

Subject: **UJVN Ltd.'s Petitions for True-up of FY 2016-17, Annual Performance Review for FY 2017-18 and determination of Annual Fixed Charges for FY 2018-19 for 10 LHPs.** Date: 02/23/18 03:55 PM From: "Prabhat Kishor Dimri" <dirtech.uerc@gov.in>

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Annexure-1.pdf (593kB)

Sir,

On examination of the submissions w.r.t. the aforesaid subject, following observations has been observed on Additional Capitalisation claims for FY 2016-17:-

1. **MB-II** - With respect to Add. Cap. of Rs. 3.96 Crore claimed for MB-II in FY 2016-17 on account of adjustment of debtors, **UJVN Ltd. is required to submit the documentary evidence viz. accounting voucher, department memo, contractors bill etc. in support of the claim clearly detailing the amount and the accounting entries based on which the claimed amount of outstanding debtors capitalized in FY 2016-17, were accounted for in the books of accounts of the corporation over the period of time.**
2. **Khatima** - It has been observed that the Commission in its Tariff Order dated 29.03.2017 at Pg. No. 27 had disallowed an expense of Rs. 10.2 Cr. (Rs. 7.68 Cr. for major Civil Works and Rs. 2.53 Cr. for Plant & Machinery) for restoring the failure of Khatima LHP on account of damage due to breaching of Power Channel. In this the expense of Rs. 2.53 Cr. for Plant & Machinery works included the works as provided in the enclosed **Annexure-1**. In this regard, it has been observed that an expense of Rs. 89 Lakhs has been claimed by UJVN Ltd. in FY 2016-17 for restoration work for Generator Step-up (GSU) transformer (details provided in excel sheet named UERC information provided vide UJVN Ltd. email dated 30.01.2018).

UJVN Ltd. has to clarify that why an expense on account of restoration works of GSU have been claimed in Additional Capitalisation of FY 2016-17, whereas, the same has already been disallowed by the Commission in its Tariff Order dated 29.03.2017.

Therefore, UJVN Ltd. is required to furnish the details of Financial Year-wise capitalisation of expenses amounting to Rs. 10.2 Cr. alongwith head-wise details.

The above desired information is required to be furnished at the earliest.

regards,

UERC