**Reply to Data Gaps**

1. Difference in Depreciation for FY 2016-17 from audited account (Rs. 159.05 Cr.) and claimed amount (Rs. 160.71 Cr.) may be furnished with all documental evidences.

**Reply:** Difference in the Depreciation for FY 2016-17 from audited account (Rs. 159.05 Cr.) and claimed amount (Rs. 160.71 Cr.) is due to the difference of closing GFA for FY 2015-16 in Audited Accounts and as approved in the True-up for FY 2015-16 in Tariff Order dated 9 March, 2017. We have considered the Closing of GFA as approved by the Commission in the True-up for FY 2015-16 in Tariff Order dated 9 March, 2017 as the opening GFA for FY 2016-17, which we have also mentioned in the Para 3.5 of the Tariff Petition for FY 2018-19.

**Further, we want to** submit **that we have computed the Depreciation as per the methodology considered by the Hon’ble Commission in the True-up for FY 2015-16 in the Tariff Order dated 9 March, 2017.**

1. Ledger of interest for loan from audited account for each loan showing detailed transaction for Finance cost of Rs. 39.42 Cr. may be submitted for FY 2016-17.

**Reply:** Ledger of interest for loan from audited account for each loan showing detailed transaction for Finance cost of Rs. 39.42 Crore has been annexed as Annexure 1

1. Maintenance spare claimed of Rs. 27.7 Cr. seems to be incorrect for FY 2016-17 (based on 1% of GFA with6% escalation). Correct data may be furnished.

**Reply:** Maintenance spare for computing IWC in the Petition is Rs 29.45 Crore for FY 2016-17, which is as per the methodology considered by the Hon’ble Commission in the True-up for FY 2015-16 in the Tariff Order dated 9 March, 2017and as per the BERC (Terms and Conditions of Tariff) Regulations, 2007 as amended from time to time, reproduced in the following table for reference:

**Table** Error! No text of specified style in document.**‑1: *Norms for Working Capital Requirement***

| **Sr. No.**  | **Particulars** | **Norm** |
| --- | --- | --- |
| **1.** | Operation & Maintenance Expense | One month |
| **2.** | Maintenance spares | 1% of the historical cost escalated at 6% per annum |
| **3.** | Receivables | Two months of transmission charges |
| **4.** | Rate of Interest on Working Capital | Rate of interest on working capital will be computed at 350 basis point over and above the SBI base rate.  |

We have considered the 1% of the Opening GFA (net of Assets revalued), which was further escalated by 6%. The computation for the same is shown in the Table below:

|  |  |
| --- | --- |
|  Particulars | **FY 2016-17** |
| Opening GFA including Land | 4033.63 |
| Less: Assets Revalued | 1255.06 |
| Opening GFA to be considered | 2778.57 |
| 1% of opening GFA | 27.79 |
| 6% escalation on 1%\*GFA | 1.67 |
| Maintenance Spares | **29.45** |

***The Petitioner requests the Hon’ble Commission to*** consider ***maintenance spare for FY 2016-17 of Rs 29.45 Crore as claimed in the Petition.***

1. Para 4.3 of petition states that for FY 2016-17 CAPEX is Rs. 1824.91 Cr and capitalization are Rs. 993.09 Cr. Further Rs. 993.08 Cr. has been distributed in equity and loan in ratio of 30:70. BSPTCL is requested to furnish sources, from where the fund has been utilized for creation of assets and whether project have been completed, delayed or within time. Amount of IDC & IEDC capitalized due to extension of awarded projects with reason for extension for each awarded work may be furnished.

**Reply**: It is submitted that details of the source for funding of Rs 993.08 Crore has already been submitted with the tariff Petition for FY 2018-19 in the Annexure 9. Details regarding whether project have been completed, delayed or within time and reasons for delays have been annexed as Annexure-2.

Amount of IDC capitalised for FY 2016-17 is Rs 10.72 Crore. Details of which are annexed as Annexure-3.

1. Further Letter of Award (LoA) wise summary of all Capital work undertaken/completed as on date of filling of petition showing separately name of work, LoA number, value of original contract price, value of revised contract price on each revision separately e.g: price escalation, extension of scope etc., actual SDOC extended SDOC with reason of each extension, CAPEX incurred & Capitalization as on 31.03.2017 & 30.09.2017 may be furnished.

**Reply:** Required information has been submitted in Annexure 2

1. Deviation of cost, year wise CAPEX and Capitalization needs to be furnished as there are huge difference between approved tariff order and submitted petition for FY 2018-19. BSPTCL is requested to furnish Project wise original cost, year wise capital expenditure incurred/ to be incurred and year wise capitalization.

**Reply:** Required information has been submitted in Annexure 2

1. Detailed working of IDC e.g: project wise, loan wise, withdrawal data, amount, rate of interest needs to be furnished.

**Reply:** Amount of IDC capitalised for FY 2016-17 is Rs 10.72 Crore. Detail working of the same is annexed as Annexure 3.

1. Depreciation schedule considering Capitalization Plan of FY 2017-18 and 2018-19 needs to be furnished.

**Reply: `** Depreciation schedule considering Capitalization Plan of FY 2017-18 and 2018-19 is annexed as Annexure-4.

1. Trial balance showing revenue and expenses of profit and loss accounts and assets and liabilities for the period from 1st April 2017 to 30th September 2017 of FY 2017-18 needs to be furnished.

**Reply:** It is submitted that at this point of time we can’t submit the Trial balance showing revenue and expenses of profit and loss accounts and assets and liabilities for the period from 1st April 2017 to 30th September 2017 of FY 2017-18 as FY 2017-18 is still going on. Further, we have to allocate some expenses at the end of the year to get P&L accounts which is not possible at this point of time and can be done only during closure of the accounts.

1. In table 3-6, it may be clarified whether the PFC loan of Rs. 90 Cr. represents working capital loan or CAPEX. If, the loan represents CAPEX loan than why it is repaid in the same year (during FY 2017-18) of the year of loan drawn.

**Reply:** We hereby respectfully submitted that PFC Loan of Rs 90 Crore was a Long-term loan taken due to delay in BRGF funding. The funds of Rs 1001 Crore under BRGF were used to repay the PFC Loan.

1. Table 4-7 may be reconciled and revised table may be furnished as during FY 2018-19 from S. No. 01 to 10 of the table, the total project cost is Rs. 213.82 Cr., CAPEX is Rs. 11.84 Cr and Capitalization is shown as Rs. 63.18 Cr.

**Reply:** It is respectfully submitted that in the Table 4-7 we have submitted the data for FY 2016-17 to FY 2018-19 only. Prior period Capex and Capitalisation data have not been shown. Details of Capex and Capitalisation with prior periods are shown in the Table below:

| **Particulars** | **Exp. upto FY 2014-15** | **FY 2015-16 True up** | **FY 2016-17** | **FY 2017-18**  | **FY 2018-19** |
| --- | --- | --- | --- | --- | --- |
| Capex | 45.37 | 61.24 | 8.66 | 3.18 | 0.00 |
| Capitalisation | 45.37 | 9.90 | 6.36 | 10.44 | 46.38 |

1. IDC computation for FY 2017-18 and FY 2018-19 may be furnished.

**Reply:** We have computed the IDC for FY 2017-18 and FY 2018-19 as per the methodology considered by the Commission in the Tariff Order dated 9 March, 2017. The detail computation of the same is shown in the Table below:

|  |  |  |  |
| --- | --- | --- | --- |
| **Sl No.** | **Particulars** | **FY 2017-18** | **FY 2018-19** |
| 1 | Loan Drawal | 2,124.01 | 1,828.92 |
| 2 | Average Loan | 1,062.01 | 914.46 |
| 3 | Interest Rate | 8.97% | 8.97% |
| 4 | IDC (On Average Loan) | 95.30 | 82.06 |

1. In reference to Para 3.12 (Incentive), BSPTCL is requested to furnish month wise detailed computation of transmission system availability as per procedure given in Appendix-III of CERC Tariff Regulations 2014, duly certified by SLDC.

**Reply:** We have already submitted the certified copy of month wise transmission system availability as per procedure given in Appendix-III of CERC Tariff Regulations 2014 as Annexure 10 with the Tariff Petition for FY 2018-19. Further, the detail computation of transmission system availability is enclosed as Annexure 5 (As the data is bulky, attached as soft in CD).

1. In reference to Table 3.25, BSPTCL is requested to clarified whether the DISCOMS have taken in to account the revised bills into their annual accounts for FY 2016-17. Copy of bills raised to both DISCOM may be furnished.

**Reply:** It is respectfully submitted to the Hon’ble Commission, that it is an error apparent that, it has been submitted in the Petition that the revised bills have been issued by the DISCOMs. We are in the process of revising the bills and will shortly issue the same to the DISCOMs. The copy of the same shall be submitted to the Hon’ble Commission.

1. In reference to Directive-6 (Asset/Property Register), BSPTCL is requested to furnish all the details of the equipment available at the location i.e. substation etc., showing details of nature of equipment, year of installation, value, rate of depreciation, depreciation (year on year as well as the accumulated depreciation), residual value, whether the equipment is in working condition or not. etc. needs to be furnished.

**Reply:** We have already submitted the Asset Register in line with Directive-6 with the Tariff petition for FY 2018-19 as Annexure-11. Further, required information has been enclosed as Annexure6(As the data is bulky, attached as soft in CD).

1. In annual accounts for FY 2016-17, details showing the name of the agency from whom the deposits are received, date of receipt, nature of work to be done, status of work etc. against Rs. 175.05 Cr. shown, needs to be furnished.

**Reply: D**etails showing the name of the agency from whom the deposits are received, date of receipt, nature of work to be done, status of work etc. against Rs. 175.05 Crore, is annexed asAnnexure 7**.**

1. The reason for increase of R&M of assets by 30.6% over previous year to Rs. 47.24 Cr. (mainly in civil works, lines and cables network and furniture and fixtures) and increase in A&G expenses over previous year in annual account of FY 2016-17 needs to be furnished.

**Reply:** We respectfully submitted that in FY 2016-17 capitalisation is Rs 993 Crore (mainly in civil works, lines and cables network and furniture and fixtures). As the capitalisation is increasing expenses towards R&M are increasing.

The main reasons for the increase in A&G expenses for FY 2016-17 are due to Payment of long pending electricity charges of various Grid Sub-stations and circle & divisional offices.

1. Reason of preliminary expenses written off may be explained in view of preliminary expense totally allowed in the truing up for FY 2012-13 by the Commission (Registration charges paid to RoC for BSPGCL, BSPTCL and DISCOMS).

**Reply:** Preliminary expenses are registration charges paid to the Registrar of Companies (ROC) for registration of new company under the companies’ act 1956 and other costs incurred prior to incorporation of the company, which has to be amortised in five years. Accordingly, amortisation value of Rs 3,621,704 is booked in Audited Annual Accounts for FY 2016-17.

1. Please furnish Soft copy (excel spreadsheet and word documents) of tariff petition, all forms and annexure separately.

**Reply:** Soft copy desired by the Commission has been enclosed.

**Annexure 4**

**Depreciation Schedule for FY 2017-18 and FY 2018-19**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Asset Group** | **GROSS BLOCK** |  | **Wt Depreciation Rate of FY 2016-17** | **Depreciation for FY 2017-18** | **Depreciation for FY 2018-19** |
| **Opening** | **Addition** | **Closing** | **Opening** | **Addition** | **Closing** |  |  |  |  |
|  | **1.4.2017** |  | **31.3.2018** | **1.4.2018** |  | **31.3.2019** |  |
|  | **FY 2017-18** | **FY 2018-19** |  |  |  |  |
| Land and land rights | 1,392.16 |  0.00 | 1,392.16 | 1,392.16 | 0.00 | 1,392.16 |   | 0.00% | 0.00 | 0.00 |
| Buildings | 59.63 | 51.51 | 111.14 | 111.14 | 45.76 | 156.90 |   | 5.114% | 4.37 | 6.85 |
| Hydraulic Works | 0.03 | 0.03 | 0.06 | 0.06 | 0.02 | 0.08 |   | 5.114% | 0.00 | 0.00 |
| Others Civil Works | 218.99 | 189.17 | 408.16 | 408.16 | 168.05 | 576.21 |   | 5.114% | 16.04 | 25.17 |
| Plant and Machinery | 1,885.61 | 1,628.83 | 3,514.45 | 3,514.45 | 1,446.95 | 4,961.40 |   | 5.114% | 138.08 | 216.72 |
| Lines and Cable Network | 1,464.58 | 1,265.13 | 2,729.71 | 2,729.71 | 1,123.86 | 3,853.57 |   | 5.114% | 107.25 | 168.33 |
| Vehicles | 0.46 | 0.39 | 0.85 | 0.85 | 0.35 | 1.20 |   | 5.114% | 0.03 | 0.05 |
| Furniture and Fixtures | 4.06 | 3.51 | 7.56 | 7.56 | 3.11 | 10.68 |   | 5.114% | 0.30 | 0.47 |
| Office Equipment | 1.19 | 1.03 | 2.21 | 2.21 | 0.91 | 3.13 |   | 5.114% | 0.09 | 0.14 |
| Unallocated |   |   | 0 | 0 | 0 |  -  |   |   |   |   |
| **TOTAL** | **5026.708** | **3139.60** | **8166.308** | **8166.308** | **2789.02** |  **10,955**  |  |  | **266.14** | **417.74** |