existing tariff approved by the Hon'ble Commission.

Table 72: Average Cost of Supply & Revenue Realization

Average Realization & Cost of Supply (Rs/Unit)	2019-20 Actual	2020-21 Revised Estimates	2021-22 Projected
Average Cost of Supply of DNHPDCL	5.77	5.48	5.03
Average Realization	5.33	5.57	5.46

Average Realization & Cost of Supply	2019-20	2020-21	2021-22
(Rs/Unit)	Actual	Revised Estimates	Projected
Revenue (Gap)/surplus at Existing Tariff	(0.44)	0.09	0.43
Net Revenue (Gap)/Surplus (Includes gap of previous year)	(0.28)	(0.26)	0.20
Reduction in surplus @ Proposed Tariff	-	-	0.20
Net Revenue (Gap)/Surplus	(0.28)	(0.26)	0.00

4.24 Tariff Proposal for FY 2021-22

As there is a cumulative surplus of Rs. 133.13 Crore for FY 2019-20, FY 2020-21 and FY 2021-22 the DNHPDCL proposes to reduce the revenue surplus through reduction in tariff for the FY 2021-22.

Table below summarizes the existing and proposed tariff structure for various consumer categories for FY 2021-22.

Table 73: Proposed Tariff Structure for FY 2021-22

S.No.	Category/Consumption Slab	Existing FY 2020-21		Proposed FY 2021-22	
		Energy Charges (Rs/Kwh)	Fixed Charges	Energy Charges (Rs/Kwh)	Fixed Charges
1	LT-D/Domestic				
	1st 50 Units	1.50	10.00 Rs./Con/Month	1.30	10.00 Rs./Con/Month
	51 to 200 Units	2.20	10.00 Rs./Con/Month	2.00	10.00 Rs./Con/Month
	201 to 400 Units	2.75	10.00 Rs./Con/Month	2.55	10.00 Rs./Con/Month
	Beyond 401 Units	3.40	10.00 Rs./Con/Month	3.20	10.00 Rs./Con/Month
	LIGH		20.00 Rs./conn/month		20.00 Rs./conn/month
2	LT-C/Commercial				
	1st 100 Units	3.20	20.00 Rs./Con/Month	3.00	20.00 Rs./Con/Month
	Beyond 100 Units	4.35	20.00 Rs./Con/Month	3.15	20.00 Rs./Con/Month
3	LT- Ag/ Agriculture				
	Upto 10 HP per unit	0.80		0.60	
	Beyond 10 HP per	1.15		0.95	

S.No.	Category/Consumption Slab	Existing FY 2020-21		Proposed FY 2021-22	
		Energy Charges (Rs/Kwh)	Fixed Charges	Energy Charges (Rs/Kwh)	Fixed Charges
	unit				
4	LTP Industrial				
	Upto 20 HP Connected Load	4.40	20.00Rs./HP/month	4.20/kVA H	20.00Rs./HP/month
	Above 20 HP Connected Load	4.60	80.00 Rs./HP/month	4.40/kVA h	80.00 Rs./HP/month
5	LT-PL/Public Lighting				
	Public Lighting	4.25		4.05	
6	LT Public Water Works				
	Upto 20 HP Connected Load	4.80	50.00 Rs./HP/month	4.60	50.00 Rs./HP/month
	Above 20 HP Connected Load	4.80	100.00 Rs./HP/month	4.60	100.00 Rs./HP/month
7	HT				
	HT Category				
	11 kV	Rs.4.40/k VAh	400.00 Rs./kVA/month	Rs.4.20/k VAh	400.00 Rs./kVA/month
	66 kV	Rs.4.35/k VAh	525.00 Rs./kVA/month	Rs.4.15/k VAh	525.00 Rs./kVA/month
	220 kV	Rs.4.30/k VAh	575.00 Rs./kVA/month	Rs.4.10/k VAh	575.00 Rs./kVA/month
8	Hoardings/Advertisements				
	For all units	7.55	100.00 Rs./kVA/month	7.35	100.00 Rs./kVA/month
9	Charging Stations for e-rickshaw/e-vehicle on single point delivery	4.80	-	4.60	-

DNHPDCL, requests the Hon'ble Commission to approve the fuel purchase adjustment formula including the "k" factor for FY 21-22 as well, which can take care of any variation in the ARR over and above the approved level by the Commission for FY 21-22.

Chapter 5: Determination of Open Access Charges

5.1 Allocation Matrix

The allocation between wheeling and retail supply business for FY 2021-22 as per the ARR proposed for FY 2021-22 is provided in the table below:

Table 74: Allocation of ARR between Wheeling and Retail Supply

Annual Revenue Requirement Rs. Crs	Allocation (%)		Allocation FY 2021-22	
	Wheeling	Supply	Wheeling	Supply
Fuel Cost	0%	100%	0.00	0.00
Power Purchase Cost	0%	100%	-	3,098.36
Employee	40%	60%	5.75	8.63
R&M	90%	10%	23.05	2.56
A&G	50%	50%	4.06	4.06
Depreciation	90%	10%	21.85	2.43
Interest Cost on Long-term Capital Loans	90%	10%	10.87	1.21
Interest on Working Capital Loans	10%	90%	5.26	47.33
Interest on Security Deposit	10%	90%	0.42	3.78
Return on Equity	90%	10%	28.28	3.14
Income Tax	90%	10%	23.58	2.62
Provision for Bad & Doubtful Debt	0%	100%	-	-
Annual Revenue Requirement			123.11	3174.11
Less: Non-Tariff Income	10%	90%	0.82	7.40
Less: Income from other business	50%	50%	-	-
Net Revenue Requirement			122.29	3166.72

5.2 Voltage wise Wheeling Charges

The DNHPDCL has considered the voltage wise losses for FY 2021-22 as considered by the Hon'ble Commission in its Tariff Order for the FY 2020-21. In order to determine the wheeling charges prudently, the wheeling costs has been allocated on the basis of voltage levels. The wheeling charges are levied for the distribution network utilized by Open Access consumers and primarily comprise of O&M Expenses and other costs as provided in the table above. The criteria for allocation of wheeling costs is elaborated as follows:

- O&M Expenses are allocated on the basis of number of consumers under each category.
- All expenses other than the O&M expenses are allocated on the basis of voltage wise asset allocation.

The voltage wise asset allocation assumed and the number of consumers in each category has been shown as follows:

Table 75: Parameters assumed for voltage wise allocation of wheeling charges

Category	Consumers	Sales (MU)	Asset Allocation (%)	Voltage wise losses (%)	Energy Input
Below 11 kV-LT	83983	452.64	40%	23.42%	590.32
11 kV	934	2,641.96	30%	3.80%	2746.32
66 kV	32	1,746.29	20%	1.50%	1772.88
220 kV	2	1,700.62	10%	0.60%	1710.88
Total	84951	6541.51	100%	4.10%	6820.41

Accordingly, the wheeling charge so arrived has been shown in the table below.

Table 76: Wheeling charges proposed for FY 2021-22

Category	O&M	Others	Total	Wheeling Charges (Rs./kWh)
Below 11 kV-LT	32.48	35.77	68.26	1.16
11 kV	0.36	26.83	27.19	0.10
66 kV	0.01	17.89	17.90	0.10
220 kV	0.00	8.94	8.94	0.05
Total	32.86	89.44	122.29	

5.3 Cross Subsidy Surcharge

The DNHPDCL has considered the voltage wise losses for FY 2021-22 as considered by the Hon'ble Commission in its Tariff Order for the FY 2020-21.

The cross-subsidy surcharge has been computed with respect to voltage wise cost of supply. The following approach has been adopted to determine the voltage wise cost of supply:

Voltage Wise losses at each voltage level are assumed for 11 kV, 66 kV and 220 kV voltage levels. The remaining losses are adjusted in the LT voltage level in order to maintain the Intra-State distribution losses at 4.10%, as proposed in the ARR for FY 2020-21. Voltage wise losses assumed at each level has been shown in the table below:

Table 77: Voltage wise losses assumed

Category	Voltage wise losses (%)	Cumulative Voltage wise losses (%)
Below 11 kV-LT	23.45%	23.45%
11 kV	3.80%	5.90%
66 kV	1.50%	2.10%
220 kV	0.60%	0.60%
Total	4.10%	4.10%

Using these losses the energy input at each voltage level is determined based on the energy sales. The table below shows the energy input at each voltage level:

Table 78: Energy Input at each voltage level (MU)

Category	Energy Sales	Losses (%)	Energy Input (MU)
Below 11 kV-LT	451.90	23.45%	590.32
11 kV	2641.96	5.90%	2746.32
66 kV	1746.29	2.10%	1772.88
220 kV	1700.62	0.60%	1710.88
Total	6540.77	4.10%	6820.41

Now the overall ARR proposed for FY 2021-22 is divided into variable and fixed ARR with variable ARR comprising of variable power purchase cost and fixed ARR comprising of all the other costs.

The fixed component comprising of fixed cost of power purchase, O&M etc. is further allocated to each voltage level as per the following principles:

- The fixed cost of power purchase is allocated to each voltage level on the basis of energy input at respective voltage levels.

- The O&M expenses is allocated on the basis of number of consumers
- All remaining fixed cost is allocated on the basis of voltage wise asset allocation assumed earlier.

Table 79: Parameters utilized for allocation of fixed costs

Category	Energy Input (MU)	Asset Allocation (%)	Consumers
Below 11 kV-LT	590.32	40.00%	83983
11 kV	2746.32	30.00%	934
66 kV	1772.88	20.00%	32
220 kV	1710.88	10.00%	2
Total	6820.41	100.00%	84951

The Variable component of the Power purchase cost is allocated on the basis of energy input.

The Voltage wise cost of supply (VCoS) is then determined in the basis of energy sales of respective categories.

Accordingly, the Voltage wise cost of supply for each category is determined as shown in the table below:

Table 80: Voltage wise Cost of Supply (VCoS)

Category	Allocated Fixed Cost (Rs. Crore)	Allocated Variable Cost (Rs. Crore)	Total Cost (Rs. Crore)	Energy Sales (MU)	VCoS (Rs./kWh)
Below 11 kV-LT	214.95	157.79	372.74	451.90	8.25
11 kV	556.82	734.07	1290.89	2,641.96	4.89
66 kV	360.03	473.88	833.91	1,746.29	4.78
220 kV	334.17	457.31	791.47	1,700.62	4.65
Total	1465.96	1823.04	3289.01	6540.77	

The Voltage Wise Cost of Supply as derived is used to determine the cross-subsidy surcharge:

Table 81: Cross-Subsidy Surcharge

Category	VCoS (Rs./kWh)	ABR (Rs./kWh)	Cross-Subsidy (Rs./kWh)
Below 11 kV-LT	8.25	4.09	-4.16
11 kV	4.89	5.66	0.77
66 kV	4.78	5.34	0.56
220 kV	4.65	5.40	0.75

5.4 Additional Surcharge

The Additional Surcharge has been determined as considered by the Hon'ble Commission in its Tariff Order for the FY 2020-21.

Table 82: Additional Surcharge for FY 2021-22

Particulars	FY 2021-22
Total Power Purchase cost	3,098.36
Fixed Cost component in Power Purchase Cost	1272.19
Energy Sales (MU)	6,540.77
Additional Surcharge (Rs/kWh)	1.95

The fixed cost component in power purchase cost has been derived including the fixed charges for all the generating stations and further the transmission charges of PGCIL. The transmission charges of PGCIL is also of the nature of fixed charges as LTOA has been obtained from the PGCIL and transmission charges is required to be paid to PGCIL on a monthly basis on basis of LTOA.

5.5 Application and Agreement Fees

The application and agreement fees are proposed as Rs 5000/- and Rs 50,000/- respectively.

Chapter 6: Compliance of Directives

The Hon'ble Commission vide Tariff Order dated 18th May, 2020 had issued a set of directives to be followed by DNHPDCL to comply with "The Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Multi Year Distribution Tariff) Regulations, 2018."

In line with the directives, DNHPDCL has been taken several steps to comply with the directives. The purpose of this section is to appraise the Hon'ble Commission on progress made by DNHPDCL on this matter since the issuance of the aforesaid tariff order.

A. Directives continued in this Tariff Order

1. Directive 1: Capital Expenditure:

The petitioner is directed to submit the detailed statement of capital expenditure incurred and capitalization for every quarter, within 15 days in the subsequent quarter.

Compliance/Action taken mentioned in ARR and Tariff Petition for FY 2013-14:

Petitioner's Submission:

It is submitted that the status of capital expenditure incurred during the first 2 quarters for the current financial year i.e. April, May, June - 2012 and July, August, September - 2012 has been prepared and is being enclosed along with the petition as Annexure III.

Commission's Comments

The submission of the Petitioner is noted. The timeline stipulated for the submission as per the direction should be adhered to and quarterly submissions should be made for the remaining quarters of FY 2012-13 and going forward for the coming years.

Compliance/Action taken mentioned in ARR and tariff Petition for FY 2014-15:**Petitioner's Submission:**

The DNHPDCL would like to submit to the Hon'ble Commission that the actual capital expenditure for FY 12-13 has already been submitted along with the true-up petition. The proposed capital expenditure for FY 13-14 and FY 14-15 has also been submitted in the ARR petition for FY 2014-15. Further, the DNHPDCL will submit the quarterly progress report of capital expenditure as directed by the Hon'ble Commission.

Commission's Comments

The submission of the Petitioner is noted. The timeline stipulated for the submission as per the direction should be adhered to and quarterly submissions should be made for the remaining quarters of FY 2013-14 and going forward for the coming years.

Compliance/Action taken mentioned in ARR and tariff Petition for FY 2015-16:**Petitioner's Submission:**

The DNHPDCL would like to submit to the Hon'ble Commission that the progress Report of Quarterly Capital Expenditure will be submitted to the Hon'ble Commission shortly.

Commission's Comments

Compliance is noted. The quarterly reports on capital expenditure and capitalization shall be reported regularly.

Compliance/Action taken mentioned in ARR and Tariff Petition for MYT Control Period FY 2016-17 to FY 2018-19:

Petitioner's Submission:

No Response Submitted

Commission's Comments

The quarterly reports on capital expenditure and capitalization shall be reported regularly.

Compliance/Action taken mentioned in ARR and Tariff Petition for FY 2017-18:**Petitioner's Submission:**

The DNHPDCL shall submit the quarterly report on capital expenditure as directed by the Commission.

Commission's Comments

The Commission has noted with concern that Petitioner is yet to submit the details as sought by the Commission. The Commission now directs the Petitioner to ensure compliance of this directive and submit the desired reports on quarterly basis, failing which the Commission will be constrained to take appropriate action against the Petitioner.

Compliance/Action taken mentioned in ARR and Tariff Petition for FY 2018-19:**Petitioner's Submission:**

The DNHPDCL shall submit the quarterly report on capital expenditure as directed by the Commission.

Commission's Comments

The Commission has noted with concern that Petitioner is yet to submit the details as sought by the Commission. The Commission now directs the Petitioner to ensure compliance of this directive and submit the desired reports on quarterly basis, failing which the Commission will be constrained to take

appropriate action against the Petitioner. Further, it is observed that the Petitioner has been able to submit capitalisation of only Rs.7.22 cr. in FY 2017-18 and nil in FY 2018-19. The Commission directs the Petitioner to increase its efforts towards capex activities necessary to enhance reliability and quality of supply to consumers.

Compliance/Action taken mentioned in ARR for MYT Control Period FY 2019-20 to FY 2021-22:

Petitioner's Submission:

The DNHPDCL would like to submit that the Quarterly report will be submitted to the Hon'ble Commission shortly.

Commission's Comments

The Commission has noted with concern that Petitioner is yet to submit the details as sought by the Commission. The Commission now directs the Petitioner to ensure compliance of this directive and submit the desired reports on quarterly basis, failing which the Commission will be constrained to take appropriate action against the Petitioner.

Petitioner's Submission:

The DNHPDCL would like to submit that the Quarterly report will be submitted to the Hon'ble Commission shortly.

Commission's Comments

The Commission has noted with concern that Petitioner is yet to submit the details as sought by the Commission. The Commission now directs the Petitioner to ensure compliance of this directive within three months from the date of issuance of this order and submit the desired reports regularly on quarterly basis, failing which the Commission will be constrained to take appropriate action against the Petitioner.

Petitioner's Submission:

The DNHPDCL would like to submit that the Quarterly report will be submitted to the Hon'ble Commission shortly.

2. Directive 2: Implementation of Smart Grid

The Petitioner is directed to submit a detailed action plan by 30th September 2016 for roll out of smart grid in DNH within this MYT Control Period.

Compliance/Action taken mentioned in ARR and Tariff Petition for FY 2017-18:

Petitioner's Submission:

The work of preparation of the project report has been given to PGCIL. The PGCIL shall submit the report by March, 2017.

Commission's Comments

The Commission notes the submission of the Petitioner and directs it to submit the monthly status report on the implementation of smart grid.

Compliance/Action taken mentioned in ARR and Tariff Petition for FY 2018-19:

Petitioner's Submission:

The DNHPDCL would like to submit that the matter is under consideration of the DNHPDCL and possibility is being explored for the implementation of smart grid in the UT of Dadra and Nagar Haveli.

Commission's Comments

The Commission notes the submission of the Petitioner and directs it to submit the quarterly status report on the implementation of smart grid.

Compliance/Action taken mentioned in ARR for MYT Control Period FY 2019-20 to FY 2021-22:**Petitioner's Submission:**

The DNHPDCL would like to submit that the possibility of implementation of Smart Grid in UT of DNH will be explored in due course.

Commission's Comments

The Commission notes the submission of the Petitioner with concern and directs it to submit a detailed action plan by 30th September 2019 for roll out of smart grid in DNH within this MYT Control Period.

Petitioner's Submission:

The DNHPDCL would like to submit that the possibility of implementation of Smart Grid in UT of DNH will be explored in due course.

Commission's Comments

The Commission notes the submission of the Petitioner with concern and directs it to submit a detailed action plan by 30th September 2020 for rolling out of the smart grid in DNH within this MYT Control Period.

Petitioner's Submission:

The DNHPDCL would like to submit the Silvassa town is declared as a Smart City. Accordingly, measures will be taken up for implementation of Smart Grid projects.

3. Directive 3: Information for determination of Voltage-wise Wheeling Charges

The Petitioner is directed to provide the details of voltage wise assets and expenses along with the allocation methodology if any for the determination of voltage wise wheeling charges in the next tariff petition.

Compliance/Action taken mentioned in ARR and Tariff Petition for FY 2017-18:**Petitioner's Submission:**

The details of voltage wise assets and expenses along with the allocation methodology shall be submitted to the Commission shortly.

Commission's Comments

The Commission observes that the Petitioner is yet to submit the requisite details. The Commission now directs the Petitioner to submit the desired information before 31st August, 2017.

Compliance/Action taken mentioned in ARR and Tariff Petition for FY 2018-19:

Petitioner's Submission:

The details of voltage wise assets and expenses along with the allocation methodology shall be submitted to the Commission shortly.

Commission's Comments

The Commission observes that the Petitioner is yet to submit the requisite details. The Commission now directs the Petitioner to submit the desired information before 31st August 2018.

Compliance/Action taken mentioned in ARR for MYT Control Period FY 2019-20 to FY 2021-22:

Petitioner's Submission:

The DNHPDCL would like to submit that the Information is already submitted to the Hon'ble Commission in the Business plan as well ARR petition filed for FY 2018-19.

Commission's Comments

The Commission notes the compliance by the Petitioner. However, the Petitioner has shown no allocation at EHT level though a few consumers are being supplied at 220 kV. The Commission directs the Petitioner to carry out allocation in scientific manner and submit revised allocation along with Tariff Petition for FY 2020-21.

Petitioner's Submission:

The DNHPDCL would like to submit that the details for the EHT consumers shall be submitted to the Hon'ble Commission shortly.

Commission's Comments

The Commission notes the submission of the Petitioner with concern and directs it to submit details of voltage wise assets and expenses along with the allocation methodology including allocation at EHT level along with next Tariff Petition.

Petitioner's Submission:

The DNHPDCL would like to submit that the details for the EHT consumers shall be submitted to the Hon'ble Commission shortly.

B. New Directive**1. Directive 1: Timely Submission of Reports**

The Commission has observed that the Petitioner do not submit the quarterly or any other report within time as specified by the Commission in previous Orders. Accordingly, the Petitioner is directed to comply with the timelines decided by the Commission for all such reports.

Petitioner's Submission:

The DNHPDCL would like to submit that the reports pertaining to RPO, metering, FPPCA, SAIFI, SAIDI are submitted to the Hon'ble Commission on a regular basis.

2. Directive 2: Quarterly RPO Compliance Report Submission

The Commission directs the Petitioner to submit quarterly RPO report henceforth timely within 15 days of the subsequent quarter.

Petitioner's Submission:

The DNHPDCL would like to submit that RPO report are being submitted quarterly to the Hon'ble Commission.



3. Directive 3: Quarterly details of Stranded Power (Open Access)

The Commission directs the Petitioner to submit quarterly details of power stranded on account of consumers opting for open access along with the Additional Surcharge recovered from these consumers.

Petitioner's Submission:

The DNHPDCL would like to submit that at present there is no open access consumer and therefore there is no stranded power.

4. Directive 4: Status of Metering

The Commission directs the petitioner to submit the metering status including status of defective meters for each category of consumers separately within three months from the issuance of this Tariff Order. Further, the petitioner is also directed to submit the status of the consumers for which billing is being done on metered basis and assessment basis within three months from the issuance of this Tariff Order.

Petitioner's Submission:

The DNHPDCL would like to submit that the details regarding metering have submitted to the Hon'ble Commission as per the format provided to the utilities. Further, all the details were also submitted during the course of Suo-moto hearing to the Hon'ble Commission.

Tariff Schedule

General Terms and Conditions:

1. The tariffs are exclusive of electricity duty, taxes and other charges levied by the Government or other competent authority from time to time which are payable by the consumers in addition to the charges levied as per the tariffs.
2. Unless otherwise agreed to, these tariffs for power supply are applicable for supply at one point only.
3. Supply to consumers having contracted load between 100 KVA to 5000 KVA (including licensee common feeders and express feeders/dedicated feeders) shall generally be at 11 KV and for more than 5000 KVA up to 25000 KVA at 66 KV. For the consumer who requires load more than 25000 KVA, the supply voltage shall be at 220 KV level.
4. If energy supplied for a specific purpose under a particular tariff is used for a different purpose not contemplated in the contract for supply and/or for which a higher tariff is applicable, it will be deemed as unauthorized use of electricity and shall be dealt with for assessment under the provisions of Section 126 of the Electricity Act, 2003 & Supply Code Regulation notified by JERC.
5. If connected load of a domestic category is found to be at variance with the sanctioned/contracted load as a result of replacement of appliances such as lamps, fans, fuses, switches, low voltage domestic appliances, fittings, it shall not fall under Section 126 and Section 135 of the EA 2003.
6. **Power Factor Charges - LT and Agriculture Connection** running without proper capacitors installed so as to maintain Power Factor of 0.85 as per the Supply Code Regulations 2018 shall be charged extra 2.5% of units consumed as additional power factor charges. Payment of the power factor charge won't exempt the consumer from his responsibility to maintain the power factor. The conditions for disconnection of a consumer supply in case of non-achievement of minimum level of power factor as prescribed in the Supply Code Regulations notified by JERC, shall apply. DNHPDCL may install a suitable capacitor at its own cost and recover the cost thereof as arrears of energy charges. In case the monthly average power factor is less than 0.70 lagging, the installation is liable for disconnection after due notice.



7. If the consumer fails to pay the energy bill presented to him by the due date, the Department shall have the right to disconnect the supply after giving 15 days' notice as per the provisions of the Act and the Supply Code Regulations.
8. Fixed charges, wherever applicable, will be charged on pro-rata basis from the date of release of connection. Fixed charges, wherever applicable, will be double as and when bi-monthly billing is carried out. Similarly, slabs of energy consumption will also be considered accordingly in case of bi-monthly billing.
9. The billing in case of HT/EHT shall be on the maximum demand recorded during the month or 85% of contracted demand, whichever is higher. If in any month, the recorded maximum demand of the consumer exceeds its contracted demand, that portion of the demand in excess of the contracted demand shall be billed at double the normal rate. Similarly, energy consumption corresponding to excess demand shall also be billed at double the normal rate. The definition of the maximum demand would be in accordance with the provisions of the Supply Code Regulation. If such over-drawal is more than 20% of the contract demand, then the connections shall be disconnected immediately.
Explanation: Assuming the contract demand as 100 KVA, maximum demand at 120 KVA and total energy consumption as 12000 kWh, then the consumption corresponding to the contract demand will be 10000 kWh ($12000 \times 100 / 120$) and consumption corresponding to the excess demand will be 2000 kWh. This excess demand of 20 KVA and excess consumption of 2000 kWh will be billed at twice the respective normal rate. Such connections drawing more than 120 kVA, shall be disconnected immediately.
10. Unless specifically stated to the contrary, the figures of energy charges relate to paisa per unit (kWh) charge for the energy consumed during the month.
11. Delayed payment surcharge shall be applicable to all categories of consumers. Delayed payment surcharge of 2% per month or part thereof shall be levied on all arrears of bills. Such surcharge shall be rounded off to the nearest multiple of one rupee. Amount less than 50 paisa shall be ignored and amount of 50 paisa or more shall be rounded off to the next



rupee. In case of permanent disconnection, delayed payment surcharge shall be charged only up to the month of permanent disconnection.

12. **Advance Payment Rebate:** If payment is made in advance well before commencement of the consumption period for which the bill is prepared, a rebate @ 1% per month shall be given on the amount (excluding security deposit) which remains with the licensee at the end of the month. Such rebate, after adjusting any amount payable to the licensee, shall be credited to the account of the consumer.
13. **Prompt Payment Rebate:** If payment is made at least 7 days in advance of the due date of payment, a rebate for prompt payment @ 0.25 % of the bill amount shall be given. Those consumers having arrears shall not be entitled for such rebate.
14. The adjustment on account of Fuel and Power Purchase Cost variation shall be calculated in accordance with the FPPCA formula notified in Chapter 8 of this Order. Such charges shall be recovered/refunded in accordance with the terms and conditions specified in the FPPCA formula.
15. The values of the 'K' factor applicable for the different consumer categories for use in the FPPCA formula shall be as specified in this Tariff Order for the FY 2021-22.

The detailed tariff Schedule is outlined as under:

DETAILED TARIFF SCHEDULE

I. (A) Domestic Category

This schedule shall apply to private houses, hospitals run on Non-commercial lines, Government Schools (including Government Schools Hostels), Charitable Religious Institutions for Light, Fans, Radios, Domestic Heating and other household appliances including water pumps up to 2 HP.

1. Energy Charges

Usage(Units/Month)	Energy Charge (Ps./Unit)
0-50 units	130

Usage(Units/Month)	Energy Charge (Ps./Unit)
51-200 units	200
201-400 units	255
401 and above	320

2. Fixed Charges

Usage(Rs./Con/Month)	Fixed Charge
0-50 units	10.00 Rs./Con/Month
51-200 units	10.00 Rs./Con/Month
201-400 units	10.00 Rs./Con/Month
401 and above	10.00 Rs./Con/Month

(B) Power Supply to Low Income Group (Up to 2x40 W bulbs only)

Power supply to low income group connections will be charged at INR 20 per service connection per month. For any unauthorized increase in the load beyond 2*40 watts, penal charges at the rate of INR 20 per month per point will be levied and the installation will be liable for disconnection.

II. Non-Domestic Category/Commercial

This schedule shall apply to Shops, Offices, Restaurants, Bus Stations, Schools (other than Govt. schools & their hostels), Photo Studios, Laundries, Cinema Theatres, Industrial Lighting, clubs and other Commercial installations.

This includes all categories which are not covered by other tariff categories including Domestic Category, Low Income Group, Industrial LT, HT/EHT Category (A&B), Agriculture and Poultry, Public Lighting.

1. Energy Charges

Usage(Units/Month)	Energy Charge (Ps./Unit)
1-100 units	300
101 units and above	315

2. Fixed Charges

Usage(Rs./Con/Month)	Fixed Charge
1-100 units	20.00 Rs./Con/Month
101 units and above	20.00 Rs./Con/Month

III. LT Category

This schedule shall apply to all Low Tension Industrial Motive Power Connections including water works/pumps with sanctioned load up to 99 HP.

A. LTP Motive Power**1. Energy Charges**

Usage(Units/month)	Energy Charge (Ps./kVAh)-
Up to 20 HP	420
Above 20 HP	440

2. Fixed Charges

	Fixed charge (Rs./HP/month) or part thereof
Up to 20 HP	20.00 Rs./HP/Month
Above 20 HP	80.00 Rs./HP/Month

B. LT Public Water Works**3. Energy Charges**

Usage(Units/month)	Energy Charge (Ps./Unit)-
Up to 20 HP	460
Above 20 HP	460

4. Fixed Charges

	Fixed charge (Rs./HP/month) or part thereof
Up to 20 HP	50.00 Rs./HP/Month
Above 20 HP	100.00 Rs./HP/Month

IV. HT/EHT Category**A. HT 11 kV supply**

This schedule shall apply to all Industrial/Motive power/ Ferro Metallurgical / Steel Melting / Steel Rerolling / Power Intensive consumers drawing through 11 kV systems.

1. Fixed Charges(Demand Charges)

For Billing Demand	Charges (Rs./KVA/month) or part thereof
Up to Contract Demand	Rs. 400/-
In Excess of Contract Demand	Rs 800/-

2. Energy Charges

Usage(Units/Month)	Tariff (Ps./kVAh)
All units	420

B. HT 66 kV supply

This schedule shall apply to all Industrial/Motive power/ Ferro Metallurgical / Steel Melting / Steel Rerolling / Power Intensive consumers drawing through 66 kV systems.

1. Fixed Charges(Demand Charges)

For Billing Demand	Charges (Rs./KVA/month) or part thereof
Up to Contract Demand	Rs. 525/-
In Excess of Contract Demand	Rs 1050/-

2. Energy Charges

Usage(Units/Month)	Tariff (Ps./kVAh)
All units	415

C. HT 220 kV supply

This schedule shall apply to all Industrial/Motive power/ Ferro Metallurgical / Steel Melting / Steel Rerolling / Power Intensive consumers drawing through 220 kV systems.

1. Fixed Charges(Demand Charges)

For Billing Demand	Charges (Rs./KVA/month) or part thereof
Up to Contract Demand	Rs. 575/-
In Excess of Contract Demand	Rs 1150/-

2. Energy Charges

Usage(Units/Month)	Tariff (Ps./kVAh)
All units	410

V. Agriculture and Poultry

This schedule shall apply to Agriculture or poultry loads up to 99 HP sanctioned load will be considered in this category.

1. Energy Charges

Usage	Tariff (Ps./Unit)
-------	-------------------

Usage	Tariff (Ps./Unit)
For connected load upto 10 HP	60
Beyond 10 HP	95

VI. Public Lighting

1. Energy Charges

Usage	Tariff (Ps./Unit)
For all units	405

VII. HOARDINGS/SIGNBOARDS

This schedule shall apply to electricity for lighting external advertisements, external hoardings and displays at departments stores, malls, multiplexes, theatres, clubs, hotels, bus shelters, Railway Stations shall be separately metered and charged at the tariff applicable for "Advertisements and Hoardings" category, except such displays which are for the purpose of indicating / displaying the name and other details of the shop, commercial premises itself. Such use of electricity shall be covered under the prevailing tariff for such shops or commercial premises. The connection for "Advertisements and Hoardings" category would be covered under the permanent supply of connection.

Energy Charges (Paise /kWh)	Fixed Charge
735	Rs. 100 per kVA per month or part thereof

VIII. Electric Charging Station

This tariff schedule shall apply to consumers that have set up Public Charging Stations (PCS) in accordance with the technical norms/ standards/specifications laid down by the Ministry of Power, GoI and Central Electricity Authority (CEA) from time to time.

The tariff for domestic consumption shall be applicable for domestic charging (LT/HT).

Energy Charges (Paise /kWh)	Fixed Charge
460	-

Temporary Supply:

The Temporary Tariff is applicable for a temporary period of supply for a period of maximum one (1) year at a time, which may be further extended, as per the provisions of Supply Code Regulations.

Tariff for Temporary Connection shall be Fixed/ Demand charges (if any) plus energy charges (for relevant slab, if any) under corresponding permanent supply category plus 50% of both.

For multi activity pursuit, applicable tariff for temporary connection shall be with reference to that of non-domestic category for permanent supply.

IX. Schedule of Other Charges

a. Monthly Meter Rental Charges (as per provisions of Regulation 7.3 (1) of JERC (Electricity Supply Code) Regulations 2010)

S.No.	Meter type	Tariff (in Rs.)/Month or part thereof
1	Single Phase	Rs 10
2	Three Phase	Rs 25
3	LT Meter with MD indicator	Rs 200
4	Tri- vector Meter	Rs 500

Note: The type of meters to be installed in consumer premises will be decided by the department. Generally the consumers having connected load above 50 HP will be provided with L.T.M.D meters.

b. Reconnection Charges(as per provisions of Regulation 9.3 (c) of JERC (Electricity Supply Code) Regulations 2010

S.No.	Connection type	Tariff (in Rs.)/Month or part thereof
1	Single Phase	Rs 50
2	Three Phase	Rs 100
3	HT	Rs 1000

Note: If the same consumer seeks reconnection within 12 months from the date of reconnection or disconnection, 50% will be added to above charges.

c. Testing Fee for Various Metering Equipments (as per provisions of Regulation 7.4 of JERC (Electricity Supply Code) Regulations 2010

S.No.	Connection Type	Fee per unit (in Rs.)
1	Single Phase	100
2	Three Phase	300
3	Three Phase Tri-vector Meter (0.5 Class) Industrial LT Consumer	500
4	Three Phase Tri-vector Meter (0.5 Class) 11 KV HT Consumer	500
5	Three Phase Tri-vector Meter (0.2 Class) 66KV EHT Consumers	1000
6	Combined CTPT Unit for 11 KV Consumer	500
7	66 KV CT / PT Unit	500
8	Three Phase CT Block	300
9	CT Coil	100

d. Service Connection Charges (as per provisions of Regulation 3.3 (3) of JERC (Electricity Supply Code) Regulations 2010

S.No.	Connection type	Tariff (in Rs.)/Month or part thereof
1	Single Phase	Rs 250
2	Three Phase	Rs 1000
3	HT (First 500 KVA)	Rs 10000

S.No.	Connection type	Tariff (in Rs.)/Month or part thereof
4	HT (Beyond 500 KVA)	Rs 1000 per 100 KVA or part thereof
5.	Extra Length - Single Phase	Rs. 25/- per meter
6.	Extra Length - Three Phase	Rs. 50/- per meter

Extra length chargeable will be beyond the permissible 30 meters' free length from existing network for new connections for all categories except agriculture. Free length in respect of new agriculture consumer is 300 meters.

Entire Cost of setting up HT connection would be borne by the consumer and the agreement period would be two years for the category. 15% supervision charges shall be recovered by DNHPDCL.

e. Fees (Non-refundable) for submission of Test Report of wiring Completion

S.No.	Types of Connection	Fee per test report (in Rs.)
1	Single Phase Lighting / Domestic	10
2	Three Phase Lighting / Domestic	25
3	Single Phase Lighting / Non Domestic	50
4	Three Phase Lighting / Non Domestic	100
5	Three Phase LT Industries	250
6	Single Phase / Three phase Agriculture / Streetlight / Public Lighting & others	50
7	HT Industries upto 500 KVA	1000
8	HT Industries upto 2500 KVA	5000
9	HT Industries above 2500 KVA	10000

f. Registration for Change of Name

S.No	Connection Type.	Fee per unit (in Rs.)
1.	1 Q Domestic / commercial	100
2.	3 Q Domestic / commercial	200
3.	LT Industries	500
4.	HT Industries	1000
5.	EHV Industries	2000

g. Shifting of meter

S.No	Connection Type.	Fee per unit (in Rs.)
1.	1 Q Domestic / commercial	100
2.	3 Q Domestic / commercial	200
3.	LT Industries	500




Prayer

1. DNHPDCL prays the Honorable Commission to:

- Admit and approve the Aggregate Revenue Requirement (ARR) for the FY 2021-22 and revised estimates for the FY 2020-21 as submitted herewith.
- Admit and approve the Trued up ARR for FY 2019-20.
- Approve the tariff schedule as proposed by the DNHPDCL under Table no.73.
- Condone any inadvertent omissions/ errors/ shortcomings and permit the Petitioner to add/ change/ modify/ alter this filing and make further submissions as may be required at a future date.
- Allow to submit necessary additional information required by the Commission during the processing of this petition.
- And pass such other orders and further orders as are deemed fit and proper in the facts and circumstances of the case.

BY THE APPLICANT THROUGH


Chief Engineer
DNH Power Distribution Corporation Ltd.
PETITIONER & Nagar Haveli, Silvassa
DNH Power Distribution Corporation Ltd.

Silvassa

Dated: - 08-12-2020

FORMATS

Format-1

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
ENERGY DEMAND
FY 2020-21

Sr.No.	Category of Consumer	No. of Consumers at the end of FY 20-21 (Nos.)	Connected Load	Energy Sale/Demand (MUs)
1	2	3	4	5
1	Domestic	52,121	1,09,253.00	164.65
2	LIG/ Kutir-Jyoti	15,517	1,690.00	
3	Commercial	8,333	29,091.00	33.78
4	Agriculture	1,479	6,095.00	5.01
5	LT Industry	2,104	1,22,265.00	181.50
6	HT/EHT Industry	955	11,97,690.00	4,757.71
7	Public Lighting	451	3,077.00	2.68
8	Public Water Works	516	3,710.00	5.00
9	Temp. Supply	379	2,537.00	3.62
10	Total	81,855	14,75,408.00	5,153.96

Format -1

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
ENERGY DEMAND
FY 2019-20

Sr.No.	Category of Consumer	No. of Consumers at the end of FY 19-20 (Nos.)	Connected Load	Energy Sale/Demand (MUs)
1	2	3	4	5
1	Domestic	52,072	94,309.00	154.03
2	LIG/ Kutir Jyoti	17,232	1,389.00	
3	Commercial	8,061	21,347.00	36.60
4	Agriculture	1,286	6,593.00	5.25
5	LT Industry	2,191	1,34,784.00	219.44
6	HT/EHT Industry	916	11,85,935.00	5,860.85
7	Public Lighting	411	2,046.00	3.06
8	Public Water Works	460	4,790.00	5.01
9	Temp. Supply	334	1,690.00	3.75
10	Total	82,963	14,52,883.00	6,288.00

Format -1

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
ENERGY DEMAND
FY 2021-22

Sr.No.	Category of Consumer	No. of Consumers at the end of FY 21-22 (Nos.)	Connected Load	Energy Sale/Demand (MUs)
1	2	3	4	5
1	Domestic	54,654	1,13,470.00	
2	LIG/ Kutir Jyoti	15,736	1,801.00	167.74
3	Commercial	8,516	30,371.00	38.89
4	Agriculture	1,538	6,260.00	5.46
5	LT Industry	2,117	1,25,566.00	227.55
6	HT/EHT Industry	968	12,18,170.00	6,088.87
7	Public Lighting	480	3,281.00	3.22
8	Public Water Works	563	4,207.00	5.26
9	Temp. Supply	379	2,537.00	3.79
10	Total	84,951	15,05,663.00	6,540.77

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
 Information regarding AT&C Loss Of Licensee

S. No.	Particulars	Calculation	Unit	Previous Year FY 2019-20 (Actual)	Current Year FY 2020-21 (RE)	Ensuing Year FY 2021-22 (Projections)
1	Generation (own as well as any other connected generation net after deducting auxiliary consumption) within area of supply of DISCOM.	A	MU	6.18	6.18	6.18
2	Input energy (metered Import) received at interface points of DISCOM network.	B	MU			
3	Input energy (metered Export) by the DISCOM at interface points of DISCOM network.	C	MU	6487.04	5312.61	6820.41
4	Total energy available for sale within the licensed area to the consumers of the DISCOM	D=A+BC	MU	6503.22	5318.79	6826.59
5	Energy billed to metered consumers within the licensed area of the DISCOM	E	MU	6288.00	5153.96	6540.77
6	Energy billed to unmetered consumers within the licensed area of the DISCOM	F	MU			
7	Total energy billed	G=E+F	MU	6288.00	5153.96	6540.77
8	Amount billed to consumer within the licensed area of DISCOM.	H	Rs.	3369.82	2889.11	3570.87
9	Amount realized by the DISCOM out of the amount Billed at H#	I	Rs.	3201.33	2889.11	3570.87
10	Collection efficiency (%) (= Revenue realized/ Amount billed)	J=(I/H)x100	%	95.00%	100.00%	100.00%
11	Energy realized by the DISCOM	K=JxG	MU	5973.60	5153.96	6540.77
12	Distribution loss (%)	L=((D-G)/D)x100	%	3.31%	3.10%	4.19%
13	AT&C Loss (%)	M=({(D-K)/D})x100	%	8.14%	3.10%	4.19%

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
ENERGY BALANCE

(all figures in Mus)

Sr.No.	Category of Consumer	Previous year FY 2019-20 (Actual)	Current Year FY 2020-21 (RE)	Ensuing Year FY 2021-22 (Projections)
1	2	3	4	5
A)	ENERGY REQUIREMENT			
1	Energy sales to metered category within the State/UT	6,288.00	5,153.96	6,540.77
2	Energy sales to Agriculture consumers			
3	Total sales within the State/UT	6,288.00	5,153.96	6,540.77
4	Sales to common pool consumers/ UI	19.42	0.79	0.63
5	Sales outside state/UT			
6	Sales to electricity traders & through PX	17	67	0
	Sales to other distribution licensees			
7	a) Bilateral Trade			
	b) Banking Arrangement			
8	Total sales	6,324.22	5,222.04	6,541.40
9	T&D losses			
(i)	%	3.47%	4.20%	4.10%
(ii)	MU	225.85	225.96	279.64
10	Total energy requirement	6,550.07	5,448.00	6,821.04
B)	ENERGY AVAILABILITY			
1	Net own generation	6.18	6.18	6.18
2	Net Purchase	5,752.88	4,965.27	5,929.69
3	Power Purchased from UI & IEE	1,018.76	658.28	1,102.20
4	Net power purchase (1 +2 +3)	6,777.82	5,629.73	7,038.07
9	Total energy availability	6,777.82	5,629.73	7,038.07

DNM Power Distribution Corporation Ltd.
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
POWER PURCHASE COST
FY 20-21 (RE) Total

Sr. No.	Source	Capacity (MW)	Firm allocation to Licensee (in MW)	Gen. (MU)	Availability/ PLF (in %)	Licensee share (%)	Purchase (MU)	VC (Rs./Unit)	FC (Rs. Cr)	VC (Rs. Cr)	Others (Rs. Cr)	Rebate	Credit/Debit for URS	RRAS Settlement	Total - Gross (Rs. Cr)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	NTPC Stations														
1	KSTPP 1&2	2,100	51.20	16,372	89.00%	2.44%	362.67	155.87	21.83	56.53	-0.82	0.00	0.00	10	11
2	KSTPP 3	500	21.88	3,942	90.00%	4.38%	163.93	154.44	20.10	25.32	-0.29	0.00	0.00	0.00	77.54
3	VSTPP-I	1,260	42.03	9,492	86.00%	3.34%	257.12	180.93	19.83	46.52	-1.00	0.00	0.00	0.00	45.13
4	VSTPP-II	1,000	31.97	7,445	85.00%	3.20%	208.52	175.86	13.22	36.69	-0.43	0.00	0.00	0.00	65.35
5	VSTPP-III	1,000	33.97	7,534	86.00%	3.40%	229.60	176.12	21.80	40.44	-0.50	0.00	0.00	0.00	49.47
6	VSTPP-IV	1,000	44.91	7,534	86.00%	4.45%	298.17	170.80	45.77	50.93	-0.25	0.00	0.00	0.00	61.34
7	KAWAS	556	81.18	2,299	40.00%	12.37%	202.23	208.09	47.99	42.08	3.00	0.00	0.00	0.00	96.44
8	JGPP	657	58.74	2,419	42.00%	8.94%	164.52	216.13	44.38	35.56	2.78	0.00	0.00	0.00	93.07
9	Sipah-I	1,980	86.93	15,610	90.00%	4.39%	614.68	163.69	72.71	100.52	-0.28	0.00	0.00	0.00	82.72
10	Sipah-II	1,000	30.56	7,884	90.00%	3.06%	215.11	169.25	23.44	36.41	-0.82	0.00	0.00	0.00	173.03
11	MSTPL 1	1,000	44.91	4,205	48.00%	4.45%	111.88	299.68	55.86	33.53	0.87	0.00	0.00	0.00	59.03
12	VSTPS-V	500	25.23	3,767	88.00%	5.05%	163.91	177.74	26.50	29.13	-0.29	0.00	0.00	0.00	90.26
13	Mauda 2	1,320	60.55	5,580	48.00%	4.59%	126.30	306.31	59.60	38.69	1.25	0.00	0.00	0.00	55.34
14	Solapur	1,320	73.52	6,938	60.00%	5.57%	198.51	299.76	84.68	59.81	0.49	0.00	0.00	0.00	99.53
15	LARA	800	36.43	5,957	85.00%	4.55%	184.82	212.95	45.10	39.35	-0.06	0.00	0.00	0.00	144.97
16	Gadawara	800	41.91	5,957	85.00%	5.24%	204.90	261.96	55.63	53.98	0.18	0.00	0.00	0.00	85.39
17	BARH	1,320	0.00	9,829	85.00%	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	109.49
18	Dhuwaran	1,320	58.78	9,829	85.00%	5.21%	289.88	0.00	96.32	84.00	0.30	0.00	0.00	0.00	0.00
19	Kharagaon	1,960	0.00	14,743	85.00%	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	180.61
20	FSTPS	0	0.00	0	0.00%	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
21	KHSTPS-I	0	0.00	0	0.00%	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
22	RSTPS	0	0.00	0	0.00%	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
23	TSTPS	0	0.00	0	0.00%	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
24	KHSTPP-II	1,000	3.50	6,833	78.00%	0.35%	18.15	215.70	1.82	3.92	0.02	0.00	0.00	0.00	0.00
25	Subtotal	22,513.59	838.18	1,54,139.07	87.00%	20.00%	4,016.02	202	767.58	813.19	3.69	48.99	0.00	0.00	5.75
26	NSPCL - Bhihai	500	100.00	3,811			580.44	295.49	115.38	154.68	-1.31	0.00	0.00	0.00	1,523.47
27	NSPCL - Rourkela														
28	INPCIL														
29	KAPPS	440	12.36	2,775											
30	TAPP 3&4	1,080	42.03	7,569	72.00%	2.81%	80.59	237	0.00	19.11	0.00	0.00	0.00	0.00	10.00
31	Subtotal	1,520	54	10,344	80.00%	3.69%	288.22	347	0.00	96.96	44.54	0.00	0.00	0.00	144.50
32	Others						368.82	323	0.00	118.07	44.54	5.11	0.00	0.00	154.50
33	RGPPPL	1,957	38.00	14,129	82.00%	1.93%	0.00	#DIV/0!	0.00	0.00	0.00	0.00	0.00	0.00	0.00
34	EMCO	200	0.00	0	0.00%	0.00%	0.00	#DIV/0!	0.00	0.00	0.00	0.00	0.00	0.00	0.00
35	Subtotal	2,167	238	15,706	90.00%	100.00%	0.00	#DIV/0!	0.00	0.00	0.00	0.00	0.00	0.00	0.00
36	Power purchase from Other Sources														
37	Indian E. Exchange/Bilateral														
38	UI	0	0.00	0			648.55	0	0.00	218.97	0.00	0.00	0.00	0.00	0.00
39	Solar	0	0.00	0			11.73	315	0.00	3.69	0.00	0.00	0.00	0.00	218.97
40	Non Solar	50	0.00	0			6.18	0	0.00	0.00	0.00	0.00	0.00	0.00	3.69
41	Solar REC	0	0.00	175			0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
42	Non Solar REC	0	0.00	0			0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43	Solar (SEC)	100	0.00	0			0.00	0	0.00	36.37	0.00	0.00	0.00	0.00	36.37
44	Wind (SEC)	100	0.00	876			0.00	0	0.00	48.65	0.00	0.00	0.00	0.00	48.65
45	Subtotal	250	0	1,927			684.45	463	0.00	0.00	0.00	0.00	0.00	0.00	0.00
46	Misc. Arrears														
47	Power Purchase Cost	26,961	1,231	1,84,000											307.68
48	External Losses						5,630		873	1,395	47	58	0	0	2,256
49	PGCIL CHARGES						56,297.3		872.96	1,394.62	46.92	58.10	0.00	0.00	2,256.40
50	POSOCC														394.42
51	WRPC														0.50
52	Reactive charges														0.00
53	MSTCL														0.00
54	Others														2.43
55	Grand Total of Charges						5,629.73		872.96	1,394.62	46.92	58.10	0.00	0.00	2,710.30
56	GWR - Change in Law														1.45
57															2.43

DNH Power Distribution Corporation Ltd.
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
POWER PURCHASE COST
FY 21-22 (Projected) Total

Sr. No.	Source	Capacity (MW)	Firm allocation to Licensee (in MW)	Gen. (MU)	Availability/ PLF (in %)	Licensee share (%)	Purchase (MU)	VC (Rs./Unit)	FC (Rs. Cr)	VC (Rs. Cr)	Others (Rs. Cr)	Rebate	Credit/Debit for URS	RRAS Settlement	Total - Gross (Rs. Cr)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	NTPC Stations														
1	KSTPP-1&2	2,100	51.20	16,372	89.00%	2.44%	368.22	159.67	27.93	58.79	0.00	0.00	0.00	0.00	81.72
2	KSTPS-3	500	21.88	3,942	90.00%	4.38%	159.12	158.37	21.10	25.20	0.00	0.00	0.00	0.00	46.31
3	VSTPP-I	1,260	42.03	9,492	86.00%	3.34%	292.12	184.80	20.82	53.98	0.00	0.00	0.00	0.00	74.81
4	VSTPP-II	1,000	31.97	7,446	85.00%	3.20%	219.61	179.98	13.88	39.53	0.00	0.00	0.00	0.00	53.40
5	VSTPP-III	1,000	33.97	7,534	86.00%	3.40%	236.09	180.36	22.89	42.56	0.00	0.00	0.00	0.00	65.47
6	VSTPP-IV	1,000	44.91	7,534	86.00%	4.49%	312.08	174.83	48.06	54.56	0.00	0.00	0.00	0.00	102.62
7	KAWAS	656	81.18	2,299	40.00%	12.37%	277.35	211.35	50.39	58.62	0.00	0.00	0.00	0.00	109.01
8	JGPP	657	58.74	2,419	42.00%	8.94%	210.72	219.99	46.60	46.36	0.00	0.00	0.00	0.00	92.96
9	Sipat-I	1,980	86.93	15,610	90.00%	4.39%	632.20	167.62	76.35	105.97	0.00	0.00	0.00	0.00	182.32
10	Sipat-II	1,000	30.56	7,864	90.00%	3.06%	222.27	173.30	24.61	38.52	0.00	0.00	0.00	0.00	63.13
11	WSTFL-1	1,000	44.91	4,205	48.00%	4.49%	174.18	303.34	58.65	52.79	0.00	0.00	0.00	0.00	114.44
12	VSTPS-V	500	25.23	3,767	86.00%	5.05%	175.33	181.83	27.82	31.88	0.00	0.00	0.00	0.00	59.70
13	Mauda-2	1,320	60.55	5,650	48.00%	4.59%	234.87	307.52	62.68	72.23	0.00	0.00	0.00	0.00	134.81
14	Solapur	1,320	73.52	6,938	60.00%	5.7%	356.47	301.47	88.91	107.47	0.00	0.00	0.00	0.00	196.38
15	LARA	800	36.43	5,957	85.00%	4.55%	246.81	216.47	48.40	53.43	0.00	0.00	0.00	0.00	101.83
16	Gadavara	800	41.91	5,957	85.00%	5.24%	283.95	265.97	58.41	75.52	0.00	0.00	0.00	0.00	133.94
17	ISARH	1,320	0.00	9,829	65.00%	0.00%	0.00	0.00	101.14	135.39	0.00	0.00	0.00	0.00	0.00
18	Dhuwaran	1,320	68.78	9,829	85.00%	5.21%	495.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	237.52
19	Kharagaon	1,980	0.00	14,743	85.00%	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20	FSTPS	0	0.00	0	0.00%	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
21	KSTPS-I	0	0.00	0	0.00%	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
22	RSTPS	0	0.00	0	0.00%	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
23	TSTPS	0	0.00	0	0.00%	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
24	WSTPP-II	1,000	3.50	6,833	78.00%	0.35%	22.06	219.89	1.91	4.85	0.00	0.00	0.00	0.00	6.78
25	Subtotal	22,513.59	838.18	1,54,139.07			4,889.52	217	795.46	1,958.65	0.00	0.00	0.00	0.00	1,854.12
26	NSPCL - Bhiat	500	100.00	3,811	87.00%	20.00%	703.05	258.77	121.15	181.93	0.00	0.00	0.00	0.00	303.07
27	NSPCL - Rourkela														
II	NPCIL														
29	KAPPS	440	12.36	2,775	72.00%	2.81%	70.53	244	0.00	17.19	0.00	0.00	0.00	0.00	17.19
30	TAPP-3&4	1,080	42.03	7,669	80.00%	3.89%	266.59	356	0.00	94.91	0.00	0.00	0.00	0.00	94.91
31	Subtotal	1,520	54	10,444			337.12	333	0.00	112.10	0.00	0.00	0.00	0.00	112.10
III	Others														
32	RGPP	1,967	38.00	14,129	82.00%	1.93%	0.00	#DIV/0!	0.00	0.00	0.00	0.00	0.00	0.00	0.00
33	Tara Power - Haldia	0	0.00	0	0.00%	0.00%	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
34	EMCO	200	200.00	1,571	90.00%	100.00%	0.00	#DIV/0!	0.00	0.00	0.00	0.00	0.00	0.00	0.00
35	Subtotal	2,167	238	15,706			0.00	#DIV/0!	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IV	Power purchase from Other Sources														
36	Indian Exchange/Bilateral	0	0.00	0			927.00	0	0.00	315.18	0.00	0.00	0.00	0.00	315.18
37	UJ	0	0.00	0			0.00	#DIV/0!	0.00	0.00	0.00	0.00	0.00	0.00	0.00
38	Solar	0	0.00	0			6.18	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
39	Non Solar	501	0.00	175			175.20	0	0.00	45.38	0.00	0.00	0.00	0.00	45.38
40	Solar REC	0	0.00	0			0.00	0	0.00	61.02	0.00	0.00	0.00	0.00	61.02
41	Non Solar REC	0	0.00	0			0.00	0	0.00	48.79	0.00	0.00	0.00	0.00	48.79
42	Solar (SEC)	100	0.00	876			0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43	Wind (SEC)	100	0.00	876			0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
44	Subtotal	250	0	1,827			1,108.38	424	0.00	470.36	0.00	0.00	0.00	0.00	470.36
45	Misc. Arrears														
46	Power Purchase Cost	26,951	1,231	1,84,000			7,038		917	1,823	0	0	0	0	2,740
47	External Losses						0.00								
48	Availability at ED-DNH Periphery						7,038.07		916.61	1,823.04	0.00	0.00	0.00	0.00	2,739.65
49	PGCIL CHARGES														
50	POSOCO														
51	WRPC														
52	Reacting charges														
53	WSTCL														
54	Others														
55	Grand Total of Charges						7,038.07		916.61	1,823.04	0.00				3,098.36
56	GMR - Change in Law														
57															3,058.36

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DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Capital Base and Return

(all figures in Crs)

Sr.No.	Category of Consumer	Previous year FY 2019-20 (Actual)	Current Year FY 2020-21 (RE)	Ensuing Year FY 2021-22 (Projections)
1	2	5	6	7
1	Gross block at beginning of the year	452.36	466.84	649.53
2	Less accumulated depreciation	295.00	314.92	339.20
3	Net block at beginning of the year	157.37	151.92	310.33
4	Less accumulated consumer contribution	0.00	0.00	0.00
5	Net fixed assets at beginning of the year	157.37	151.92	310.33
6	Reasonable return @3% of NFA	4.72	4.56	9.31

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Original Cost of Fixed Assets

		(Rs. Crores)								
Sr.No.	Particulars Name of the Assets	Value of assets at the beginning of the FY 2019-20	Addition during the FY 2019-20	Closing balance at the end of FY 2019-20	Addition during FY 2020-21	Closing balance at the end of FY 2020-21	Addition during FY 2021-22	Closing balance at the end of FY 2021-22		
1	2	3	4	5	6	7	8	9		
1	Plant & Machinery	316.08	10.62	326.70	30.00	356.70	48.00	404.70		
2	Underground cable	0.00	0.00	0.00	152.69	152.69	0.00	152.69		
3	Buildings	29.96	0.00	29.96	0.00	29.96	0.00	29.96		
4	Vehicles	1.99	0.00	1.99	0.00	1.99	0.00	1.99		
5	Furniture & Fixtures	1.57	0.00	1.57	0.00	1.57	0.00	1.57		
6	Computers & Others	86.69	3.85	90.54	0.00	90.54	0.00	90.54		
7	Land	13.65	0.00	13.65	0.00	13.65	0.00	13.65		
8	Software-Intangible ssets	2.42	0.00	2.42	0.00	2.42	0.00	2.42		
9	Total	452.36	14.48	466.84	182.69	649.53	48.00	697.53		

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DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Works-in-Progress

(Rs. in crores)

Sr.No.	Particulars	Previous year FY 2019-20 (Actual)	Current Year FY 2020-21 (RE)	Ensuing Year FY 2021-22 (Projections)
1	2	4	5	6
1	Opening balance	115.53	30.90	-121.60
2	Add: New investments	42.89	30.19	18.00
3	Total	158.42	61.09	-103.60
4	Less investment capitalized	14.48	182.69	48.00
5	Closing balance	30.90	-121.60	-151.60

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Interest Capitalized

Format -9

(Rs. in crores)

Sr.No.	Particulars	Previous year FY 2019-20 (Actual)	Current Year FY 2020-21 (RE)	Ensuing Year FY 2021-22 (Projections)
1	2	3	4	5
1	WIP*			
2	GFA* at the end of the year			
3	WIP+GFA at the end of the year		NA	
4	Interest(excluding interest on WCL*)			
5	Interest Capitalized			



DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Details of loans for the year

Sr.No.	Particulars (Source)	Opening Balance	Rate of Interest	Addition during the year	Repayment during the year	Amount of interest paid	
						Closing Balance	Current year
1	SLR Bonds						
2	Non SLR Bonds						
3	LIC						
4	REC						
5	Commercial Banks						
6	Bills discounting						
7	Lease rental						
8	PFC						
9	GPF						
10	CSS						
11	Working capital loan						
12	Others						
13	Total						
	Add Govt. loan						
	-State Govt.						
	-Central Govt.						
14	Total						
15	Total (13+14)						
16	Less capitalization						
17	Net interest						
18	Add prior period						
19	Total interest						
20	Finance charges						
21	Total interest and finance charges						

N/A

DNH Power Distribution Corporation Limited

ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22

Information regarding restructuring of outstanding loans during the year

(Rs. Crores)

Str.No.	Source of Loan	Amount of original loan (Rs. in crores)	Old rate of interest	Amount already restructured (Rs. in crores)	Revised rate of interest	Amount now being restructured (Rs. in crores)	New rate of interest
1	2	3	6	7	8	9	10

N/A

DNH Power Distribution Corporation limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Value of Assets and Depreciation Charges

Sr.No.	Particulars Name of the Assets	Rate of depreciation on*	Previous Year		Current Year		Ensuing Year	
			Assets value at the beginning of FY 2019-20	Depreciation charges	Assets value at the beginning of FY 2020-21	Depreciation charges	Assets value at the beginning of FY 2021-22	Depreciation charges
1	Plant & Machinery	3.60%	316.08	6.40	326.70	12.30	356.70	13.71
2	Underground cable	2.57%	0.00	0.00	0.00	0.98	152.69	3.92
3	Buildings	1.80%	29.96	0.50	29.96	0.54	29.96	0.54
4	Vehicles	9.50%	1.99	0.31	1.99	0.19	1.99	0.19
5	Furniture & Fixtures	6.00%	1.57	0.09	1.57	0.09	1.57	0.09
6	Computers & Others	6.00%	86.69	3.18	90.54	5.43	90.54	5.43
7	Land	0.00%	13.65	0.00	13.65	0.00	13.65	0.00
8	Software-Intangible assets	16.00%	2.42	0.34	2.42	0.39	2.42	0.39
9	Total		452.36	10.82	466.84	19.93	649.53	24.27

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Repair and Maintenance Expenses

(RS. in crores)

1	2	3	4	5
Sr.No.	Particulars	Previous year FY 2019-20 (Actual)	Current Year FY 2020-21 (RE)	Ensuing Year FY 2021-22 (Projections)
1	Plant & machinery			
	- Plant & Apparatus			
	- EHV substations			
	- 33kV substation			
	- 11kV substation			
	- Switchgear and cable connections			
	- Others			
	Total			
2	Building			
3	Hydraulic works & civil works			
4	Line cable & network			
	- EHV Lines			
	- 33kV lines			
	- 11kV lines			
	- LT Lines			
	- Meters and metering equipment			
	- Others			
	Total			
5	Vehicles			
6	Furniture & fixtures			
7	Office equipments			
8	Operating expenses			
9	Total			
10	Add/Deduct share of others (To be specified)			
11	Total expenses			
12	Less capitalized			
13	Net expenses			
14	Add prior period *			
15	Total expenses charged to revenue as R&M expenses	19.50	22.41	25.61

Breakup not available

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Total Number of Employees

Format - 14

Sr.No.	Particulars	Previous year FY 2019-20 (Actual)	Current Year FY 2020-21 (RE)	Ensuing Year FY 2021-22 (Projections)
1	2	3	4	5
1	Number of employees as on 1st April	384	377	374
2	Employees on deputation/ foreign service as on 1st April	0	0	0
3	Total number of employees (1+2)	384	377	374
4	Number of employees retired/retiring during the year	8	3	1
5	Number of employees added	1	0	2
6	Number of employees at the end of the year (4-5)	377	374	375

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Employee Cost

Formal -15

(Rs. in crores)

Sr.No.	Particulars	Previous year FY 2019-20 (Actual)	Current Year FY 2020-21 (RE)	Ensuing Year FY 2021-22 (Projections)
1	2	Total 4	Total 5	Total 6
1	Salary & Wages	11.35	11.70	12.32
2	Provident Fund Contribution	0.62	0.65	0.69
3	Bonus	0.21	0.27	0.28
4	Leave Salary, Pension and Gratuity	0.75	0.99	1.04
5	Staff Welfare Expenses	0.02	0.05	0.05
6	Grand total	12.95	13.65	14.38

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Administration and General Expenses

(Rs. in crores)

Sr.No.	Particulars	Previous year FY 2019-20 (Actual)	Current Year FY 2020-21 (RE)	Ensuing Year FY 2021-22 (Projections)
1	2	3	4	5
1	Fees to Auditors	0.09	0.09	0.10
2	Printing and Stationery Expenses	0.19	0.06	0.06
3	Travelling and Accommodation Expenses	0.05	0.01	0.01
4	Advertisement Expenses	0.09	0.21	0.22
5	Corporate Social Responsibility Expenses	0.00	1.40	1.47
6	Telephone Expenses	0.44	0.32	0.34
7	Legal and Professional Charges	1.81	0.71	0.75
8	Bank Charges	0.35	0.00	0.00
9	Fees and Subscription Expenses	2.77	0.73	0.77
10	Other Expenses	0.90	1.31	1.38
11	Provision for Bad & Doubtful Debts	0.63	2.87	3.03
12	Total	7.31	7.70	8.11
13	Add/Deduct share of others (to be specified)			
14	Total expenses	7.31	7.70	8.11
15	Less capitalized	0.00	0.00	0.00
16	Net expenses	7.31	7.70	8.11
17	Add prior period	0.00	0.00	0.00
18	Total expenses charges to revenue	7.31	7.70	8.11

DNH Power Distribution Corporation Limited
 ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
 Information regarding Bad and Doubtful Debts

Sr.No.	Particulars	Previous year FY 2019-20 (Actual)	Current Year FY 2020-21 (RE)	Ensuing Year FY 2021-22 (Projections)
1	2	3	4	5
1	Amount of receivable	3,369.82	2,843.02	3,570.87
1	Provision made for debts in ARR	0.00	0.00	0.00

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Information regarding Working Capital for the current and ensuing year

Sr.No.	Particulars	Amount (in Crores Rs.)		
		Previous year FY 2019-20 (Actual)	Current Year FY 2020-21 (RE)	Ensuing Year FY 2021-22 (Projections)
1	2	3	4	5
1	O&M expense for one month	3.31	3.65	4.01
2	Maintenance spares at 40% of R&M for one month	0.65	0.75	0.85
3	Receivables for 2 months	561.64	484.55	595.15
4	Total Working Capital requirement	565.60	488.95	600.01
5	Less consumer security deposit but excluding Bank Guarantee/Fixed Deposit Receipt	60.63	60.63	60.63
6	Total Working Capital requirement	504.97	428.32	539.38



DNH Power Distribution Corporation Limited
 ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
 Information regarding Foreign Exchange Rate Variation (FERV)

(Rs. in crores)

Sr.No.	Particulars	Previous year FY 2019-20 (Actual)	Current Year FY 2020-21 (RE)	Ensuing Year FY 2021-22 (Projections)
1	2	3	4	5
1	Amount of liability provided			
2	Amount recovered		NA	
3	Amount adjusted			



DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Non Tariff Income

Format -20

(Rs. in crores)

Sr.No.	Particulars	Previous year FY 2019-20 (Actual)	Current Year FY 2020-21 (RE)	Ensuing Year FY 2021-22 (Projections)
1	2	3	4	5
1	Tender Fees	0.02	0.02	0.02
2	Provision Written Back	0.09	0.09	0.09
3	Sale of Scrap	0.23	0.23	0.23
4	Miscellaneous Income	2.30	2.30	2.30
5	Reactive Income	0.03	0.03	0.03
6	STOA Application Fees	0.97	0.97	0.97
7	Supervision Charges	2.08	2.08	2.08
8	Other charges from consumers	2.49	2.49	2.49
9	Total income	8.22	8.22	8.22
10	Add prior period income*	0.00	0.00	0.00
11	Total non tariff income	8.22	8.22	8.22

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Information regarding Revenue from Other Business

Format -21

(Rs. in crores)

Sr.No.	Particulars	Previous year FY 2019-20 (Actual)	Current Year FY 2020-21 (RE)	Ensuing Year FY 2021-22 (Projections)
1	2	3	4	5
1	Total revenue from other business			
2	Income from other business to be considered for licensed business as per regulations		NA	



DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Lease Details

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



DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Information regarding Wholesale Price Index (All Commodities)

Sr.No.	Period	WPI/CPI	Increase over previous year
1	2	3	4
1	FY 2018-19	119.76	4.25%
2	FY 2019-20	121.80	1.70%
3	FY 2020-21	120.81	2.97%

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Information regarding amount of equity and loan

(Rs. in crores)

Sr.No.	Period	Amount of equity (Rs. In crore)	Amount of loan (Rs. in crore)	Ratio of equity & loan
1	2	3	4	5
1	As on March 31 of Previous Year			
2	As on March 31 of Current Year			
3	As on March 31 of Ensuing Year			



DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22

(Rs. in crores)

Sr.No.	Particular	FY 2019-20 Approved by the Commission (Tariff Order dated 18th May, 2020)	FY 2019-20 Actuals
1	Cost of fuel		
2	Cost of power purchase	3,495.69	3,325.65
3	Provision for RPO compliance	0.00	162.51
4	Employee costs	12.83	12.95
5	R&M expenses	11.38	19.50
6	Administration and General expenses	6.09	7.31
7	Depreciation	15.76	10.82
8	Interest charges (including interest on working capital)	56.01	55.73
9	Return on NFA / Equity	15.70	21.44
10	Additional ROE for previous year	0.00	17.11
11	Provision for Bad Debt	0.00	0.00
12	Interest on security deposit	2.70	4.20
13	Income Tax	0.00	2.63
14	Incentive on achievement of norm of T&D	0.00	15.18
15	Total revenue requirement	3,616.16	3,655.03
16	Less: non tariff income	14.17	8.22
17	Net revenue requirement (10-11)	3,601.99	3,646.81
18	Revenue from tariff	3,376.89	3,369.82
19	Revenue from UI	0.00	0.00
20	(Gap)/surplus (12-13)	-225.10	-276.99
21	Revenue from Open Access	0.00	0.00
22	Recovery on account of PPCA variation	0.00	0.00
23	(Gap)/Surplus after adjusting PPC variations	-225.10	-276.99
24	(Gap)/Surplus of previous years	100.14	100.14
25	Carrying cost	-1.18	-3.66
26	Total (Gap)/surplus (14+15)	-126.14	-180.51
27	Revenue surplus carried over	0.00	0.00
28	Carrying Cost	0.00	0.00
29	Additional revenue from proposed tariff	0.00	0.00
30	Energy sales (MU)	6,420.75	6,288.00

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22

(Rs. in crores)

Sr.No.	Particular	FY 2020-21 Approved by the Commission (Tariff Order dated 18th May, 2020)	FY 2020-21 RE
1	Cost of power purchase	3,136.03	2,700.54
2	Employee costs	16.60	13.65
3	R&M expenses	8.92	22.41
4	Administration and General expenses	7.26	7.70
5	Depreciation	20.52	19.93
6	Interest charges (including interest on working capital	55.93	48.71
7	Return on NFA / Equity	19.18	26.04
8	Provision for Bad Debt	0.00	0.00
9	Interest on security deposit	2.45	4.20
10	Income Tax	0.00	26.21
11	RPO provisioning to cover backlog of the previous years upto current year	0.00	0.00
12	Total revenue requirement	3,266.89	2,869.37
13	Less: non tariff income	47.24	8.22
14	Net revenue requirement (10-11)	3,219.65	2,861.15
15	Revenue from tariff	3,589.67	2,843.02
16	Revenue from UI	0.00	18.22
17	(Gap)/surplus (12-13)	370.02	0.09
18	Revenue from Open Access	0.00	0.00
19	Recovery on account of PPCA variation	0.00	46.09
20	Revenue from Regulatory Surcharge	0.00	0.00
21	(Gap)/Surplus after adjusting PPC variations	370.02	46.18
22	(Gap)/Surplus for previous year	-126.14	-180.51
23	Carrying cost	-5.57	-13.77
24	Total gap (14+15)	238.31	-148.11
25	Revenue surplus carried over	0.00	0.00
26	Carrying Cost	0.00	0.00
27	Additional revenue from proposed tariff	0.00	0.00
28	Energy sales (MU)	6,507.52	5,153.96



DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22

Format 25

(Rs. in crores)

Sr.No.	Particular	FY 2021-22 Approved by the Commission (Tariff Order dated 18th May, 2020)	FY 2021-22 Projected
1	Cost of power purchase	3,293.91	3,098.36
2	Employee costs	18.95	14.38
3	R&M expenses	12.64	25.61
4	Administration and General expenses	7.57	8.11
5	Depreciation	24.98	24.27
6	Interest charges (including interest on working capital)	64.58	64.67
7	Return on NFA / Equity	24.57	31.42
8	Provision for Bad Debt	0.00	0.00
9	Income Tax	2.45	4.20
10	Interest on security deposit	0.00	26.21
12	RPO provisioning to cover backlog of the previous years upto current year	0.00	0.00
13	Total revenue requirement	3,449.65	3,297.22
14	Less: non tariff income	49.60	8.22
15	Net revenue requirement (13-14)	3,400.05	3,289.01
16	Revenue from tariff	-	3,570.87
17	Revenue from UI	-	0.00
18	(Gap)/surplus (16+17-15)	-	281.87
19	Gap for previous year	-	-148.11
20	Carrying cost	-	-0.63
21	Total gap (18+19+20)	-	133.13
22	Revenue surplus carried over	-	0.00
23	Carrying Cost	-	0.00
24	Reduction in surplus @ Proposed Tariff	-	130.52
25	Energy sales (MU)	6,725.74	6,540.77

2020-21

S.No	Category of Consumers	No. of Consumers	Energy Sales (MU) (April to May, 2020)	Tariff Rates (P/unit) (April to May, 2020)	Energy Charges (Rs. In Crore) (April to May, 2020)	Contracted Max Demand KVA	Demand Charges (Rs/KVA)	Demand Charges (Rs. In Crore)	Total Revenue (Rs. In Crore)
1	Domestic								
	Up to 50 units		6.24	1.30	0.81		5		
	51-100 units		11.05	2.00	2.21		5		
	101-150 units		5.40	2.50	1.35		5		
	151 units and above		8.24	3.10	2.55		5		
	Total Domestic	52,121	30.94		6.93	106283	5	0.05	6.98
2	Commercial								
	Up to 100 units	15,517	0.00			1680	10	0.00	0.00
	Above 100 units		0.02	2.8	0.23		10		
	Above 100 units		4.13	3.90	1.61		10		
	Total Commercial	8,333	4.95		1.84	29091	10	0.02	1.86
3	Public Lighting	451	0.40	3.80	1.50	3077	0	0.00	1.50
4	Public Water Work	518	0.80		0.35	3710		0.01	0.36
	Up to 20HP		0.80	4.3	0.36	3710	25	0.01	
	Above 20HP						50		
5	Industrial								
	i) 11KV Up to 1MW	925	110.03		43.23	646034	375	42.54	85.87
	For all areas		112.28	3.85	43.23		375		
	ii) 33KV	27	72.73		28.20	275469	500	23.69	51.89
	For all areas		74.21	3.80	28.20		500		
	iii) 220KV	3	70.83		27.10	278187	550	26.73	53.84
	For all areas		72.27	3.75	27.10		550		
	Total HT Industrial	955	283.89		98.53	1197090		93.06	191.60
	b) LT	2,104	12.90		5.28	122265		0.80	5.18
	Up to 20HP		0.34	3.95	0.13	3226	10	0.01	
	Above 20HP		12.56	4.1	5.15	119039	50	0.89	
	Total HT+LT Industrial	3059	286.48		103.81	1319955		93.96	197.78
6	Agriculture Consumption	1,479	0.91		0.07	6095	0		0.07
	Up to 10 HP		0.63	0.70	0.04				
	Above 10 HP		0.28	1.00	0.03				
7	Temporary								
	Up to 50 units	379	0.44			2537			0.00
7	Total Revenue Billed	81855	304.91		114.50	1475408.00		94.05	208.55
8	HT+LT								0.00
9	Penalty Surcharge								0.00
10	Charges								0.00
11	Charges								0.00
12	Charges								0.00
13	Grand Total	81855	305		114.50	1475408.00		94.05	208.55

HT Industrial for Connected load are in KVA

2020-21

S.No.	Category of Consumers	No. of Consumers	Energy Sales (MU) (June 2020 to March 2021)	Tariff Rates (P/Unit) (June 2020 to March 2021)	Energy Charges (Rs. In Crore) (June 2020 to March 2021)	Contracted Max Demand KVA	Demand Charges (Rs/KVA)	Demand Charges (Rs. In Crore)	Total Revenue (Rs. In Crore)
1	Domestic								
	Up to 50 units		24.88	1.50	3.73		10		
	51-100 units		44.03	2.20	9.69		10		
	101-150 units		21.52	2.75	5.92		10		
	151 units and above		32.83	3.40	11.16		10		
	Total Domestic	52,121	123.26		30.50	109253	10	0.52	31.02
2	Light								
	All units	15,317	10.45			1690	20	0.01	0.01
2	NHS/Commercial								
	0-100 units		4.75	3.2	1.52		20		
	Above 100 units	8,333	24.08	4.35	10.48		20		
	Total Commercial	8,333	28.83		12.00	29091	20	0.17	12.16
3	Public Lighting	451	2.28	4.25	9.70	3077	0	0.00	9.70
4	Public Water Work	616	4.20		2.02	3710		0.14	2.15
	upto 20HP		4.20	4.8	2.02	3710	50	0.14	
	Above 20HP						100		
5	Industrial								
	LT								
	i) 11KV Upto 1MW	925	1954.34		877.46	546034	400	227.40	1104.86
	For all units		1894.22	4.40	877.46		400		
	ii) 68KV	27	1291.78		573.39	275469	524	124.37	697.77
	For all units		1316.14	4.35	573.39		525		
	iii) 220KV	3	1258.00		551.98	276187	574	139.75	691.73
	For all units		1283.67	4.30	551.98		575		
	Total HT Industrial	955	4504.12		2002.83	1197690		491.53	2494.36
	LT	2,104	168.60		77.47	122263		7.21	84.67
	upto 20HP		4.45	4.40	1.98	3226	20	0.06	
	Above 20HP		164.15	4.6	75.51	119039	80	7.14	
	Total HT+LT Industrial	3059	4672.72		2080.30	1319953		498.74	2579.03
6	Agriculture Consumption	1,478	4.11		0.37	6095	0		0.37
	upto 10 HP		2.85	0.80	0.23				
	Beyond 10 HP		1.26	1.15	0.14				
	Temporary								
	All units	379	3.19			2637			0.00
	Total Revenue Billed	61855	4849.04		2134.89	1475408.00		499.57	2634.46
7	Surcharge								0.00
8	Surcharge								0.00
9	Surcharge								0.00
10	Charges								0.00
11	Charges								0.00
12	Charges								0.00
13	Grand Total	61855	4849		2134.89	1475408.00		499.57	2634.46

Notes: 1) HT Industrial for Connected load are in KVA

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
 Revenue from Existing Tariff

Formal -26

2021-22

S No.	Category of Consumers	No. of Consumers	Energy Sales (MU)	Contracted Max Demand KVA	Demand Charges (Rs/KVA)	Tariff Rates (P/unit)	Demand Charges (Rs. In Crore)	Energy Charges (Rs In Crore)	Total Revenues (Rs In Crore)
1	Domestic								
	Up to 50 units		31.60		10	1.50		4.74	4.74
	51-200 units		55.93		10	2.20		12.30	12.30
	201-400 units		27.34		10	2.75		7.52	7.52
	401 units and above		41.69		10	3.40		14.18	14.18
	Total Domestic	54,654	156.55	113470	10		0.66	38.74	39.39
2	LIGHT								
	All units	15,736	11.19	1801	20		0.01		0.01
2	NRS/Commercial								
	Up to 100 units		6.41		20	3.20		2.05	2.05
	Above 100 units		32.48		20	4.35		14.13	14.13
	Total Commercial	8,516	38.89	30371	20		0.20	16.18	16.38
3	Public Lighting	480	3.22	3281	0	4.25	0.00	1.37	1.37
4	Public Water Work	563	5.26	4207	0		0.19	2.53	2.72
	Up to 20HP		5.26	4207	50	4.80	0.19	2.53	
	Above 20HP				100	4.80			
5	Industrial								
	HT								
	i) 11KV Upto 1MW	938	2541.96	657081	400		315.40	1186.19	1501.59
	For all units		2695.86		400	4.40		1186.19	
	ii) 66KV	27	1746.29	280179	525		176.51	775.14	951.65
	For all units		1781.93		525	4.35		775.14	
	iii) 220KV	3	1700.62	280910	575		193.83	746.19	940.02
	For all units		1735.33		575	4.30		746.19	
	Total HT Industrial	968	6088.87	1218170			685.74	2707.52	3383.25
	b) LT	2,117	227.55	125566			11.82	104.55	116.37
	Up to 20HP		6.00	3313	20	4.40	0.08	2.64	2.72
	Above 20HP		221.54	122253	80	4.60	11.74	101.91	113.65
	Total HT+LT Industrial	3085	6316.41	1343736			697.56	2812.07	3509.62
6	Agriculture Consumption	1,538	5.46	6250	0			0.50	0.50
	Up to 10 HP		3.79			0.80		0.30	
	Beyond 10 HP		1.67			1.15		0.19	
7	Temporary								
	All units	379	3.79	2537				0.84	0.84
	Total Revenue Billed	84951	6540.77	1505663.00			698.61	2872.21	3570.83
8	PPCA								
	Open Access Charges								0.00
10	RFC charges								0.00
11	LV								0.00
12	PF Charges								0.00
13	Grand Total	84951	6540.77	1505663.00			698.61	2872.21	3570.83

Figures of HT Industrial for Connected load are in KVA

DNH Power Distribution Corporation Limited
ANNUAL REVENUE REQUIREMENT FOR THE FY 2021-22
Revenue from proposed Tariff

Format -26

2021-22

S No.	Category of Consumers	No. of Consumers	Energy Sales (MU)	Contracted Max Demand KVA	Demand Charges (Rs/KVA)	Tariff Rates (P/unit)	Demand Charges (Rs. In Crore)	Energy Charges (Rs. In Crore)	Total Revenues (Rs. In Crore)
	Domestic								
	Up to 50 units		23.48		10	1.30		3.05	3.05
	51-200 units		37.57		10	2.00		7.51	7.51
	201-400 units		45.40		10	2.55		11.58	11.58
	>401 units and above		50.10		10	3.20		16.03	16.03
	Total Domestic	54,654	156.55	113470			0.66	38.18	38.83
	LIGHT								
	All units	15,736	11.19	1801	20		0.01		0.01
	RRS/Commercial								
	0-100 units		6.41		20	3.00		1.92	1.92
	above 100 units		32.48		20	4.15		13.48	13.48
	Total Commercial	8,516	38.89	30371	20		0.20	15.40	15.61
	Public Lighting	480	3.22	3281	0	4.05	0.00	1.30	1.30
	Public Water Work								
	upto 20HP	563	5.26	4207	0		0.19	2.42	2.61
	above 20HP		5.26	4207	50	4.60	0.19	2.42	2.61
	Industrial								
	HT								
	i) 11KV Up to 1MW								
	For all units	938	2641.96	657081	400		315.40	1132.27	1447.67
	ii) 66KV								
	For all units	27	1746.29	280179	525	4.20		1132.27	1132.27
	iii) 220KV								
	For all units	3	1781.93	280910	525	4.15	176.51	739.50	916.01
	Total HT Industrial	968	1735.33	575	4.10		193.83	711.48	905.31
	LT								
	Total LT Industrial	3085	6088.87	1218170			685.74	2583.25	3268.99
	HT+LT								
	upto 20HP	2,117	227.55	126568			11.82	100.00	111.82
	above 20HP		6.00	3313	20	4.20	0.08	2.52	2.60
	Total HT+LT Industrial	3085	221.54	122253	80	4.40	11.74	97.48	109.21
	Agriculture Consumption								
	upto 10 HP	1,538	5.46	6260	0			0.39	0.39
	Beyond 10 HP		3.79			0.60		0.23	0.23
	Temporary		1.67			0.95		0.16	0.16
	All units	379	3.79	2537					
	Total Revenue Billed	84951	6540.77	1505663.00			698.61	2741.78	3440.39
	PPCA								
	Open Access Charges								0.00
	Access Charges								0.00
	11KV								0.00
	220KV								0.00
	Grand Total	84951	6540.77	1505663.00			698.61	2741.78	3440.38

1 Figures of HT Industrial for Connected load are in KVA



INDEPENDENT AUDITOR'S REPORT

To the Members of DNH Power Distribution Corporation Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying the standalone financial statements of M/S DNH POWER DISTRIBUTION CORPORATION LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit & Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred as to 'the financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the State of Affairs of the Company as at March 31, 2020, and Profit (including Other Comprehensive Income), Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note no. 11 & 12 which states that during the year 3,09,74,445 fully paid up equity shares have been issued to the owner (i.e. Government of India) against settlement of Net Assets Value of Rs. 30974.45 lakhs which resulted from The Dadra & Nagar Haveli (DNH) Electricity Reforms Transfer Scheme, 2013.

Our Opinion is not modified in respect of above matter.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit & loss (financial performance including other comprehensive income), changes in equity and cash flows of





the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143 (3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.





- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control, if any, that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards

Report On Other Legal and Regulatory Requirements

1. The Company is also governed by the provision of the Electricity Act 2003, rules and the regulations issued there under. The provisions of said Act have prevailed wherever they have been inconsistent with the provisions of the Companies Act, 2013.
2. As required under the directions and sub-directions issued by Comptroller and Auditor General of India in terms of sub-section (5) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to information and explanation given to us, we are enclosing our report in the "Annexure-A".
3. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.
4. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.





- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) Being Government Company pursuant to Notification No. GSR 463 (E) dated 05/06/2015 issued by Ministry of Corporate Affairs, the provisions of Section – 164 (2) of the Act are not applicable to the Company.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure C”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 to the Standalone Financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Jaipur
Date: 13-08-2020

For S.Singhal & Co.
Chartered Accountants
FRN: 001526C



Mukesh Khandelwal

(CA Mukesh Khandelwal)
Partner
M.No.: 074661
UDIN : 20074661AAAABA2958



ANNEXURE-A

**TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
STANDALONE FINANCIAL STATEMENTS OF DNH POWER DISTRIBUTION
CORPORATION LIMITED**

**Report on directions and sub-directions issued by Comptroller and Auditor General of
India under Section 143 (5) of the Companies Act, 2013.**

- 1. Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.**

Based on records examined and explanations given to us, the company has system in place to process all the accounting transactions through IT system, and accordingly, the implications of processing of accounting transactions outside IT system on the integrity of the accounts would not be applicable to the Company.

- 2. Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.**

Based on records examined and explanations given to us, the Company has not borrowed any money and accordingly, there is no restructuring of any loan or cases of waiver / write off of debts / loans / interest made by a lender to the company due to the company's inability to repay the loan

- 3. Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.**

Based on records examined and explanations given to us, the funds received / receivable for specific schemes from central / state agencies were properly accounted for / utilized as per its term and conditions.

For S.Singhal & Co.
Chartered Accountants
FRN: 001526C

Place: Jaipur
Date: 13-08-2020



(CA Mukesh Khandelwal)
Partner

M.No.: 074661

UDIN : 20074661AAAABA2958



ANNEXURE-B

**TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
STANDALONE FINANCIAL STATEMENTS OF DNH POWER DISTRIBUTION
CORPORATION LIMITED**

Report on the Order issued under Section 143(11) of the Companies Act, 2013

(i) In respect to Fixed Assets:

- a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a program of verification to cover all the items of fixed assets in phased manner which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. As informed to us, no material discrepancy was noticed on such physical verification.
- c) According to the information and explanations given and on the basis of examination of records of the Company, the Legal Ownership (titles) of Immovable Properties transferred from Electricity Department of Dadra & Nagar Haveli (ED-DNH) are still in the name of said ED-DNH. However, the procedure for registration and / or transfer in the name of the Company is in progress. Details of such free hold properties are mentioned as below:

Sr. No.	Circle No.	Name of Premises	Area of Land in Hecter	Nature (Freehold/Leasehold)
1.	Silvassa City	Power House- Zanda Chowk Land	0.25	Freehold
2.	Silvassa City	Amla Sub Station, Corporate Office, Store & Laboratory Office Land	6.53	Freehold
3.	Dadra	Dadra Sub Station Land	2.32	Freehold
4.	Sili	Sili Sub Station Land	1.80	Freehold
5.	Masat	Masat Sub Station Land	1.28	Freehold
6.	Rakholi	Rakholi Sub Station Land	1.44	Freehold
7.	Khadoli	Khadoli Sub Station Land	8.45	Freehold
8.	Khanvel	Khanvel Sub Station Land	0.22	Freehold
9.	Kala	Kala Sub Station Land	2.42	Freehold
10.	Velugam	Velugam Sub Station Land	5.00	Freehold
11.	Silvassa City	Piparia Sub Station Land	1.26	Freehold
12.	Athal	Athal Sub Station Land	0.80	Freehold
13.	Kharadpada	Kharadpada Sub Station Land	9.58	Freehold





14.	Waghdhara	Waghdhara Sub Station Land	0.85	Freehold
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- (ii) As explained to us, the physical verification of inventory (i.e. stores and spares) has been conducted at reasonable intervals by the management. The procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business. As informed to us, no material discrepancy was noticed on such physical verification.
- (iii) According to the information and explanation given to us, the Company has not granted any loans secured or un-secured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly the clauses (iii) (a), (b) and (c) of the order are not applicable. -
- (iv) According to the information and explanations given to us, the Company has not granted any loans, investments, guarantees and security covered under the provisions of section – 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii) (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2020 for a period of more than six months from the date of becoming payable.
- (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute as at March 31, 2020.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.





- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) Being Government Corporation pursuant to Notification No. – GSR 463 (E) dated 05/06/2015 issued by Ministry of Corporate Affairs, the provisions of Section – 197 of the Act are not applicable to the Company.
- (xii) The Company is not a nidhi Company and accordingly provisions of clause (xii) of Para 3 of the order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Financial Statements in Note No. 27 as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

Place: Jaipur
Date: 13-08-2020



For S.Singhal & Co.
Chartered Accountants
FRN: 001526C

(CA Mukesh Khandelwal)
Partner
M.No.: 074661
UDIN : 20074661AAAABA2958



ANNEXURE-C

**TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
STANDALONE FINANCIAL STATEMENTS OF DNH POWER DISTRIBUTION
CORPORATION LIMITED**

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of DNH Power Distribution Corporation Limited as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended March 31, 2020.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.



Branches: * Bhiwadi * Gurugram * Ahemdabad*



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Jaipur
Date: 13-08-2020

For S.Singhal & Co.
Chartered Accountants
FRN: 001526C



Mukesh Khandelwal
(CA Mukesh Khandelwal)
Partner
M.No.: 074661
UDIN : 20074661AAAABA2958

DNH POWER DISTRIBUTION CORPORATION LIMITED
Balance Sheet as at 31st March 2020

(Rupees in lakh)

Particulars		Note No.	As at 31st March 2020	As at 31st March 2019
ASSETS				
1	Non-Current Assets			
(a)	Property, Plant and Equipment (PPE)	1	19,599.14	19,189.45
(b)	Capital Work-in-Progress	2	11,552.62	8,710.84
(c)	Investment Property		-	-
(d)	Goodwill		-	-
(e)	Intangible Assets	3	145.25	179.31
(f)	Intangible Assets under Development		-	-
(g)	Financial Assets		-	-
	i) Investments		-	-
	ii) Trade Receivables		-	-
	iii) Loans	4	55.58	55.58
	iv) Others		-	-
(h)	Deferred Tax Assets (Net)		-	-
(l)	Other Non-Current Assets	5	735.32	1,508.08
	Total Non-Current Assets		32,087.91	29,643.26
2	Current Assets			
(a)	Inventories	6	851.52	905.35
(b)	Financial Assets		-	-
	i) Investments		-	-
	ii) Trade Receivables	7	28,357.23	28,552.74
	iii) Cash and Cash Equivalents	8	22,532.49	2,804.40
	iv) Bank Balances other than (iii) above	8	1,006.03	28,429.47
	v) Loans		-	-
	vi) Others	9	9,965.15	6,830.75
(c)	Current Tax Assets (Net)		-	-
(d)	Other Current Assets	10	85.42	68.33
	Total Current Assets		62,797.84	67,591.04
	TOTAL ASSETS		94,885.75	97,234.30
EQUITY AND LIABILITIES				
1	Equity			
(a)	Equity Share Capital	11	38,974.45	8,000.00
(b)	Other Equity	12	15,193.41	45,027.58
	Total Equity		54,167.86	53,027.58
2	Liabilities			
	Non-Current Liabilities			
(a)	Financial Liabilities			
	i) Borrowings		-	-
	ii) Trade and Other Payables		-	-
	iii) Other Financial Liabilities	13	6,063.17	5,308.39
(b)	Provisions		-	-
(c)	Deferred Tax Liabilities (Net)	14	2,598.58	2,151.32
(d)	Other Non-Current Liabilities		-	-
	Total Non-Current Liabilities		8,661.75	7,459.71
3	Current liabilities			
(a)	Financial Liabilities			
	i) Borrowings		-	-
	ii) Trade and Other Payables	15		
	Total Amount due of Micro & Small Enterprises		192.54	165.17
	Total Amount due other than Micro & Small Enterprises		23,730.97	13,615.24
	iii) Others Financial Liabilities	16	4,822.96	7,422.78
(b)	Provisions	17	2,835.43	15,107.19
(c)	Current Tax Liabilities (Net)		-	-
(d)	Other Current Liabilities	18	474.24	436.63
	Total Current Liabilities		32,056.14	36,747.01
	Total Liabilities		40,717.89	44,206.72
	TOTAL EQUITY AND LIABILITIES		94,885.75	97,234.30

The Significant Accounting Policies (I) and Notes (II) are integral part of these Financial Statements.

In terms of our Audit Report of even date attached

For and On behalf of

For, S. Singhal & Co.
Chartered Accountants
FRN. 01526C

DNH Power Distribution Corporation Limited



(Signature)

(Pawan Kumar Mishra)
Chief Financial Officer

(Signature)

(Anju Chaudhary)
Company Secretary

(CA Mukesh Khandelwal)
Partner
M.N. 074661
Place: Silvassa
Date:

UDIN: 20074661AAAABA2958

Jaipur
13/08/20

(Signature)
(Tapasya Raghav)
Managing Director

PLACE: SILVASSA
DATE: 06/08/2020

(Signature)
(Praful Patel)
Chairman

DNH Power Distribution Corporation Limited
Statement of Profit and Loss for the year ended 31st March 2020

(Rupees in Lakh)

Particulars		Note No.	For the year ended on 31st March,2020	For the year ended on 31st March,2019
INCOME / REVENUE				
I	Revenue from Operations	19	3,38,889.12	3,02,776.56
II	Other Income	20	4,265.21	4,978.25
III	Total Income (I + II)		3,43,154.33	3,07,754.81
IV EXPENSES				
	Purchase of Power	21	3,35,607.77	3,00,874.20
	Operation and Maintenance Expenses	22	1,949.71	1,747.97
	Employee Benefits Expenses	23	1,295.22	1,154.44
	Finance Costs	24	482.24	393.75
	Depreciation and Amortization Expenses	1&3	1,238.07	1,624.45
	Administration and Other Expenses	25	731.09	339.34
	Total Expenses (IV)		3,41,304.10	3,06,134.15
V	Profit/(loss) before exceptional items and tax (III - IV)		1,850.23	1,620.66
VI	Exceptional Items		-	-
VII	Profit before Tax (V - VI)		1,850.23	1,620.66
VIII Tax Expenses:				
	Current Tax		262.69	-
	Deferred Tax		447.26	266.31
	Total Tax Expenses		709.95	266.31
IX	Profit/ (Loss) for the year from continuing operation (VII-VIII)		1,140.28	1,354.35
X	Profit / (Loss) from discontinued operations			
XI	Tax Expenses of discontinued operations			
XII	Profit/ (Loss) from discontinued operations (XI - X)			-
XIII	Profit/ (Loss) for the year (IX + XII)		1,140.28	1,354.35
XIV Other Comprehensive Income				
	A- Items that will not be reclassified subsequently to profit or loss			
	B- Items that will be reclassified subsequently to profit or loss			
	Other Comprehensive Income for the year (net of tax)			
XV	Total Comprehensive Income for the year (XIII + XIV)		1,140.28	1,354.35
XVI Earnings per Equity Share (Face Value of Rs. 100/- each)				
For continuing operations before Rate Regulated Activities				
	i) Basic (in Rs.)		11.09	16.93
	ii) Diluted (in Rs.)		-	-
For continuing operations				
	i) Basic (in Rs.)		11.09	16.93
	ii) Diluted (in Rs.)		-	-
For discontinued operations				
	i) Basic (in Rs.)		-	-
	ii) Diluted (in Rs.)		-	-
For continuing operations and discontinued operations				
	i) Basic (in Rs.)		11.09	16.93
	ii) Diluted (in Rs.)		-	-

The Significant Accounting Policies (I) and Notes (II) are integral part of these Financial Statements.


In terms of our Audit Report of even date attached
For, S. Singhal & Co.
 Chartered Accountants
 FRN. 01526C

For and on behalf of
For, DNH Power Distribution Corporation Limited

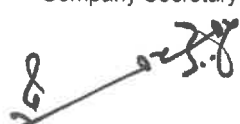

(CA Mukesh Khandelwal)
 Partner
 M.N. 074661
 Place: Silvassa
 Date: 13/08/20
 UDIN: 20074661 AAAABA 2958




(Pawan Kumar Mishra)
 Chief Financial Officer


(Anju Chaudhary)
 Company Secretary


(Tapasya Raghav)
 Managing Director


(Praful Patel)
 Chairman

PLACE: SILVASSA
 DATE: 06/08/2020

DNH POWER DISTRIBUTION CORPORATION LIMITED
Statement of Changes in Equity for the year ended 31st March 2020

A. Equity Share Capital		(Rupees in lakh)
Particulars	Amount	
Balance as at 31st March 2018	8,000.00	
Changes in equity share capital during the year	-	
Balance as at 31st March 2019	8,000.00	
Changes in equity share capital during the year	30,974.45	
Balance as at 31st March 2020	38,974.45	

B. Other Equity					(Rupees in lakh)
Particulars	DNHPDCL CAPEX, Replacement & Development Fund	General Reserve	Retained Earnings / Surplus	Total	
Balance as at 1st April 2018	30,974.45	1,171.53	11,527.25	43,673.23	
Proceeds from Share Application	-	-	-	-	
Profit for the FY 2018-19	-	-	1,354.35	1,354.35	
Grant Received	-	-	-	-	
Other Comprehensive Income for the FY 2018-19	-	-	-	-	
Total Comprehensive Income for the FY 2018-19	-	-	1,354.35	1,354.35	
Transfer to Retained Earnings/ Surplus	-	-	-	-	
Transfer to Other Current Liabilities	-	-	-	-	
Dividend paid	-	-	-	-	
Tax on Dividend paid	-	-	-	-	
Balance as at 31st March 2019	30,974.45	1,171.53	12,881.60	45,027.58	
Issue of Equity Share Capital	(30,974.45)	-	-	(30,974.45)	
Proceeds from Share Application	-	-	-	-	
Profit for the FY 2019-20	-	-	1,140.28	1,140.28	
Grant Received	-	-	-	-	
Other Comprehensive Income for the 2019-20	-	-	-	-	
Total Comprehensive Income for the FY 2019-20	-	-	1,140.28	1,140.28	
Transfer to Retained Earnings/ Surplus	-	-	-	-	
Dividend paid	-	-	-	-	
Tax on Dividend paid	-	-	-	-	
Balance as at 31st March 2020	-	1,171.53	14,021.88	15,193.41	

The Significant Accounting Policies (I) and Notes (II) are integral part of these Financial Statements.

In terms of our Audit Report of even date attached
For, S. Singhal & Co.
 Chartered Accountants
 FRN. 01526C

(CA Mukesh Khandelwal)
 Partner
 M.N. 074661

Place: ~~Silvassa~~ **Jaipur**
 Date: **13/08/20**
 UDIN: 20074661AAAA BA 295 8



For and On behalf of

DNH Power Distribution Corporation Limited

(Pawan Kumar Mishra)
 Chief Financial Officer

(Anju Chaudhary)
 Company Secretary

(Tapasya Raghav)
 Managing Director

(Praful Patel)
 Chairman

PLACE: SILVASSA
DATE: 06/08/2020

DNH POWER DISTRIBUTION CORPORATION LIMITED
Cash Flow Statement for the year ended 31 March, 2020

(Rupees in lakh)

PARTICULARS		2019-20		2018-19	
A	CASH FLOW FROM OPERATING ACTIVITIES:-				
	Profit before tax from continuing operations		1,850.23		1,620.66
	Adjustments for :				
	Add: (a) Depreciation and Amortization	1,238.07		1,624.45	
	(b) Provision for Trade Receivables	63.21		-50.61	
	(c) Provisions for RPO and Others	2,229.70		6,054.33	
	(d) Provision for Leave Salary, Pension & Gratuity	68.78		74.30	
	(e) Finance cost recognised in Statement of Profit & Loss	419.69	4,019.45	269.57	7,972.04
			5,869.68		9,592.70
	Less : (a) Gain on sale / disposal of Property Plant and Equipments	-		-	
	(b) Interest paid for Interest on Security Deposit	284.23		216.63	
	(c) Interest income recognised in Statement of Profit & Loss	1,711.35		2,267.82	
	(d) Provisions Write-Off	-	1,995.58	108.14	2,592.59
	Operating Profit before working capital changes		3,874.10		7,000.11
	Adjustments for :				
	Decrease/(Increase) in Trade Receivables	132.30		(4,659.48)	
	Decrease/(Increase) in Inventories	53.83		(339.31)	
	Decrease/(Increase) in loans and advances (at amortised cost)	-		(5.00)	
	Decrease/(Increase) in other financial assets	(3,200.51)		(6,563.17)	
	Decrease/(Increase) in Other Assets	(17.09)		(44.81)	
	Increase/(Decrease) in trade and other payables	12,014.46		198.21	
	Increase/(Decrease) in provision	(14,570.24)		(4,018.19)	
	Increase/(Decrease) in other financial liabilities	(1,845.03)		8,278.92	
	Increase/(Decrease) in other Current liabilities	37.61	(7,394.67)	(725.44)	(7,878.27)
	CASH GENERATED / (USED) IN OPERATION		(3,520.57)		(878.16)
	less : Taxes Paid (Net of Refund)		(3.10)		679.23
	NET CASH GENERATED BY OPERATING ACTIVITIES		(3,523.67)		(198.93)
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Addition to Property Plant & Equipments	(1,613.70)		(1,920.09)	
	Addition to Intangible Assets	-		(19.77)	
	Investment	27,423.44		1,791.69	
	Interest received on Investments and Loans	1,777.46		2,325.67	
	Addition to Capital Work in Progress	(4,848.60)		(3,615.36)	
	Addition to Capital Advances	513.16		837.81	
	NET CASH (USED IN) / FROM INVESTING ACTIVITIES		23,251.76		(600.05)
C	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds from issue of Equity Share Capital / Share Application	-		-	
	Finance Costs	-		-	
	Proceeds from Banks	-		-	
	Interim Dividend for Current Year (including tax thereon)	-		-	
	Final Dividend for Previous Year (including tax thereon)	-		-	
	NET CASH (USED IN) / FROM FINANCING ACTIVITIES		-		-
	Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)		19,728.09		(798.98)
	Cash & Cash Equivalents as at the Commencement of the Year		2,804.40		3,603.38
	Cash & Cash Equivalents as at the Close of the Year		22,532.49		2,804.40

In terms of our Audit Report of even date attached

For and On behalf of

For, S. Singhal & Co.
Chartered Accountants
FRN. 01526C



(CA Mukesh Khandelwal)
Partner
M.N. 074861
Place: Silvassa
Date: 13/08/20

UDIN: 20074661 AAAABA 2958

DNH Power Distribution Corporation Limited

(Pawan Kumar Mishra)
Chief Financial Officer

(Anju Chaudhary)
Company Secretary

(Tapasya Raghav)
Managing Director

(Pratul Patel)
Chairman

PLACE: SILVASSA
DATE: 06/08/2020

DNH POWER DISTRIBUTION CORPORATION LIMITED

Significant Accounting Policies forming part of financial statements for the year ended 31/03/2020.

1. Corporate Information

DNH Power Distribution Corporation Limited (DNHPDCL or 'the Corporation') is a Public Limited Company incorporated in India with its registered office at Vidyut Bhavan, 66 KV Road, Near Secretariat, Amli, Silvassa - 396230. The Corporation is a company with 100% shareholding by the President of India and nominees under administrative control of Ministry of Home Affairs ('MoHA'), the ultimate parent being the Government of India ('GOI'). The equity shares of the Corporation are not listed on any stock exchange. It was incorporated in July 2012 with the objective to carry out the business of electricity sub-transmission, distribution and retail supply. The Corporation is presently engaged in the business of distribution of power in the area of Dadra & Nagar Haveli and there is no major change in the business activity during the current financial year. The Corporation is also involved in the generation of electricity with the use of renewable resources (i.e. Solar).

Pursuant to 'The Dadra & Nagar Haveli (DNH) Electricity Reforms Transfer Scheme, 2013 notified vide notification no.1-1(594)/ELE/2013/697 dated 07/03/2013, the functions of distribution and its associated division (i.e. meter testing and laboratory division) of Electricity Department of DNH has been corporatized and stand transferred to the Corporation. The said scheme also includes the transfer of the entire assets, liabilities, rights, obligations and proceedings etc. of distribution and its associated division of Electricity Department of DNH to the Corporation from the effective date. Further, the effective date has been notified as 01/04/2013 vide notification no. 1-1(656)/ELE/2013/700 dated 08/03/2013. The initial assets and liabilities transferred to the Corporation in pursuant to above scheme had been transferred at the value as notified by Administrator vide notification no. DNH/Ele/Trans/2014/108/278 dated 04/06/2014.

2. Basis for Preparation of Accounts:

These Financial Statements are prepared on accrual basis of accounting and all principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated.

(i) Statement of Compliance

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Corporation has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1st April, 2016. The Financial Statements for the year ended 31st March, 2017 was the first Financial Statements of the Corporation which had been prepared in accordance with Ind AS. Accordingly, the date of transition to Ind AS was 1st April, 2015.

The Standalone Financial Statements have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 ('the Act'), the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. The Corporation has adopted all the applicable Indian Accounting Standards ('Ind AS') in the preparation of Financial Statements.

(ii) Basis of measurement

The Financial Statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013 and Electricity Act 2003 except the following material items that have been measured at fair value as required by relevant Ind AS. Nevertheless, historical cost is generally based at the fair value of the consideration given in exchange for goods and services.



- Certain financial assets/liabilities measured at fair value (refer accounting policy regarding financial instruments) and
- Any other item as specifically stated in accounting policy.

The Financial Statement are presented in Indian Rupee ('INR') and all values are rounded to the Rupee in lakhs (up to two decimals), unless otherwise stated.

(iii) Use of Estimate and judgment

In the application of significant accounting policy which are described in note (3) below, the management are required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses and contingent liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future period.

The few critical estimations and judgments made in applying accounting policies are useful life of Property, Plant & Equipments (PPE), evaluation of indicators of impairments of PPE, classification of security deposits, impairments of trade receivables and other financial assets and contingent liabilities. Similarly, the management provides for inventory obsolescence, surplus inventory and inventory with carrying values in excess of net realizable value based on assessment of the future uses.

The income or expenditure relating to previous period prior to current financial year of immaterial value is recognised in current Financial Statements.

3. Summary of Significant Accounting Policies

(i) Property, Plant & Equipment

For transition to Ind AS, the Corporation has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of 1st April, 2015 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost of the PPE as on the transition date.

PPE are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not depreciated. Cost includes purchase price (after deducting trade discount / rebate) or construction cost, non-refundable duties and taxes, borrowing costs and other directly attributable cost to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

An item of PPE acquired on the basis of contribution made by consumers, which requires an obligation to provide electricity connectivity to the consumers is recognised at nominal value of Rs.1.00. If the Corporation is also liable to make payment, then such an item of PPE is stated at cost attributable to the Corporation.

Subsequent costs are included in the carrying amount PPE or recognised as a separate item of PPE, as appropriate, only if the recognition criteria are satisfied. Subsequent costs relating to day to day servicing of an item of PPE are not recognised in the carrying amount of PPE, rather, these costs are recognised in the Statement of Profit & Loss. Likewise, when a major inspection / repair occurs, its cost is recognised in the carrying amount of PPE as a replacement, if the recognition criteria are satisfied.



An item of PPE is derecognised on disposal or when no future economic benefits are expected from use. Any profit or loss arising on the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit & Loss.

(ii) Intangible Assets

For transition to Ind AS, the Corporation has elected to continue with the carrying value of intangible assets recognised as of 1st April, 2015 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost as on the transition date.

Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Software (not being an integral part of the related hardware) acquired for internal use are treated as intangible assets.

An item of Intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any profit or loss arising from derecognition of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit & Loss.

(iii) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Corporation reviews the carrying amounts of its PPE and other intangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Corporation estimates the recoverable amount of the cash-generating unit ('CGU') to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit & Loss.

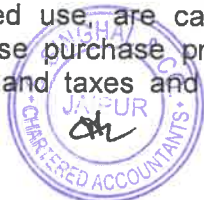
Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised in the Statement of Profit & Loss.

(iv) Capital Work in Progress

For transition to Ind AS, the Corporation has elected to continue with the carrying value of Capital Work in Progress ('CWIP') recognised as of 1st April, 2015 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost as on the transition date.

Expenditure incurred on tangible assets under construction, which are not yet ready for its intended use, are carried at cost under Capital work in Progress ('CWIP'). Such costs comprise purchase price (after deducting trade discount/ rebate) including non-refundable duties and taxes and other costs that are directly attributable to bringing the asset to the



location and condition necessary for it to be capable of operating in the manner intended by management.

CWIP also includes inventories / construction supplies consumed as well as lying in stock for the purpose of construction. Payment against material pending acceptance or stage payment made to supplier or fabricator for supply of capital goods, if any are also grouped as part of CWIP. Major Renovation, Modernization and Up-gradation of an item of PPE resulting in increased life and / or efficiency are considered as CWIP and capitalized on its completion.

(v) Investment properties

Investment properties held to earn rentals or for capital appreciation or both are initially stated at cost. Subsequent to initial recognition, investment properties are carried out at cost less accumulated depreciation and accumulated impairment loss, if any. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit & Loss. Transfer to or from investment property is made when and only when there is change in use and carried out at the carrying amount of investment property.

(vi) Foreign Currency Transactions

The Financial Statements of Corporation are presented in Indian Rupee (INR), which is also its functional currency. In preparing the Financial Statements, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling on the date of transaction. Exchange differences on monetary items are recognised in the Statement of Profit & Loss in the period in which they arise

(vii) Inventories

Inventory mainly consists of Operations & Maintenance ('O&M') stores & spares, which includes maintenance supplies, consumables and loose tools to be consumed in the operations & maintenance of PPE and those do not qualify as PPE. Inventories are valued at cost on weighted average and net realizable value ('NRV') whichever is lower. Cost of inventories include cost of purchase (after deducting trade discount / rebate) including non-refundable duties and taxes, cost of conversion and other related costs including incidentals like freight etc. incurred in bringing the inventories to their present location and condition. NRV is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

The amount of any write-down of inventories to NRV and all abnormal losses of inventories are recognized as expense in the Statement of Profit & Loss in the period in which such write-down or loss occurs. The amount of any reversal of the write-down of inventories arising from increase in the NRV is recognized as a reduction from the amount of inventories recognized as an expense in the period in which reversal occurs.

(viii) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Corporation takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these Financial Statements is



determined in such basis except for transactions in the scope of Ind AS 2, 17 and 116. Normally at initial recognition, the transaction price is the best evidence of fair value.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Corporation uses valuation techniques those are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement rate.

Level 2 — Valuation techniques for which the lowest level input (other than quoted prices included within level 1) that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Financial assets and financial liabilities that are recognized at fair value on a recurring basis, the Corporation determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

(ix) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Corporation recognizes a financial asset or financial liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

a) Financial Assets

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under condition that are potentially favorable to the Corporation.

Financial assets of the Corporation comprise trade receivables, cash and cash equivalents, Bank balances, investment other than equity shares, loans to employee / related parties / others, security deposits, claims recoverable etc.

Initial recognition and measurement

All financial assets except trade receivable are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are charged in the Statement of Profit & Loss. Where transaction price is not the measure of fair value and fair value is determined using a valuation method that uses data from observable market, the difference between transaction price and fair value is recognized in the Statement of Profit & Loss and in other cases spread over life of the financial instrument using effective interest. The Corporation measures the trade



receivables at their transaction price, if the trade receivables do not contain a significant financing component.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

Financial assets are measured at amortized cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are amortized using the effective interest rate ('EIR') method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit & Loss. The losses arising from impairment are recognized in the Statement of Profit & Loss.

Financial assets at fair value through OCI ('FVTOCI')

Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognized in the other comprehensive income ('OCI'). However, the Corporation recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit & Loss. On derecognition of the financial asset other than equity instruments designated as FVTOCI, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit & Loss.

Financial assets at fair value through profit or loss ('FVTPL')

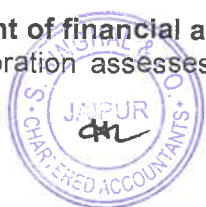
Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income is classified as financial assets at fair value through profit or loss. Further, financial assets at fair value through profit or loss also include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit & Loss.

Derecognition

The Corporation derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Corporation neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the financial asset, the Corporation recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

Impairment of financial assets

The Corporation assesses impairment based on expected credit loss ('ECL') model on the following:



- Financial assets that are measured at amortised cost; and
- Financial assets measured at FVTOCI.

ECL is measured through a loss allowance on a following basis: -

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

The Corporation follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Corporation to track changes in credit risk. However, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition. The measurement of life time expected credit loss allowance for trade receivables / contract assets by using a practical expedient as permitted under Ind AS 109 i.e. expected credit loss as experienced on the historical periodicity.

For recognition of impairment loss on other financial assets, the Corporation determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Corporation assesses the credit risk characteristics on instrument-by-instrument basis.

ECL is the difference between all contractual cash flows that are due to the Corporation in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls) discounted at the original EIR.

Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit & Loss.

b) Financial Liabilities

The Corporation's financial liabilities include loans & borrowings including bank overdrafts (if any), trade payables, security deposits, accrued expenses and other payables etc.

Initial recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities classified at amortized cost are recognized initially at fair value net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit & Loss or in the CWIP, if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the Effective interest rate ('EIR') method.

Subsequent measurement

The subsequent measurement of financial liabilities depends upon the classification as described below: -

Financial Liabilities classified as Amortised Cost

Financial Liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Interest expense that is not capitalized as part of costs of assets is included as Finance costs in the Statement of Profit & Loss.



Financial Liabilities classified as Fair value through profit & loss (FVTPL)

Financial liabilities classified as FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities designated upon initial recognition at FVTPL only if the criteria in Ind AS 109 is satisfied.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged / cancelled / expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit & Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(x) Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds. Par value of the equity share is recorded as share capital and the amount received in excess of the par value, if any is classified as share premium.

(xi) Dividend Distribution to equity shareholders

The Corporation recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Corporation. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in other equity along with any tax thereon.

(xii) Government Grants

Government grants (including subsidies) are recognized when there is reasonable assurance that the Corporation will comply with the conditions attached to them and that the grants will be received.

Grants that compensate the Corporation for the cost of an item of PPE (i.e. non-monetary assets) are recognised by deducting the grant in arriving at the carrying amount of the asset. Further, grants that may take the form of a transfer of a non-monetary asset (such as land or other resources) are recognised at a nominal amount.

Other government grants (grants related to income) are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of providing immediate financial support with no future related costs are recognized in the Statement of Profit & Loss in the period in which they become receivable. Grants related to income are presented under other income in the Statement of Profit & Loss except for grants received in the form of rebate or exemption which are deducted in reporting the related expense.



(xiii) Leases

The Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right of use (ROU) assets and lease liabilities includes these options, when it is reasonably certain that they will be exercised.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Company applies Ind AS 116 to determine whether an ROU asset is impaired and accounts for any identified impairment loss as described in the accounting policy 3 (iii) impairment of tangible assets.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.



The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

(xiv) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Corporation expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

Contingent liabilities are not recognised but disclosed on the basis of judgment of management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent Assets are not recognized, however, disclosed in financial statement when inflow of economic benefits is probable.

(xv) Revenue Recognition

The Corporation earns revenue primarily from retail distribution of power (i.e. electricity) in the area of Dadra & Nagar Haveli. The tariff for the sale of power to retail consumers is determined by Joint Electricity Regulatory Commission (JERC) i.e. regulatory authority. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Corporation expects to receive in exchange for those products or services.

Revenue from Sale of Power

Revenue from Sale of Power including deviation settlement mechanism or unscheduled interchange is recognized on accrual basis for energy supplied in accordance with the respective tariff order awarded JERC or other regulation as applicable. Revenue is measured based on the transaction price, which is the consideration, adjusted for rebate, discount, price concession and similar allowances, if any. Revenue also excludes taxes, if any, collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings as per applicable regulations. Contract assets are classified as unbilled receivables (only act of invoicing is pending), when there is unconditional right to receive cash, and only passage of time is required as per applicable regulations. Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues as per applicable regulations.



Other Miscellaneous Charges / Revenue from Consumers:

Other miscellaneous charges / revenue from consumers are recognised on cash basis being immaterial value.

Interest Income

Interest on financial assets is recognised when it is probable that the economic benefits will flow to the Corporation and the amount can be measured reliably.

Other Income

Income in respect of delayed payment charges (DPC) on dues by consumers for sale of power are accounted for in the subsequent bill.

Sale of scrap is accounted for as and when the sale is completed and its collection is reasonably certain.

Claims lodged with insurance companies and others are accounted for as and when these are settled by the concerned agencies.

Other incomes excluding specifically stated above are recognised on accrual basis except when the ultimate realization of such income is uncertain.

(xvi) Depreciation & Amortization:

The Corporation, being engaged in the electricity business, is covered under the Electricity Act 2003 and the provisions of said Electricity Act supersede the provisions of Companies Act 2013. Accordingly, the depreciation of tangible assets and amortization of Intangible assets is provided on straight line method over the useful life of assets as per the rates specified / notified in respective Joint Electricity Regulatory Commission (Generation, Transmission and Distribution Multi Year Tariff) Regulation (JERC). In the absence of useful life / the rates under JERC regulation, the useful life of assets / the rates specified / notified in respective Central Electricity Regulatory (Terms and Conditions of Tariff) Regulation (CERC) is adopted for depreciation calculation. The residual value of the asset is considered as 10% and accordingly, the depreciation / amortization is provided up to the extent of 90% of original cost of asset.

PPE or Intangible assets which are added / disposed-off during the year, depreciation / amortization is provided on pro rata basis from / up to the date on which the asset is available for use / disposal. The depreciation rates of tangible assets are as under;

JERC / CERC Assets Category	Rate (%)
Plant & Machinery -	
Lines & Networks	3.60%
Underground Cables	2.57%
Transformer Centres	3.60%
Laboratory & Other Equipments	3.60%
Meters	9.00%
Batteries	18.00%
Buildings	1.80%
Vehicles	18.00%
Furniture & Fixtures	6.00%
Office Equipments	6.00%
Solar Power Plants	5.28%
Computers including Software	15.00%



(xvii) Borrowing costs

Borrowing cost includes interest, commitment charges, brokerage, underwriting costs, discounts / premiums, financing charges, exchange difference to the extent they are regarded as interest costs and all ancillary / incidental costs incurred in connection with the arrangement of borrowing.

Borrowing costs which are directly attributable to acquisition/construction on qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of cost pertaining to those assets. All other borrowing costs are recognised as expense to the Statement of Profit & Loss in the period in which they are incurred. Capitalization of borrowing cost ceases when substantially all the activities necessary to prepare the qualifying assets for its intended uses are complete.

(xviii) Employee Benefits

a) Short-term Employees Benefits

All short term employees' benefits such as salaries, wages, allowances, performance incentive and employee welfare costs are recognised during the period in which the employee render services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

UT / GOI Employees (Employees on Deputation)

Leave Salary, Pension contribution and Provident Fund contributions in respect of employees on deputation from UT/GOI are paid to UT/GOI in accordance with the norms / rules prescribed by UT/GOI.

b) Post-employment benefits

The Corporation provides the post-employment benefits (i.e. Defined Contribution Plan) such as Provident Fund and Gratuity to the eligible employees.

Provident Fund

Eligible employees of the Corporation received benefits from Employees Provident Fund Organization (EPFO) constituted under the Employees Provident Fund and Miscellaneous Provisions Act, 1925. Both, the eligible employees and the Corporation makes monthly contributions to the EPFO equal to a specified percentage / fixed amount of employees' salary. The Corporation's Contribution to Provident Fund as per the said Act are charged to the Statement of Profit & Loss of the year when the contribution to the fund are due.

Gratuity

Liability towards Gratuity payable to eligible employees of the Corporation made by making provision as per Central Government Gratuity Rules under the Payment of Gratuity Act, 1972. The Corporation has taken the "Group Gratuity Scheme" covering all eligible employees from Life Insurance Corporation of India (LIC). In accordance with Central Government Gratuity Rules and Payment of Gratuity Act, 1972, the Group Gratuity Scheme provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Annual Contribution with regard to the Group Gratuity Scheme is determined by LIC on the basis of their actuarial valuations methodology and are charged to the Statement of Profit & Loss of the respective year.



(xix) Income Taxes

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the Statement of Profit & Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In this case the tax is also recognised directly in equity or in other comprehensive income.

Current tax

Current tax includes provision for Income Tax computed under Special provision (i.e. Minimum alternate tax) or normal provision of applicable Income Tax Act. The tax currently payable is determined on the basis of taxable profit for the year computed in accordance with the provision of relevant Income Tax Act by using tax rates that have been enacted or by any amendment thereof for the reporting period. Further, Taxable profit differs from profit as reported in the Statement of Profit & Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Corporation expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Corporation intends to settle its current tax assets and liabilities on a net basis.

(xx) Statement of Cash Flows and Cash and Cash Equivalents

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant Accounting Standard. For the purpose of presentation in the Statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However, Bank overdrafts are shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.



(xxi) Current versus non-current classification

The Corporation presents assets and liabilities in the Balance Sheet based on current/non-current classification.

- a) An asset is current when it is:
- Expected to be realized or intended to be sold or consumed in the normal operating cycle,
 - Held primarily for the purpose of trading,
 - Expected to be realised within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.
- b) A liability is current when:
- It is expected to be settled in the normal operating cycle,
 - It is held primarily for the purpose of trading,
 - It is due to be settled within twelve months after the reporting period, or
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.
- c) Deferred tax assets and liabilities are classified as non-current assets and liabilities.
- d) The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Corporation has identified twelve months as its operating cycle.



DNH Power Distribution Corporation Limited
II. Notes forming part of the Financial Statements as at 31st March 2020

1 :- Property, Plant and Equipment

(i) : Details of Property, Plant and Equipment (PPE) are as under :

Description of Assets	(Rupees in lakh)									
	Land (Freehold)	Buildings (Freehold)	Lines & Networks	Transformer Centres	Furniture and Fixture	Vehicles	Office Equipment	IT Equipments	Other Equipments	Total
Year ended 31st March 2019										
Gross Carrying amount	1,364.66	2,996.27	22,494.55	10,176.00	156.54	199.52	23.87	209.32	8,328.17	45,948.90
Opening Gross Carrying Amount	-	-	1,302.32	520.49	0.35	-	1.82	26.14	79.62	1,930.74
Additions during the year	-	-	-	10.53	-	0.13	-	-	-	10.66
Deduction / Adjustments during the year	1,364.66	2,996.27	23,796.87	10,685.96	156.89	199.39	25.69	235.46	8,407.79	47,868.98
Closing Gross Carrying Amount										
Accumulated Depreciation	-	552.06	15,963.99	6,716.22	16.93	43.93	7.04	63.97	3,725.38	27,089.52
Opening Accumulated Depreciation	-	92.71	766.69	363.30	9.91	16.58	1.51	32.16	307.66	1,590.52
Depreciation charge during the year	-	-	-	0.50	-	0.01	-	-	-	0.51
Deduction / Adjustments during the year	-	644.77	16,730.68	7,079.02	26.84	60.50	8.55	96.13	4,033.04	28,679.53
Closing Accumulated Depreciation										
Net Carrying Amount	1,364.66	2,351.50	7,066.19	3,606.94	130.05	138.89	17.14	139.33	4,374.75	19,189.45
Year ended 31st March 2020										
Gross carrying amount	1,364.66	2,996.27	23,796.87	10,685.96	156.89	199.39	25.69	235.46	8,407.79	47,868.98
Opening Gross Carrying Amount	-	-	747.48	490.84	0.30	-	0.34	33.68	351.18	1,623.82
Additions during the year	-	-	10.12	-	-	-	-	-	-	10.12
Deduction / Adjustments during the year	1,364.66	2,996.27	24,534.23	11,176.80	157.19	199.39	26.03	269.14	8,758.97	49,482.68
Closing Gross Carrying Amount										
Accumulated Depreciation	-	644.77	16,730.68	7,079.02	26.84	60.50	8.55	96.13	4,033.04	28,679.53
Opening Accumulated Depreciation	-	49.96	555.03	240.67	9.42	31.39	1.49	30.73	285.32	1,204.01
Depreciation charge during the year	-	-	-	-	-	-	-	-	-	-
Deduction / Adjustments during the year	-	694.73	17,285.71	7,319.69	36.26	91.89	10.04	126.86	4,318.36	29,883.54
Closing Accumulated Depreciation										
Net Carrying Amount	1,364.66	2,301.54	7,248.52	3,857.11	120.93	107.50	15.99	142.28	4,440.61	19,599.14

(ii) : Depreciation for the year is reconciled as under :

Particulars	(Rupees in lakh)	
	2019-20	2018-19
Depreciation charged to Statement of Profit & Loss	1,204.01	1,590.01
Add : Depreciation included under expenditure during construction pending allocation.	-	-
Less : Deduction / Adjustments	-	(0.51)
Total	1,204.01	1,590.52

(iii) : The title deeds of Land (Freehold) remains mainly in the name of Electricity Department, UT Administration of Dadra & Nagar Haveli.

(iv) : The Joint Electricity Regulatory Commission (Generation, Transmission and Distribution Multi Year Tariff) Regulation, 2018 has been notified on 10/08/2018 and accordingly, applicable for the tariff determination of FY 2019-20 and onwards. Under the said regulation, the JERC has also notified the useful life / the rates for the provision of depreciation on the assets used by a distribution licensee. In view of above, the Corporation has adopted the useful life / the rates notified by JERC for the provision of depreciation from FY 2019-20. Prior to the said regulation, the depreciation provision was governed by application CERC (Terms and Conditions of Tariff) Regulation as per the applicable JERC regulation. The method of computation / provision of depreciation is straight line method and remain the same under both the regulations (i.e. JERC / CERC) as stated above. However, the useful life specified under JERC regulation is higher for Building, Lines & Networks, Underground Cable, Transformer Centre, Furniture and Office Equipments as compared to useful life specified under CERC regulation. Accordingly, the adoption of the useful life / the rates of depreciation notified by JERC has resulted into lower depreciation provision in the current financial year.

Had the Corporation adopted the useful life / the rates of depreciation as prescribed under CERC Regulation, the depreciation charged to Statement of Profit & Loss would have been Rs. 1,666.26 Lakh as against the Rs. 1,238.07 Lakh. Accordingly, the profit from continuing operation and total comprehensive income for the current financial year is higher by 428.19 Lakh.



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

2 :- Capital Work in Progress

(i) : Details of Capital Work in Progress are as under:-

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Capital Work in Progress See description Note (ii)	11,552.62	8,710.84
Total Capital WIP	11,552.62	8,710.84

(ii) : Capital Work in Progress includes the amount being incurred on assets under construction i.e. carrying out works of underground cabling lines in Silvassa Municipal Council area Rs. 11,309.47 Lakh (Previous Year - Rs. 8,544.92 Lakh), Multi Circuit Line at Dadra Sub-Station Rs. 243.15 Lakh (Previous Year - NIL) and Solar plant at Athal Rs. NIL (Previous Year - Rs. 165.92 Lakh).



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

3 :- Intangible Assets

(i) : Details of Intangible Assets are as under:-

(Rupees in lakh)

Description of Assets	Software	Total
Year ended 31st March 2019		
Gross Carrying amount		
Opening Gross Carrying Amount	222.55	222.55
Additions during the year	19.77	19.77
Deduction / Adjustments during the year	-	-
Closing Gross Carrying Amount	242.32	242.32
Accumulated Amortisation		
Opening Accumulated Amortisation	28.57	28.57
Amortisation charge during the year	34.44	34.44
Deduction / Adjustments during the year	-	-
Closing Accumulated Amortisation	63.01	63.01
Net Carrying Amount	179.31	179.31
Year ended 31st March 2020		
Gross carrying amount		
Opening Gross Carrying Amount	242.32	242.32
Additions during the year	-	-
Deduction / Adjustments during the year	-	-
Closing Gross Carrying Amount	242.32	242.32
Accumulated Amortisation		
Opening Accumulated Amortisation	63.01	63.01
Amortisation charge during the year	34.06	34.06
Deduction / Adjustments during the year	-	-
Closing Accumulated Amortisation	97.07	97.07
Net Carrying Amount	145.25	145.25

(ii) : Amortisation for the year is reconciled as under :

(Rupees in lakh)

Particulars	2019-20	2018-19
Amortisation charged to Statement of Profit & Loss	34.06	34.44
Less : Deduction / Adjustments	-	-
Total	34.06	34.44



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

4 :- Non Current Financial Assets-Loans

(i) : Details of Non Current Financial Assets-Loans (at amortised cost) are as under:-

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Security Deposits		
Secured, Considered Good	-	-
Unsecured, Considered Good	55.58	55.58
Doubtful, which have significant increase in credit risk	-	-
Credit impaired	-	-
See description Note (ii)	55.58	55.58
Less: Provision for Doubtful Debt & Credit impaired	-	-
Total	55.58	55.58

(ii) : Security Deposits includes the amount deposited with different bodies / authorities for availing facilities during regular business operation. These deposits are generally without any fixed period of maturity.



DNH Power Distribution Corporation Limited**II. Notes forming part of the Financial Statements as at 31st March 2020****5 :- Other Non Current Assets**

(i) : Details of Other Non Current Assets are as under:-

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
a) Capital Advances See description Note (ii)	-	513.16
b) Other than Capital Advance		
i) Other Advances		
Advance Income Tax / Tax Recoverable (Net of Provision) See description Note (iii)	735.32	994.92
Total	735.32	1,508.08

(ii) : Capital Advance of Rs. NIL (Previous Year Rs. 513.16 Lakh represents amount paid to M/s Larsen & Toubro Limited for carrying out works of underground cabling of lines in Silvassa Municipal Council area).

(iii) Details of Advance Income Tax/Tax Recoverable (Net of provision):

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Gross Amount of Advance Income Tax / Tax Recoverable	998.01	994.92
Including TDS Recoverable of Rs. 1.79 Lakh (Previous Year 156.31 Lakh)		
Less : Provision for Taxation	262.69	-
Total	735.32	994.92



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

6 :- Inventories

(i) : Details of Inventories are as under:-

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Stores and Spares (O&M)	851.52	905.35
Less: Provision for obsolescence See description Note (ii)	-	-
Total	851.52	905.35

* For valuation method refer Accounting Policy No. 3 (vii).

(ii) : Inventory stated above includes Goods in Transit amounting to Rs. NIL (Previous Year Rs. NIL).



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

7 :- Current Financial Assets -Trade Receivables

(i) : Details of Current Financial Assets -Trade Receivables are as under :

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Trade Receivables - Secured & Considered Good		
Outstanding Exceeding Six Months from due date of payment	548.99	982.56
Others	26,707.39	27,030.39
	27,256.38	28,012.95
Trade Receivables - Un-Secured & Considered Good		
Outstanding Exceeding Six Months from due date of payment	18.28	333.44
Others	1,082.57	206.35
	1,100.85	539.79
Trade Receivables - Doubtful which have significant increase in credit risk		
Outstanding Exceeding Six Months from due date of payment	931.56	868.35
Others	-	-
	931.56	868.35
Trade Receivables - Credit impaired		
Outstanding Exceeding Six Months from due date of payment	-	-
Others	-	-
	-	-
Less : Provision for Doubtful & Credit Impaired Trade Receivables See description Note (ii) & (iii)	931.56	868.35
Total	28,357.23	28,552.74

(ii) : The Corporation has used a practical expedient for computing expected credit loss allowance for trade receivables taking into account credit loss based on historical periodicity. As per management assessment, provision was made wherever necessary.

(iii) The movement in provision for doubtful trade receivables is as under:

(Rupees in lakh)

Particulars	2019-20	2018-19
Balance at beginning of the year	868.35	918.96
Movement in expected credit loss allowance - doubtful trade receivables	63.21	(50.61)
Balance at end of the year	931.56	868.35



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

8 :-Cash & Cash Equivalents and Bank Balances other than Cash & Cash Equivalents

(i) : Details of Cash & Cash Equivalents are as under :

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Balances with Bank		
Current Accounts' Balance	632.99	2,761.15
Deposit Accounts' Balance	21,899.50	43.25
Cash on hand	-	-
Others - including Imprest Balance	-	-
Total	22,532.49	2,804.40

(ii) : Details of Bank Balances other than Cash and Cash Equivalents are as under:-

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Bank Deposits - with maturity more than 3 to 12 months See description Note (iii)	1,006.03	28,429.47
Total	1,006.03	28,429.47

(iii) : Bank Deposits with maturity more than 3 months and more includes fixed deposits amounting to Rs. 1,006.03 Lakh (Previous Year Rs. 904.38 Lakh) held as the margin money for opening of letter of credit. These deposits are not available for use in the normal course of business operation.



DNH Power Distribution Corporation Limited**II. Notes forming part of the Financial Statements as at 31st March 2020****9 :- Current Financial Assets- Others**

(i) : Details of Current Financial Assets- Others as under :

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Interest receivable on Deposit / Advances	0.01	66.12
Deviation Settlement Mechanism Charges Receivable	1.77	0.52
Deposit with NSDL for Dematerialisation	-	1.60
Unbilled FPPCA See description Note (ii)	9,860.72	6,659.86
Others Receivable See description Note (iii)	102.65	102.65
Total	9,965.15	6,830.75

(ii) : Unbilled FPPCA Rs. 9,860.72 Lakh (Previous Year Rs. 6,659.86 Lakh) represents the increased in power purchase cost of the last quarter (i.e. January to March) to be recovered from the consumers in subsequent Financial Year. The increase in power purchase cost as per the respective tariff order is required to be recovered from the consumers as Fuel and Power Purchase Cost Adjustment (FPPCA). The recognition of unbilled FPPCA for the last quarter of any financial year is further subject matter of condition in the respective tariff order, past trends of approvals and management's probability estimates in view of application accounting policy.

(iii) : The Others Receivable amounting to Rs. 102.65 Lakh (Previous Year Rs. 102.65 Lakh) represents the amount recoverable from Rural Electrification Corporation (REC) under the Deen Dayal Upadhyaya Gram Jyoti Yojana Scheme.



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

10 :- Other Current Assets

(i) : Details of Other Current Assets as under :

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Other advances Prepaid Expenses	85.42	68.33
Other Receivable	-	-
Total	85.42	68.33



DNH Power Distribution Corporation Limited
II. Notes forming part of the Financial Statements as at 31st March 2020

11 :- Equity Share Capital

(i) : Details of Authorised Share Capital as under :

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
5,00,00,000 (As at 31st March 2019: 1,00,00,000) Equity Shares of Rs. 100/- each	50,000.00	10,000.00
Total	50,000.00	10,000.00

(ii) : Details of Issued, Subscribed and Paid-up Share Capital are as under :

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
3,89,74,445 (As at 31st March 2019: 80,00,000) Equity Shares of Rs. 100/- each fully paid up	38,974.45	8,000.00
Total	38,974.45	8,000.00

(iii) : Reconciliation of number of Equity Share is as under :

Particulars	As at 31st March 2020	As at 31st March 2019
Equity Shares at the beginning of the year	80,00,000	80,00,000
Add : Equity Shares allotted during the year	3,09,74,445	-
Equity Shares at the end of the year	3,89,74,445	80,00,000

(iv) : The Corporation is a Government Company with 100% shareholding by the President of India and nominees, through administrative control of Ministry of Home Affairs. The Corporation has only one class of shares having par value of Rs. 100/- each with equal rights for Dividend and Vote.

(v) : The Dadra & Nagar Haveli (DNH) Electricity Reforms Transfer Scheme, 2013 was notified vide notification no.1-1(594)/ELE/2013/697 dated 07/03/2013 and in pursuant to the said reform scheme, the functions of distribution and its associated division (i.e. meter testing and laboratory division) of Electricity Department of DNH was corporatized and stand transferred to the Corporation. The net assets value (i.e. total assets less total liabilities) resulting from the said transfer scheme was stated to be contribution from the Government and the same is presented in the Financial Statements of the Corporation as 'DNHPDCL Capex, Replacement & Development Fund'. During the Current Financial Year 2019-20, the said net assets value of Rs. 30974.45 Lakh was settled by way of issuance of 309,74,445 fully paid up equity share to the owner (i.e. Government of India) (Also refer descriptive note 12 (iii)).



DNH Power Distribution Corporation Limited
II. Notes forming part of the Financial Statements as at 31st March 2020

12 :- Other Equity

(i) : Details of Other Equity are as under :

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
DNHPDCL CAPEX, Replacement & Development Fund See description Note (ii) & (iii)	-	30,974.45
General Reserve See description Note (ii) & (iv)	1,171.53	1,171.53
Retained Earnings / Surplus See description Note (ii) & (v)	14,021.88	12,881.60
Total	15,193.41	45,027.58

(ii) : Movement in Other Equity are as under :

(Rupees in lakh)

Particulars	2019-20	2018-19
DNHPDCL CAPEX, Replacement & Development Fund		
Opening Balance	30,974.45	30,974.45
(+) Addition during the year	-	-
(-) Transfer during the year (Issuance of new equity share capital)	30,974.45	-
Closing Balance	-	30,974.45
General Reserve		
Opening Balance	1,171.53	1,171.53
(+) Addition during the year	-	-
(-) Transfer during the year	-	-
Closing Balance	1,171.53	1,171.53
Retained Earnings / Surplus		
Opening Balance	12,881.60	11,527.25
(+) Net profit/(Net loss) for the Current Year	1,140.28	1,354.35
Closing Balance	14,021.88	12,881.60
Total	15,193.41	45,027.58

(iii) : The 'DNHPDCL Capex , Replacement and Developments Fund' represents the contribution from the Government (i.e. net assets value) attributable to the Corporatisation of distribution and associated division of electricity department in terms of 'Dadra and Nagar Haveli Electricity Reforms Transfer Scheme 2013'. During Financial Year 2019-20, the net assets value has been settled by way of issuance of fully paid up equity share capital to the owner (Refer descriptive note 11 (v)).

(iv) : The General Reserve is created by transfer of profit from time to time. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income. Hence, the General Reserve will not be reclassified subsequently to the Statement of Profit & Loss.

(v) : The Retained Earnings / Surplus represents amount remaining with the Corporation after considering appropriations.



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

13 :- Non-Current Financial Liabilities - Others

(i) : Details of Non-Current Financial Liabilities - Others are as under :

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Security Deposits (Consumers & Others)	6,063.17	5,308.39
Total	6,063.17	5,308.39

(ii) : Security Deposits represents mainly amount collected from consumers against power connections. These deposits are generally without any fixed period of maturity. Accordingly, the Corporation has classified these Security Deposits as Non-Current Financial Liabilities - Others.



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

14 :- Deferred Tax Liabilities (Net)

(i) : Details of Deferred Tax Liabilities (Net) are as under :

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Deferred Tax Liabilities	2,598.58	2,151.32
Less: Deferred Tax Recoverable (Assets)	-	-
Net Deferred Tax (Assets) / Liabilities	2,598.58	2,151.32

(ii) : The item wise details of deferred tax liability (net) in accordance with Ind AS 12 : "Income Taxes" are given below :

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Deferred Income Tax Liabilities		
Depreciation and Amortization	2,637.42	2,191.27
Deferred Income Tax Assets		
Provisions not currently deductible for tax purposes	38.84	39.95
Total	2,598.58	2,151.32



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

15 :- Current Financial Liabilities - Trade and Other Payables

(i) : Details of Current Financial Liabilities - Trade and Other Payables are as under :

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Trade Payables		
i) Amount due to Micro & Small Enterprise	192.54	165.17
See description Note (ii) & (iii)		
Total Amount due of Micro & Small Enterprises	192.54	165.17
ii) Payable to Others	23,304.11	13,216.05
See description Note (iii)		
Other Payables		
iii) Accrued Expenses	404.11	334.85
See description Note (iii)		
iv) Accrued Payroll	22.75	64.34
See description Note (iii)		
Total Amount due other than Micro & Small Enterprises	23,730.97	13,615.24
Total	23,923.51	13,780.41

(ii) : The Details of liabilities to Micro & Small Enterprises, to the extent information available with the Corporation are given under. These liabilities are not due for payment as per the contractual term of payment.

(Rupees in lakh)

Due to MSME Enterprise	As at 31st March 2020	As at 31st March 2019
1. The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of the accounting year (No amount is due for more than 45 days & Interest due Rs. Nil).	192.54	165.17
2. The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006, alongwith the amounts of the payment made to the supplier beyond appointed day during the accounting year.	-	-
3. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	-	-
4. The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
5. The amount of further interest remaining due and payable even in the succeeding years. Until such date when the interest dues as above are actually paid to the small enterprise for the purpose of Disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-
Total	192.54	165.17

(iii) : Terms and conditions of above Financial Liabilities:

- Trade Payables are non interest bearing and generally settled after submission of all relevant documents for payment as per the terms of the contract.
- Other Payables - Accrued expenses are non interest bearing liabilities that have not been settled or invoiced and generally settled in normal course of business.
- Other Payables - Accrued payroll are non-interest bearing dues to employees and generally settled in normal course of business.



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

16 :- Current Financial Liability- Others

(i) : Details of Current Financial Liability- Others are as under :

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Payable towards Deposit Works See description Note (ii)	989.30	1,582.30
Other Payable See description Note (iii)	3,833.66	5,840.48
Total	4,822.96	7,422.78

(ii) : Payable towards Deposit Works represents amount collected from various Government Department/Authorities on account of electrical works to be executed on their behalf.

(iii) : Other Payable represents amount payable on account of on going capital activities and amount withheld from M/s GMR Warora Energy Limited on account of non compliance to the terms of agreed PPA. The above amount includes a sum of Rs. 745.00 Lakh deducted from GMR on account of rebate and related interest due to non submission of provisional bills as per the agreed PPA. The said payable amount is further subject to settlement of the matter.



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

17 :- Current Liabilities - Provision

(i) : Details of Current Liabilities - Provisions are as under :

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Provision for Non Solar Power (RPO) See description Note (ii)	-	6,617.88
Provision for Solar Power (RPO) See description Note (ii)	-	7,878.05
Provision for NSPCL Power Purchase See description Note (iii)	536.95	536.95
Provision for Power Purchase	2,229.70	-
Leave salary	27.40	29.86
Pension	41.38	44.45
Total	2,835.43	15,107.19

(ii) : The movement in the provision for Solar and Non Solar Power are as under:

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Non-Solar RPO	6,617.88	3,049.16
Solar RPO	7,878.05	8,879.26
Opening Balance (A)	14,495.93	11,928.42
Adjustment (Previous Year - Provision) - Non-Solar	6,661.67	3,668.74
Adjustment (Previous Year - Provision) - Solar	(4,906.24)	2,385.59
Total Adjustment (B)	1,755.43	6,054.33
Purchase - Non-Solar REC	13,279.55	100.02
Purchase - Solar REC	2,971.81	3,386.80
Total Purchase (C)	16,251.36	3,486.82
Non-Solar RPO	-	6,617.88
Solar RPO	-	7,878.05
Closing Balance (A+B-C)	-	14,495.93

(a): During Financial Year 2019-20, the Corporation has purchased Non-Solar Renewable Energy Certificates (REC) of Rs.13,279.55 Lakh in compliance to JERC Renewable Purchase Obligation (RPO). The said purchase has been carried out by utilising opening provision of Rs. 6,617.88 Lakh and an amount of Rs. 6,661.67 Lakh provided during FY 2019-20.

(b): During Financial Year 2019-20, the Corporation has purchased Solar REC of Rs. 2971.81 Lakh in compliance to JERC-RPO. The said purchase has been carried out by utilising opening provision of Rs. 7,878.05 Lakh and remaining excess balance of Rs. 4,906.24 Lakh is reversed / adjusted during the year.

(c): The Corporation has fulfilled its Renewable Purchase Obligation (RPO) till 31/03/2019 and also to certain extent the RPO obligation of FY 2019-20 (Refer Note 36). Till FY 2018-19, the provision on account of RPO is provided on the basis of floor price notified by Central Electricity Regulatory Commission (CERC). CERC in Petition No. 5/SM/2020 dated 31/03/2020 has proposed to notify the floor price at zero for Solar REC and Non-Solar REC on account of drastic reduction in the tariff of renewable resources as compare to average power purchase cost. Moreover, in the true up tariff determination carried out by the JERC, the cost of purchase of REC is allowed on the actual incurrence of expenditure (i.e. total cost paid for purchase of REC). Hence, the provision for purchase of solar / non-solar REC is not warranted in the books of accounts.

(iii) : Provision for NSPCL power purchase represents the amount payable on account of delayed payment of Capacity Charges for two months (January-2014 and February-14) which settled on 18/12/2018 after the delay of 57 months. Under the agreed terms of PPA, delayed payment surcharge is payable on account of late payment of capacity charges and energy charges. Accordingly, there is no delayed payment surcharge on the delayed payment of said surcharge amount. The said matter is further subject of mutual conclusion before the settlement, hence, the same is shown as a part of provision.



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

18 :- Other Current Liabilities

(i) : Details of Other Current Liabilities are as under :

(Rupees in lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Payable to Statutory Authorities	264.59	227.26
Payable to EPF & GPF Trust	9.65	9.37
State Energy Conservation Fund See description Note (ii)	200.00	200.00
Total	474.24	436.63

(ii) : The Corporation has been appointed as State Designated Agency vide Notification No. 01/17/ED-DNH/2017-18/141 dated 19-04-2018 issued by Union Territory Administration. As per the said notification, the State Energy Conservation Fund shall be utilized for the purpose of promotion and efficient use of energy and its conservation in the area of DNH (Dadra & Nagar Haveli).



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

19 : Revenue from Operations

(i) : Details of Revenue from Operations are as under:-

(Rupees in Lakh)

Particulars	For the year ended on 31st March,2020	For the year ended on 31st March,2019
(I) Revenue from Sale of Power		
a) Sale to High Tension Consumers	3,19,555.32	2,82,687.02
Total HT Supply	3,19,555.32	2,82,687.02
b) Sale to Low Tension Consumers		
Domestic	3,762.62	3,002.97
Commercial	1,563.73	1,373.13
Low Tension (Industries)	11,436.93	10,392.32
Public Lighting	133.25	232.74
Public Water Works	264.80	295.86
Agriculture & Others See description Note (ii)	391.14	325.58
Total LT Supply	17,552.47	15,622.60
c) Sale of Power Through Exchange	572.56	3,891.27
d) Deviation Settlement Mechanism Receipts	373.74	0.55
e) Security Constrained Economic Dispatch (SCED-NLDC)	403.93	-
Total (a+b+c+d+e)	3,38,458.02	3,02,201.44
Less: Rebate Allowed to Consumers	125.91	106.96
Revenue from Sale of Power	3,38,332.11	3,02,094.48
(II) Other Operating Income		
Reactive Income	3.12	2.96
STOA Application Fees	96.59	182.62
Supervision Charges	208.35	363.73
Other Charges from Consumers See description Note (iii)	248.95	132.77
Other Operating Income	557.01	682.08
Total Revenue from Operation (I+II)	3,38,889.12	3,02,776.56

(ii) : The Details of Sales to LT Consumers- Agriculture & Others are as under:-

(Rupees in Lakh)

Particulars	For the year ended on 31st March,2020	For the year ended on 31st March,2019
Agriculture	129.67	99.94
LIG Power Sale	39.23	38.80
Temporary Connections	222.24	186.84
Total	391.14	325.58

(iii) : The Details of Other Charges from Consumers are as under:-

(Rupees in Lakh)

Particulars	For the year ended on 31st March,2020	For the year ended on 31st March,2019
Meter Testing Charges	7.71	10.03
Reconnection Charges & Name Change	2.23	2.20
Registration Fees	200.01	78.92
Test Report Charges	4.90	6.77
Service Connection Charges	34.10	34.85
Total	248.95	132.77



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

20 : Other Income

(i) : Details of Other Income are as under:-

(Rupees in Lakh)

Particulars	For the year ended on 31st March,2020	For the year ended on 31st March,2019
Interest Income	1,711.35	2,267.82
Delayed Payment Charges from Consumers	2,289.09	1,975.18
Tender Fees	2.32	3.23
Provision Written Back	9.45	112.91
Sale of Scrap	22.85	110.76
Miscellaneous Income See description Note (ii)	230.15	508.35
Total	4,265.21	4,978.25

(ii) : The Details of Miscellaneous Income are as under:-

(Rupees in Lakh)

Particulars	For the year ended on 31st March,2020	For the year ended on 31st March,2019
Assessment Charges from Consumers	226.18	177.92
Licence Fees	0.31	0.33
Other Miscellaneous Income	3.66	330.10
Total	230.15	508.35



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

21 : Purchase of Power

(i) : Details of Purchase of Power are as under:-

(Rupees in Lakh)

Particulars	For the year ended on 31st March,2020	For the year ended on 31st March,2019
Power Purchase	2,90,830.80	2,55,612.83
Renewable Power Obligation (RPO)	1,755.42	6,054.33
Point of Connection Charges (Transmission & Wheeling Charges)	47,449.60	38,630.97
Deviation Settlement Mechanism Charges	899.92	6,458.06
Reactive Charges	22.35	0.07
Total Purchase of Power	3,40,958.09	3,06,756.26
Less: Rebate on Power Purchase	5,350.32	5,882.06
Total	3,35,607.77	3,00,874.20



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

22 : Operation & Maintenance Expenses

(i) : Details of Operation & Maintenance Expenses are as under:-

(Rupees in Lakh)

Particulars	For the year ended on 31st March,2020	For the year ended on 31st March,2019
Stores & Spares Consumed	386.40	525.69
Repairs & Maintenance		
(i) Plant & Machinery	854.76	615.25
(ii) Repair & Maintenance Office	49.40	31.23
(iii) Other Operational Expenses	659.15	575.80
Total	1,949.71	1,747.97



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

23 : Employee Benefit Expenses

(i) : Details of Employee Benefit Expenses are as under:-

(Rupees in Lakh)

Particulars	For the year ended on 31st March,2020	For the year ended on 31st March,2019
Salary & Wages	1,134.99	989.95
Provident Fund Contribution	62.00	59.05
Bonus	21.38	21.84
Leave Salary, Pension and Gratuity	74.53	79.40
Staff Welfare Expenses	2.32	4.20
Total	1,295.22	1,154.44



DNH Power Distribution Corporation Limited
II. Notes forming part of the Financial Statements as at 31st March 2020

24 : Finance Costs

(i) : Details of Finance Costs are as under:-

(Rupees in Lakh)

Particulars	For the year ended on 31st March,2020	For the year ended on 31st March,2019
Interest Expenses		
Interest Expenses (Power)	62.55	124.18
Interest on Security Deposit	419.69	269.57
Total	482.24	393.75



DNH Power Distribution Corporation Limited

II. Notes forming part of the Financial Statements as at 31st March 2020

25 : Administrative & Other Expenses

(i) : Details of Administrative & Other Expenses are as under:-

(Rupees in Lakh)

Particulars	For the year ended on 31st March,2020	For the year ended on 31st March,2019
Fees to Auditors See description Note (ii)	8.96	9.42
Printing and Stationery Expenses	18.72	19.56
Travelling and Accommodation Expenses	5.22	0.60
Advertisement Expenses	9.24	11.43
Corporate Social Responsibility Expenses See description Note (iii)	-	3.00
Telephone Expenses	43.55	39.51
Legal and Professional Charges	180.54	155.84
Bank Charges	34.72	0.13
Fees and Subscription Expenses	277.16	84.66
Other Expenses	89.77	65.80
Provision for Bad & Doubtful Debts	63.21	(50.61)
Total	731.09	339.34

(ii) : Fees to Auditors includes the amount paid to Statutory Auditors:

(Rupees in Lakh)

Particulars	For the year ended on 31st March,2020	For the year ended on 31st March,2019
Fees paid for Statutory Audit	6.50	6.50
Fees paid for Tax Audit	0.57	0.44
Out of pocket expenses	-	-
Total	7.07	6.94

(iii) : In terms of stipulation of Section – 135 of the Companies Act 2013, the Corporation is required to spend Rs. NIL during FY 2019-20 on Corporate Social Responsibility (i.e. CSR) activities (Previous Year Rs. 2.55 Lakh). During the said FY, the Corporation has incurred an amount of Rs. NIL (Previous Year Rs. 3.00 Lakh) on the following CSR activities;

(Rupees in Lakh)

Particulars	For the year ended on 31st March,2020			For the year ended on 31st March,2019		
	Amount Paid	Yet to be paid	Total	Amount Paid	Yet to be paid	Total
(i) construction / acquisition of any asset in the name of Corporation	-	-	-	-	-	-
(ii) On purposes other than (i) above						
- Health and Sanitation	-	-	-	-	-	-
- Education	-	-	-	-	-	-
- Infrastructure Facilities / Projects	-	-	-	-	-	-
- Environmental Sustainability	-	-	-	-	-	-
- National Heritage	-	-	-	-	-	-
- Armed force Supports	-	-	-	-	-	-
- Sport Supports	-	-	-	-	-	-
- Eligible Contribution	-	-	-	3.00	-	3.00
Total	-	-	-	3.00	-	3.00



DNH POWER DISTRIBUTION CORPORATION LIMITED**II. Notes forming part of the Financial Statements as at 31st March 2020****26 : Contingent Liabilities & Commitments :**

(i) Contingent Liabilities not provided for includes :

(Rupees in Lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
(a) Claims against the Corporation not acknowledged as debts	24,663.75	6,468.11
(b) Letter of Credit issued by Dena Bank to Power Generating Companies. (LC are secured by creation of charge on book-debts and movable assets of the Corporation)	24,316.20	15,573.60

(ii) Claims under point (i) (a) above includes :

a) Claim of Rs. 5,511.34 (Previous Year Rs. 3,933.56 Lakh) made by M/s Ratnagiri Gas & Power Private Limited (RGPPL) for the period October-2013 to March-2020. The RGPPL had stopped the generation & supply of power since October-2013 on account of technical minimum requirement load as the principle beneficiary (95% beneficiary of installed capacity) of the power plant i.e. Maharashtra was not scheduling the power. Accordingly, the non-supply of the power as per the terms of Purchase Power Agreement is solely on account of reason attributable to RGPPL, hence, the Corporation is not liable to make any payment to RGPPL. If the said contingent liability on the claim settlement matter is eventually arisen in the future, the same would be recovered from the consumers being power purchase cost.

b) Claim of Rs. 3,213.41 Lakh (Previous Year Rs. 2,534.55 Lakh) made by M/s Maharashtra State Electricity Transmission Corporation Limited (MSETCL) for the period January-2014 to March-2020. Corporation entered into an Agreement for Bulk Power Transmission with MSETCL for transmission of allocated power to be generated by Ratnagiri Gas & Power Private Limited (RGPPL) to the Corporation. However, the RGPPL was unable to generate the agreed power as explained in the (ii) (a) above. Accordingly, there was no power transmitted by MSETCL. Hence, the said claim has not been provided for. If the said contingent liability on the claim settlement matter is eventually arisen in the future, the same would be recovered from the consumers being power purchase cost.

c) The letter of assurance regarding the supply of coal from Coal India Limited was issued in June-2010 to M/s GMR Warora Energy Limited (GWEL) for Unit-2 (DNHPDCL PPA). In the said assurance letter, the 100% supply of coal was assured to GWEL with the stipulation that the parameters of imported coal shall be as specified by Coal India Limited. Further, officials of GWEL in the discussion meeting with the officials of DNHPDCL and also in letter dated 27/07/2012 confirmed that the quoted rates for 200 MW power supply are very competitive keeping in view the shortfall of domestic coal, which is required to be met by power producer either by auction coal / imported coal. In spite of above, CERC vide its common order in petition no. 284/MP/2018 dated 16/05/2019 allowed shortfall in linkage coal due to change in NCDP (New Coal Distribution Policy issued by Ministry of Coal in the October -2007) as change in law compensation for DNHPDCL and MSEDCL (Maharashtra) both. Whereas, the case of MSEDCL was altogether different from the case of DNHPDCL as letter of assurance to GWEL for MSEDCL PPA by Coal India Limited was issued in November 2006 much before to pronouncement of NCDP in October 2007. An appeal is preferred before the APTEL and the case is admitted for the hearing. The total coal shortage compensation claim (Rs. 8,148 Lakh) including the amount of carrying cost thereon (Rs. 4,258 Lakh) is Rs. 12,406 Lakh. If the said contingent liability is eventually arisen in the future, the same would be recovered from the consumers being power purchase cost.

d) During the period April-2013 to March-2020, GMR Warora Energy Limited (GWEL) has raised supplementary energy bill for various change in law compensation claim such as clean energy cess (GST compensation cess), service tax (GST on coal transportation), NEMT, DMF, CG - Prayawaran Tax & Vikas upkar Tax and Evacuation Facility etc. allowed by Central Regulatory Electricity Commission (CERC). On appeal to Appellate Tribunal of Electricity (APTEL), the said matter was also decided in the favour of GWEL. In the said period, GWEL has raised a total claim of Rs. 16,442 Lakh, whereas the actual claim paid by DNHPDCL is Rs. 12,909 Lakh. The claim is less settled by an amount of Rs. 3,533 Lakh. The lesser compensation claim settlement is due to excessive claim on account of various reasons (a) raising of bills from the date of notification in place of actual date of implication as change in law allowed on paid basis (Rs. 305 Lakh), (b) non passing of the reduction benefit of Central Sales Tax and Stowing Excise Duty post GST from July-2017 to June-2019 (Rs. 669 Lakh), (c) excess claim of service tax (GST on transportation) on normative basis / coal transported by other means, whereas, change in law compensation allowed for transportation through railway (Rs. 1,243 Lakh) and non-measurement of Gross Calorific Value (GCV) of coal as per CERC direction resulting in adoption of mid value of GCV as per coal invoices (Rs. 1,316 Lakh). If the said contingent liability on the claim settlement matter is eventually arisen in the future, the same would be recovered from the consumers being power purchase cost.

27 : (i) Related Parties - Key Management Personnel who exercise control :

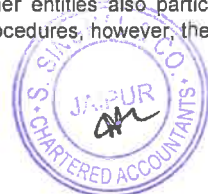
Name	Designation
a) Shri Praful Patel	Chairman
b) Ms. Tapashya Raghav	Managing Director

(ii) Transaction with related parties mentioned in (i) above;

Remuneration for the FY 2019-20 Rs. NIL (Previous Year Rs. NIL)

Dues outstanding to the Corporation as at 31st March 2020 Rs. NIL (As at 31st March 2019: Rs. NIL)

(iii) The Corporation is ultimately controlled by the Central Government of India (GOI) and various entities which are controlled, jointly controlled or significantly influenced by the GOI are considered to be government related entities. The Corporation enters into various transactions in normal course of business with government related entities which are at its arms length and are entered on the basis of tendering procedures wherein other entities also participate. Further, the Corporation also enters into certain other transactions which are not subject matter of tendering procedures, however, these transactions are not outside normal day to day business operation and are not carried out on non market terms.



28 : Details of Earnings per Share :-

(i) Earnings per Share (EPS) Basic and Diluted (after tax) is calculated as under:

Year	Numerator - Profit (after tax) as per the Statement of Profit & Loss (Rupees in Lakh)	Denominator – Weighted Average number of equity shares outstanding (Face Value of Rs. 100/- each)	Earnings Per Share
Basic EPS for continuing operation before Rate Regulated Activities :			
2019-20	1140.28	1,02,85,000	11.09
2018-19	1354.35	80,00,000	16.93
Diluted EPS for continuing operation before Rate Regulated Activities :			
2019-20	1140.28	1,02,85,000	11.09
2018-19	1354.35	80,00,000	16.93
Basic EPS for continuing and discontinuing operation :			
2019-20	1140.28	1,02,85,000	11.09
2018-19	1354.35	80,00,000	16.93
Diluted EPS for continuing and discontinuing operation :			
2019-20	1140.28	1,02,85,000	11.09
2018-19	1354.35	80,00,000	16.93

(ii) Weighted average no. of Equity Share used for calculation of Earnings per Share (Basic and Diluted) are as under:

Particulars	As at 31st March 2020	As at 31st March 2019
Weighted average no. of Equity Share used for calculation of Basic Earnings per Share	1,02,85,000	80,00,000
Adjustments for calculating Diluted Earnings per Share:	-	-
Share Application Money	-	-
Weighted average no. of Equity Share used for calculation of Diluted Earnings per Share	1,02,85,000	80,00,000

* 309,74,445 no. of equity shares have been allotted on 05/03/2020 and accordingly, the weighted average number of equity shares have been calculated.

29 : As stipulated in Ind AS-36 Impairment of Assets, the Corporation assessed potential Purchase of economic benefits from its business units and is of the view that assets employed in continuing businesses are capable of generating adequate returns over their useful lives in the usual course of business, there is no indication to the contrary and accordingly the management is of the view that no impairment provision is called for in these accounts.

30 : Expenditure in foreign currency (on Payment Basis) are as under:

Particulars	2019-20	2018-19
(i) Project related payments	NIL	NIL
(ii) Other matters (travelling, subscription to books, periodicals, membership fee, etc.)	NIL	NIL

31 : Receipts in foreign currency are as under :

Particulars	2019-20	2018-19
-	NIL	NIL

32 : Foreign Currency Exposures not hedged are as under :

Particulars	Currencies	2019-20	2018-19
Sundry Creditors / Deposits / Loans / Retention Money	-	NIL	NIL
	-	NIL	NIL
	-	NIL	NIL
	-	NIL	NIL

33 : Value of imports :

Particulars	2019-20	2018-19
Value of imports calculated on CIF basis	NIL	NIL

34 : Disclosure in respect of Operating Segments :

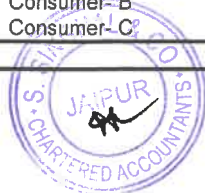
i) Operating Segments :- In accordance with Ind AS 108 – Operating Segment used to present the segment information are identified on the basis of internal report used by the Corporation management to allocate resources to the segment and assess their performances. The Board of the directors of the Corporation is collectively Chief Operating Decision Maker (CODM). The Corporation activities i.e. purchase and sale of electricity are in one single reportable segment and also are in one geographical segment (within UT of Dadra & Nagar Haveli). Therefore, there is no other significant classes of operating segment or geographical segment.

ii) With regard to information about major products, refer the disclosure made in Note 35.

iii) Details of customers having sales value more than Rs. 100 crore or more either in current year or previous year :

(Rupees in Lakh)

Particulars	2019-20	2018-19
Consumer- A	33,690.33	27,753.38
Consumer- B	31,983.26	23,728.51
Consumer- C	24,476.64	22,442.70
Total	90,150.23	73,924.59



DNH POWER DISTRIBUTION CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2020

35(a) : Details of Units Purchased, Sold, and Distribution Losses are as under :

Particulars	2019-20	2018-19
1. Net Power Purchased*	6,513.85	6,320.63
2. Unit Sold*	6,288.00	6,072.42
3. Unit Loss 3=1-2	225.85	248.21
4. Distribution Losses (%) 4=(3/1)*100	3.47%	3.93%

* Includes own generation and distribution of Solar Energy as detailed below.

35(b) : Quantitative information in respect of generation and distribution of Solar

Electricity		Solar Energy
Generation (In Millions Kwh)	2019-20	6.18
	2018-19	5.38
Sales (In Millions Kwh)	2019-20	6.18
	2018-19	5.38

36 : Details of Renewable Purchase Obligation (RPO) outstanding in terms of Mus are as under :

	Particulars	2019-20	2018-19
A	Net Export of Units	6,288.00	6,072.42
B	Opening Backlog- RPO		
(I)	Non-Solar	695.72	377.81
(II)	Solar	83.96	209.79
B (I+II)	Total Opening Backlog	779.68	587.60
C	RPO Obligation for the year		
(I)	Non-Solar 6.80% (PY 5.40%)	427.58	327.91
(II)	Solar 4.70% (PY 3.60%)	295.54	218.61
C (I+II)	Total RPO Obligation	723.12	546.52
D	RPO Complied for the year		
(I)	Non- Solar REC	711.69	10.00
(II)	Solar Generation (Self + Consumer)	8.13	5.76
(III)	Solar REC	109.60	338.68
D (I+II+III)	Total RPO Complied	829.42	354.44
E	Closing Backlog- RPO		
(I)	Non-Solar (B I + C I - D I)	411.61	695.72
(II)	Solar (B II + C II - D (II+III))	261.77	83.96
E (I+II)	Total Closing Backlog	673.38	779.68



DNH POWER DISTRIBUTION CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2020

37: Income and deferred taxes

(i) Movement in deferred tax assets/liabilities

(Rupees in Lakh)

Particulars	Depreciation and Amortization	Provisions	Total
As at 1st April 2018	(1,910.46)	25.45	(1,885.01)
(Charged)/ Credited:			
To profit or loss	(280.82)	14.51	(266.31)
To other comprehensive income	-	-	-
Recognised directly in Equity	-	-	-
Reclassified from equity to profit and loss	-	-	-
Deferred Tax on basis adjustment	-	-	-
As at 31st March 2019	(2,191.28)	39.96	(2,151.32)
(Charged)/ Credited:			
To profit or loss	(446.15)	(1.11)	(447.26)
To other comprehensive income	-	-	-
Recognised directly in Equity	-	-	-
Reclassified from equity to profit and loss	-	-	-
Deferred Tax on basis adjustment	-	-	-
As at 31st March 2020	(2,637.43)	38.85	(2,598.58)

(ii) Reconciliation of tax expenses and accounting profit multiplied by country's tax rate:

(Rupees in Lakh)

Particulars	As at 31st March 2020	As at 31st March 2019
Profit from continuing operations before income tax expenses	1,850.23	1,620.66
Profit from discontinuing operations before income tax expenses	-	-
Tax at the Indian tax rate of 34.608% (Previous Year 34.608%)	-	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	-	-
Tax paid at lower rate due to MAT	262.69	-
Difference in overseas tax rates	-	-
Adjustment for current tax of prior periods	-	-
Substantially enacted tax rate change	-	-
Tax losses for which no deferred income tax was recognised	-	-
Previously unrecognised tax losses now recouped to reduce current tax expenses	-	-
Previously unrecognised tax losses used to reduce deferred tax expenses	-	-
Income Tax Expense	262.69	-



DNH POWER DISTRIBUTION CORPORATION LIMITED
II. Notes forming part of the Financial Statements as at 31st March 2020

38: A. Financial Instruments- Fair Values and Risk Management

The following table shows the carrying amount and fair value of financial assets and financial liabilities including their levels in the fair value hierarchy :

As at 31st March 2020	Note No.	Fair Value			Total Carrying Amount	Other financial liabilities	Other financial assets- Amortised cost	Valuation technique and key input
		Level 1 (Quoted Prices)	Level 2 (Significant observable inputs)	Level 3 (Significant unobservable inputs)				
Financial Assets measured at Fair value		-	-	-				
Financial Assets not measured at Fair value		-	-	-				
Receivables & Others*	4,7,8,9	-	-	-	61,916.48	-	61,916.48	
Total					61,916.48			
Financial Liabilities not measured at fair value		-	-	-				
Payables & Others*	13,16,17				13,721.56	13,721.56		
Total					13,721.56	13,721.56		

As at 31st March 2019	Note No.	Fair Value			Total Carrying Amount	Other financial liabilities	Other financial assets- Amortised cost	Valuation technique and key input
		Level 1 (Quoted Prices)	Level 2 (Significant observable inputs)	Level 3 (Significant unobservable inputs)				
Financial Assets measured at Fair value		-	-	-				
Financial Assets not measured at Fair value		-	-	-				
Receivables & Others*	4,7,8,9	-	-	-	66,672.94	-	66,672.94	
Total					66,672.94			
Financial Liabilities not measured at fair value		-	-	-				
Payables & Others*	13,16,17				27,838.35	27,838.35		
Total					27,838.35	27,838.35		

* The Corporation has not disclosed the fair values for financial instruments as their carrying amounts are a reasonable approximation of fair value.



DNH POWER DISTRIBUTION CORPORATION LIMITED**II. Notes forming part of the Financial Statements as at 31st March 2020****B. Financial risk management:**

The Corporation has assessed following risks arising from financial instruments:-

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash & Cash equivalents, Bank Balance, Trade Receivables and financial assets measured at amortised cost.	Ageing analysis and credit ratings	Regular follow ups to ensure timely recovery and closely monitoring all receivables
Liquidity risk	Borrowings and other liabilities	Cash flow forecasts	Availability of regular cash flows through operations.

C. Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Corporation. Credit risk arises from Cash and Cash equivalents, investments carried at amortised cost, deposits with banks and financial institutions as well as credit exposures to customers including outstanding receivables.

The carrying amounts of financial assets represent maximum credit exposure.

Trade receivables & Trade payables:

The Corporation limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 15 days for all customers and by offering prompt settlement discounts if payment done within 7 days. The Corporation's main consumers are HT consumers contributing more than 90% and have been transacting with the Corporation for over significant period of time, and none of these customers balances are credit-impaired at the reporting date.

The Corporation's exposure to credit risk for trade receivables by type of counterparty is given in Note. 7.

Balances with Banks and other financial assets:

For banks and financial institutions, only high rated banks/institutions are accepted. The Corporation holds cash and cash equivalents with bank and financial institution counterparties, which are having highest safety ratings based on ratings published by various credit rating agencies. The Corporation considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

For other financial assets, the Corporation assesses and manages credit risk based on reasonable and supportive forward looking information. The Corporation does not have significant credit risk exposure for these items.

D. Liquidity risk management:

Liquidity risk is the risk that the Corporation will not be able to settle or meet its obligations on time or at a reasonable price. The Corporation's Finance Department is responsible for liquidity, funding as well settlement management. The Corporation manages liquidity risk by maintaining adequate surplus and banking facilities by continuously monitoring forecast.

39 : Capital Management:

The Corporation objective when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits for other stakeholders of capital.

40 : Previous Year figures have been regrouped/reclassified to achieve the better presentation, requirement wherever found necessary.

41 : Impact of Adoption of New Ind AS by the Company**Ind AS 116 - Leases**

On April 1, 2019, the Company has adopted Ind AS 116 - Leases, which, applied to all lease contracts outstanding as at April 1, 2019, using modified retrospective method by recording the cumulative effect of initial application as an adjustment to opening retained earnings. The adoption of Ind AS 116 did not have any impact on the financial statements of the Company, as there were no contract which fall under the ambit of Ind AS 116 – Lease.

Appendix C to Ind AS 12 - Uncertainty over income tax treatments

Appendix C to Ind AS 12 clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. The adoption of Appendix C to Ind AS 12 did not have any impact on the financial statements of the Company.

Amendment to Ind AS 12 – Income Taxes

The Ministry of Corporate Affairs issued amendments to Ind AS 12 – Income Taxes. The amendments clarify that an entity shall recognize the income tax consequences of dividends on financial instruments classified as equity according to where the entity originally recognized those past transactions or events that generated distributable profits were recognized. The adoption of amendment to Ind AS 12 did not have any impact on the standalone financial statements of the Company.

Amendment to Ind AS 19 - Plan Amendment, Curtailment or Settlement (Employee Benefits)

The Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements requiring an entity to determine the current service costs and the net interest for the period after the remeasurement using the assumptions used for the remeasurement; and determine the net interest for the remaining period based on the remeasured net defined benefit liability or asset. The adoption of amendment to Ind AS 19 did not have any impact on the financial statements of the Company.



DNH POWER DISTRIBUTION CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2020

42 : New Accounting Standards not yet adopted by the Company

New Accounting Standards not yet adopted by the Company Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

43 : The outbreak of COVID-19 and globally resultant lockdown in many countries, including India has also impacted the business of the Company. The supply of electricity has been declared as essential services by Government of India during lockdown. The company continued supplying electricity to its customers during lockdown period. During the period of April-2020 and May - 2020, there was reduction in the power demand / requirement of DNH (Dadra Nagar Haveli). The average power demand is reached to 500 MW in June-2020. Currently, the average power demand is around 625 MW and further expected to be improved due to opening of economic activities.

The Company believes that the impact due to the outbreak of COVID-19 is likely to be short-term in nature and does not anticipate any medium to long-term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. Impact assessment of COVID-19 is a continuing process considering the uncertainty involved thereon. The company will continue to closely monitor any material changes to the future economic conditions.

44 : Government of India through 'The Taxation Law (Amendment) Act 2019' has inserted Section 115BAA of the Income Tax Act 1961, whereby, a domestic company has an irrevocable option of exercising for a lower corporate tax rate along with consequent forego of certain tax deductions and incentives including accumulated MAT credit eligible for set-off in subsequent years. The Company has still not exercised this option and continues to evaluate the benefit of exercising the option for a lower corporate tax rate vis-à-vis the existing provisions, however, the Company has an option for the same till the filing of return of Income. Pending exercising of the option, the Company continues to recognize the taxes on income for year ended March 31, 2020 as per the earlier provisions.

In terms of our Audit Report of even date attached

For, S. Singhal & Co.
Chartered Accountants
FRN. 01526C



(CA Mukesh Khandelwal)
Partner

M.N. 074661

Place: Silvassa

Date:

UDIN: 20074661AAAABA2958

Jaipur
12/08/20

For and on behalf of

For, DNH Power Distribution Corporation Limited

(Pawan Kumar Mishra)
Chief Financial Officer

(Tapasya Raghav)
Managing Director

(Anju Chaudhary)
Company Secretary

(Praful Patel)
Chairman

PLACE: SILVASSA

DATE: 06/08/2020