



कार्यालय
Office of the
प्रबन्ध निदेशक
MANAGING DIRECTOR
पश्चिमांचल विद्युत वितरण निगम लि.,
Paschimanchal Vidyut Vitran Nigam Ltd.
विक्टोरिया पार्क, मेरठ
Victoria Park, MEERUT-250001
CIN- U31200UP2003SGC027458

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No. 3112 /PVVNL/MRT/COM/UPERC/

Dated :

4 AUG 2025


Subject:- Response to the replies of 4th information Requirement/Discrepancies/Data Gaps in the Petition No. 2162 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 PVVNL.

The Secretary
Uttar Pradesh Electricity Regulatory Commission
Vibhuti Khand, Gomti Nagar
Lucknow-226010.

This is with reference to your above-mentioned letter directing submission of replies to 4th Information Requirement/Discrepancies/Data Gaps in the Petition No. 2162 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 PVVNL.

The Licensee hereby submits the point-wise replies to the queries/information required by the Hon'ble Commission along with all the Annexures, wherever required.

Enclosure as above 06 (1+5 copies) + 1-CD (soft copies)



(Sanjay Jain)
Director (Commercial)

No. /PVVNL/MRT/COM/UPERC/

Dated :

Copy forwarded for information & necessary action :-

1. Managing Director, UPPCL, Lucknow.
2. Managing Director, PVVNL, Meerut.
3. Director (Commercial), UPPCL, Lucknow.
4. Chief Engineer (RAU), UPPCL, Lucknow.


(Sanjay Jain)
Director (Commercial)

**Reply to 4th Data Requirements/Deficiencies/Discrepancies in the Petition No.
2162 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 PVVNL**

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

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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: 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	PVVNL	References
Opening-Closing Balance (Rs. in cr.)		
Current Maturity of Long Term Borrowings (i)	2,220.59	Annexure to Note-16 (Pg. 37)
Financial Liabilities Borrowings (Non-Current) - LT Loan (ii)	8,170.25	Note-14 (Pg. 27)
Total Opening as per BS (A) = (i+ii)	10,390.84	
Current Maturity of Long Term Borrowings (iii)	1,560.19	Annexure to Note-16 (Pg. 37)
Financial Liabilities Borrowings (Non-Current) - LT Loan (iv)	6,599.69	Note-14 (Pg. 27)
Total Closing as per BS (B) = (iii+iv)	8,159.88	
Total Opening as Claimed (C)	10,390.84	
Addition of Loan during the year (v)	82.48	
Loan Repayment during the year (vi)	2,313.44	
Total Closing as Claimed (D) = (C+v-vi)	8,159.88	
Interest Paid (Rs. in cr.)		
Finance Cost as per BS (F)	1,054.49	Note-23 (Pg. 44)
Interest on Security Deposits paid to consumers (vii)	130.68	
Other cost (viii)	18.56	
Interest Paid as per BS (G) = (F-vii-viii)	905.25	
Interest Paid as per DISCOM Submission (H)	954.85	
Rate of Interest		
Average Loan Balance as claimed (J) = (C+D)/2	9,275.36	
Wt. Avg. Rate of Interest Claimed and as per BS (K) = (H)/(J)	10.29%	

As regards the difference between interest paid as per balance sheet and interest paid as per submission it is to submit that as per the accrual principle under Ind AS 1 and Ind AS 23, a provision is created at year-end for interest accrued but not due as on the

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balance sheet date. This ensures that expenses are recognized in the period to which they relate, even if the payment due date falls in the subsequent financial year.

In line with Ind AS 23 – Borrowing Costs, interest expense on borrowings is recognized in the Statement of Profit and Loss on an accrual basis, i.e., when it is incurred, regardless of the actual payment. Accordingly, the “Finance Cost” booked during the year (Note 23) includes:

- Interest accrued for the current financial year (whether paid/unpaid/provision),

On the other hand, interest paid during the year comprises:

- Payments related to interest accrued in previous financial years, for which provisions were already made earlier and thus not charged again in the current year, and
- Payments of current year’s accrued interest already recognized in the current year’s books.

It is important to clarify that the amount shown under Note 23 – Finance Cost in the Profit and Loss Statement reflects interest expenses on an accrual basis, while Format F-31 captures interest payments made during the year on a cash basis.

Accordingly, the figures in Note 23 and Format F-31 are based on different accounting concepts (accrual vs. cash basis) and are not directly comparable. Therefore, the variation observed between them does not indicate any error or anomaly.



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
Jul-23	LOI No. SPATC-373/MPMCL -Banking of Power/LO1/270 Dt. 30.06.2023	0.00	36.00
	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
Sep-23	LOI No. SPATC-495/Power banking/NVVN/LO1/59 Dt. 20.02.2023	0.00	7.75
	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
Oct-23	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/70 Dt. 28.02.2023	0.00	38.28
	LOI No. SPATC-489/JKPCL -Banking of Power/LO1/455 Dt. 01.12.2022	0.00	38.28
	LOI No. SPATC-489/JKPCL -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
Nov-23	LOI No. SPATC-506/GUVNL -Banking of Power/LO1/394 Dt. 08.09.2023	30.00	0.00
	LOI No. SPATC-390/RUVNL/2022/LOI/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
Jan-24	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/LO1/39 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
Feb-24	LOI No. SPATC-373/MPPMCL-Banking of Power/LO1/489 Dt. 06.11.2023	15.00	0.00
	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
Mar-24	LOI No. SPATC-496/PCKL -Banking of Power/LO1/462 Dt. 18.10.2023	68.98	0.00
	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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SE(PPA)