



Uttarakhand Electricity Regulatory Commission

'Vidyut Niyamak Bhawan',
Near ISBT, PO- Majra, Dehradun-248171

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No. UERC/6/TF-506/17-18/2018/1225

Date: 06 Dec, 2018

To,

Managing Director
M/s Gama Infraprop (P) Ltd.,
M - 3, First Floor,
Hauz Khas, Aurbindo Marg,
New Delhi-110016

Sub.: Application for seeking approval of Multi Year Tariff for 3 years of the Control Period from FY 2019-20 to FY 2021-22 alongwith truing up for FY 2017-18, APR for FY 2018-19 and ARR for FY 2019-20 for 214 MW Gas based Kashipur Combined Cycle Power Plant of Gama Infraprop Private Ltd. (in short Gama Kashipur CCPP of Power Station or Project) at Mahukhedaganj, Kashipur, District Udham Singh Nagar, Uttarakhand.

Sir,

This is with reference to your petition dated 30.11.2017 on the above-mentioned subject. In this regard, certain deficiencies/shortcomings have been observed which are enclosed as Annexure-A. You are required to submit the point-wise replies duly quoting titles/sub-titles and S.No. identical with the deficiencies referred to in enclosed Annexure-A. You are required to submit your reply on the same latest by 12.12.2018 in seven copies alongwith the soft copy of the reply accompanied with an affidavit so that your application may be put up before the Commission for admission.

Further, certain additional deficiencies/shortcomings have also been observed which are enclosed as Annexure-B. You are required to submit the point-wise replies duly quoting titles/sub-titles and S.No. identical with the deficiencies referred to in enclosed Annexure-B. You are required to submit your reply on the same latest by 17.12.2018 in seven copies alongwith the soft copy of the reply accompanied with an affidavit.

Yours sincerely,

Encl. as above


(Neeraj Sati)
Secretary
o/c

M/s Gama Infraprop (P) Ltd. (M/s GIPL) Petition for Truing up of FY 2017-18, Annual Performance Review (APR) for FY 2018-19 and Aggregate Revenue Requirement for FY 2019-20

Preliminary information required for admission of Petition

A. General

1. For the 3rd Control Period i.e. from FY 2019-20 to FY 2021-22, the Petitioner has submitted tariff forms only for FY 2019-20. Accordingly, the Petitioner is required to submit tariff forms for FY 2020-21 and FY 2021-2022 in accordance with the provisions of MYT Regulations, 2018.

B. True up of FY 2017-18

1. In Table 4 of the Petition, the Petitioner has submitted approved cost for Office Equipments amounting to Rs. 0.09 Crore whereas the same has been shown as Rs. 0.08 Crore in Table 6 and Tariff Form 5.1. The Petitioner is required to submit the justification for discrepancy.
2. In Table 10 and Table 11 of the Petition, the Petitioner has submitted that the approved O&M expenses are Rs. 35.35 Crore whereas in Form-11, the same has been considered as 34.61 Crore for FY 2017-18. The Petitioner is required to submit the justification for discrepancy.
3. In Table 11 of the Petition, variation in approved O&M expenses and actual O&M expenses has been shown as Rs. 17.39 Crore whereas in Table 13 of the Petition same has been shown as Rs. 16.65 Crore. The Petitioner is required to submit the justification for discrepancy.
4. In Form 7, the Petitioner has submitted that the additional capitalisation for FY 2017-18 amounting to Rs. 0.04 Crore has been funded through debt only whereas in Form 9.3, the Petitioner has not considered any increase in loans during the year due to additional capitalisation. The Petitioner is required to submit the justification for discrepancy in this regard.
5. The Petitioner is required to submit the Monthly Trial Balance for FY 2017-18 alongwith soft copy of the same.

C. Annual Performance Review for FY 2017-18

1. The Petitioner is required to submit the Monthly Trial Balance upto September, 2018 and Provisional Balance Sheet as on 30.09.2018.

D. Aggregate Revenue Requirement for FY 2019-20

1. The Petitioner vide Para 3.8 of the Petition has submitted that the entire proposed additional capitalisation i.e. Rs. 16.56 Crore for FY 2019-20 is to be done from 100% debt and no equity will be infused whereas the Petitioner vide Para 2.2.1 of the Business Plan Petition has submitted that capital expenditure are to be financed by a mix of debt and equity for FY 2019-20. The Petitioner is required to submit the justification for discrepancy in this regard.



M/s Gama Infraprop (P) Ltd. (M/s GIPL) Petition for the Truing up of FY 2017-18,
Annual Performance Review (APR) for FY 2018-19 and Aggregate Revenue
Requirement for FY 2019-20

Additional requirement/Discrepancies to be rectified for analysis of the Petition

A. True up for FY 2017-18

1. The Petitioner vide Form 9.1 submitted that certain amount of loans have been transferred to Unsustainable Debt. In this regard, the Petitioner is required to submit the supporting documents.
2. The Commission has observed that the weighted average rate of interest has increased substantially from 10.21% p.a. for FY 2016-17 to 12.85% for FY 2017-18. In this regard, the Petitioner is required to submit the loan wise comparison of applicable interest rates for FY 2016-17 and FY 2017-18 alongwith supporting documents.
3. The Petitioner is required to submit Loan MIS segregating loans into Long term loan and Short term loans alongwith interest thereon duly reconciling with the audited accounts for FY 2017-18.
4. The Petitioner is required to submit the supporting documents from bank in respect of interest amount, applicable interest rate from time to time, opening and closing balances of outstanding loan amount for FY 2017-18.
5. The Petitioner is required to submit the details of Penal Interest charged by Banks, if any, along with the supporting documents.
6. In Table 13 of the Petition, the Petitioner has claimed Primary fuel charges amounting to Rs. 209.28 Crore for FY 2017-18. In this regard, the Petitioner is required to submit all the invoices raised by Gas/fuel supplier along with the summary of the same in Tabular Format.
7. From the Note-16 to the annual accounts of FY 2017-18, the Commission has observed that Insurance Expenses and Legal & Professional Charges has substantially increased from Rs. 0.86 Crore to Rs. 1.60 Crore and from Rs. 0.63 Crore to Rs. 1.04 Crore respectively. In this regard, the Petitioner is required to submit the reasons for the same.
8. With regard to the claim towards Bank charges amounting to Rs. 1.35 Crore, the Petitioner is required to submit the supporting documents of the bank.

9. With regard to O&M expenses claimed for FY 2017-18, the Petitioner is required to submit all Contracts and invoices alongwith the summary of the same in Tabular format as follows:

S. No	Contractor Name	Contract date	PO/WO date	Amount	Work performed
1					
2					
3					
.					
.					
Total					

B. Annual Performance Review for FY 2018-19

1. The Petitioner is required to submit the basis of claiming Energy charges amounting to Rs. 316.22 Crore for FY 2018-19.

C. Aggregate Revenue Requirement for FY 2019-20

1. The Petitioner is required to submit the reason for not considering FITL-1, FITL-2 and ICICI Bank Loan while computing the weighted average rate of interest for FY 2019-20 in Form 9.2.
2. With regard to Form 9.2, i.e. "Calculation of Weighted Average Interest Rate of Interest on Actual Loans", the Petitioner is required to submit the basis for considering rate of interest for FY 2019-20.
3. The Petitioner is required to submit the basis of claiming energy charges amounting to Rs. 428.41 Crore for FY 2019-20.
4. The Petitioner under Table 23 of the Petition has submitted that the approved Return on Equity and O&M expenses are Rs. 11.66 Crore and Rs. 36.92 Crore. In this regard, the Petitioner is required to submit the reference of Order vide which the Commission has approved the RoE and O&M Expenses.

Based on the above deficiencies, the Petitioner is required to submit revised Tariff Forms in accordance with the provisions of prevailing MYT Tariff Regulations.