

**Reply to 4th Data Requirements/Deficiencies/Discrepancies in the Petition No.
2164 of 2024**

Dated:- 29th November , 2024

of

**True-Up (FY 2023-24), Annual Performance Review (FY 2024-25), Aggregate
Revenue Requirement (FY 2025-26) of MVVNL**

1. Letter of Intent (LOI)/Letter of Award (LOA) regarding Power Banking:

Commission's Directions

Petitioners are directed to submit the Letter of Intent (LOI)/Banking Contracts regarding Power Banking done in FY 2023-24.

Response: It is submitted that the details of Letter of Intent (LOI)/Banking Contracts regarding Power Banking done in FY 2023-24 are mentioned in the **Annexure-A**.

2. Difference in Weighted Average Rate of Interest considered for calculation of Interest on actual long-term Loans in Petitioner submission vis-à-vis audited Balance Sheet for true up year (FY 2023-24):

The Weighted Average Rate of Interest on actual long-term Loans (%) considered for calculation of Interest on actual long-term Loans as submitted by the petitioners vis-à-vis reflected in the audited Balance sheet of the Petitioners for FY 2023-24 is given below:

DISCOM	As per Petitioner submission	As per Audited Balance Sheet
DVVNL	9.97%	10.10%
MVVNL	10.13%	10.02%
PVVNL	10.29%	9.65%
PuVVNL	9.82%	9.93%
KESCO	10.88%	9.61%

Commission's Directions

Considering the above, it is evident that the Petitioners, namely MVVNL, PVVNL, and KESCO, have applied a Weighted Average Rate of Interest (%) for the calculation of interest on actual long-term loans that is higher than the rate indicated in the audited balance sheets. In light of this, the petitioners are directed to submit detailed

justification for the deviation from the interest rates as reflected in the audited balance sheets.

Response: It is submitted that the synopsis of calculation of Weighted Average Rate of Interest (%) for the calculation of interest on actual long-term loans is as under:

(Rs. in Cr.)

Particulars	MWNL	References
Opening-Closing Balance (Rs. in cr.)		
<i>Current Maturity of Long Term Borrowings (i)</i>	3,461.01	Annexure to Note-16 (Pg. 17)
<i>Financial Liabilities Borrowings (Non-Current) - LT Loan (ii)</i>	14,354.79	Note 14 (Pg. 15)
Total Opening as per BS (A)=(i+ii)	17,815.80	
<i>Current Maturity of Long Term Borrowings (iii)</i>	3,802.56	Annexure to Note-16 (Pg. 17)
<i>Financial Liabilities Borrowings (Non-Current) - LT Loan (iv)</i>	11,849.93	Note 14 (Pg. 15)
Total Closing as per BS (B) = (iii+iv)	15,652.49	
Total Opening as Claimed (C)	17,815.80	
<i>Addition of Loan during the year (v)</i>	2,010.29	
<i>Loan Repayment during the year (vi)</i>	4,173.61	
Total Closing as Claimed (D) = (C+v-vi)	15,652.48	
Interest Paid (Rs. in cr.)		
Finance Cost as per BS (F)	1,739.53	Note-23 Finance Cost (Pg. 22)
<i>Interest on Security Deposits paid to consumers (vii)</i>	30.58	
<i>Other cost (viii)</i>	13.04	
Interest Paid as per BS (G) = (F-vii-viii)	1,695.91	
Interest Paid as per DISCOM Submission (H)	1,695.91	
Rate of Interest		
Average Loan Balance as claimed (J) = (C+D)/2	16,734.14	
Wt. Avg. Rate of Interest Claimed and as per BS (K)= (H)/(J)	10.13%	

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Details of Power Banking Transactions during FY2023-24

Month	LOIs	From UP (in MUs)	To UP (in MUs)
Apr-23	LOI No. SPATC-390/RUVNL/2022/LOI/375 dt. 11.10.2022	0.00	114.74
	LOI No. SPATC-496/PCKL -Banking of Power/LO1/116 Dt. 01.04.2023	103.95	0.00
	LOI No. SPATC-496/PCKL -Banking of Power/LO1/130 Dt. 10.04.2023	31.25	0.00
May-23	LOI No. SPATC-390/RUVNL/2022/LOI/375 dt. 11.10.2022	0.00	277.90
	LOI No. SPATC-390/RUVNL/2022/LOI/427 dt. 10.11.2022	0.00	76.49
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/70 Dt. 28.02.2023	0.00	3.60
	LOI No. SPATC-493/TANGEDCO -Banking of Power/LO1/36 Dt. 31.01.2023	0.00	8.39
Jun-23	LOI No. SPATC-390/RUVNL/2022/LOI/375 dt. 11.10.2022	0.00	268.93
	LOI No. SPATC-390/RUVNL/2022/LOI/427 dt. 10.11.2022	0.00	74.02
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/455 Dt. 01.12.2022	0.00	81.00
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/70 Dt. 28.02.2023	0.00	18.00
	LOI No. SPATC-493/TANGEDCO -Banking of Power/LO1/36 Dt. 31.01.2023	0.00	20.98
	LOI No. SPATC-495/Power banking/NVVN/LO1/59 Dt. 20.02.2023	0.00	35.70
	LOI No. SPATC-496/PCKL -Banking of Power/LO1/116 Dt. 01.04.2023	0.00	109.15
	LOI No. SPATC-496/PCKL -Banking of Power/LO1/130 Dt. 10.04.2023	0.00	32.81
	LOI No. SPATC-496/PCKL -Banking of Power/LO1/63 Dt. 23.02.2023	0.00	21.00
	LOI No. SPATC-496/PCKL -Banking of Power/LO1/91 Dt. 22.03.2023	0.00	45.12
	LOI No. SPATC-373/MPMCL -Banking of Power/LO1/270 Dt. 30.06.2023	0.00	36.00
Jul-23	LOI No. SPATC-373/MPMCL -Banking of Power/LO1/450 Dt. 29.11.2022	0.00	24.61
	LOI No. SPATC-390/RUVNL/2022/LOI/375 dt. 11.10.2022	0.00	277.90
	LOI No. SPATC-390/RUVNL/2022/LOI/427 dt. 10.11.2022	0.00	76.49
	LOI No. SPATC-390/RUVNL/2022/LOI/481 dt. 26.12.2022	0.00	58.50
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/455 Dt. 01.12.2022	0.00	72.90
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/70 Dt. 28.02.2023	0.00	11.45
	LOI No. SPATC-493/TANGEDCO -Banking of Power/LO1/36 Dt. 31.01.2023	0.00	21.68
	LOI No. SPATC-495/Power banking/NVVN/LO1/59 Dt. 20.02.2023	0.00	89.28
	LOI No. SPATC-496/PCKL -Banking of Power/LO1/63 Dt. 23.02.2023	0.00	176.70
Aug-23	LOI No. SPATC-373/MPMCL -Banking of Power/LO1/450 Dt. 29.11.2022	0.00	24.61
	LOI No. SPATC-390/RUVNL/2022/LOI/375 dt. 11.10.2022	0.00	277.90
	LOI No. SPATC-390/RUVNL/2022/LOI/427 dt. 10.11.2022	0.00	76.49
	LOI No. SPATC-390/RUVNL/2022/LOI/481 dt. 26.12.2022	0.00	45.50
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/455 Dt. 01.12.2022	0.00	40.96
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/455 Dt. 01.12.2022	0.00	4.46
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/70 Dt. 28.02.2023	0.00	4.80
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/70 Dt. 28.02.2023	0.00	7.75
	LOI No. SPATC-495/Power banking/NVVN/LO1/59 Dt. 20.02.2023	0.00	0.00
Sep-23	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/417 Dt. 29.09.2023	3.25	0.00
	LOI No. SPATC-493/TANGEDCO -Banking of Power/LO1/36 Dt. 31.01.2023	0.00	9.97
	LOI No. SPATC-495/Power banking/NVVN/LO1/59 Dt. 20.02.2023	0.00	56.17
	LOI No. SPATC-496/PCKL -Banking of Power/LO1/63 Dt. 23.02.2023	0.00	75.51
	LOI No. SPATC-506/GUVNL -Banking of Power/LO1/394 Dt. 08.09.2023	6.00	0.00
	LOI No. SPATC-373/MPMCL -Banking of Power/LO1/450 Dt. 29.11.2022	0.00	15.88
	LOI No. SPATC-390/RUVNL/2022/LOI/375 dt. 11.10.2022	0.00	268.93
	LOI No. SPATC-390/RUVNL/2022/LOI/427 dt. 10.11.2022	0.00	74.02
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/70 Dt. 28.02.2023	0.00	38.28
Oct-23	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/455 Dt. 01.12.2022	0.00	0.00
	LOI No. SPATC-489/GUVNL -Banking of Power/LO1/461 Dt. 18.10.2023	22.75	0.00
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/389 Dt. 05.09.2023	56.62	0.00
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/417 Dt. 29.09.2023	30.06	0.00
	LOI No. SPATC-496/PCKL -Banking of Power/LO1/462 Dt. 18.10.2023	11.49	0.00
	LOI No. SPATC-506/GUVNL -Banking of Power/LO1/394 Dt. 08.09.2023	30.00	0.00
Nov-23	LOI No. SPATC-390/RUVNL/LO1/480 Dt. 26.10.2023	420.00	0.00
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/389 Dt. 05.09.2023	77.21	0.00
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/500 Dt. 10.11.2023	4.60	0.00
	LOI No. SPATC-496/PCKL -Banking of Power/LO1/462 Dt. 18.10.2023	51.00	0.00
	LOI No. SPATC-506/GUVNL -Banking of Power/LO1/394 Dt. 08.09.2023	18.00	0.00

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Month	LOIs	From UP (in MUs)	To UP (in MUs)
Dec-23	LOI No. SPATC-373/MPPMCL -Banking of Power/LO1/270 Dt. 30.06.2023	18.90	0.00
	LOI No. SPATC-373/MPPMCL-Banking of Power/LO1/489 Dt. 06.11.2023	16.00	0.00
	LOI No. SPATC-390/RUVITL/LO1/480 Dt. 26.10.2023	431.00	0.00
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/389 Dt. 05.09.2023	79.78	0.00
	LOI No. SPATC-496/PCKL -Banking of Power/LO1/462 Dt. 18.10.2023	53.48	0.00
	LOI No. SPATC-373/MPPMCL -Banking of Power/LO1/270 Dt. 30.06.2023	18.90	0.00
Jan-24	LOI No. SPATC-373/MPPMCL-Banking of Power/LO1/39 Dt. 20.01.2024	19.80	0.00
	LOI No. SPATC-373/MPPMCL-Banking of Power/LO1/489 Dt. 06.11.2023	31.00	0.00
	LOI No. SPATC-390/RUVITL/LO1/07 Dt. 04.01.2024	9.20	0.00
	LOI No. SPATC-390/RUVITL/LO1/480 Dt. 26.10.2023	43.40	0.00
	LOI No. SPATC-390/RUVITL/LO1/564 Dt. 30.12.2023	32.50	0.00
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/389 Dt. 05.09.2023	119.68	0.00
	LOI No. SPATC-493/TANGEDCO-Banking of Power/LO1/511 Dt. 22.11.2023	24.80	0.00
	LOI No. SPATC-496/PCKL -Banking of Power/LO1/462 Dt. 18.10.2023	62.77	0.00
	LOI No. SPATC-373/MPPMCL-Banking of Power/LO1/39 Dt. 20.01.2024	18.00	0.00
	LOI No. SPATC-373/MPPMCL-Banking of Power/LO1/489 Dt. 06.11.2023	15.00	0.00
Feb-24	LOI No. SPATC-390/RUVITL/LO1/480 Dt. 26.10.2023	404.00	0.00
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/389 Dt. 05.09.2023	74.64	0.00
	LOI No. SPATC-493/TANGEDCO-Banking of Power/LO1/511 Dt. 22.11.2023	29.00	0.00
	LOI No. SPATC-496/PCKL -Banking of Power/LO1/462 Dt. 18.10.2023	62.35	0.00
	LOI No. SPATC-496/PCKL-Banking of Power/50 Dt. 29.01.2024	15.95	0.00
	LOI No. SPATC-506/GUVNL-Power Banking/49 Dt. 29.01.2024	42.10	0.00
	LOI No. SPATC-513/TSPCC/Power Banking/48 Dt. 29.01.2024	492.75	0.00
	LOI No. SPATC-514/MSEDCL/Power Banking/51 Dt. 29.01.2024	37.70	0.00
	LOI No. SPATC-514/UPCL/Power Banking/66 Dt. 01.02.2024	49.20	0.00
	LOI No. SPATC-493/TANGEDCO-Banking of Power/LO1/511 Dt. 22.11.2023	31.00	0.00
	LOI No. SPATC-496/PCKL -Banking of Power/LO1/462 Dt. 18.10.2023	68.98	0.00
Mar-24	LOI No. SPATC-496/PCKL-Banking of Power/50 Dt. 29.01.2024	23.25	0.00
	LOI No. SPATC-502/SAPL/LOI/87 Dt. 17.02.2024	76.80	0.00
	LOI No. SPATC-506/GUVNL-Power Banking/49 Dt. 29.01.2024	74.40	0.00
	LOI No. SPATC-513/TSPCC/Power Banking/48 Dt. 29.01.2024	620.00	0.00
	LOI No. SPATC-514/MSEDCL/Power Banking/51 Dt. 29.01.2024	181.50	0.00
	TOTAL	4144.00	3054.57

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Reply to 5th Data Requirements/Deficiencies/Discrepancies in the Petition No. 2164 of 2024

Dated:- 29th November , 2024

of

True-Up (FY 2023-24), Annual Performance Review (FY 2024-25), Aggregate Revenue Requirement (FY 2025-26) of MVVNL

1. Petitioners to explain the reason for the abnormal increase of billing determinants of LMV-3 from FY 2022-23 to FY 2023-24. For example, 208% in no. of consumers, 52% in load and 145% in sales for DVVNL.

Response: It is respectfully submitted that in the LMV-3 category for MVVNL, there has been a sharp increase in the number of consumers and a significant rise in sales from FY 2022-23 to FY 2023-24, despite a marginal decline in connected load. This was primarily attributable to the large-scale addition of rural streetlight connections under various Central and State Government schemes, typically having small loads (1–2 kW). Additionally, the installation/adoption of energy-efficient lighting resulted in a downward revision of connected load and a moderated increase in sales relative to the number of consumers. A special drive was also undertaken to rectify incorrect tagging of LMV-3 connections, leading to the migration of misclassified urban consumers to the correct rural category.

As a result, while the overall number of consumers increased sharply, there was notable increase in overall sales, and the overall load decreased marginally.

2. Petitioners to explain the reason for the abnormal increase of billing determinants of LMV-4 from FY 2022-23 to FY 2023-24. For example, 94% in no. of consumers, 52% in load and 85% in sales for MVVNL.

Response: It is respectfully submitted that substantial increase of billing determinants of LMV-4 from FY 2022-23 to FY 2023-24 (94% in no. of consumers, 52% in load and 85% in sales) has been due to regularization of MVVNL DISCOM offices/ substation (conversion of offline consumers into online system) and wrong tariff correction exercise.

Additionally, under various Government schemes, a significant number of previously unelectrified public institutions such as Anganwadi Kendra, schools, and community toilets were newly electrified, contributing further to the increase in billing determinants.

3. Petitioners to explain the reason for decrease of billing determinants of LMV-5 from FY 2022-23 to FY 2023-24. For example, reduction in load despite increase in no. of consumers in MVVNL.

Response: It is respectfully submitted that reduction in load despite increase in no. of consumers in LMV-5 category from FY 2022-23 to FY 2023-24 was due to discontinuation of unmetered PTW connection, and release of metered PTW connections with (lower) revised/corrected load.

Also, solarization of individual PTW under PM-KUSUM Yojana resulted in downward revision of load.

4. Petitioners to explain the reason for decrease of billing determinants of LMV-6 from FY 2022-23 to FY 2023-24. For example, 20% in no. of consumers, 7% in load and 19% in sales for MVVNL.

Response: It is respectfully submitted that for MVVNL, the decline in billing determinants under the LMV-6 category from FY 2022-23 to FY 2023-24 is attributable to a combination of factors, including increased solarization of small industries, flour mills etc, migration of certain LMV-6 consumers to the HV-2 category, and the closure of financially distressed units. Also, the discom conducted strict enforcement against unauthorized use, disconnection drives for long-standing defaulters.

5. MVVNL, PuVVNL and DVVNL have shown negative growth in sales in HV-2 category FY 2023-24 to FY 2024-25. Petitioners to explain the reason behind the same.

Response: It is respectfully submitted that the in the case of MVVNL, the overall Billing Determinants variation for HV-2 category in FY 2023-24 with respect to FY 2022-23 was positive Sales growth by 23% and 4% in FY 2024-25 with respect to FY 2023-24.

6. Petitioners to explain the reason for decrease in sales of HV-4 category for all Petitioners in true up or APR years.

Response: It is respectfully submitted that the sales submitted under the HV-4 category during the true-up/APR years are based on actual figures. The consumption in this category is primarily dependent on the seasonal usage and demand for lift irrigation, which varies significantly from year to year based on agricultural needs, monsoon/ rainfall patterns and water availability. Accordingly, the observed decrease in sales reflects the actual demand pattern during the relevant period.

7. PVVNL to explain why the load has decreased 24% from FY 2022-23 to FY 2023-24 in HV-3 category.

Response: It is submitted that the query does not pertain to MVVNL.

8. MVVNL to explain why the Sales (MUs) has decreased 46% from FY 2022-23 to FY 2023-24 in HV-3 category.

Response: It is respectfully submitted that MVVNL has 02 Consumers in HV-3 category with total sanctioned load of 12000 kW. The reason for decrease in Sales (MUs) by 46% from FY 2022-23 to FY 2023-24, was the procurement of corresponding electricity by the HV-3 Consumer from Open Access route.

9. Petitioner to provide the data for the rebate received against tariff payable by LMV-5 consumers apart from tariff/revenue subsidy.

Response:

It is submitted that the rebate received against tariff payable by LMV-5 consumers apart from tariff/revenue subsidy are as follows:

	MVVNL (in Cr.)
Q1	67.27
Q2	67.27
Q3	89.70
Q4	174.84
FY2023-24	399.09
Q1	74.83
Q2	74.83
Q3	74.83
Q4	380.41
FY2024-25	604.90