

**ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN PLOT NO. 4, CHUNUKOLI, SHAILASHREE
VIHAR, BHUBANESWAR-751021**

**Present: Shri U. N. Behera, Chairperson
Shri S. K. Parhi, Member
Shri G. Mohapatra, Member**

Case No. 9/2021

IN THE MATTER OF: Suo Motu Proceeding on sale of utility of NESCO under Section 20 of the Electricity Act 2003 and for vesting of Utility (NESCO) to the intending purchaser under Section 21 of the said Act.

And

IN THE MATTER OF:

Director (Regulatory Affairs), OERC
..... Designated Petitioner

Vrs.

Principal Secretary to Government,
Department of Energy, Government of Odisha,
Bhubaneswar -1 and Others Respondents

NESCO Power Engineer's Association
..... Intervenor

ORDER

Date of order: 25.03.2021

1. North Eastern Electricity Supply Company of Odisha Limited (the “NESCO”) was incorporated on 19th November 1997 under the Companies Act, 1956. Pursuant to the Odisha Electricity Reforms Act 1995 and Odisha Electricity Reforms Rules 1998, all the assets of GRIDCO pertaining to the distribution business in the Northern Zone of GRIDCO comprising districts of Balasore, Mayurbhanj, Keonjhar, Jajpur, and Bhadrak were transferred to NESCO.
2. On 1st April 1999, 51% (fifty one percent) shares of GRIDCO in NESCO were transferred to BSES Limited selected through competitive bidding process. NESCO continued to be managed by BSES Limited and later by its successor R-Infra

Limited.

3. Under Section 19 of the Electricity Act, 2003 (the “**Act**”), the Commission revoked license of NESCO with effect from Mar 2015 and appointed CMD, GRIDCO as the administrator under Section 20(d) of Act and vested the management and control of NESCO Utility along with their assets, interests and rights with the CMD, GRIDCO Limited. The order on revocation of licenses by the Commission was upheld by the Hon’ble APTEL in Appeal No. 64 of 2015 and has also been confirmed by the Hon’ble Apex Court vide their Order dated 24.11.2017 in Civil Appeal No.18500 of 2017.
4. Thereafter, in terms of Section 20 of Act the Commission initiated a transparent and competitive bidding process for selection of an investor for sale of utility of NESCO and had issued the updated Request for Proposal (the “**RFP**”) on 31.07.2020.
5. In response to the said RFP, single bid was received by the bid due date. After detailed evaluation by independent bid evaluation committee set up by the Commission, The Tata Power Company Limited (the “**TPCL**”) was recommended as the successful bidder and Commission accepted the same under Section 20(1)(a) of the Act.
6. Thereafter, the Commission issued a Letter of Intent (the “**LoI**”) to TPCL vide Letter No. OERC/RA/SALE of NESCO-26/2019(II)/160 dated 29.01.2021. TPCL communicated the acceptance of the LoI vide Letter No. T&D/BD/DOM/FY21/OERC/ NESCO/PPP/100 dated 05.02.2021.
7. That as per the terms of the RFP, upon completion of sale, NESCO Utility shall vest in a special purpose vehicle (the “**Project SPV**” or “**Operating Company**”) in which TPCL shall hold 51% (fifty one percent) equity shares and Government of Odisha (“GoO”) shall hold 49% (forty nine percent) equity shares through GRIDCO.
8. The Commission vide letter No. OERC/RA/SALE OF NESCO-26 /2019 (Vol.II)/162 dated 29.01.2021 then directed GRIDCO to incorporate the SPV to which the utility of NESCO shall be vested and license of NESCO Utility shall be transferred. TP Northern Odisha Distribution Limited (the “**TPNODL**”) will be incorporated as a wholly owned subsidiary of GRIDCO with an authorized share capital of Rs. 1000 crores (Indian Rupee One thousand crores) only and paid-up capital of Rs. 5 lakhs (Indian Rupee Five lakhs) only. TPNODL shall be the SPV in

which TPCL and GRIDCO shall hold 51% (fifty one percent) and 49% (forty nine percent) equity shares respectively after the completion of sale.

9. The Commission vide letter no. OERC/RA/SALE OF NESCO-26 /2019 (Vol.II)/162 dated 29.01.2021 provided GRIDCO/ OPTCL the RFP Documents namely – Share Acquisition Agreement, Shareholders Agreement, Bulk Supply Agreement and Bulk Power Transmission and SLDC Agreement for execution by concerned parties.
10. TPCL quoted a purchase price of Rs. 375 crores (Indian Rupee Three hundred seventy five crores) in its financial Bid in response to the RFP for 100% (one hundred percent) equity in the SPV. TPCL is required to pay 51% (fifty one percent) of the purchase price of Rs. 375 crores (Indian Rupee Three hundred seventy five crores) quoted in its Bid. As per terms of RFP, this amount is required to be deposited by TPCL with the Commission.
11. The Commission vide letter No. OERC/RA/SALE of NESCO-26/2019(II)/160 dated 29.01.2021 (LoI) had directed TPCL to submit the Performance Guarantee and deposit the amount equivalent to 51% (fifty one percent) of the purchase price with the Commission.
12. TPCL vide letter No. T&D/BD/DOM/FY21/OERC/NESCO/PPP/113 dated 10.03.2021 communicated that they have deposited Rs.191.25 (Indian Rupee One ninety one crore and twenty five lakhs only) with the Commission which is 51% of the bid amount of Rs. 375 crore and submitted the Performance Guarantee of Rs. 150 crores (Indian Rupee One hundred fifty crores) as per the directions of the Commission.
13. The Commission vide letter No. OERC/RA/SALE of NESCO-26/2019(II)/161 dated 29.01.2021 directed TPCL that it is required to comply with the requirements of the Competition Act, 2002 and furnish a certificate on such compliances to OERC. TPCL vide its letter No. No. T&D/BD/DOM/FY21/OERC/NESCO/PPP/106 dated 09.02.2021 informed the OERC that they have filed the notice with the Competition Commission of India (CCI) seeking its approval for the proposed transaction, which was acknowledged by the CCI on 08.02.2021. M/s TPCL vide its letter No. T&D/BD/DOM/FY21/OERC/NESCO/PPP/113 dated 19.03.2021 communicated to the OERC that CCI vide its e-mail dated 19.03.2021 to the TPCL intimated that it considered the proposed combination and approved the same under sub-section (1)

of Section 31 of the Act. This approval is with reference to the notice filed by the Tata Power Company Ltd. (TPCL/Acquirer) on 08.02.2021 under sub-section (2) of Section 6 of the Competition Act, 2002.

14. As per the proviso to Section 21(a) of the Act, the debt, mortgage or similar obligation shall attach to the purchase price in substitution for the utility of NESCO.
15. The transaction related costs shall be deducted by the Commission from the purchase price deposited with the Commission by TPCL. The transaction related costs shall include the fees paid to transaction advisor and legal advisor engaged by the Commission for advising in sale of utility of NESCO, the cost of incorporation of TPNODL, the fees of auditors for audit of the annual accounts for the period from 01.04.2020 to 31.03.2021 of NESCO Utility as provided in the para 51 of this Order and the cost of incorporation of a residual company in which the liabilities of NESCO Utility shall remain, if decided by the Commission and any other cost as determined by the Commission (the “**Transaction Process Costs**”).
16. On 10.03.2021, the Director (Regulatory Affairs), OERC initiated the suo-motu petition as the Designated Petitioner with the following prayers to the Commission:
 - (a) To issue suitable directions to give effect to the vesting of utility of NESCO to TPNODL as per Section 21(a) of the Act.
 - (b) To issue suitable directions for attachment of purchase price to debt, mortgage or similar obligation of NESCO Utility as per proviso to Section 21(a) of the Act.
 - (c) To issue suitable directions for transfer of rights, powers, authorities, duties and obligations of the license under the license of NESCO Utility to TPNODL as per Section 21(b) of the Act.
17. The petition also stated that the following are required to be complied as per the provisions of the Act and the conditions of RFP:
 - (a) The paid-up share capital of TPNODL shall be Rs. 250 crores (Indian Rupee Two hundred and fifty crores) only. This is the reserve price for the utility as per the RFP.
 - (b) TPCL shall hold 51% (fifty one percent) equity shares and GRIDCO shall hold 49% (forty nine percent) equity shares in TPNODL. Share Acquisition

Agreement and Shareholders Agreement shall be executed to this effect between TPCL and GRIDCO.

- (c) The Bulk Supply Agreement shall be executed between TPNODL and GRIDCO and the Bulk Power Transmission and SLDC Agreement shall be executed between TPNODL and Odisha Power Transmission Corporation Limited (the “OPTCL”).
 - (d) NESCO Utility shall be sold to TPNODL and the purchase price shall be received by the Commission. The Transaction Process Costs shall be deducted by the Commission from the purchase price deposited with the Commission by TPCL. As per Section 21(a) of the Act, such purchase price shall attach to the debt, mortgage or similar obligation of utility of NESCO. Remittance of this amount shall be as approved by the Commission.
 - (e) The Administrator of NESCO Utility shall deliver the utility to TPNODL on 01.04.2021.
 - (f) The Administrator of NESCO Utility shall be required to make available its provisional balance sheet as on 31.03.2021.
 - (g) An opening balance sheet for TPNODL shall be carved out from the balance sheet of NESCO Utility as on 31.03.2021 to effect the transfer of the utility to TPNODL. The carved out balance sheet shall be as per the broad principles laid out in Annexure - 1.
18. The Commission decided to dispose of the petition registered as Case No. 09/2021 through a hearing of the concerned parties namely NESCO Utility, TPCL, GRIDCO, OPTCL and the Government of Odisha and accordingly issued notice to the parties directing them to file written submissions to the suo-motu petition and appear for the hearing on 18.03.2021. Accordingly, the parties have filed their written responses.
19. The NESCO Power Engineer’s Association requested the Commission to implead them as respondent in the proceeding. The Commission allowed the intervener to take part in the proceedings.
20. GRIDCO submitted its response with prayers related to suitable addressal of past dues on account of power purchase, non-servicing of loan and other dues. GRIDCO submitted that the arrear collection as committed by TPCL may be prioritised for

paying/ settling the outstanding dues of GRIDCO. GRIDCO suggested that TPCL may maintain a separate account for deposit and utilisation of the arrear towards GRIDCO dues with periodical reconciliation on quarterly/ monthly basis. GRIDCO further submitted that the Commission may consider recognising the net receivable after adjustment of the purchase and committed arrear collection by the operating company as on effective date as 'Regulatory Assets' and keep provision for amortisation of the same in future against the revenue gain to be achieved on AT&C loss trajectory as committed by the purchaser. GRIDCO has also submitted to frame an appropriate payment security mechanism for recovery of outstanding dues. GRIDCO has also submitted regarding payment of current dues of GRIDCO, Government of Odisha CAPEX Scheme loan outstanding, charge on current revenue in case of default in payment of BSP dues after utilising LC and PBG and capital expenditure committed by the TPCL.

21. OPTCL submitted that the Commission may issue appropriate orders making the successor organisation liable for making payment of revised transmission charges other applicable charges to OPTCL, if any prior to the date of vesting in case the energy quantum is revised by SLDC. OPTCL further submitted that the successor organisation be made liable for payment of any other dues of OPTCL receivable from NESCO which may appear in due course of transmission related activity of OPTCL.
22. TPCL filed its response with prayers such as removal of lien on escrow accounts, removal of corporate guarantee, mitigation of any tax impact on Deemed Licensee for subscription of equity in kind by GRIDCO, indemnification of TPCL from any claim of third party in relation to acquisition of the controlling stake in Deemed Licensee including the acquisition of controlling stake being stayed or reversed by a court of law (both in SAA & SHA), relaxation in AT&C loss levels and adjustment of the recovery of past arrears provided during the bidding process due to change in arrears in case any amnesty scheme/ Government scheme is launched.
23. Representatives from NESCO Power Engineer's Association submitted that the Commission may order to protect service condition of the employees which shall be applicable and continuance of present service regulation, for future post creations and appointment, no parallel cadre, adoption of DA as per State Government declaration, no lateral entry in any cadre, transparent recruitment process, no

modification or review of the AT&C loss target fixed by the Commission, restriction on creation of charge over any assets of NESCO, the new company to come under purview of CAG audit and RTI to ensure public trust and transparency and the vesting order to attain finality after acceptance and no further application for modification or review be entertained by the Commission.

24. The Commission conducted a hearing of the parties under suo-motu proceedings through video conference on 18.03.2021 in which the respondents as well as intervenors were heard by the Commission.
25. In the written submissions filed by the respondents, the Commission has observed that the respondents have agreed to enter into the following agreements:
 - (a) Share Acquisition Agreement shall be signed amongst GRIDCO, TPNODL and TPCL;
 - (b) Shareholders Agreement shall be signed between GRIDCO and TPCL;
 - (c) Bulk Supply Agreement shall be signed between GRIDCO and TPNODL; and
 - (d) Bulk Power Transmission and SLDC Agreement shall be signed between OPTCL and TPNODL.
26. The Commission further observed the following from the submissions made by the parties:
 - (a) TPNODL has been incorporated with an authorised share capital of Rs. 1000 crore and a paid-up share capital of Rs. 5 lakhs (Indian Rupee Five lakhs) only.
 - (b) The trade payables to GRIDCO (in the books of NESCO Utility) amounting to Rs. 249.95 crores (Indian Rupee Two hundred forty nine crores and ninety five lakhs) shall be converted to equity share capital of TPNODL. With this, the equity share capital shall be Rs. 250 crores (Indian Rupee Two hundred crores) only as required for the transaction. NESCO Utility has stated that it shall comply with the directions of the Commission in this regard. The Commission is concluding that the proposed transaction structure has been agreed among all the parties- GRIDCO, NESCO Utility and TPCL.
 - (c) As per the Share Acquisition Agreement, TPCL shall acquire 51% (fifty one percent) of the equity shares of TPNODL. Therefore, TPCL and GRIDCO

shall hold 51% (fifty one percent) and 49% (forty nine percent) of the equity shares respectively in TPNODL with effect from 01.04.2021.

- (d) The utility and license of NESCO Utility shall be transferred to TPNODL on 01.04.2021.
- (e) GRIDCO and TPNODL shall execute the Bulk Supply Agreement on or before 01.04.2021. This agreement incorporates the terms of RFP related to power procurement conditions and establishment of payment security mechanism(s).
- (f) OPTCL and TPNODL shall execute the Bulk Power Transmission and SLDC Agreement on or before 01.04.2021. This agreement incorporates the terms related to payment of transmission and SLDC charges and establishment of payment security mechanism(s).
- (g) The purchase price after deducting Transaction Process Costs determined by the Commission shall be remitted to GRIDCO for extinguishment of past liabilities of NESCO and NESCO Utility towards power purchase cost from GRIDCO. NESCO Utility shall comply with the directions of the Commission in this regard.
- (h) From the provisional accounts of NESCO Utility as of 31.03.2021, a provisional opening balance sheet for the utility transferred to TPNODL shall be prepared. This shall be done in accordance with the principles laid out in the Annexure - 1. Thereafter based on statutory audit of NESCO Utility, the provisional accounts of NESCO Utility as of 31.03.2021 shall be updated to prepare the final accounts. This shall be done on or before 30.09.2021 and shall be submitted to the Commission. From the final accounts of NESCO Utility, the actual opening balance sheet of TPNODL shall be finalized based on the principles as laid out in Annexure – 1 and shall be submitted to the Commission.
- (i) As per the Shareholders Agreement, TPCL and GRIDCO shall maintain 51% (fifty one percent) and 49% (forty nine percent) shareholding respectively at all times and any future equity investment from GRIDCO in TPNODL shall be either in form of cash, kind or any other consideration as decided by GRIDCO in accordance with the Shareholders Agreement.

(j) The RFP provided the principles for carving out the balance sheet of TPNODL from the balance sheet of NESCO Utility. Following these principles, an indicative opening balance sheet as of 01.04.2020 had been prepared based on the latest audited accounts of NESCO Utility as of 31.03.2020. The revised provisional opening balance sheet of the proposed Operating Company as of 01.04.2020 has been prepared and is provided at Annexure – 2.

27. The Commission has taken cognizance of the communications and submissions of all the parties till date and now issues this Vesting Order.

ORDER OF THE COMMISSION

28. As per Section 21(a) of the Act, the utility of NESCO shall be vested in TPNODL with effect from 01.04.2021 (the “**Effective Date**”) subject to completion of sale and delivery of the utility to TPNODL.

29. The Commission approves the transaction structure proposed by the parties. TPNODL has been incorporated with a paid-up share capital of Rs. 5 lakhs (Indian Rupee Five lakhs). The trade payables to GRIDCO (in the books of NESCO Utility) amounting to Rs. 249.95 crores (Indian Rupees Two hundred forty nine crores and ninety five lacs) only shall be converted to equity share capital of TPNODL. With this, the equity share capital shall be Rs 250 crores (Indian Rupee Two hundred fifty crores) only. TPCL shall purchase equity shares equivalent to 51% (fifty one percent) of the equity share capital in TPNODL from GRIDCO at the premium of Rs. 63.75 crores (Indian Rupee Sixty three crores and seventy five lakhs) only by paying to GRIDCO an amount of Rs. 191.25 crores (Indian Rupee One hundred ninety one crores and twenty fifty lakhs) only.

30. The amount of Rs. 191.25 crores (Indian Rupee One hundred ninety one crores and twenty five lakhs) only is already deposited by TPCL with the Commission as per the requirement of RFP documents. The Commission shall, after vesting of utility of NESCO with TPNODL, remit the amount after deducting the Transaction Process Costs incurred by the Commission for the sale process directly to GRIDCO. Suitable accounting adjustments may be made in the financial statements of NESCO Utility and GRIDCO to this effect.

31. If the Administrator of NESCO Utility delivers the utility to TPNODL but the sale does not get completed in its entirety by 01.04.2021, TPNODL shall, as per Section

20(4) of the Act, operate and maintain the utility for a maximum period of upto 7 (seven) days from 01.04.2021, pending completion of transaction. In case transaction is not completed in its entirety within such extended period, then the Commission may, at its discretion, either grant extension on day by day basis or cancel the LoI. The decision of the Commission shall be final in this regard.

TERMS OF VESTING

32. As per Section 21(a) of the Act, the utility shall vest in TPNODL free from any debt, mortgage and similar obligation of NESCO and NESCO Utility except for certain serviceable liabilities that are being transferred to TPNODL along with mechanism for funding of such liabilities as provided in para 52 of this Order.
33. As per Section 21(b) of the Act, the rights, powers, authorities, duties and obligations of the license under NESCO Utility's license shall stand transferred to TPNODL on Effective Date upon delivery of utility on the same date. The amended license shall be issued by the Commission within 90 (ninety) days from the Effective Date.
34. With the transfer of utility of NESCO and license, the rights and responsibilities of NESCO utility shall transfer to TPNODL with effect from 01.04.2021.
35. Performance Guarantee
 - (a) As per the terms of RFP, TPCL has provided to the Commission Performance Guarantee of Rs. 150 crores (Indian Rupee One hundred and fifty crores) with following details:
 - (i) Bank Guarantee (PBG) No. OGT0005210052060 for an amount of Rs. 110 crores (Indian Rupees One hundred and ten crores) from INDUSIND BANK LTD., 78 Janpath, Kharvelnagar, Bhubaneswar with expiry date of 31.03.2024 and claim date of 31.03.2025.
 - (ii) Bank Guarantee (PBG) No. 0393NDLG00261821 for an amount of Rs. 40 crores (Indian Rupees Forty crores) from ICICI Bank Ltd., Mega Branch, Bhubaneswar with expiry date of 31.03.2024 and claim date of 31.03.2025.
 - (b) As per the terms of the RFP, the Performance Guarantee(s) shall be renewed till the completion of 15 (fifteen) years from the Effective Date by TPCL at

least 30 (thirty) days before the expiry date of such Performance Guarantee.

- (c) Upon satisfactory performance of TPNODL for a period of 5 (five) years from the Effective Date, and TPNODL having met all its obligations in regard to the performance and commitments made as part of its Bid in response to the RFP as determined by the Commission in performance review as per para 57 of this Order, the value of the Performance Guarantee shall be reduced to half of the original amount in para 35(a) above i.e. Rs. 75 crores (Indian Rupee Seventy five crores).
- (d) The existing bank guarantee as per clause 35(a) shall be returned to TPCL on submission of a revised Performance Guarantee of Rs. 75 crores (Indian Rupee Seventy five crores) by TPCL which shall initially be valid for 3 (three) years and thereafter renewed every year by TPCL till the end of the 10th (tenth) year from the Effective Date.
- (e) Further, the Commission, on satisfactory performance of TPNODL between the 6th (sixth) and the 10th (tenth) year of operations, may further reduce the Performance Guarantee to 25% (twenty five percent) of the original amount in para 35(a) above i.e. to Rs 37.5 crores (Indian Rupee Thirty seven crores and fifty lakhs). The same shall be required to be maintained by TPCL till the end of the 15th (fifteenth) year from the Effective Date.
- (f) The reduced Performance Guarantee shall be refunded to TPCL at the end of the 15th (fifteenth) year from the Effective Date.
- (g) TPCL shall restore the Performance Guarantee to its original amount within 30 (thirty) days of its being encashed. Failure to restore the Performance Guarantee to its original value shall result in non-compliance of the license conditions and the Commission shall then act as per the relevant provisions provided under the Act.
- (h) The Performance Guarantee may be encashed for any reasons as follows:
 - (i) Failure to meet loss reduction target as specified in para 40(b);
 - (ii) Failure to collect Past Arrears as per para 43(e);
 - (iii) Failure to pay the Bulk Supply Price and Transmission Charges as per para 37 and 38; or

- (iv) Any other reason as mentioned in the RFP and required under the license conditions.

36. Power Procurement conditions

- (a) GRIDCO, a wholly owned company of the State Government, is engaged in the business of purchase of electricity in bulk from various Generators located inside and outside Odisha and the State share of power from the Central Generators for supply in bulk to the four distribution utilities in the State. Pursuant to the Government of Odisha notification No. PPD-II-2/05 (pt) 7947, Bhubaneswar dated 17.08.2006, GRIDCO is notified as the “State Designated Entity” to sign the Power Purchase Agreements (PPA) for procurement of all forms of power from different Generators. The terms of sale of power by GRIDCO to TPNODL shall be governed under the Bulk Supply Agreement.
- (b) In order to fulfil its obligation as the bulk supplier in the State, GRIDCO has signed PPAs to meet the existing as well as future demand of power for the retail supply licensees in the State. As of 24.06.2020, the list of PPAs tied up by GRIDCO along with details, such as quantum, supply start date and supply end date are as provided in Annexure - 4.
- (c) If in the opinion of GRIDCO, at any time during the term of license of TPNODL, the PPAs provided in Annexure – 4 are insufficient to meet the power purchase requirement of the retail supply licensees, then GRIDCO may sign additional PPAs with prior consultation with TPNODL, other retail supply licensees in the State and prior approval of the Commission. Such consultation shall also be required in case GRIDCO signs any PPAs to procure power from renewable energy sources to fulfil its Renewable Purchase Obligation targets set under the regulations and orders of the Commission.
- (d) Till the time GRIDCO expresses its ability to meet the power purchase requirement of TPNODL from the PPAs provided in Annexure - 4 and any additional PPAs signed as per para 36(c) above, TPNODL shall be obligated to meet the full extent of its power purchase requirement from such PPAs from GRIDCO.
- (e) In case GRIDCO conveys, in writing, its inability to make available any quantum of power requisitioned by TPNODL, such incremental quantum may

be procured directly by TPNODL from alternative source, provided that such alternative source is selected through a transparent and competitive process and with the prior approval of the Commission.

37. Payment security mechanism for payment of BSP bills

- (a) In order to ensure security to GRIDCO for payment of its Bulk Supply Price (BSP) bills in full, TPNODL would need to provide GRIDCO with a revolving letter of credit facility backed by necessary security including Corporate Guarantee, if required, by the TPCL for an amount equivalent to the average BSP bills of 2 (two) months as a primary payment security mechanism. This Letter of Credit would be opened and maintained as per the provisions laid out in the Bulk Supply Agreement.
- (b) In case of failure of GRIDCO to recover its dues through this letter of credit mechanism, it can approach the Commission with a request to encash the Performance Guarantee to the extent of the shortfall in the payment of BSP bills. Encashment of the Performance Guarantee would be at the sole discretion of the Commission. Upon encashment, TPCL shall be required to replenish the Performance Guarantee to its original value as provided in para 35(g) of this Order. The Commission shall provide TPNODL and/or TPCL with a reasonable opportunity to be heard before encashment of Performance Guarantee.

38. Payment security mechanism for payment of transmission and SLDC charges

- (a) In order to ensure security to OPTCL for payment of transmission and SLDC charges in full, TPNODL would need to provide OPTCL with 2 (two) separate revolving letters of credit facilities backed by necessary security including Corporate Guarantee, if required, by the TPCL as payment security for transmission charges and SLDC charges. The amount of letters of credit shall be equivalent to the average transmission charges and average SLDC charges of 2 (two) months respectively. These letters of credit would be opened and maintained as per the provisions laid out in the Bulk Power Transmission and SLDC Agreement.
- (b) In case of failure of OPTCL to recover its dues through this letter of credit mechanism, it can approach the Commission with a request to encash the

Performance Guarantee to the extent of the shortfall in the payment of transmission charges and SLDC charges. Encashment of the Performance Guarantee would be at the sole discretion of the Commission. Upon encashment, TPCL shall be required to replenish the Performance Guarantee to its original value as provided in para 35(g) of this Order. The Commission shall provide TPNODL and/or TPCL with a reasonable opportunity to be heard before encashment of Performance Guarantee.

39. Capital investment plan

- (a) The RFP required the bidders to provide a capital expenditure plan for first 5 (five) years of licensed operations as part of their bid.
- (b) In its Bid submitted in response to the RFP, TPCL committed capital expenditure of Rs. 1,270 crores (Indian Rupee One thousand two hundred and seventy crores) only for period FY 2021-22 to FY 2025-26 as follows:

Table 1: Capital Expenditure Commitment by TPCL

| Capex Commitment (INR Cr) | | | | | |
|----------------------------------|-------------|-------------|-------------|-------------|--------------|
| FY22 | FY23 | FY24 | FY25 | FY26 | Total |
| 246 | 376 | 259 | 247 | 141 | 1,270 |

- (c) To allow flexibility in the capital expenditure planning, the Commission stipulates that, in the capital expenditure plan to be submitted by TPNODL as per the license conditions, the capital expenditure commitment for each year of the period FY 2021-22 to FY 2025-26 must be such that capital expenditure proposed up to a year shall be at least equal to the cumulative capital expenditure committed up to that year in the Bid submitted by TPCL. For avoidance of doubt, the minimum cumulative capital expenditure to be proposed by TPNODL for the period FY 2021-22 to FY 2025-26 must be as provided in the table below:

Table 2: TPCL Cumulative Capital Expenditure for 5 years

| Cumulative Capex Expenditure (INR Cr) | | | | |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| Upto 31-Mar-2022 | Upto 31-Mar-2023 | Upto 31-Mar-2024 | Upto 31-Mar-2025 | Upto 31-Mar-2026 |

| Cumulative Capex Expenditure (INR Cr) | | | | |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| Upto 31-Mar-2022 | Upto 31-Mar-2023 | Upto 31-Mar-2024 | Upto 31-Mar-2025 | Upto 31-Mar-2026 |
| 246 | 622 | 882 | 1,129 | 1,270 |

- (d) TPNODL would be required to seek the Commission’s approval on the detailed capital expenditure plan in line with the regulations. TPNODL shall satisfy the Commission that the capital expenditure plan submitted in line with regulations adheres to the capital expenditure plan submitted as part of the Bid.
- (e) The Commission will evaluate the performance of TPNODL at the end of 3rd (third) and 5th (fifth) financial year of operation. Failure to incur cumulative committed capex or meet the timelines committed as part of Bid may lead to imposition of a penalty which may be in the form of encashment of Performance Guarantee. However, before encashment of Performance Guarantee, the Commission will notify TPCL and will allow TPCL to wire transfer the penalty amount within notified timelines. Failure to transfer the amount within the timelines will lead to encashment of Performance Guarantee. Upon encashment, TPCL shall be required to replenish the Performance Guarantee to its original value as provided in para 35(g) of this Order. The Commission shall provide TPNODL and/ or TPCL with a reasonable opportunity to be heard before encashment of Performance Guarantee.
- (f) The penalty amount from wire transfer or encashment of TPCL’s Performance Guarantee shall be transferred to the TPNODL and the same shall be deducted by the Commission during the true-up process or future Aggregate Revenue Requirement so that the benefit of the penalty amount, so collected, is passed on to consumers.
- (g) The capital investments made by TPNODL shall be allowed recovery of depreciation in line with the rates prescribed in Annexure – 3 till the time applicable regulation is notified by the Commission. The depreciation rates specified in regulations shall prevail over the rates specified in Annexure – 3 as and when applicable regulation is notified by the Commission.
- (h) Depreciation on all existing assets transferred to TPNODL shall be determined based on the existing methodology being followed by the Commission.

- (i) The funding on account of the various ongoing schemes of the Government of Odisha will be made available to TPNODL as and when available and applicable.

40. AT&C loss targets

- (a) As per terms of the RFP, the bidders were required to provide AT&C loss trajectory for first 10 years of operations i.e. FY 2021-22 to FY 2030-31 with the condition that the AT&C loss level in FY 2023-24 and FY 2025-26 shall not be higher than 21.5% and 16.0% respectively. As part of its Bid, TPCL has provided the AT&C loss reduction trajectory shown in the following table:

Table 3: AT&C Loss Trajectory Commitment by TPCL

| AT&C Loss Trajectory (%) | | | | | | | | | |
|-------------------------------------|-------|-------|-------|-------|-------|-------|-------|------|------|
| FY22 | FY23 | FY24 | FY25 | FY26 | FY27 | FY28 | FY29 | FY30 | FY31 |
| 24.32 | 22.32 | 20.80 | 17.80 | 15.50 | 12.50 | 11.50 | 10.50 | 9.50 | 8.90 |

- (b) As stated in the RFP, the Commission shall review the performance of TPNODL at the end of FY 2023-24 and FY 2025-26 to ascertain whether the committed AT&C loss targets have been achieved. In case of failure to achieve the targets, the Commission shall have the right to recover the penalty amount by encashing the Performance Guarantee for any shortfall in meeting the AT&C loss targets committed by TPCL in its Bid and/or revoke the license of TPNODL. TPCL shall be liable to pay a penalty of Rs. 40 crores (Indian Rupee Forty crores) for every 1% (one percent) shortfall in meeting the committed AT&C loss targets, or proportionately for a part thereof, found as a result of the Commission's review at the end of the FY 2023-24 and FY 2025-26. For the purpose of clarity, for example, if at the end of FY 2023-24, TPNODL has achieved an AT&C loss of 22.00%, vis-à-vis the committed target of 20.80% (being the committed AT&C loss for FY 2023-24 provided in Table 3), an amount of Rs. 48 crores, being [Rs. 40 crores x (22.00 – 20.80)], shall be recovered by the Commission by way of encashment of the Performance Guarantee. However, before encashment of Performance Guarantee, the Commission will notify TPCL and will allow TPCL to wire transfer the penalty amount within notified timelines. Failure to transfer the amount within the timelines will lead to encashment of Performance

Guarantee. Upon encashment, TPCL shall be required to replenish the Performance Guarantee to its original value as provided in para 35(g) of this Order. The Commission shall provide TPNODL and/or TPCL with a reasonable opportunity to be heard before encashment of Performance Guarantee.

- (c) The penalty amount from wire transfer or encashment of TPCL’s Performance Guarantee shall be transferred to the TPNODL and the same shall be deducted by OERC during the true-up process or future Aggregate Revenue Requirement so that the benefit of the penalty amount, so collected, is passed on to consumers.
- (d) The penalty for non-achievement of AT&C loss targets may be relaxed by the Commission under conditions of Force Majeure, including acts of God, acts of GoO or the Government of India (de jure or de facto) or regulatory body or public enemy, war, riots, embargoes, industry-wide strikes, thereby, hindering the performance by TPNODL or any of its obligations hereunder. The Commission’s decision in this regard shall be final and binding on all parties.

41. AT&C Loss Trajectory for tariff determination

- (a) As part of the RFP, the Commission provided the following 10-year AT&C loss trajectory to be adopted for determination of tariff for period FY 2021-22 to FY 2030-31:

Table 4: 10-year AT&C Loss Trajectory for Tariff Determination

| AT&C Loss Trajectory for Tariff Determination (%) | | | | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| FY22 | FY23 | FY24 | FY25 | FY26 | FY27 | FY28 | FY29 | FY30 | FY31 |
| 19.17 | 19.17 | 17.09 | 15.00 | 13.83 | 12.76 | 11.77 | 10.85 | 10.00 | 9.50 |

- (b) TPNODL would be entitled to retain any gains resulting from its meeting and surpassing the AT&C loss trajectory for tariff determination. Such gains would be over and above the return on equity allowed by the Commission as part of OERC (Terms and Conditions for Determination of Wheeling Tariff and

Retail Supply Tariff) Regulations 2014 (the “**Tariff Regulations**”) and shall not be adjusted as other income or in any way appropriated through any truing up process or future Aggregate Revenue Requirement process.

42. Payment of BSP for the month of March, 2021

On the Effective Date, BSP bills for the month of March, 2021 to be raised in April, 2021 will be outstanding. TPNODL will be required to pay the bill after taking over.

43. Recovery of Past Arrears and incentives thereon

- (a) As part of the RFP, bidders were required to provide a commitment to recover Past Arrears from live as well as permanently disconnected consumers in the first 5 (five) years of operations. This was one of the criteria for evaluation of bids.
- (b) As per the incentive mechanism for sharing of Past Arrears collection provided in the RFP, TPNODL shall be eligible for an incentive of 10% (ten percent) on Past Arrears collected from live consumers and 20% (twenty percent) on Past Arrears collected from permanently disconnected consumers. Such incentive would be on the amount of Past Arrears collected from the consumers, net of all taxes and duties recovered from consumers. However, collections from current live consumers may first be appropriated towards current bill and then towards Past Arrears. In this regard, the Deemed Licensee is expected to keep a separate records/ account and information regarding Past Arrears and their collection in each consumer’s ledger. The cost incurred by TPNODL for such recovery of Past Arrears will not form a part of Aggregate Revenue Requirement of TPNODL.
- (c) TPCL has committed to the recovery of following quantum of Past Arrears in its bid:

Table 5: TPCL Past Arrear Recovery Commitment

| Commitment of Collection of Past Arrears (INR Cr) | | | | | |
|--|-------------|-------------|-------------|-------------|--------------|
| FY22 | FY23 | FY24 | FY25 | FY26 | Total |
| 50 | 120 | 100 | 80 | 50 | 400 |

- (d) As stated in the RFP, the Commission shall review the performance of TPNODL vis-à-vis its commitment to collect Past Arrears, at the end of FY

2025-26, on an aggregate cumulative basis, by when TPNODL is required to meet the commitment of Past Arrears collection for the entire period of 5 (five) years.

- (e) Failure to meet the committed Past Arrears collection target at the end of FY 2025-26 shall lead to encashment of Performance Guarantee, to the extent of 10% (ten percent) of such shortfall, as computed at the end of FY 2025-26. For the purpose of clarity, for example, if at the end of the FY 2025-26, TPNODL has achieved Past Arrears collection of Rs. 370 crores (Indian Rupees Seventy crores) only vis-à-vis the committed target of Rs. 400 crores (Indian Rupees One hundred crores) only, an amount of Rs. 3 crores (Indian Rupee Three Crores) only, being $[10\% \times (\text{Rs. } 400 \text{ crores} - \text{Rs. } 370 \text{ crores})]$, shall be recovered by the Commission by way of encashment of the Performance Guarantee. The Commission's decision in this regard shall be final and binding on all parties. However, before encashment of Performance Guarantee, the Commission will notify TPCL and will allow TPCL to wire transfer the penalty amount within notified timelines. Failure to transfer the amount within the timelines will lead to encashment of Performance Guarantee. Upon encashment, TPCL shall be required to replenish the Performance Guarantee to its original value as provided in para 35(g) of this Order.
- (f) The penalty amount from wire transfer or encashment of Performance Guarantee shall be transferred to TPNODL and the same quantum shall be deducted by OERC during the true-up process or future Aggregate Revenue Requirement so that the benefit of the penalty amount, so collected, is passed on to consumers.
- (g) The Past Arrears recovered from consumers, after deducting the incentive of TPNODL, shall be dealt with in manner specified in para 52 of this Order. In case the Additional Serviceable Liabilities stated in para 52 of this Order are extinguished, then the Past Arrears recovered after deducting the incentive shall be paid to GRIDCO. After the past liabilities of GRIDCO are extinguished, the Past Arrears recovered after deducting the incentive shall be paid to OPTCL for outstanding transmission and SLDC charges of NESCO Utility.

- (h) Incentive on recovery of Past Arrears will be allowed to be retained by TPNODL in full and shall be over and above the return on equity allowed by the Commission from time to time. Such incentive earned by TPNODL in any year shall not be adjusted by the Commission in the truing up of the Aggregate Revenue Requirement or for adjustment in the Aggregate Revenue Requirement in future years.
- (i) TPNODL shall put its best efforts for collecting Past Arrears beyond the numbers committed in the Bid.

44. Depreciation on assets transferred to TPNODL

- (a) As stated in the RFP, all existing assets (being transferred to TPNODL on the Effective Date) shall continue to earn depreciation as per existing depreciation rates approved by the Commission in Tariff Regulations. Since, the depreciation relates to existing assets against which no loan has been availed by TPNODL, the depreciation allowed to be recovered from tariff shall be utilised in the following manner:
 - (i) For the purpose of determination of Aggregate Revenue Requirement, the depreciation on the opening Gross Fixed Assets of TPNODL, as determined by the Commission subject to prudence check, shall be utilized as per the following priority order:
 - a) Liquidation of Additional Serviceable Liabilities, if any as per para 52 of this Order
 - b) Capital Investment
 - c) Working Capital requirement computed as per Tariff Regulations
 - (ii) The remaining depreciation amount, if any, shall be transferred to a depreciation reserve account and shall be utilized as per the directions of the Commission.
 - (iii) No depreciation shall be allowed to be recovered on assets created out of Government grants/ capital subsidy/ capital contribution from consumers irrespective of whether the corresponding grant is transferred to TPNODL or not.

45. Management structure of TPNODL

- (a) As part of the Bid, TPCL has provided profiles of Senior Management Team comprising of following:
 - (i) Chief Executive Officer
 - (ii) Chief Commercial Officer
 - (iii) Chief Operations Officer
 - (iv) Chief - Technology
 - (v) Chief – Finance & Regulatory
 - (vi) Chief – Technical Services
 - (vii) Chief HR Officer
- (b) TPCL is directed to submit the names and profiles of Senior Management Team proposed to be deployed in TPNODL on or before 31.03.2021. TPCL should satisfy the Commission that the profiles submitted are in line with the profiles committed in the Bid.
- (c) As per the RFP provisions, the proposed personnel shall be deployed full time at TPNODL.
- (d) TPNODL shall be required to inform the Commission during recruitment or replacement of the resources forming part of Senior Management Team. The deployment of such resources will be subject to the satisfaction of the Commission.
- (e) Within 45 (forty five) days of the Effective Date, TPNODL shall submit a detailed management structure and staff deployment plan.
- (f) TPNODL shall be required to seek Commission's approval on the staff deployment plan from time to time as per the directions of the Commission.

46. Treatment of existing employees

- (a) As per the terms of RFP, all existing staff/ employees on the payroll of NESCO Utility as on the Effective Date shall be transferred to TPNODL excluding personnel on deputation. All the personnel who are working in NESCO utility under deputation from State Government or any other organization, shall stand reverted on the Effective Date and all such personnel

shall be deployed back to their parent organization.

- (b) NESCO Utility had 2,304 (Two thousand three hundred and four) regular employees and 13 (Thirteen) number of contractual employees on its payroll as of 31.03.2020.
- (c) All employees shall be governed by the terms of their appointment. The terms and conditions of employment of these employees in TPNODL shall not be made inferior to their existing service conditions in any manner. TPNODL shall have the operational flexibility to design the organization structure to ensure efficiency in operations and staff deployment.

47. Treatment of employee liabilities

- (a) All the existing staff or employees of NESCO Utility shall be transferred to TPNODL as mentioned in para 46 above. The corresponding liabilities towards pension, gratuity, leave encashment and provident fund of existing and past employees (the “**Employees’ Liabilities**”) shall also be transferred to TPNODL.
- (b) NESCO Employees Pension Trust, NESCO Employees Gratuity Trust, NESCO Employees Provident Fund Trust and NESCO Rehabilitation Trust (the “**Trusts**”) are managing funds against pension, gratuity, provident fund and rehabilitation liabilities respectively.
- (c) The investments made by these Trusts as of 31st March 2020 are as follows:

Table 6: Investments on Trusts

| Name of Employee Trust | Investments (Rs. Crores) |
|--------------------------------------|---------------------------------|
| NESCO Employees’ Pension Trust | 167.00 |
| NESCO Employees Gratuity Trust | 28.50 |
| NESCO Employees Provident Fund Trust | 162.00 |
| NESCO Rehabilitation Trust | 0.50 |
| Total | 358.00 |

NOTE: The amounts indicated herein shall be updated as on the Effective Date i.e. 01.04.2021 as per the audited balances which shall be available on or before 30.09.2021. The audited values shall be considered as the final

values for all purposes.

- (d) All the Trusts shall continue to exist, and investments made by the Trusts shall not be liquidated without prior approval of the Commission.
- (e) In NESCO Utility, the prevailing mechanisms of contributions towards various terminal liabilities of employees are:
 - (i) ***NESCO Employees Gratuity Fund Trust:*** The contribution towards gratuity and rehabilitation liabilities is remitted by NESCO Utility as per the requisition raised by NESCO Employees Gratuity Fund Trust.
 - (ii) ***NESCO Employees Rehabilitation Fund Trust:*** The contribution towards rehabilitation liabilities is remitted by NESCO Utility as per the requisition raised by NESCO Employees Rehabilitation Fund Trust.
 - (iii) ***NESCO Employees Provident Fund Trust:*** The contribution towards provident fund is remitted by NESCO Utility on a monthly basis without the requirement of any requisition from the NESCO Employees Provident Fund Trust.
 - (iv) ***NESCO Employees Pension Fund Trust:*** Monthly pension and arrear pension, if any, are disbursed on monthly basis directly to the pension holders by NESCO Utility. The direct disbursement of monthly pension and arrear pension by NESCO Utility are treated as contribution to the NESCO Employee Pension Trust and necessary journal entries are passed in the books of NESCO Employees Pension Fund Trust as well as in the books of NESCO Utility at the end of the financial year. NESCO Utility also remits funds directly to the Pension Fund Trust as and when surplus fund is available.
- (f) From the Effective Date, by the end of each month, respective Trusts except NESCO Employees Provident Fund Trust will raise a requisition to TPNODL to disburse the balance amount required towards their terminal liabilities for such month after deducting the interest earned by the respective Trusts on their investments. Contributions towards provident fund shall be remitted by TPNODL without the requirement of any requisition from the NESCO Employees Provident Fund Trust. TPNODL shall remit such amount to the

respective Trusts for disbursement to the beneficiaries covered under the Trusts.

- (g) Actual cash outgo incurred by TPNODL in relation to servicing of terminal liabilities other than provident fund liabilities of existing as well as retired employees of NESCO Utility will be allowed for a pass through in Aggregate Revenue Requirement and tariff determination process.
- (h) For provident fund liabilities, only the employer's contribution towards provident fund made to NESCO Provident Fund Trust shall be allowed as part of the Aggregate Revenue Requirement and tariff determination process.
- (i) Except as provided in 47(g) and (h) above, no amount shall be allowed in Aggregate Revenue Requirement or tariff determination process of TPNODL for contribution to the Trusts for increasing their corpus fund or investments.
- (j) Investments made by the Trust shall be appropriately disclosed in the accounts of TPNODL as per the applicable accounting standards.

48. Treatment of deposits of NESCO Utility

- (a) As per the provisional opening balance sheet provided in RFP, the liabilities related to security deposit from consumers, deposits from suppliers/contractors and deposits for electrification/service connection shall be transferred to TPNODL. Consequently, the corresponding fixed deposits created against such liabilities shall be transferred to TPNODL as part of the current assets.
- (b) Further, entire Consumer Security Deposits received by TPNODL in each month after the Effective Date shall be converted into fixed deposits within a maximum period of 30 (thirty) days from the last day of the month of collection and shall be held in the name of TPNODL. TPNODL shall submit details of the Consumer Security Deposits to the Commission on annual basis.
- (c) TPNODL shall not liquidate any existing fixed deposit as per the opening balance sheet and new fixed deposits except for the reasons for which it was collected and after seeking explicit approval from the Commission. TPNODL shall also provide an annual account of fixed deposits with banks along with interest accrued thereon as part of the Aggregate Revenue Requirement petition.

49. Treatment of past litigations

- (a) The liabilities or gains arising out of litigation, suits, claims, etc. pending on, and/or arising due to events prior to the Effective Date, shall be allowed by the Commission in the Aggregate Revenue Requirement subject to prudence check.
- (b) TPNODL shall make all diligent efforts to contest the litigation, suits, claims etc. as if it is a party to such litigation, suits, claims etc. and satisfy the Commission in this regard.

50. Treatment of Past Period True-up

- (a) Treatment of true-up of past period i.e. for period prior to taking-over or Effective Date of TPNODL, if any, shall be done by the Commission in a manner that will not cause any financial gain or losses to TPNODL.

51. Accounts and audit

- (a) The RFP provided an indicative opening balance sheet of TPNODL based on NESCO Utility's accounts as of 31.03.2019.
- (b) Based on the audit balances of NESCO Utility as of 31.03.2020, the provisional opening balance sheet of TPNODL as of 01.04.2020 based on the principles of segregation outlined in the RFP is provided in Annexure-2.
- (c) As stated in the RFP, the actual opening balances to be transferred to TPNODL shall be as on the Effective Date and shall be finalized based on the audited accounts of NESCO Utility, which shall be prepared within a period of 6 (six) months from Effective Date i.e. on or before 30.09.2021. NESCO Utility is directed to undertake all necessary steps to ensure completion of statutory audit of its balance sheet as on 31.03.2021 and make the same available to the Commission on or before 30.09.2021.
- (d) Costs incurred for such statutory audit shall form part of the Transaction Process Costs specified in para 15 of this Order.
- (e) It is to be noted that all the account balances and information related to NESCO Utility finances specified in this Order are based on audited accounts of NESCO Utility as of 31.03.2020 and shall be considered as indicative. The actual opening balance sheet of TPNODL as on 01.04.2021 shall be prepared from the audited balances of NESCO Utility as of 31.03.2021. The audited

balances of NESCO Utility as of 31.03.2021 shall be determined only after the statutory audit is completed on or before 30.09.2021. For determination of Additional Serviceable Liabilities (para 52) and investments of the Trusts (para 47(c)), the Commission shall consider the audited balances as of 31.03.2021.

- (f) All the accounting books shall transfer from NESCO Utility to TPNODL from the Effective Date.

52. Treatment of Additional Serviceable Liabilities

- (a) Section 21(a) of the Act states that “the utility shall vest in the purchaser or the intending purchaser, as the case may be, free from any debt, mortgage or similar obligation of the licensee or attaching to the utility”
- (b) The indicative opening balance sheet provided in the RFP was prepared in compliance with Section 21(a) of the Act, which requires that the utility of NESCO must be transferred free from any debt, mortgage or similar obligation.
- (c) In the interest of the employees, consumers, suppliers of NESCO Utility and to ensure continuity of operation of the utility as a going concern, current assets and liabilities pertaining to employees, consumers, suppliers and statutory payments, etc. as per the existing books of account of NESCO Utility shall be transferred to the TPNODL and NESCO Utility will not have any revenue to fund the liabilities.
- (d) The details of such additional serviceable liabilities based on the audited balance sheet as on 31.03.2020 is provided in the following table:

Table 7: Details of Additional Serviceable Liabilities

| Particulars | Amount (Rs Cr) | Description |
|-----------------------|---------------------------|--|
| Liabilities | | |
| Short-term borrowings | 329 | Secured overdraft from bank |
| Current Liabilities | 454 | Sundry liabilities relating to TDS, CST, VAT; electricity duty received from consumers but not remitted; deposits and retention from suppliers/contractors; advance payment/ deposits from |

| Particulars | Amount (Rs Cr) | Description |
|---|---------------------------|---|
| | | consumers; other dues etc. |
| Consumer Security Deposit | 605 | Consumer security deposits of consumers |
| Capital Subsidy/ Grants | 118 | To the extent it is not capitalized (CWIP: Rs 84.8 Cr; Inventory: Rs 31.6 Cr; Advance to Supplier: Rs 1.5 Cr) |
| Total (A) | 1,505 | |
| Assets | | |
| Inventories | 10 | All the inventories at various stores |
| Cash and Bank Balances | 951 | All the current account balances with banks |
| Short-term loan and Advance | 69 | All the loans and advances to Staff and others |
| CWIP | 118 | Corresponding to Capital Subsidy/ Grants (not yet capitalized). |
| Assets Total (B) | 1,147 | |
| | | |
| Additional Serviceable Liabilities (A) - (B) | 358 | |

NOTE: The amounts indicated herein shall be updated as on the Effective Date i.e. 01.04.2021 as per the audited balances which shall be available on or before 30.09.2021. The audited values shall be considered as the final values for all purposes.

- (e) The Commission further states that the shortfall, if any, in meeting the current liabilities after using the proceeds of the current assets (the “**Additional Serviceable Liabilities**”), transferred to TPNODL, shall be dealt with in the following manner, so that TPNODL is not adversely impacted:
- (i) The final amount of Additional Serviceable Liabilities shall be determined when the audited financial statements as on 31.03.2021 are made available.
 - (ii) Within 1 (one) month from the date mentioned in point (i) above, TPNODL shall file a petition to the Commission claiming the Additional Serviceable Liabilities based on such financial statements

required to be serviced. The Commission after prudence check will allow the additional serviceable liabilities, if any.

- (iii) From the Effective Date, TPNODL shall be responsible to receive/ pay amounts pertaining to assets and liabilities transferred to TPNODL as Additional Serviceable Liabilities.
- (iv) To fund the Additional Serviceable Liabilities, TPNODL shall be allowed, if necessary, to avail of a separate appropriate financial instrument including but not limited to short-term loan/ overdraft facility.
- (v) The financing cost of appropriate financial instruments shall be dealt with in the manner as specified in point (vi) and (vii) till the time such financial instrument is discharged in full.
- (vi) Interest payable on appropriate financial instruments shall be allowed in Aggregate Revenue Requirement by the Commission, subject to prudence check.
- (vii) Principal repayments of such financial instruments shall be allowed by Commission to be made from the following amounts in the same order:
 - a) Excess recovery net of payments to be made as per para 42 of this Order
 - b) Recovery of Past Arrears by TPNODL after deducting incentives as specified in para 43 of this Order
 - c) Annual Depreciation on assets as on 31.03.2021 (existing assets recognized in Tariff Order) allowed in Aggregate Revenue Requirement.
- (viii) In case above amounts fall short to fund principal repayments of appropriate financial instrument, the shortfall shall be considered by the Commission in Aggregate Revenue Requirement in the same year or over a period as the Commission may decide, subject to prudence check.
- (ix) TPNODL shall maintain separate account for receipt/payment of amounts pertaining to Additional Serviceable Liabilities and the

receipts as allowed in point (vii) above.

- (x) TPNODL shall submit annual reconciliation statements to the Commission relating to the receipts/ payments with respect to Additional Serviceable Liabilities transferred to TPNODL, till such liabilities are liquidated in full.
 - (xi) Any write-off or write-on of Additional Serviceable Liabilities or assets has to be done with prior permission of the Commission.
- (f) At any point of time if any additional liability pertaining to the period prior to the Effective Date accrues to TPNODL irrespective of whether it is reflected in the audited financial statements available on or before 30.09.2021, the same shall also be dealt with in the manner provided herein subject to prudence check by the Commission.

53. Operation and Maintenance Expenses

- (a) The O&M expenses comprise of three components as given below:
 - (i) Salaries, wages, pension contribution and other employee costs
 - (ii) Administrative and General (A&G) expenses
 - (iii) Repair and Maintenance (R&M) expenses
- (b) Within 45 (forty five) days of Effective Date, TPNODL shall submit a detailed plan of the O&M (Employee, A&G and R&M) expenses to be incurred in the 1st (first) year of operations along with detailed justification for any deviation from the O&M expenses approved by the Commission in the Aggregate Revenue Requirement of the NESCO Utility for such year. The Commission shall undertake a prudence check of the plan submitted before approving the same.
- (c) For the subsequent years, TPNODL shall include the estimated expense for each component of O&M expense in the Aggregate Revenue Requirement petition submitted to the Commission as per the Tariff Regulations. The Commission shall undertake a prudence check of the submission made by TPNODL before allowing the same in Aggregate Revenue Requirement. Provided that the actual expenses allowed shall be subject to true-up as per the Tariff Regulations.

54. Return on equity:

- (a) As per the terms of the RFP, the Commission shall allow return on equity, as per the Tariff Regulations, to TPNODL on the equity capital of Rs. 250 crores (Indian Rupee Two hundred and fifty crores) only which was the reserve price of the utility of NESCO.
- (b) Return on equity shall be allowed on the reserve price of the utility as per para 54(a) above and also on the capital investments made by the TPNODL, as per the Tariff Regulations.

55. Treatment of existing DF agreements:

As per the RFP, the rights and obligations of NESCO Utility under the respective franchisee agreements, if any, as on the Effective Date will be transferred to TPNODL.

56. Right to use the land instead of transfer

As per the RFP provisions, the Commission allows TPNODL the right to use the land at nominal rate (at a license fee of Re 1/ year) for the distribution business instead of transfer of land and land rights. TPNODL, TPCL and GRIDCO shall procure necessary approvals and undertake necessary steps for implementation of this para.

57. Performance Review vis-à-vis commitments provided in the Bid:

- (a) As part of the RFP, the bidders were required to submit a business plan for the first 5 (five) years of operations (i.e. FY 2021-22 to FY 2025-26) covering the following aspects to achieve successful turnaround of utility of NESCO
 - (i) AT&C Loss Reduction
 - (ii) Capex and Technology deployment Plan
 - (iii) Plan for recovery of Past Arrears
 - (iv) Plan for Senior Management deployment
 - (v) Any other Commitments – CSR, Customer Engagement etc.

Accordingly, TPCL in its Bid has made commitments on all the above aspects.

- (b) The Commission shall review the performance of TPNODL vis-à-vis its commitments every year for the first 5 (five) years of operations at the time of filing of Aggregate Revenue Requirement petition by TPNODL. The commitments related to capital expenditure, AT&C Loss reduction and recovery of Past Arrears shall be dealt with in a manner as provided in paras 39, 40 and 43 of this Order respectively.
- (c) TPNODL shall be required to furnish required information in this regard for each completed year in the Aggregate Revenue Requirement petition filed in the subsequent year.
- (d) The Commission while evaluating the performance of TPNODL for reduction in Performance Guarantee amount at the end of 5th (fifth) year and 10th (tenth) as per para 35 of this Order shall, inter alia, take into consideration the performance of TPNODL vis-à-vis its commitments in the Bid.
- (e) The Commission shall also continue to undertake a quarterly performance review of TPNODL as per the prevalent practice followed for all the retail supply licensees in the State. TPNODL shall comply with the directions of the Commission in this regard.

58. Terms of revocation of license:

- (a) In addition to the provisions related to revocation of license u/s 19 of the Act and the license conditions applicable to TPNODL, the Commission may revoke the license of TPNODL under the following conditions as specified in the RFP:
 - (i) Change in legal standing of TPNODL by way of merger/ acquisition/ sale/ divestment/ demerger unless duly approved by the Commission;
 - (ii) Any alteration in equity shareholding, as specified in para 26, of TPNODL without the explicit and prior written approval of the Commission;
 - (iii) Failure to make payment of Bulk Supply Price, transmission charges and SLDC charges in terms of the Bulk Supply Agreement and the Bulk Power Transmission and SLDC Agreement ;
 - (iv) Failure to meet AT&C Loss as per para 40;

- (v) Failure to restore the Performance Guarantee as per para 35(g); or
- (vi) Failure to meet the cumulative capital investment commitment at the end of 5th (fifth) year as per para 39.

TRANSFER OF LICENSE

- 59. As per Section 21(b) of the Act, the rights, powers, authorities, duties and obligations of the NESCO Utility under its license dated 27.10.2006 issued by the Commission shall stand transferred to TPNODL upon completion of sale.
- 60. TPNODL shall be the licensee to carry out the function of distribution and retail supply of electricity covering the distribution circles of Balasore, Bhadrak, Baripada, Jajpur and Keonjhar in the state of Odisha for a period of 25 (twenty five) years from 01.04.2021 unless the LoI is cancelled or this Order is withdrawn pursuant to para 31 of this Order.
- 61. Under Section 16 of the Act, the Commission has powers to lay down the license conditions of TPNODL. To incorporate the terms of the sale process and commitments made by TPCL in its Bid, the Commission shall through a separate order, amend the license conditions applicable to TPNODL.
- 62. The order amending license conditions shall be issued within 90 (ninety) days from the Effective Date. Till the time amended license is granted, the provisions of this Order and the rights, powers, authorities, duties and obligations specified in the existing license of NESCO Utility shall apply to TPNODL.

RELAXATION OF CONDITIONS RELATED TO PROFIT SHARING

- 63. As per the RFP, the gains accruing to TPNODL on account of better performance in reducing AT&C loss upto FY 2030-31 and incentive on recovery of Past Arrears shall be allowed to be retained in full by TPNODL. This would be over and above the return on equity allowed by the Commission as part of Tariff Regulations and shall not be adjusted as other income or in any way appropriated through any truing up process or future Aggregate Revenue Requirement process.
- 64. The above RFP provision is not in conformity with clause 7.66 of Tariff Regulations which provides for sharing of profits on account of improved performance.
- 65. In the RFP, the incentive to retain all gains arising from better performance was balanced through a penalty in the form of encashment of Performance Guarantee, in

case of underperformance. Such incentive-penalty mechanism was envisaged as part of the RFP to encourage private sector participation with an objective to achieve successful turnaround of NESCO Utility.

66. For the reason mentioned above, the Commission, exercising the Power to Relax under clause 9.4 of the Tariff Regulations, hereby relaxes the application of clause 7.66 of Tariff Regulations in respect of TPNODL up to FY 2030-31.

RELAXATION OF CONDITIONS RELATED TO RETURN ON EQUITY

67. As provided in para 54 of this Order, the Commission shall allow to TPNODL return on equity, as per the regulations, on the equity capital of Rs. 250 crores (Indian Rupee Two hundred and fifty crores) only which was the reserve price of the utility of NESCO specified in the RFP.
68. The above provision of the RFP is not in conformity with clause 7.51 of the Tariff Regulations.
69. In the RFP, a return on equity on the reserve price of Rs. 250 crores (Indian Rupee Two hundred and fifty crores) only is assured in order to encourage investor participation by providing certainty on returns.
70. For the reason mentioned above, the Commission, exercising the Power to Relax under clause 9.4 of the Tariff Regulations, hereby relaxes the application of clause 7.51 of the Tariff Regulations to TPNODL.

TREATMENT OF EQUITY INVESTMENT FROM GRIDCO FOR FUTURE CAPITAL INVESTMENT

71. Pursuant to Clause 3.6 of the Shareholder's Agreement, the Commission orders that in the event that assets are transferred to TPNODL in lieu of equity investment by GRIDCO, the same shall be allowed in fixed asset base for determination of tariff, after prudence check, provided that the assets transferred are distribution assets. The Commission, exercising powers conferred to it u/s 86(2) of the Act, advises the State Government to consider providing a one-time approval on transfer of its assets to TPNODL through GRIDCO in lieu of equity investment from GRIDCO as and when such transfer is necessitated.

PROVISION FOR OPERATIONS OF NESCO UTILITY

72. With the vesting of utility of NESCO to TPNODL, a part of assets and liabilities of

NESCO Utility shall get transferred to TPNODL whereas remaining assets and liabilities shall remain in the balance sheet of NESCO utility. To manage the residual assets and liabilities of NESCO utility post vesting of utility to TPNODL, NESCO utility shall continue to hold residual assets and liabilities till further orders of the Commission in this regard.

73. The Commission may decide to form a new residual company separate from the existing NESCO utility for the purpose of managing the residual assets and liabilities of NESCO utility. The Commission shall direct GRIDCO to form such a residual company at an appropriate time. Till such time, NESCO utility shall continue to be operated under the extant administrative mechanism.
74. For discharging the responsibilities mentioned in the above para, TPNODL and GRIDCO shall depute 2 (two) personnel each, on part time basis, in NESCO utility and also provide required supporting staff and infrastructure to manage the residual assets and liabilities of NESCO utility.
75. Considering that all the electronic as well as paper records of NESCO utility shall be transferred to TPNODL on an as-is-where-is basis, it shall be the responsibility of TPNODL to facilitate the residual company in all accounting, secretarial and other operational matters required by the residual company for discharge of its statutory duties. GRIDCO shall provide necessary supervision in this regard. Any costs incurred for this purpose shall be allowed in Annual Revenue Requirement of TPNODL.

COMMISSION'S OBSERVATIONS ON INTERVENOR – RESPONDENTS' SUBMISSIONS

76. Now, we deal with the issues raised by the intervenors in their written submissions:

Protection of service conditions and employee liabilities

The intervener has raised concerns on the protection of service conditions and treatment of employee liabilities such as pension, gratuity, provident fund etc. The Commission reiterates that these aspects have been already addressed in the RFP, the LoI and also in Para 46 and 47 of this Order. Para 46 of this Order states that the employees shall be governed by the terms of their appointment and that their service conditions cannot be made inferior to the existing service conditions in any manner. Para 47 of this Order specifies that the liabilities towards pension, gratuity, leave

encashment and provident fund of existing as well as past employees shall also be transferred to TPNODL. The existing mechanism of discharging employee liabilities from NESCO Employees Pension Trust, NESCO Employees Gratuity Trust, NESCO Employees Provident Fund Trust and NESCO Rehabilitation Trust shall continue even after the Effective Date. TPNODL shall be responsible to remit the amounts to the Trusts towards Employees' Liabilities.

The Commission has taken all submissions into consideration and emphasizes that this Order is being issued considering the best interest of all stakeholders – consumers, employees and public at large. The matter regarding service conditions of employees of NESCO Utility has been dealt with in para 46 of this Order.

OTHER ORDERS OF THE COMMISSION

77. The ongoing government schemes under capital work in progress are being transferred to TPNODL. TPNODL is not allowed to use this capital amount for any other purpose.
78. The Commission notes that some amount of grants provided by the GoO in the past for various works is lying unspent in NESCO Utility at present. TPNODL shall ensure that any funds provided for specific purposes by GoO to NESCO Utility in the past which remains unutilized as on the Effective Date, along with interest earned on such funds, must be accounted for separately and utilized for those purposes as specified in the sanction order from time to time. Such schemes shall be jointly monitored by GoO, GRIDCO, OPTCL and TPNODL. In this regard, the Commission directs that TPNODL shall agree to the terms and condition for utilization of such grants through an agreement with GRIDCO/ GoO/ OPTCL. For new schemes formulated by the GoO, if TPNODL wishes to avail funding under such scheme, an agreement shall be signed between GoO/ GRIDCO/ OPTCL and TPNODL for utilization of such grants.
79. TPNODL or TPCL shall not be allowed to create any charge or encumbrance on the following throughout the term of the License:
 - (a) Fixed assets transferred to TPNODL as part of this Order; and
 - (b) Financial assets corresponding to Consumer Security Deposits.

Further, TPNODL or TPCL shall free the above listed assets from any

encumbrances/ charges that may exist on these assets as per the opening balance sheet of TPNODL as on Effective Date within a fixed time frame, not later than full 5 (five) Financial Years of operations from the Effective Date, as may be approved by the Commission.

80. In addition to para 79, TPNODL shall not create any charge or encumbrance over other assets of TPNODL, including but not limited to receivables of TPNODL, without prior approval of the Commission.
81. TPCL in its submission has made certain prayers for redressal. Such prayers include relaxation in AT& C loss levels, removal of lien on Escrow accounts , past arrear recovery, removal of corporate guarantee, mitigation of tax impact on account of transfer of assets by GRIDCO and indemnification from any third party claim on acquisition of stake in TPNODL. The Commission is not inclined to provide any concessions/ further clarifications in this regard as the conditions of the RFP and RFP Documents namely Share Acquisition Agreement, Shareholders Agreement, Bulk Supply Agreement and Bulk Power Transmission and SLDC Agreement provided with the RFP are amply clear.
82. With regards to the prayer of TPCL for removal of Escrow, it may be noted that continuation of Escrow account had not been envisaged in the RFP. Regarding payment of BSP bills to GRIDCO, adequate payment security mechanism in the form of Letter of Credit for an amount equivalent to 2 (two) months' BSP bills has been provided in para 37 of this order. Once the LC as mentioned above is made available there is no need for continuation of Escrow mechanism that was an arrangement with the earlier distribution licensee, when LC was not being provided. Binding down the cash flow of the Operating Company through an Escrow mechanism even after the LC for 2 (two) months' BSP bill is made available will severely constrain the operational flexibility of the Operating Company for meeting its expenses approved in the ARR and affect its efficient functioning. Regarding GRIDCO's concern for collection of its past receivables from the DISCOM, the Operating Company is not liable to pay those dues except as provided for in this Order. The purchase consideration is being remitted to GRIDCO against its past dues as per Section 21(a) of the Act. In addition, para 43 of this Order provides an additional mechanism for recovery of the past receivables of GRIDCO. Continuance of Escrow to secure its past receivable is not in conformity with Section 21 (a) of the

Act since the successor DISCOM cannot be forced to discharge the liabilities of the predecessor DISCOM. With adequate measures in conformity with the Act provided in this Order, there exists no sufficient ground for continuing with the Escrow arrangement that had been made with the earlier Licensee. The Commission therefore directs that within 7 (seven) days of opening of Letter of Credit by TPNODL, the escrow arrangement shall be discontinued and any lien/charge created on the bank account/Escrow account of TPNODL shall be vacated.

83. In case of any conflict between this Order and the provisions of RFP or RFP Documents namely Share Acquisition Agreement, Shareholders Agreement, Bulk Supply Agreement and Bulk Power Transmission and SLDC Agreement, the decision of the Commission shall be final.
84. The Commission shall not allow recovery or true up of costs owing to tax implications or any other costs arising out of this transaction in any manner except stamp duty on transfer of asset. The Commission directs TPCL and GRIDCO to ensure that necessary steps be taken while executing the transaction so as to not burden the consumers due to taxes and duties arising out of this transaction.
85. The terms of this Vesting Order shall be final and binding on the parties. The parties shall not be allowed to make any further submissions with regard to the matters dealt with in this Vesting Order.
86. The suo-motu proceeding is accordingly disposed off.

Sd/-
(G. Mohapatra)
Member

Sd/-
(S.K. Parhi)
Member

Sd/-
(U. N. Behera)
Chairman

Annexure - 1: Note on Principles of transfer of assets and liabilities of NESCO Utility to TPNODL

| Particulars | Amount transferred to TPNODL | Amount remaining with NESCO Utility | Note No. |
|--|-------------------------------------|--|-----------------|
| ASSETS | | | |
| Fixed Assets | | | |
| <i>Gross Block</i> | FULL (except land) | - | |
| <i>Less : Accumulated Depreciation</i> | FULL | - | |
| <i>Net Block</i> | FULL | - | 1 |
| <i>Capital Work in Progress</i> | FULL | - | 2 |
| Sundry Debtors | - | FULL | |
| Inventories | FULL | - | 3 |
| Cash and Bank Balances | FULL | - | 4 |
| Loans and Advances | | | |
| <i>Loans and advances to employees</i> | PARTIAL | PARTIAL | 5 |
| <i>Receivables from SOUTHCO</i> | FULL | - | 6 |
| <i>Amount receivable from other Licensee-SOUTHCO</i> | FULL | - | 6 |
| <i>Capital subsidy/ Grant Receivable</i> | FULL | - | 7 |
| <i>Advances recoverable in cash or in kind or for value to be received</i> | PARTIAL | PARTIAL | 8 |
| <i>Other Deposits (considered good)</i> | FULL | - | 8 |
| | | | |
| TOTAL ASSETS | | | |
| | | | |
| EQUITY & LIABILITIES | | | |
| Equity Share Capital | 200.00 | - | 9 |
| Capital Funds | | | |
| <i>Capital Fund</i> | - | FULL | |
| <i>Contingencies reserves</i> | - | FULL | |
| <i>Other Reserves/ Capital Subsidy/ Grants</i> | PARTIAL | PARTIAL | 10 |
| <i>Profit and Loss Account Debit Balance</i> | - | FULL | |
| Loan Funds | | | |

| Particulars | Amount transferred to TPNODL | Amount remaining with NESCO Utility | Note No. |
|--|-------------------------------------|--|-----------------|
| <i>Long Term Borrowings</i> | - | FULL | |
| Other Funds | | | |
| <i>Consumers' Security Deposit</i> | FULL | - | 11 |
| <i>Capital Contribution from Consumers</i> | PARTIAL | PARTIAL | 12 |
| Current Liabilities | | | |
| <i>Short Term Loans</i> | FULL | - | 13 |
| <i>Sundry Creditors – Power Purchase</i> | - | FULL | |
| <i>Sundry Creditors – Others</i> | PARTIAL | PARTIAL | 14 |
| <i>Deposits and Retention from suppliers/ contractors</i> | FULL | - | 15 |
| <i>Advance payment/ Deposits from consumers</i> | FULL | - | 15 |
| <i>Creditors on capital accounts</i> | FULL | - | 16 |
| <i>Amount Payable to GRIDCO</i> | - | FULL | |
| <i>Amount payable to other licensee - WESCO</i> | FULL | - | 17 |
| <i>Interest accrued and due</i> | - | FULL | |
| <i>Interest accrued but not due</i> | - | FULL | |
| <i>Electricity Duty Payable (Subject to realization from consumer)</i> | - | FULL | |
| <i>Electricity Duty Payable</i> | FULL | - | 18 |
| <i>Other Liabilities</i> | FULL | - | 19 |
| Provisions | | | |
| <i>Payable to Trusts</i> | - | FULL | |
| <i>Provision for Disputed Matters</i> | - | FULL | |
| <i>Provision against dues from franchisee</i> | - | FULL | |
| | | | |
| TOTAL EQUITIES & LIABILITIES | | | |

Principles of segregation of balance sheet:

1. Net Block:

All the Net Fixed Assets (excluding land) shall be transferred to TPNODL since the Utility shall be transferred to TPNODL

2. Capital Work-in-Progress:

This shall also be transferred along with Net Fixed Assets to TPNODL

3. Inventory:

Inventories shall be transferred to TPNODL.

4. Cash and Bank Balance:

Cash and bank balance shall be transferred to TPNODL

5. Loan and Advances to employees:

Since all the NESCO Utility employees are transferred to TPNODL, the corresponding loans and advances provided to employees shall also be transferred to TPNODL. However, select items which are very old and belong to NESCO Limited period shall not be transferred.

6. Receivable from SOUTHCO; Amount receivable from other Licensee-SOUTHCO:

Receivables from SOUTHCO as well as Amount receivables from other Licensee shall be transferred to TPNODL.

7. Capital Subsidy/ Grant Receivables:

Since Net Block and Other Reserves are being transferred to TPNODL, Capital Subsidy/ Grant Receivables shall be transferred to TPNODL

8. Advances recoverable in cash or in kind or for value to be received; Other Deposits (Considered Good):

All amount under these heads shall be transferred to TPNODL except for select items which are very old and belong to NESCO Limited period.

9. Equity Share Capital:

Equity share capital of TPNODL shall be maintained at Reserve Price of Rs. 200 Crores (Indian Rupee Two hundred crores) only as per RFP.

10. Other Reserves (Capital Subsidy/ Grants):

Other Reserves (Capital Subsidy/ Grants) shall be transferred to the extent not capitalized.

11. Consumer Security Deposits:

Consumer Security Deposits shall be transferred to TPNODL.

12. Capital Contribution from Consumers:

Capital Contributions from Consumer may be transferred to TPNODL to the extent required to match balance sheet of TPNODL.

13. Short-term Loans:

Secured overdraft from bank along with FDs pledged to Banks, shall be transferred to TPNODL.

14. Sundry Creditors - Others:

Sundry Creditors for goods and services shall be transferred to TPNODL.

15. Deposits and Retention from suppliers/ contractors; Advance payment/ Deposits from consumers:

All amount under these heads shall be transferred to TPNODL except for select items which are very old and belong to NESCO Limited period.

16. Creditors on Capital Accounts:

Since this relates to fixed assets and CWIP transferred, the same shall be transferred to TPNODL.

17. Amount payable to other licensee - WESCO:

Amount payable to other licensee – WESCO shall be transferred to TPNODL

18. Electricity Duty Payable:

Current liabilities relating to Electricity duty collected but not remitted, shall be transferred to TPNODL

19. Other Liabilities:

Other liabilities including staff related liabilities, TDS, GST, various taxes, etc. shall be transferred to TPNODL except for select items which are very old and belong to NESCO Limited period.

Annexure – 2: Opening Balance Sheet (provisional) of Operating Company as at 01.04.2020 based on audited financial statements as at 31.03.2020

| Particulars | Rs Crores |
|--|------------------|
| ASSETS | |
| Fixed Assets | |
| <i>Gross Block</i> | 1,897 |
| <i>Less : Accumulated Depreciation</i> | 654 |
| <i>Net Block</i> | 1,244 |
| <i>Capital Work in Progress</i> | 140 |
| Inventories | 10 |
| Cash and Bank Balances | |
| <i>Cash on Hand</i> | 3 |
| <i>Stamps in hand</i> | 0 |
| <i>Balances with scheduled Bank- Current Account</i> | 86 |
| <i>Balances with scheduled Bank- Fixed Deposit</i> | 860 |
| <i>Remittances in Transit</i> | 2 |
| Loans and Advances | |
| <i>Loans and advances to employees</i> | 4 |
| <i>Receivables from SOUTHCO</i> | 7 |
| <i>Amount recievable from other Licensee- SOUTHCO</i> | 10 |
| <i>Advances recoverable in cash or in kind or for value to be received</i> | 45 |
| <i>Capital subsidy/ Grant Receivable</i> | 2 |
| <i>Other Deposits (considered good)</i> | 1 |
| | |
| TOTAL ASSETS | 2,413 |
| LIABILITIES | |
| Equity | 250 |
| Capital Subsidy | 118 |
| Other Funds | |
| <i>Consumers' Security Deposit</i> | 605 |
| <i>Capital Contribution from Consumers</i> | 657 |
| Current Liabilities | |
| <i>Short Term Loans</i> | 329 |
| <i>Sundry Creditors – Others</i> | 10 |

| Particulars | Rs Crores |
|---|------------------|
| <i>Deposits and Retention from suppliers/ contractors</i> | 27 |
| <i>Advance payment/ Deposits from consumers</i> | 239 |
| <i>Creditors on capital accounts</i> | 50 |
| <i>Amount payable to other licensee - WESCO</i> | 0 |
| <i>Electricity Duty Payable</i> | 39 |
| <i>Other Liabilities</i> | 89 |
| | |
| TOTAL LIABILITIES | 2,413 |

NOTE: The amounts indicated herein shall be updated as of the Effective Date i.e. 01.04.2021 as per the audited balances which shall be available on or before 30.09.2021. The audited values shall be considered as the final values for all purposes.

Annexure - 3: Depreciation Schedule

| Sl. | Asset Particulars | Depreciation Rate (Salvage Value = 10%) |
|------|--|--|
| A. | Land under full ownership | 0.00% |
| B. | Land under lease | |
| i. | for investment in the land | 3.34% |
| ii. | For cost of clearing the site | 3.34% |
| C. | Assets purchased new | |
| A | Building & Civil Engineering works of | |
| i. | Offices and showrooms | 3.34% |
| ii. | Temporary erections such as wooden structures | 100.00% |
| iii. | Roads other than Kutcha roads | 3.34% |
| iv. | Others | 3.34% |
| b | Transformers, Kiosk, sub-station equipment & other fixed apparatus (including plant foundation) | |
| i. | Transformers including foundations having rating of 100 KVA and over | 5.28% |
| ii. | Others | 5.28% |
| c | Switchgear including cable connections | 5.28% |
| d | Lightning arrestor | |
| i. | Station type | 5.28% |
| ii. | Pole type | 5.28% |
| iii. | Synchronous condenser | 5.28% |
| e | Batteries | |
| i. | Underground cable including joint boxes and disconnected boxes | 5.28% |
| ii. | Cable duct system | 5.28% |
| F | Overhead lines including cable support | |
| i. | Lines on fabricated steel operating at terminal voltages higher than 66 KV | 5.28% |
| ii. | Lines on steel supports operating at terminal voltages higher than 13.2 KV but not exceeding 66 KV | 5.28% |
| iii. | Lines on steel on reinforced concrete support | 5.28% |
| iv. | Lines on treated wood support | 5.28% |
| G | Meters | 5.28% |
| H | Self-propelled vehicles | 9.50% |

| Sl. | Asset Particulars | Depreciation Rate (Salvage Value = 10%) |
|------------|--|--|
| I | Air Conditioning Plants | |
| i. | Static | 5.28% |
| ii. | Portable | 9.50% |
| J i. | Office furniture and furnishing | 6.33% |
| ii. | Office equipment | 6.33% |
| iii. | Internal wiring including fittings and apparatus | 6.33% |
| iv. | Street Light fittings | 5.28% |
| K | Apparatus let on hire | |
| i. | Other than motors | 9.50% |
| ii. | Motors | 6.33% |
| L | Communication equipment | |
| i. | Radio and high frequency carrier system | 6.33% |
| ii. | Telephone lines and telephones | 6.33% |
| M | I.T. equipment | 15.00% |
| N | Assets purchased second hand and assets not otherwise provided for in the Schedule | 5.28% |

Annexure - 4: LIST OF PPA – EXISTING AND UPCOMING POWER PROJECTS HAVING ODISHA SHARE

| EXISTING AND UP COMING POWER PROJECTS HAVING ODISHA SHARE | | | | | | |
|---|--|---|---|---|---|--|
| Nature of Plant | Sl. No. | Name of the Plant | Installed capacity as per PPA (MW) | Share of odisha | COD/Probable date of Completion | Date/Term of PPA |
| Coal Based Thermal Power Plant (IPP) | | IPP | | | | |
| | 1 | M/s. Vedanta Ltd., Jharsuguda | 2400 (4x600) | 600 MW Units 1, 3 & 4 converted to CGP Units w.e.f. 01.04.2015 | # 1: 02-03-2011 # 2: 10-08-2010 # 3: 21-07-2011 #4: 26-03-2012 | Consolidated PPA: 19-12-2012 Term of PPA: 25 years & can be extended mutually Further revised PPA is to be signed |
| | 2 | M/s. GMR Kamalanga Energy Ltd., Bengaluru at Kamalanga, Dhenkanal | 1400 (4x350) | 25% at full cost plus power generated beyond 80% PLF at variable cost | # 1, 2 & 3: Already achieved COD # 4: Deferred | Principal PPA: 28-09-2006 Revised PPA: 04-01-2011 Term of PPA: 25 years & can be extended mutually |
| | 3 | M/s. Jindal India Thermal Power Ltd., New Delhi at Derang, Talcher, Angul | 1800 (3x600) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, JITPL shall supply 12% at variable cost. | # 1 & 2: Already achieved COD # 3: Deferred | Principal PPA: 28-09-2006 Revised PPA: 05-01-2011 Term of PPA: 25 years & can be extended mutually |
| | 4 | M/s. Ind-Barath Energy (Utkal) Ltd., Hyderabad at Sahajbahal, Jharsuguda | 1360 (2x350 + 1x660) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, IBEUL shall supply 12% at variable cost. | # 1: 20.07.2016 # 2: Substantial progress made # 3: Construction yet to start Presently the project has been referred to NCLT and there is no further progress | Principal PPA: 14-09-2009 Revised PPA: 04-01-2011 Term of PPA: 25 years & can be extended mutually |
| | 5 | M/s. Lanco Babandh Power Ltd., Hyderabad at Khurunti, Dhenkanal | 2640 (2x660 + 2x660) | 25% at full cost plus power generated beyond 80% PLF at variable cost | # 1 & 2: Construction activities started # 3 & 4: Commissioning deferred Now there is no further progress | Principal PPA: 28-09-2006 Revised PPA: 04-01-2011 Term of PPA: 25 years & can be extended mutually |
| | 6 | M/s. Monnet Power Company Ltd., New Delhi at Mallibrahmani & Nisha, Dist. Angul | 1050 (2x525) | 25% at full cost plus power generated beyond 80% PLF at variable cost | # 1 & 2: Substantial progress made Now there is no further progress since 6 years Under NCLT. | Principal PPA: 28-09-2006 (MoU signed for 14%/12% power at variable cost) Revised PPA is to be signed Term of PPA: 25 years |
| 7 | M/s. Maa Durga Thermal Power Company Ltd., Bhubaneswar at Tangi, Cuttack | 120 (2x30 + 1x60) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, MTPCL shall supply 12% at variable cost. | Construction activities for 2x30 MW completed. Expected to be commissioned in September, 2020 | PPA: 31-12-2010 Term of PPA: 25 years & can be extended mutually | |

Sanjay
24/06/20

| EXISTING AND UP COMING POWER PROJECTS HAVING ODISHA SHARE | | | | | | |
|---|---------|---|------------------------------------|--|---|---|
| Nature of Plant | Sl. No. | Name of the Plant | Installed capacity as per PPA (MW) | Share of odisha | COD/Probable date of Completion | Date/Term of PPA |
| Coal Based Thermal Power Plant (IPP) | 8 | M/s. KVK Nilachal Power Pvt. Ltd., Hyderabad at Athagarh, Cuttack | 1050 (3x350) | 25% at full cost plus power generated beyond 80% PLF at variable cost | Under NCLT and under liquidation process | PPA: 28-09-2006 Term of PPA: 25 years & can be extended mutually |
| | 9 | M/s. NSL Nagapatnam Power & Infratech Pvt. Ltd., Hyderabad [Formerly M/s. Mahanadhi Aban Power Company Ltd., Chennai] at Talcher, Angul | 1320 (2x660) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, NNPIPL shall supply 12% at variable cost. | Construction activities yet to begin Under NCLT since 18.01.2018 Project activities will be resumed in the month of mid of 2020 | Principal PPA: 28-09-2006 Amended PPA: 10-09-2009 Revised PPA: 04-01-2011 Term of PPA: 25 years & can be extended mutually |
| | 10 | M/s. TATA Power Company Ltd., Mumbai at Begunia, Khurda | 1000 | 25% at full cost plus power generated beyond 80% PLF at variable cost | Proposed for withdrawing from the proposal | Date of PPA: 28-09-2006 Term of PPA: 25 years & can be extended mutually |
| | 11 | M/s. Brahmani Thermal Power Pvt. Ltd., Hyderabad [formerly M/s. Navabharat Power Pvt. Ltd.] at Meramundali, Dhenkanal | 2250 (2x525 + 2x600) | 25% at full cost plus power generated beyond 80% PLF at variable cost | Construction activities yet to start | Date of PPA: 28-09-2006 Term of PPA: 25 years & can be extended mutually |
| | 12 | M/s. Angul Energy Ltd. [Formerly M/s. Bhusan Energy (P) Ltd., New Delhi] at Nuahat, Angul | 2000 | 25% at full cost plus power generated beyond 80% PLF at variable cost | Construction activities yet to begin | Date of PPA: 28-09-2006 Term of PPA: 25 years & can be extended mutually |
| | 13 | M/s. Visa Power Ltd., Kolkata at Brahmanabasta, Athagarh, Cuttack | 1320 (2x660) | 25% at full cost plus 7% at variable cost, if Coal Block allocated within the State. Otherwise, VPL shall supply 5% at variable cost | Construction activities yet to begin | Principal PPA: 28-09-2006 Amended PPA: 14-09-2009 Revised PPA: 04-01-2011 Term of PPA: 25 years & can be extended mutually |
| | 14 | M/s. Astaranga Power Company Ltd., Bhubaneswar at Astaranga, Puri | 2640 (2x660 + 2x660) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, APCL shall supply 12% at variable cost. | Construction activities yet to begin | Date of PPA: 04-01-2011 Term of PPA: 25 years & can be extended mutually |
| | 15 | M/s. Aarti Steels Ltd., Ludhiana, Punjab at Ghantikhal, Cuttack | 500 (50 + 450) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, ASL shall supply 12% at variable cost. | Proposed for withdrawing from the proposal | Date of PPA: 24-10-2009 Term of PPA: 25 years & can be extended mutually |

| EXISTING AND UP COMING POWER PROJECTS HAVING ODISHA SHARE | | | | | | |
|---|---------|---|------------------------------------|---|--|---|
| Nature of Plant | Sl. No. | Name of the Plant | Installed capacity as per PPA (MW) | Share of odisha | COD/Probable date of Completion | Date/Term of PPA |
| Coal Based Thermal Power Plant (IPP) | 16 | M/s. Sahara India Power Corporation Ltd., Mumbai at Titilagarh, Bolangir | 1320 (2x660) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, SIPL shall supply 12% at variable cost. | Proposed for setting up of 200 MW solar power project | Date of PPA: 14-09-2009 Term of PPA: 25 years & can be extended mutually |
| | 17 | M/s. Adhunik Power & Natural Resources Ltd., Kolkata at Biramaharajpur, Sonapur | 1320 (2x660) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, APNRL shall supply 12% at variable cost. | Construction activities yet to begin | Date of PPA: 05-01-2011 Term of PPA: 25 years & can be extended mutually |
| | 18 | M/s. JSL Ltd., Hissar, Haryana at Luni, Dhankanal | 1320 (2x660) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, JSL shall supply 12% at variable cost. | Construction activities yet to begin | Date of PPA: 30-12-2010 Term of PPA: 25 years & can be extended mutually |
| | 19 | M/s. KU Projects Pvt. Ltd., Hyderabad at Pitamohul, Sonapur | 1320 (2x660) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, KUPPL shall supply 12% at variable cost. | Construction activities yet to begin | Date of PPA: 30-12-2010 Term of PPA: 25 years & can be extended mutually |
| | 20 | M/s. SPI Ports Pvt. Ltd., Chennai at Mahakalpada, Kendrapara | 1320 (2x660) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, SPIPPL shall supply 12% at variable cost. | Construction activities yet to begin | Date of PPA: 04-01-2011 Term of PPA: 25 years & can be extended mutually |
| | 21 | M/s. Nava Bharat Ventures Ltd., Hyderabad at Kharagprasad, Dhenkanal | 60 (1x60) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, NBVL shall supply 12% at variable cost. | # 1: 30.11.2015 However, generation is yet to commence | Date of PPA: 04.01.2011 Date of Revised PPA: 30-10-2014 (With out signing of MoU with Govt. of Odisha) Term of PPA: 25 years & can be extended mutually |
| | 22 | M/s Shyam Metaliks & Energy Ltd., Hyderabad [Formerly M/s. Shyam DRI Power Ltd., Hyderabad] at Rengali, Sambalpur | 60 (2x30) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, SMEL shall supply 12% at variable cost. | Units # 1 & 2 have been converted to CGP, vide Order dated 17.06.2015 in Case No. 30 of 2010 | Date of PPA: 23-10-2009 Term of PPA: 25 years & can be extended mutually |
| | 23 | M/s. NSL Orissa Power & Infratech Pvt. Ltd., Hyderabad at Handpa, Boinda, Angul | 1320 (2x660) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, NOPIPL shall supply 12% at variable cost. | Proposed for withdrawing from the proposal | Date of PPA: 04-01-2011 Term of PPA: 25 years & can be extended mutually |

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EXISTING AND UP COMING POWER PROJECTS HAVING ODISHA SHARE

| Nature of Plant | Sl. No. | Name of the Plant | Installed capacity as per PPA (MW) | Share of odisha | COD/Probable date of Completion | Date/Term of PPA |
|--------------------------------------|---------|---|------------------------------------|---|--------------------------------------|---|
| Coal Based Thermal Power Plant (IPP) | 24 | M/s. Jindal Power Ltd., Hissar, Haryana at Badakerjang, Angul | 1320 (2x660) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, JPL shall supply 12% at variable cost. | Construction activities yet to begin | PPA not yet executed though MoU signed on 07-02-2009 |
| | 25 | M/s. Kalinga Energy & Power Limited, Bhubaneswar at Sodamal, Kuchinda, Jharsuguda | 1000 | 14% at variable cost, if Coal Block allocated within the State. Otherwise, KEPL shall supply 12% at variable cost. | Construction activities yet to begin | PPA not yet executed though MoU signed on 07-02-2009 |
| | 26 | M/s. Essar Power (Orissa) Ltd., Mumbai | 1000 | 25% at full cost plus power generated beyond 80% PLF at variable cost | MoU has been cancelled | Principal PPA: 28-09-2006 Term of PPA: 25 years & can be extended mutually |
| | 27 | M/s. Vijaya Ferro & Power Pvt. Ltd., Raipur at Turla, Khamar, Kesinga, Kalahandi | 120 (4x30) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, VFPL shall supply 12% at variable cost. | MoU has been cancelled | Date of PPA: 04-01-2011 Term of PPA: 25 years & can be extended mutually |
| | 28 | M/s. CESC Ltd., Kolkata at Neulapoi, Dhenkanal | 1320 (2x660) | 25% at full cost plus power generated beyond 80% PLF at variable cost | MoU has been cancelled | PPA: 28-09-2006 Amended PPA: 05.09.2009 Revised: 31.12.2010 Term of PPA: 25 years & can be extended mutually |
| | 29 | M/s. Chambal Infrastructure Ventures Limited, New Delhi at Siaria, Dhenkanal | 1320 (2x660) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, CIVL shall supply 12% at variable cost. | MoU has been cancelled | Date of PPA: 05-01-2011 Term of PPA: 25 years & can be extended mutually |
| | 30 | M/s. Visaka Thermal Power Pvt. Limited, Bhubaneswar at Rairakhol, Sambalpur | 1320 (2x660) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, VTPPL shall supply 12% at variable cost. | MoU has been cancelled | Date of PPA: 15-09-2009 Term of PPA: 25 years & can be extended mutually |
| | 31 | M/s. BGR Energy Systems Ltd., Nellore, A.P. at Bhapur, Nayagarh | 1320 (2x660) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, BESL shall supply 12% at variable cost. | MoU has been cancelled | Date of PPA: 04-01-2011 Term of PPA: 25 years & can be extended mutually |
| | 32 | M/s. J.R. Power Gen. Pvt. Ltd., Cathedral Road, Chennai at Baija, Dhaurpall Kishore Nagar Tahsil of Angul | 1980 (3x660) | 14% at variable cost, if Coal Block allocated within the State. Otherwise, JRPGL shall supply 12% at variable cost. | MoU has been cancelled | Date of PPA: 05-01-2011 Term of PPA: 25 years & can be extended mutually |

| EXISTING AND UP COMING POWER PROJECTS HAVING ODISHA SHARE | | | | | | |
|---|--------------------------|---|------------------------------------|--|--|--|
| Nature of Plant | Sl. No. | Name of the Plant | Installed capacity as per PPA (MW) | Share of odisha | COD/Probable date of Completion | Date/Term of PPA |
| Coal Based Thermal Power Plant (NTPC & PSU) | | <u>NTPC & PSU Plant</u> | | | | |
| | 1 | TTPS, NTPC, Talcher Thermal | 460 MW (4x60 + 2x110) MW | 100% | #1:17.12.1967 #2:28.3.1968 #3:11.7.1968 #4:11.4.1969 #5:24.3.1982 #6:24.3.1983 | Date of PPA: 08.03.1995 Term of PPA-25 Years & can be extended mutually |
| | 2 | Ib Thermal Power Station (OPGC), Stage-I at Banharpalli, Jharsuguda | 420 MW (2x210) MW | 100% | #1:20.12.1994 #2:01.07.1996 | Date of PPA: 13.08.1996 Term of PPA: 30 years & can be extended mutually |
| | 3 | Ib TPS, Expansion Project, OPGC at Banharpalli, Jharsuguda (Unit 3 & 4) | 1320 (2x660) | 75% (up to 31.03.2023) 100% w.e.f. 01.04.2023 | # 3: Jul, 2019 # 4: Aug, 2019 | Date of PPA: 04-01-2011 Supplementary PPA: 24.01.2019 Term of PPA: 25 years & can be extended mutually |
| | 4 | Farakka STPS, Stage - I & II | 1600 (3x200 + 2x500) | 14.18% | Unit-I-1.11.1986 Unit-II 01.10.1987 Unit-III 01.09.1988 Unit-IV 01.07.1996 Unit-V 01.04.1995 | Date of PPA: 25.05.1993 Term of PPA-25 Years & can be extended mutually |
| | 5 | Farakka STPS, Stage - III | 500 (1x500) | 17.15% | Unit-I 04.04.2012 | Date of PPA: 27.12.2010 Term of PPA-25 Years & can be extended mutually |
| | 6 | Kahalgaon STPS, Stage - I | 840 (4x210) | 15.77% | Unit-I 01.01.1995 Unit-II 01.04.1995 Unit-III 01.02.1996 Unit-IV 01.08.1996 | Date of 25.05.1993 Term of PPA-25 Years & can be extended mutually |
| | 7 | Kahalgaon STPS, Stage - II | 1500 (3x500) | 2.62% | Unit-I 01.08.08 Unit-II 30.12.08 Unit-III 20.03.10 | Date of PPA: 11.08.06 Term of PPA-25 Years & can be extended mutually |
| | 8 | Talcher STPS, Stage - I | 1000 (2x500) | 32.34% | Unit-I 01.07.97 Unit-II 01.07.97 | Date of PPA: 25.05.93 Term of PPA-25 Years & can be extended mutually |
| 9 | Talcher STPS, Stage - II | 2000 (4x500) | 10% | Unit-I 01.08.03 Unit-II 01.03.04 Unit-III 01.11.04 Unit-IV 01.08.05 | Date of PPA: 20.01.07 Term of PPA-25 Years & can be extended mutually | |

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| EXISTING AND UP COMING POWER PROJECTS HAVING ODISHA SHARE | | | | | | |
|---|---------|--|---|-----------------|---|---|
| Nature of Plant | Sl. No. | Name of the Plant | Installed capacity as per PPA (MW) | Share of odisha | COD/Probable date of Completion | Date/Term of PPA |
| Coal Based Thermal Power Plant (NTPC & PSU) | 10 | North Karanpura STPS, NTPC at Hazaribad & Chhatra, Bihar | 1980 (3x660) | 20% | # 1: Mar-2021 # 2: Sept-2021 # 3: Mar-2022 | Date of PPA: 11-08-2006 Term of PPA: 25 years & can be extended mutually |
| | 11 | Integrated Thermal Power Station, NTPC at Darlipalli, Sundargarh | 3200 (4x800) | 50% | # 1: 01.03.2020 # 2: Sep-2020 # 3 & 4: Construction activities yet to start | Date of PPA: 27-12-2010 Term of PPA: 25 years & can be extended mutually |
| | 12 | NSPCL, Rourkela, JV of NTPC & SAIL at RSP, Rorkela | 250 (1x250) | 25 MW | Commissioning of the Unit expected in Jun, 2020 | Date of PPA: 04-01-2011 Term of PPA: 25 years & can be extended mutually |
| | 13 | OTPCL (JV of OMC & OHPC) at Kamaksha Nagar, Dhenkanal | 3200 (4x800) | 100% | Construction activities yet to start | Date of PPA: 31-12-2010 Term of PPA: 25 years & can be extended mutually |
| | 14 | TTPS Expansion Project, NTPC at Talcher Thermal, Angul | 1320 (2x660) | 50% | Construction activities yet to start | Date of PPA: 20.01.2007 Term of PPA: 25 years & can be extended mutually |
| Central Hydro Power Projects | 1 | Chukha HEP, Bhutan | 336 (4x84) (270 MW ER Allocation) | 15.19% | 1988 | Date of PPA: 21.08.2002 Term of PPA & can be extended mutually |
| | 2 | Tala HEP, Bhutan | 1020 (6x170) | 4.25% | 31.07.2006 | Date of PPA: 27.09.2006 Term of PPA: 25 years & can be extended mutually |
| | 3 | Teesta-V PS (NHPC) | 510 (3x170) | 20.59% | 10.04.2008 | Date of PPA: 04.04.2008 (Original) 21.02.2017 (Renewal PPA) Term of PPA: 25 years & can be extended mutually |
| | 4 | Mangdechhu HEP (NHPC), Bhutan | 720 (4x180) | 10.97% | 16.08.2019 | Date of PPA: 30.08.2019 Term of PPA: 25 years & can be extended mutually |

| EXISTING AND UP COMING POWER PROJECTS HAVING ODISHA SHARE | | | | | | |
|---|-----------------------------------|-------------------|---|----------------------|--|--|
| Nature of Plant | Sl. No. | Name of the Plant | Installed capacity as per PPA (MW) | Share of odisha | COD/Probable date of Completion | Date/Term of PPA |
| State Sector Hydro Power Projects | <u>State Hydro Power Stations</u> | | | | | |
| | 1 | Hirakud | 275.5 (2x49.5 + 2x32 + 3x37.5) (Unit 5&6: Under RM&U) | 100% - 5 MW for CSEB | # 1: 11.05.1958 # 2: 11.11.1957 # 3: 18.12.1956 # 4: 13.05.1957 # 5: 19.04.1962 # 6: 05.08.1963 # 7: 13.09.1990 | Date of PPA: 20.11.2009 Term of PPA: 25 years & can be extended mutually |
| | 2 | Chiplima | 48 (3x24) (Unit 3: Under RM&U) | 100% | # 1: 15.07.1962 # 2: 26.11.1962 # 3: 01.02.1964 | Date of PPA: 20.11.2009 Term of PPA: 25 years & can be extended mutually |
| | 3 | Balimela | 250 (5x50) | 100% | # 1: 14.08.1973 # 2: 25.01.1974 # 3: 24.08.1974 # 4: 26.03.1975 # 5: 07.05.1976 # 6: 05.01.1977 # 7: 23.12.2008 # 8: 23.01.2009 | Date of PPA: 20.11.2009 Term of PPA: 25 years & can be extended mutually |
| | 4 | Rengali | 510 (6x60 + 2x75) | 100% | # 1: 27.08.1985 # 2: 26.03.1986 # 3: 10.08.1989 # 4: 19.03.1990 # 5: 14.08.1992 | Date of PPA: 20.11.2009 Term of PPA: 25 years & can be extended mutually |
| | 5 | Upper Kolab | 320 (4x80) | 100% | # 1: 15.03.1988 # 2: 14.04.1988 # 3: 10.02.1990 # 4: 12.01.1993 | Date of PPA: 20.11.2009 Term of PPA: 25 years & can be extended mutually |
| | 6 | Upper Indravati | 600 (4x150) | 100% | # 1: 19.09.1999 # 2: 28.12.0999 # 3: 04.10.2000 # 4: 19.04.2001 | Date of PPA: 18.08.1998 Term of PPA: 25 years & can be extended mutually |
| | 7 | Machhkund | 120 (3x17 + 3x23) | 50% | # 1: 19.08.1955 # 2: 11.12.1955 # 3: 04.07.1957 # 4: 15.01.1959 # 5: 12.08.1959 # 6: 12.08.1960 | Original PPA: 26.01.1946 15.12.1978 (Supplementary Agreement) Term of PPA: 25 years & can be extended mutually |

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Renewable Energy Projects from which GRIDCO is Procuring Power

IN SIDE THE STATE

| A SOLAR | | | | | | |
|------------------|--|--|---|--------------------|---|--|
| Sl. No. | Name of the Project | Project Location | Installed/ Contracted Capacity (in MW) | Date of PPA/PSA | Term of PPA/PSA | COD date |
| 1 | M/s Raajratna Energy Holdings Pvt. Ltd. | Vil: Sadeipalli, Dist: Bolangir | 1 | 21.08.2010 | 25 years from COD Term of PPA: 25 years & can be extended mutually | 13.07.2011 |
| 2 | M/s S.N. Mohanty, | Vil: Patapur, G.P: Kundeipada, Block: Baranga, Dist: Cuttack | 1 | 21.08.2010 | - do - | 23.08.2011 |
| 3 | M/s. MGM Green Energy Ltd. | Vil: Patrapada, G.P: Tangi, Block: Tangi, Dist: Khurda | 1 | 21.08.2010 | - do - | 13.10.2011 |
| 4 | M/s Molisati Vinimay Pvt. Ltd., | Vil: Ranja, G.P.: Danara, Block: Barkote, Dist: Deogarh | 1 | 21.08.2010 | - do - | 22.12.2011 |
| 5 | M/s Jay Iron and Steel Ltd. | Vil: Haripada, Block: Bamra, Dist: Sambalpur | 1 | 21.08.2010 | - do - | 11.03.2012 |
| 6 | M/s Abacus Holdings Pvt. Ltd., | Vil: Ainlachhat, Chadheipanka, Block: Ulunda, Dist: Sonepur | 1 | 21.08.2010 | - do - | 13.03.2012 |
| 7 | M/s Shri Mahavir Ferro Alloys Pvt. Ltd., | Vil: Tankajoda, Block: Bonai, Dist: Sundergarh | 1 | 21.08.2010 | - do - | 15.03.2012 |
| 8 | M/s Vivacity Renewable Energy Pvt. Ltd. | Vil: Benta, G.P.: Tangi, Block: Tangi, Dist: Nayagarh | 1 | 21.08.2010 | - do - | 16.03.2012 |
| 9 | M/s Aftaab Solar Pvt. Ltd. | Vil: Sadeipalli, Dist: Bolangir | 5 | 12.01.2011 | - do - | 07.02.2012 |
| 10 | M/s. Alex Green Energy Ltd. | Chingribandh, Patnagarh, Bolangir | 5 | 26.05.2012 | - do - | 19.08.2014 |
| 11 | ACME Odisha Solar Power Pvt. Ltd. | Deogaon, Bolangir | 25 | 06.03.2013 | - do - | 22.06.2015 |
| 12 | GEDCOL | Manamunda , Boudh, Odisha | 20 | 12.08.2014 | - do - | 10 MW - 09.03.2016 5 MW - 26.03.2016 5 MW - 06.06.2016 |
| 13 | M/s Jyoti Solar Solutions Pvt. Ltd. | Ganjahuda, Patnagarh, Bolangir | 10 | 25.10.2016 | - do - | 04.05.2018 |
| 14 | M/s Sadipali Solar Pvt. Ltd. | Kandel & Sindhabhali, Kesinga, Kalahandi | 20 | 25.10.2016 | - do - | 14.05.2018 |
| 15 | M/s Dakshin Odisha Urja Pvt. Ltd. | Ghuchapali, Padampur, Bargarh | 40 | 25.10.2016 | - do - | 05.09.2018 |
| 16 | M/s Vento Power & Energy Ltd. | Dendoguda, Kesinga, Kalahandi | 40 | 25.10.2016 | - do - | 26.09.2018 |
| 17 | M/s Vento Power Pvt. Ltd. | Kurkhai, Tusra, Balangir | 40 | 25.10.2016 | - do - | 18.01.2019 |
| 18 | M/s Vento Power Infra Pvt. Ltd. | Salepali, Tusra, Balangir | 40 | 25.10.2016 | - do - | 19.01.2019 |
| 19 | M/s Vento Energy Infra Pvt. Ltd. | Panaspadar, Tentulikhunti, Nabarangpur | 40 | 25.10.2016 | - do - | 21.01.2019 |
| 20 | M/s Vento Power Projects Pvt. Ltd. | Dendoguda, Kesinga, Kalahandi | 40 | 25.10.2016 | - do - | 21.01.2019 |
| 21 | GEDCOL | Roof top solar on Govt./PSU buildings and institutes | 4 | March, 2019 | - do - | 31.03.2019 |
| Sub Total | | | 337 | | | |

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| Sl. No. | Name of the Project | Project Location | Installed/ Contracted Capacity (in MW) | Date of PPA/PSA | Term of PPA/PSA | COD date |
|--|--|--|---|--------------------|-----------------|------------|
| B SMALL HYDRO ELECTRIC POWER PROJECTS | | | | | | |
| 22 | Meenakshi Power Ltd. | Middle Kolab, Koraput | (2x12.5) = 25 | 19.12.2008 | - do - | 14.07.2009 |
| 23 | | Lower Kolab, Malkangiri | (3x4) = 12 | | - do - | |
| 24 | Orissa Power Consortium Ltd. (OPCL) | Samal Barrage, Angul | (4x5) = 20 | 26.05.2009 | - do - | 12.10.2009 |
| 25 | Odisha Power Generation Corporation (OPGC) | Kendupatna Small Hydro Project, Salipur, Cuttack | 0.50 | 30.05.2020 | - do - | 23.01.1994 |
| 26 | | Biribati Small Hydro Project, Biribati, Cuttack | 0.65 | | - do - | 20.02.1994 |
| Sub Total | | | 58.15 | | | |
| C BIO MASS POWER PROJECTS | | | | | | |
| 27 | Shalivahana Green Energy Ltd. | Nimidha, Dhenkanal | (1x20) = 20 | 30.12.2010 | - do - | 19.12.2011 |
| Sub Total | | | 20 | | | |
| TOTAL | | | 415.15 | | | |

OUT SIDE THE STATE

| A SOLAR | | | | | | |
|--------------------|--|--|---------------|------------|--------|--|
| 1 | Through NVVN Ltd. | Rajasthan | 15 | 12.01.2011 | - do - | Aug-13 |
| 2 | Dadri Solar PV Station (Developed by NTPC) | Dadri, Gaziabad, UP | 5 | 26.04.2011 | - do - | 30.03.2013 |
| 3 | Faridabad Solar PV Station (Developed by NTPC) | Faridabad, Haryana | 5 | 26.04.2011 | - do - | 31.03.2014 |
| 4 | Through SECI | Gujarat | 40 | 12.08.2014 | - do - | 20 MW from Mar '15, 20 MW from Sep '15, 20 MW from Jun '16 |
| 5 | Through SECI | Rajasthan | 10 | 12.08.2014 | - do - | June '15 |
| Sub Total | | | 75 | | | |
| B WIND | | | | | | |
| 6 | ISTS Connected Wind Power Projects Phase-I (Through PTC INDIA LTD) | M/s OSTRO-KUTCH Wind Power Pvt. Ltd., Gujarat | 50 | 20.07.2017 | - do - | 30.03.2019 |
| 7 | ISTS Connected Wind Power Projects Phase-II (Through SECI) | M/s Green Infra Wind Energy Ltd., Kutch, Gujarat | 100 | 24.11.2017 | - do - | 50.4 MW w.e.f 25.06.2019 |
| Sub Total | | | 150 | | | |
| Total | | | 225 | | | |
| GRAND TOTAL | | | 640.15 | | | |

S. Nayak
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