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Himachal Government Judicial Paper

BEFORE THE HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION,
SHIMLA.

Filing No. 103 of 2023

Petition No.....

IN THE MATTER OF FILING OF PETITION FOR APPROVAL OF CAPITAL COST AS ON COD TAKING IN CONSIDERATION THE ADDITIONAL CAPITAL EXPENDITURE AND DETERMINATION OF TARIFF FROM COD TO FY 2023-24 FOR SAWRA KUDDU HYDRO ELECTRIC PROJECT (3 X 37 MW), OF HIMACHAL PRADESH POWER CORPORATION Ltd. (HPPCL) UNDER THE HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION (TERMS AND CONDITIONS FOR DETERMINATION OF HYDRO GENERATION TARIFF) REGULATIONS, 2011 AND ITS AMMENDMENTS THERAFTER AND UNDER SECTION-62 READ WITH SECTION 86 OF THE ELECTRICITY ACT 2003.

THE HIMACHAL PRADESH POWER CORPORATION LIMITED, HIMFED BUILDING,
BCS, NEW SHIMLA, SHIMLA -9.

PETITIONER

VERSUS

THE HIMACHAL PRADESH STATE ELECTRICITY BOARD LIMITED, HPSEBL, VIDYUT
BHAWAN, SHIMLA-171004.

RESPONDENT

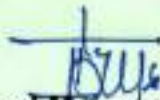
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DATED:- 13/9/2023

FILLED BY

SHIMLA


General Manager (Gen.)
HPPCL, Shimla-09.

General Manager (Generation)
HPPCL, Himfed Building,
New Shimla-171004

No 2493902

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Himachal Government Judicial Paper

BEFORE THE HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION,
SHIMLA

Filing No. 103 of 2023

Petition No.....

IN THE MATTER OF

FILING OF PETITION FOR APPROVAL OF CAPITAL COST AS ON COD TAKING IN CONSIDERATION THE ADDITIONAL CAPITAL EXPENDITURE AND DETERMINATION OF TARIFF FROM COD TO FY 2023-24 FOR SAWRA KUDDU HYDRO ELECTRIC PROJECT (3 X 37 MW), OF HIMACHAL PRADESH POWER CORPORATION Ltd. (HPPCL) UNDER THE HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION (TERMS AND CONDITIONS FOR DETERMINATION OF HYDRO GENERATION TARIFF) REGULATIONS, 2011 AND ITS AMMENDMENTS THERAFTER AND UNDER SECTION-62 READ WITH SECTION 86 OF THE ELECTRICITY ACT 2003.

THE HIMACHAL PRADESH POWER CORPORATION LIMITED, HIMFED BUILDING, BCS, NEW SHIMLA, SHIMLA -9.

PETITIONER

VERSUS

THE HIMACHAL PRADESH STATE ELECTRICITY BOARD LIMITED, HPSEBL, VIDYUT BHAWAN, SHIMLA-171004.

RESPONDENT

Reply on behalf of the Petitioner to the Queries raised by the Hon'ble Commission vide letter dated 15.07.2023 i.r.o Sawra Kuddu (3x37 MW) Petition.

Respectfully Showeth:

ATTESTED

Vijay Kumar Sekhri
Advocate cum Notary Public
Yash Bhawan, Vikas Nagar
Shimla (H.P.)

That the Petitioner i.e. HPPCL has filed the above titled petition for approval.

2. That vide letter dated 15.07.2023, the Hon'ble Commission has raised certain observations/shortcomings after going through the preliminary scrutiny of the petition (i.e., General queries & Queries related to capital cost and additional

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General Manager (Generation)
HPPCL, Himfed Building,
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capitalization) which need to be replied by the Petitioner by 28.07.2023 and further additional time of three weeks granted by the Hon'ble HPERC.

3. That the HPPCL is submitting the point wise reply to the General queries & Queries related to capital cost and additional capitalization raised by the Hon'ble Commission i.r.o Sawra Kuddu (3x37 MW) Petition:-

General Queries:

1. Please provide the complete working sheet (provided in supporting document "HPERC standard format") in formula linked excel format along with computation for Annual Fixed Cost.-

Reply:-

The complete work sheet in excel format is being sent as Annexure-1 through email/CD.

2. Please provide the supporting document acknowledged by SLDC for the actual energy data mentioned in table 42. Also, provide the maximum generation in MW actually generated by the Plant since its commissioning

Reply:-

The detail of gross generation, auxiliary consumption and net generation month wise since the COD of Sawra Kuddu HEP is annexed as (Annexure-2-i)

The supporting document acknowledged by SLDC for the actual energy injected in the grid is annexed as (Annexure-2-ii). However it is submitted that the generation mentioned in Table-42 of the petition already filed is a gross generation from Sawra Kuddu HEP, whereas the actual energy injected in the grid as acknowledged by SLDC is after actual auxiliary losses utilized by the plant.

The Petitioner has submitted Annual Report of HPPCL from FY 2016-17 to FY 2019-20 in supporting documents. However, please submit audited annual accounts specific to the current project from COD till date.-

Reply:-

Project specific Annual Accounts are not being prepared by HPPCL. However, the records of each project are separately maintained and on the basis of the Trial Balances of all the projects, the consolidated Annual

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Accounts of the Corporation as a whole, are prepared. This was not done as it was not mandated by the Companies Act, 2013. Therefore, Trial Balances of F.Y 2016-17 to F.Y. 2021-22 of the project are attached as Annexure- "3-1, 3-2, 3-3", relevant to the annual Accounts/Reports of these years.

4. Please reconcile the difference found between the Net saleable energy mentioned in Table 1 of the Petition and that provided in the supporting document "HPERC standard format".

Reply:-

The net saleable energy as mentioned in Table no. 1 of the Petition is 87 % of HPPCL share, whereas HPERC standard format has no column for net saleable energy and only net generation in MU was required to be filled in the HPERC standard format.

5. Please submit the year wise computation for Net saleable energy from Gross generation along with bifurcation of Auxiliary consumption, Free power, LADF power, etc. in excel format.

Reply:-

The year wise computation for net saleable energy from gross generation along with bifurcation of auxiliary consumption, free power, LADF power, etc. is attached as (Annexure-5). The excel format of the same is being sent through email.

6. The Petitioner has submitted certification of COD from HPPCL in Annexure P-1, which is not sufficient. Please submit a certificate of competent agency to prove the date of COD.

Reply:-

The approval received from Directorate of Energy (DoE) GoHP is attached as (Annexure- 6).

7. Please provide the detail of capital spares capitalized as on COD.

Reply:-

The detail of capital spares capitalized as on COD is attached as(Annexure-7).

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8. Please clarify the following differences along with the justification:
- a. In reference to Para 3.6, table-08, the Petitioner has shown the Net HPPCL share of Revenue from sale of infirm power to be Rs. 1.43 Cr. But as per the associated annexure-P-9, the figure is Rs. 1,45,04,411/-.

Reply:-

In this regard, it is submitted that the revenue generated from the sale of infirm power from Sawra Kuddu HEP is Rs. 1,42,62,832/-. The supporting document annexed with the associated annexure P-9 was extracted from the HPPCL SKHEP office record wherein the amount of Rs. 1,42,62,832/- is verified along with the deviation amount for wk-50 of FY-2020-21 of Rs. 2,41,579/- which is the week after COD. This deviation amount of Rs. 2,41,579/- is not to be considered as the revenue generated from the sale of infirm power from SKHEP which was inadvertently not included in Annexure-P-9. The legible copy of the same is annexed as (Annexure-8-A).

- b. In reference to Para 3.8, the Petitioner has mentioned that the total payment released by HPPCL under LADF against Sawra Kuddu HEP is Rs. 8.44 Cr before COD. But the exact amount mentioned in the annexure-P-12 is Rs. 8,37,79,500/-.

Reply:-

The work amounting to Rs. 5,92,502/- was executed by HPPCL with due consent of Chairman of LADF and the supporting documents in this regard are attached as (Annexure-8-B). This amount was inadvertently not included in Annexure-P-12

- c. In reference to Para 3.11.3, Table No- 14, the figures in the Petition is varying from the ones mentioned in the annexure as follows:

Reference from Table No.	Amount of cost as on COD (in Rs.)	Remarks
14		
Misc works of Contract (Annexure P-16 for 1 to 5 above)	14,76,951	There are various documents provided in Annex P-16. The Petitioner should provide re-submit the document referring to the amount claimed.

ATTEN

Vijay Kumar Sakshi
Advocate cum Notary Public
First Floor, Vaidya
Shimla (H.P.)

Reply:- The document referring to the amount claimed as Rs. 14,76,951/- are enclosed at page no. 935 (Annexure 2-5) and page no. 1197 of the original petition. However, copy of the same is enclosed herewith as (Annexure- 8C (A)) for ready reference.

Escalation (Annex-P-17)	46,34,48,115	Rs. 46,34,21,103 as per price escalation bills submitted in Annexure P-17
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Reply:- The amount of price escalation bills as on COD of Rs. 46,34,48,115 may be read as Rs. 46,34,21,103 in line with the price escalation bills submitted in (Annex. P-17).

Geotechnical instrumentation work awarded as separate contract for the entire project. Amount considered for DBID Package (Annex P-19)	52,34,324	Rs. 1,60,74,912 as per LoA provided in Annex P-19
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Reply:-The Geotechnical instrumentation work was awarded as separate contract for the entire project. The work of Geotechnical instrument was awarded for an amount of Rs. 1,60,74,912/-. Work was executed upto March, 2020 for an amount of Rs. 1,42,28,057/- and capitalized accordingly.

The amount in this regard considered for determination of Tariff petition is as under:-

Table no. 14	Geotechnical Instrumentation	Rs. 52,34,324/-
Table no. 15	Geotechnical Instrumentation	Rs. 26,31,690/-
Table no. 16	Geotechnical Instrumentation	Rs. 65,41,823/-
Total		Rs. 1,44,07,837/-

APPEAL
Vijay Kumar
Advocate cum
Yash Bhatia
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However, in table No 15 the amount may be read as 24,51,910/- instead of Rs 26,31,690/- Thereby, total expenditure is Rs 1,42,28,057/- The supporting documents are already attached with the petition from page no. 1419 to 1422. Additional supporting document to authenticate the expenditure of Rs. 1,42,28,057/- is attached Annexure-8-C(i).

Other Misc works (Annex-P-21)	5,33,41,791	Rs. 5,03,93,712 as per "Expenditure detail of DBID (Final)" provided in Annex P-21.
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Reply:- The supporting documents for the differential amount of Rs. 29,48,079/- are annexed as (Annexure-8-c-ii).

- d. In reference to Para 3.11.3, PACKAGE - II, Table No - 15, the figures mentioned by the Petitioner in 3(b) for Price variation paid to M/s HCC Ltd (i.e. Rs. 7,44,81,714) is different than the figure mentioned in the respective annexure-P-27 (i.e. Rs. 7,65,73,264).

Reply:-

In reference to Para No 3.11.3, the amount depicted in Annexure P-27 i.e Rs 7,65,73,264/- which includes GST amount in some escalation bills. The amount of GST was adjusted from this amount i.e. amount of 7,65,73,264/- and adjusted in Table 15 (8) i.e Differential amount of GST. Hence, amount against Price Variation may be read as 7,44,81,714/- only. The supporting document in this regard is already attached with the petition at page no. 1980.

ATTESTED

Vijay Kumar Sakshi
Advocate cum Notary Public
Veer Bhawan, Vikas Nagar
Shimla (H.P.)

In reference to Para 3.11.3 (Taxes & Duties), the figure mentioned in the petition (i.e. Rs. 4.86 Cr against CST/Service Tax/GST has been paid to the contractor against Supply & Service Contract under E&M package) is different from the figure mentioned in the corresponding annexure-P-48 (i.e. Rs. 2,75,12,023).

Reply:-

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The figures against Taxes & Duties (CST/ST/GST) against Supply & Service Contract under E&M package mentioned in the corresponding Annexure P-48 is reproduced below:-

Sr. No.	Page no. of the petition	Amount (in Rs.)
1.	003959	2,75,12,023
2.	003960	54,35,284
3.	003961	1,38,02,989
4.	003962	16,75,930
	Total	4,84,26,226

The figure mentioned in the petition has been inadvertently rounded off to Rs. 4.86 crore which should have been Rs. 4.84 crore which is matching with the supporting documents attached with the petition as Annexure P-48 amounting to Rs. 4,84,26,226/-. The figure of Rs. 2,75,12,023/- as mentioned in the query of HPERC against pt. no. 8 e is only against one Schedule.

- f. The Petitioner has mentioned the cost impact due to expenses incurred on facilitating the shipment of heavy equipment under E&M package to be Rs. 0.72 Cr but the corresponding annexure-P-56 says Rs. 63,38,682/-.

Reply:-

The expenses incurred on facilitating the shipment of heavy equipment under E&M packages is Rs. 0.72 crore only. The corresponding annexure in this regard may be found at page no. 004179 (wherein accounting voucher no.38 dated 23.04.2015 for Rs. 34,32,000/- is attached) and page no. 004181 (wherein accounting voucher no. 472 dated 30.08.20212 for Rs. 38,03,000/- is attached) which sums to Rs. 0.72 crore.

HPPWD has submitted the tentative estimate of Rs.63,38,682/- accordingly HR was prepared and 1st instalment of Rs. 38.03 Lacs was

ATTESTED

Vijay Kumar Saklani
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Vishal Chowdhary, Vikas Nagar
Shimla-171009

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released; later on after completion of work actual expenditure incurred was Rs. 72,35,000/- as intimated by HPPWD and accordingly balance amount (Rs. 34.32 Lacs) was released.

9. Please re-submit clearly scanned copies of Annexures P-3, P-9 and P-12.

Reply:-

The clear copy of Annexure P-3, P-9 and P-12 are annexed as (Annexure-9).

10. Please provide a brief summary of list of Annexure submitted for the Petition.

Reply:-

The brief summary of list of Annexure submitted for the Petition is annexure as (Annexure-10).

A. Queries related to Capital Cost and Additional Capitalization:

11. Please submit the Auditor's Certificate as the supporting documents for the actual Capital Cost till COD mentioned in table 4 of the Petition.

Reply:-

Necessary certification by CA firm of actual Cost on CoD is attached as Annexure-11.

12. Please clarify if grant has been provided by any agency for funding the project.

Reply:-

No funds in the form of grant have been received for the project.

13. Please clarify the line item "Other earnings during construction period" in table 4 of the Petition and also provide the year wise break up.

Reply:-

The "Other earnings during construction period" includes income from rent, intt. income security, intt. Income cont/sup, misc. receipts, bank interests, refund of excess amount, sale tender forms, sale of scraps, int. bank deposit/fdr, Id charge contract/sup, inc. transit guest house, house license fee inc and sale of infirm power. The year wise breakup is annexed as Annexure-13.

ATTES
Vijay Kumar Saini
Advocate cum Notary Public
Gesh Bhaeng, V. No. 1
Srinagar (J.K.)

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14. Please provide the details of Capital Cost along with year-wise bifurcation certified by the Auditor as follows (in Rs. Cr):

FY	Debt	Equity	Grant (if any)	Total Capital Cost
FY 2011-12				
FY 2012-13				
..				
FY 2023-24				
Total				

Reply:-

Necessary certification by CA firm for year wise Capital Cost is attached as Annexure-14.

15. Please submit adequate documentary evidence (like communication letters, etc.) for equity infusion for the project from Govt. of HP. Further, please submit the details of equity infusion as under:

FY	Date of Equity infusion	Total Equity infused	Equity infused for Swara Kuddu Project	Details of equity infused for other projects
	DD/MM/YY	In Rs. Cr.	In Rs. Cr.	
FY 2011-12				
FY 2012-13				
..				

ATTESTED

Vijay Kumar Sakiani
Advocate cum Notary Public
Yash Bhawani, Vikas Nagar
Shimla (H.P.)

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General Manager (Generation)
HPPCL, Himfed Building,
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FY	Date of Equity infusion	Total Equity infused	Equity infused for Swara Kuddu Project	Details of equity infused for other projects
FY 2023-24				
Total				

Reply:-

Sanction letters/communication from GoHP in respect of equity infused along with details in required tabular format is attached as Annexure-"15A" "15B" & "15C" as proof.

16. In reference to Table-09, please submit the following:

- a. Loan agreements and sanction letters from all funding agencies i.e. ADB, PFC and UCO Bank.

Reply:-

Loan Agreements, relevant to loans pertaining to the project are attached as Annexure-"16A, 16B & 16C".

- b. The amount of annual repayment and the actual loan amount repaid to all the lender till date.

Reply:-

1. Govt. of HP: NIL

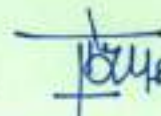
2. PFC: Fully Re-paid (The loan was availed by HPSEBL for 453,00,00,000/- from PFC, which was partially transferred to HPPCL for Sawara Kuddu for 28,02,21775/- which was fully repaid by HPPCL. Loan Closure certificate is also attached (Annexure-16-C).

3. UCO Bank : Fully Re-paid (Annexure 16-B attached)

ATTESTED

Vijay Kumar Baidani
Advocate cum Public
Notary, Shimla
Himachal Pradesh

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General Manager (Generation)
HPPCL, Himfed Building,
New Shimla-171009

17. In reference to Table-09, please clarify "Repayment paid before COD" of Rs. 2.76 Cr along with documentary evidence.

Reply:-

The documentary evidence in the form of Balance Confirmation/Bank letter is, placed as Annexure-"17", as a proof of repayment of loan, before COD, related to UCO Bank Term Loan, availed by HPPCL/Project.

18. In reference to break up of Capital Cost provided in Table Nos. 4, 12 and Para 12 of the Petition, please submit the following:

- a. In reference to Table No. 12, the DPR approved cost for "Land & Preliminary including Development, Investigation and planning" is Rs. 6.08 Cr, whereas the Petitioner has claimed an amount of Rs. 288.72 Cr. In Para 3.11 (Page No. 33 of the Petition), the increase in amount of Rs. 45.78 Cr. is given due to land acquisition and remaining amount is attributed towards land compensation as per various judgments. In this regard, please provide the supporting documents towards land compensation.

Reply:-

The claimed amount of Rs. 288.72 cores against the DPR approved cost of Rs. 6.08 crore under "Land & Preliminary including Development, Investigation and planning" is on account of actual cost of Rs. 45.78 crores given to the land owners, whose land was acquired for the project an amount of Rs. 242.94 crores was against the enhanced amount u/s 18 & 28 A of the Land Acquisition Act, 1894 given to the land owners as per the judgment of Hon'ble High Court.

The supporting document in support of claimed amount of Rs. 288.72 towards land compensation is annexed as Annexure-18-a.

- b. In "Environmental Management Plan (EMP) of SKHEP", please clarify the amount claimed against various components such as "CAT", EMP, Environment & Ecology along with supporting documents.

ATTESTED

Vijay Kumar Saldam
Advocate cum Notary
Yash Bhowan, Vikas Nagar
Shimla (H.P.)




General Manager (Generation)
HPPCL, Himited Building,
New Shimla-171009

Reply:-

Environmental Management Plan (EMP) of SKHEP consists of a set of mitigation, monitoring and institutional measures to be taken during the design, construction and operation (post construction) stages of the project. EMP of SKHEP has been approved by Ministry of Environment & Forest Additional Director GoI, MoEF letter No. J-12011/13/2006-IA-1 dated 17th May, 2007 & Extension of Environmental Clearance accorded by GoI MOEF&CC vide letter No. J-12011/13/ 2006-1A-1 dated 14.12.2017. EMP comprises all the 8 major aspects (Land environment, Water Resources & water quality; Auaic and terrestrial ecology; Socio-Economics; Air environment, Noise Pollution and Public Health. Baselines against each parameter have been considered and assessed and accordingly mitigation and abatement measures have been suggested with their financial implications. Allocation of funds for different works of Environment Management Plan is Rs.1935.83 Lakhs and its utilization till March, 2021 is Rs.2248.86 Lakhs including direct expenditure made by HPPCL and indirect expenditure made by its contractors. A provision of Rs.19.36 Crores has been kept for implementation of the EMP which includes the cost of implementation of environment safeguards.

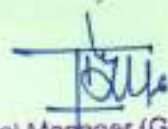
Major components of EMP of SKHEP is as under:-

1. Catchment Area Treatment- Total area of 263.0 sq km is considered under the CAT plan for Afforestation/soil conservation and associated works. 42932 Nos. of trees has been planted by the forest department covering total area of 39.03 Hac. Against total outlay of Rs.731.08 Lacs Rs. 6,62,42,920/- has been deposited in CAMPA till date.
2. Environment Monitoring Programme: As already finalized by HP State Pollution Control Board (HPSPCB) monitoring cost of all the parameters (Air, Water and Noise) is made against the annual cost of implementing of Environment Monitoring Plan(EMP) of Sawra Kuddu HEP of HPPCL(111MW). Further, it is submitted that total expenditure of amounting to Rs.1,33,33,857/- i.e.(Rs.1,21,72,180/- deposited to HPSPCB and Rs.11,61,677/-

ATTESTED

Vijay Kumar Saldow
Advocate cum Notary Public
Vishw Brhaspati, Vikas Nagar
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General Manager (Generation)
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New Shimla-171009

expenditure against the provision of Filed Helpers) has been made by SKHEP as per EMP till March,2021.

Expenditure under Environment Management Plan (EMP) of Sawra Kuddu HEP		
Sr.No.	Component	Amount in Rupees
1	CAT Plan	6,62,42,920/-
2	Environment Monitoring Programme implemented by HPSPCB	1,33,33,857/-
3	Consent to Establish /Consent to Operate	52,80,925/-
4	Dumping Site Reclamation	36,66,969/-
5	Rim area Plantation	3,07,031/-
6	Plantation works	4,76,327/-
7	CA+ NPV i.r.o. 0.69 Hac. Land	36,487/-
Total		8,93,44,516/-

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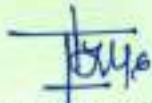
Vijay Kumar Saluja
 Accounts Officer, Noida
 HPPCL, Himachal Pradesh
 New Shimla-171009

The supporting documents in this regard are attached as Annexure-18-b.

c. In reference to Table No. 4, please provide adequate justification for variation with DPR approved cost for the following components:

Work Detail	DPR Approved	Cost on COD (B)	Variation (B-A) (Rs. In Crores)
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 General Manager (Generation)
 HPPCL, Himachal Pradesh
 New Shimla-171009

	Cost (A) (Rs. In Crores)	(Rs. In Crores)	In
Other Infrastructure Works including building roads maintenance, Tools & plants	25.80	39.94	14.14
Buildings & Plantation	13.47	27.96	14.49
Roads	2.15	10.97	8.82
Environment & Ecology & Losses on stock	11.04	14.68	3.64
CAT	0.00	7.31	7.31
Study and Research	0.00	0.12	0.12
EMP	0.00	3.01	3.01
Environment & Ecology	0.00	4.24	4.24
Establishment Charges and audit & accounts	24.08	242.96	218.88
Employee Cost	0.00	84.39	84.39
Vehicle Expenses	0.00	5.23	5.23
Office & Administrative Expenses	0.00	7.03	7.03
Repair & Maintenance	0.00	1.07	1.07
Investigation & Survey	0.00	8.25	8.25
Consultancy Charges	0.00	3.35	3.35
LADF	0.00	30.01	30.01

ATTESTED

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Shimla-171009

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General Manager (General)
HPPCL Limited Building,
New Shimla-171009

Common Cost (corporate office) & depreciation during construction	0.00	103.63	103.63
Civil Works	218.65	841.05	622.40
Total	301.27	1723.92	1422.65

Please submit the breakup of above components. Further, please provide supporting documents with approvals from Board members for above components of Cost claimed.

Note: Values taken in the aforementioned Table are not correct, the correct table contents as per Table-4 of the original petition is as below.

Work Detail	DPR Approved Cost (A) (Rs. In Crores)	Cost on COD (B) (Rs. In Crores)	Variation (B-A) (Rs. In Crores)
Other Infrastructure Works including building roads maintenance, Tools & plants	25.80	39.94	14.14
Environment & Ecology & Losses on stock	11.04	14.68	3.64
Establishment Charges and audit & accounts	24.08	242.96	218.88
Civil Works	218.65	841.05	622.40
Hydro mechanical works			

ATTESTED
Vikas Kumar Saini
Advocate cum Public
Trust Attorney, Vikas Nagar
Shimla (P.S. No)

Reply:-

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The Justification in reference to Table No, the adequate justification for variation with Detailed Project Report (DPR) approved cost is as under;

Building & Plantation:-

The provision of Building under K- Building in DPR is amounting to Rs 1347.00 Lakh (March, 2003 Price level), the work executed against this head is Rs 2796.00 Lakh. The work is executed as per actual requirement at site.

As per the DPR provision for Buildings both residential & Non-residential building were grouped separately under permanent & temporary category. Under the permanent category all those building had been included which were to be utilized for operation & maintenance of project. Under the temporary category credit to the extent of 15% given to the project on account of resale thereof. The cost was worked out on the basis of plinth area rate prevalent in the project area. A provision of 13.470 crore had been made.

The project activities were commenced from June,2005 for infrastructure & site development works before the award of main packages . Initially permanent Project office, Rest Camp & residential colony was developed at Rohru for running of the offices & residing of Officers posted at the Project. Thereafter the residential colony comprising of permanent & temporary were developed at Hatkoti & Snail near to Barrage site & Power House Complex respectively. The development of land and subsequent construction of colonies were carried out through the call of Tenders. An expenditure of amounting to Rs. 27.96 cr has been incurred on this account. The increase in the cost was mainly due to increase in the Price level on 2003 on which the DPR was prepared

Roads:-

The provision of Road under R- Communication in DPR is amounting to Rs 215.00 Lakh (March, 2003 Price level), the work executed against this head is Rs 1097.02 Lakh. The work is executed as per actual requirement at site.

ATTENDED

Vijay Kumar Bakshi
Associate Engineer (Public
Works) - Group - VI (A) (Civil)
Shimla-171009

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General Manager (Generation)
HPPCL, Himfed Building,
New Shimla-171009

As per the DPR provision of Rs. 2.15 cr had been kept to cover the cost of roads required to be constructed for the execution of various component. The cost of the roads evaluated was based upon the current rate in the Project area.

As per the DPR the Head Race Tunnel of the Project had the provision of one no. Adit i.e Jhaki Adit. However, considering the substantial length of the HRT , to provide additional work fronts/faces the number of Adit were increased to 4 numbers i.e. Adit-I, Adit-II , Adit-III & Adit-IV. Later on an additional intermediate Adit Between Adit-I & Adit-III was also introduced /incorporated. An expenditure of amounting to Rs. 10.97 Cr has been incurred on this account.

The increase in the number of Adits and subsequent increase in the approaches to be connected to the main Road & escalation effect on the DPR which was prepared based on the cost at March, 2003 price level led to the increased in cost of the ibid component.

Environment & Ecology:

The cost against Environment & Ecology & Losses on stock amounting to Rs. 11.04 crores as per DPR of SKHEP consists of Environment & Ecology for Rs. 10.14 crores, Losses of stock for Rs. 0.65 crores and CAT, Study and Research, EMP under Plantation for Rs. 0.25 crores. The cost on COD against Environment & Ecology & Losses on stock is Rs. 14.68 crores which includes cost on CAT for Rs. 7.31 cores, Study and Reasearch for Rs. 0.12 crores, EMP for Rs. 3.01 crores and Environment & Ecology for Rs. 4.24 crores. The DPR The cost under this heading has been incurred as per actual requirement.

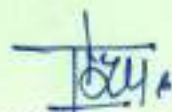
ATTESTED

Vijay Kumar Sekhri
Advocate cum Notary Public
Vish Bazar, Vikas Nagar
Jammu (H.P.)

Establishment charges:

The establishment charges considered in DPR of SKHEP was considered @ 8% of I-works for Rs. 21.40 crores and the audit and accounts @ 1% of I-works for Rs. 2.6751 crores which comes out to Rs. 24.08 crores. The Establishment charges includes Employee cost,

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-PPCL, Himed Building,
Shimla-171009

vehicle expenses, office & administrative expenses, R&M expenses, investigation & survey, consultancy charges, LADF, Common cost & depreciation during construction.

The cost on COD against Establishment charges and audit & accounts is Rs. 242.96 crores which includes Employee cost (Rs. 84.39 crores), vehicle expenses (Rs. 5.23 crores), office & administrative expenses (Rs. 7.03 crores), R&M expenses (Rs. 1.07 crores), investigation & survey (Rs. 8.25 crores), consultancy charges (Rs. 3.35 crores), LADF (Rs. 30.01 crores), Common cost & depreciation during construction (Rs. 103.63 crores). The DPR of Sawra Kuddu HEP was based on 2003 price level and the increase in cost on COD is due to the time overrun and cost overrun occurred in the project.

For LADF head in particular, it is submitted that the DPR of SKHEP was approved in 2003 and the Hydro Power Policy, 2006 provides that 1.5% of the final cost of the project above 5 MW and 1% of the final cost of the project upto 5 MW shall be contributed as LADF for infrastructural development. The guidelines for management of LADF for Hydro Project was notified vide no. MPP-F 910/15/2006 dated 16.09.2009.

The reasons for variation in civil works are well elaborated in the already submitted petition and can be found at pages from 36 to 59 please.

Note:- Necessary approval from BOD is under process and shall be submitted shortly.

- d. In reference to Para 3.8, the Petitioner has submitted that the LADF amount is Rs. 30.02 Crore. In this context, please provide the year-wise working along with proof of payment.

ATTESTED

Vijay Kumar Saklani
Advocate cum Notary Public
12th Floor, Vasant Nagar
Gurgaon (Haryana)

Reply:-

The year-wise break up of payment is as below:-

FY-2007-08	Rs. 1,94,40,000/-
FY-2008-09	Rs. 1,94,00,000/-

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General Manager (Generation)
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Law Shimla-171009

FY-2012-13	Rs. 2,44,00,000/-
FY-2013-14	Rs. 2,05,39,500/-
FY-2017-18	Rs. 16,12,00,000/-
FY-2018-19	Rs. 2,71,92,502/-
FY-2019-20	Rs. 1,90,00,000/-
FY-2020-21	Rs. 90,00,000/-
Total	Rs. 30,01,72,002/-

Out of the above amount provisions of an amount of Rs.21.58 has been kept in respective financial years, however, the payment against same shall be finalized/released as per final Capital cost of the project approved by HPERC.

The proof of payment of amount i.e. Rs.8.44 crore is attached as Anneuxre-18-d.

- e. Please submit the complete working of Interest during construction amount of Rs. 530.79 Cr. along with date-wise loan drawl from all funding agencies in the excel format (as already submitted in Table 32).

Reply:-

The Financial Year wise detail of the Interest during construction, for the amount of Rs. 530.79 Cr. and the available date-wise loan drawl from all funding agencies along with calculations of Interest on loan has been submitted for the F.Y. 2017-18 to 2022-23, in hard copy is attached as Annexure-"18-E" and the date-wise loan drawl from all funding agencies in the excel format is supplied through CD.

In reference to Table No. 12, the Petitioner has claimed Rs. 6.60 Cr. towards "Others (Misc-O) including vehicles, construction power" against approved DPR cost of Rs. 8.67 Cr. In this regard, please submit the following:

- i. Break-up of different cost elements included in Rs. 6.60 Cr.

Reply:-

The Breakup of different cost elements viz. Infrastructure development construction power, electronics & electrical items and vehicles included in Rs. 6.60 Cr. is attached as Annexure-18-f-i.

ii. Year-wise break up.

Reply:-

The year-wise break up attached as Annexure-18-f-ii.

iii. Further in Para 3.11.1 (Page No. 35 of the Petition), it is mentioned in justification for the above head that the amount is incurred against expenditure of Govt. vehicle engaged at Site, deposit work against 22 kV dedicated feeder constructed for construction power and against different articles of office like computers, Photostat machines etc. In this regard, please clarify if the word "deposit" being referred to is funded from consumer deposit.

Reply:-

The deposit being referred is funded from HPPCL own funds for providing construction power & paid to HPSEBL .

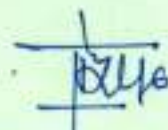
iv. Further in Para 3.11 (Page No.35 of the Petition), the Petitioner has claimed Rs. 5.23 Cr. towards vehicle expenses under the head "Establishment charges". Please submit the rationale of claimed expenditure of Govt. vehicle expenses again as mentioned in Para 3.11.1.

Reply:-

The claimed expenditure of Govt. vehicle expenses in para 3.11.1 under head "*Other (Misc-O) including vehicles, construction power*" is the expenditure incurred for procurement of govt. vehicles, wherea amount claimed under establishment charges of Rs. 5.23 crores is against expenditure on hired vehicles and running & maintenance of govt. vehicles.

ATTESTED
Vijay Kumar Sakhani
Advocate cum Notary Public
Yash Bhawani, Vikas Nagar
Shimla (H.P.)

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General Manager (Generation)
HPPCL, Himed Building,
ex Shimla-171009

- g. In reference to Table No.4, please submit supporting document for expenditure of Rs. 2.30 Cr. under Rehabilitation & Resettlement (R&R) works along with approvals from GoHP for R&R package required as per the HPERC (Terms and Conditions for determination of Hydro Generation Tariff), Regulations, 2011.

Reply:-

The R&R for SKHEP has been implemented as per R&R policy for project adopted by HPPCL based on guideline of Govt. of Himachal Pradesh. A copy of R&R policy along with supporting documents of already released amount against R&R policy is attached as annexure-18 G.

19. Please summarize all the award of works/ contracts (more than Rs. 5 lakhs) with respect to the project along with supporting documents in the following format:

Contractor Name	Contractor 1	Contractor 2	...	Contractor N
Name of Package (as indicated in Petition)				
Date of Award				
Date of Contract agreement				
Date of actual Commencement of work				
Timeline for completion (months) as per contract				
Actual date of completion				
Delay (in days)				
In case of delay, LD to be recovered as per contract				

ATTEN

Vijay Kumar Saksena
Advocate cum Public Prosecutor
Veer Brahmaji, Vikas Nagar
Shimla-171009




General Manager (Generation)
HPPCL, Himachal Building,
New Shimla-171009

(in Rs. Cr.)				
If LD recovered (Yes/No)?				
Amount awarded (in Rs./Cr.)				
Completion cost (in Rs./Cr.)				
Price variation occurred?				
If yes, provide price variation (in Rs. Cr.)				
Price variation allowed in contract agreements (in %) along with references				
Reference for copies of LoA and Contract agreement				

Reply:-

The detail is attached as Annexure-19 & Annexure-19(A).

20. For other than civil and electromechanical works, please submit the copies of LoA and contract agreements for works awarded to 3rd parties.

Reply:-

The detail is attached as Annexure-20 & Annexure-20(A).

21. Please submit the Board approvals (or approval from the competent authority), wherever applicable for increase in actual cost against the awarded cost to the contractor.

Reply:-

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The copies of approvals from the competent authority on case to case basis of deviation iro Civil and Electromechanical packages for increase in actual cost as on COD are attached with the main petition at page no. 1011 to 1045 for Barrage , at page no. 1710 to 1776 for HRT component & at page no. 1953 to 1963 for Additional Adit of Civil Package & at page no. 3820 to 4224 for E&M package.

22. Please provide adequate documentary evidence to justify the price escalations as per contract clause, wherever applicable.

Reply:- The Price variation was paid against the following Contract Agreements.

- i) For Package No :-I Contract Agreement No;- SK/C-I for Construction of Diversion Barrage, Power Intake, Desanding arrangement, & Gates and Hoisting Arrangement complete in all respect for Sawra-Kuddu HEP (111MW). Located in District Shimla of Himachal Pradesh.
Clause:- Section-8, Particular Condition of Contract, Sub- Clause 13.8 Adjustment for Changes in Cost.
- ii) A) Package-II Contract Agreement No SK/C-II for Construction of 11145m long Head Tunnel and Adits of Sawra-Kuddu HEP, Clause 70, Price Variation.
- B) Package-II, Contract Agreement No SK/C-II Balance Work for Construction of 5.0 m dia. D shaped, Head Race Tunnel (HRT) from Rs 0.00 to RD 11145 complete in all respects- Balance works i.e underground excavation of 1643m, concrete lining of overt 9057m, concrete line of invert 10691m, support system in already excavated reach (wherever required), steel liner in 530m tunnel length, 1 No inspection gate etc. for Sawra Kuddu HEP (111MW) in Distt. Shimla (HP).
Clause 70, Price Variation.
- C) Package-II, Contract Agreement No SK/C-II Additional Adit for Construction of HRT of Sawra-Kuddu HEP Sub Head:- (a) Construction of \pm 427m long, 5 m D- shaped additional Intermediate Adit between Adits No-I & II of Head Race Tunnel joining the HRT approximately at RD \pm 1482.00m and (b)

ATTESTED

Vijay Kumar Gaklem
Advocate cum Notary Public
Yash Bhawng. Vedic Nagar
Shimla (H.P.)

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construction of 5m D-shaped Head Race Tunnel up to $\pm 432.00\text{m}$ upstream and up to $\pm 263.00\text{m}$ downstream immediately from junction of the additional intermediate adit with HRT complete in all respect for Sawra-Kuddu HEP (111MW) located in District Shimla of HP

Clause 70, Price Variation.

- iii) For Package No :-III Contract Agreement No;- SK/C-III for "Power House Complex" Comprising construction of Surge-Shaft, Pressure Shaft, Machine Hall, Erection Bay, Control Bay, Transformer Cavern, Pot Head Yard, Cable Tunnel, MAT & Other tunnels, and Tail Race Tunnel complete in all respect for Sawra-Kuddu HEP (111MW) located in District Shimla of Himachal Pradesh. Clause:- Section-8, Particular Condition of Contract, Sub- Clause 13.8.
- iv) For E&M package :- Generating units with associated auxiliaries, generator transformers, 245KV GIS, XLPE cable and other power plant equipments for power house complex, pothead yard area, barrage area & BFV house area:- section-1 appendix-2 price adjustment.

The supporting documents in this regard are attached as Annexure-22.

23. In reference to awards of contract for Civil Works and Electromechanical works, please clarify the following:

- a. In reference to Table 13, the DPR cost is Rs. 218.65 Cr., whereas the awarded cost is Rs. 695.91 Cr. The Petitioner has cited common reason for increase in awarded cost i.e. price escalation effect on 2003 price level as one of the reasons for each of the packages. In this regard, please quantify the cost increase specifically due to price escalation. Further, please prove through calculation and analysis the escalation in price vis-à-vis the awarded cost.

Reply:-

The calculation and analysis the escalation in price vis-à-vis the awarded cost attached as Annexurte-23(a).

ATTESTED
Vijay Kumar Saklani
Advocate cum Notary Public
With Branch Office, Shimla
Shimla (H.P.)

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General Manager (Generation)
HPPCL, Himed Building,
New Shimla-171009

24. Please submit the payment proof of amount paid to the Contractors along with summary.

Reply:-

The payment proof of amount paid to the contractors iro Civil/HM package are already attached with the petition at page no. 1159 to 1338 (P-16)(DBID-Works), 1339 to 1384 (P-17) (DBID-Escalation), 1393 to 1408 (P-18) (TRCM), 1419 to 1422 (P-19) (Instrumentation), 1423 to 1453 (P-20) (Detial of Service Tax released against DBID to M/s PEL), 1454 to 1458 (P-21) (Expenditure detail of DBID (final)), 1471 to 1536 (P-23)(HRT-Coastal), 1537 to 1562 (P-24) (HRT-Coastal Escalation), 1563 to 1576 (P-25) (HRT F0-Coastal), 1577 to 1872 (P-26) (HRT Balance Work-M/s HCC), 1873 to 1880 (P-27) (HRT Balance work-M/s HCC Escaltion), 1881 to 1965 (P-28) (Additional Adit), 1966 to 1966 (P-29) (Additional Adit Escalation), 1967 to 1976 (P-30) (Misc works in respect of HRT), 1977 to 1985 (P-31) (Detial of GST paid in Balance work of HRT), 1986 to 3123 (P-32) (PH running account bill), 3124 to 3151 (P-33) (Escalation bill PH), 3152 to 3166 (P-34)(Expenditure of PH) and 3167 to 3224 (P-35) (Earth Mat), whereas the payment proof of amount paid to the E&M contractor in shape of pass orders along with summary is attached as Annexure-24.

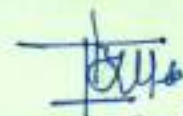
25. In reference to Para 3.11.3, Package 1 Diversion Barrage, Power Intake and De-sanding Arrangement & HM works:

- a. In Table 14, the bifurcation of subcomponents of "Diversion Barrage, Intake and De-sanding Arrangement & HM works" such as Diversion barrage (Rs. 157.93 Cr.), is not provided in LoA or Contract Agreements (i.e. Annexure P22). In this context, please submit the full document justifying the same along with references.

Reply:-

The LoA amounting to INR 2,83,49,15,127 was issued as whole Contract for Package No :-I Contract Agreement No;- SK/C-I for Construction of Diversion Barrage, Power Intake, Desanding arrangement, & Gates and Hoisting Arrangement complete in all respect for Sawra-Kuddu HEP (111MW). Located in District Shimla of Himachal Pradesh vide No HPPCL/ CCPC/ Tender Sawra-Kuddu (Intake) /09-770 dated

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General Manager (Generation)
HPPCL, Himfed Building,
New Shimla-171009

ATTESTED

Vijay Kumar Bhatnagar
Advocate, Himachal Pradesh
High Court, Shimla
Shimla (H.P.)

25.08.2009. The BOQ as per contract is enclosed as Annexure-25A based on the quantity workout from different works, component wise cost of Diversion Barrage, Power Intake, Desanding Chamber, HM works etc. Was work out and the details are enclosed as annexure-25A(1) and summarized as under:

Description	Amount	Remarks
Diversion Barrage:	INR 1,57,93,15,627	Item A of annexure-25A(1)
Power Intake:	INR 24,36,34,122	Item B of annexure-25A(1)
Desanding Arrangement:	INR 75,24,46,453	Item C of annexure-25A(1)
Hydro Mechanical Works:	INR 25,74,06,433	Item D of annexure-25A(1)
Miscellaneous Items:	INR 21,12,492	Item E of annexure-25A(1)
Total	INR 2,83,49,15,127	

- b. In Table 14, it is mentioned that Price Variation of Rs. 46.34 Cr. is paid out separately as per Contract clause. Please clarify against which components in table 14, the price variation have occurred and how much price variation is allowed as per contract agreement.

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Vijay Kumar Saklan
Advocate cum Notary Public
Yash Bhawan, Vikas Nagar
Shimla (H.P.)

Reply:-

Total escalation paid against Package-I i.e for Construction of Diversion Barrage, Power Intake, Desanding arrangement, & Gates and Hoisting Arrangement complete in all respect for Sawra-Kuddu HEP (111MW). Located in District Shimla of Himachal Pradesh is amounting to Rs 46.34 Cr. The Price variation was paid as per Contract Agreement Clause, Section-8, Particular Condition of Contract, Sub-Clause 13.8, (copy already enclosed at Annexure-22.)

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- c. In Table 17, the completion date as per contract agreement is given as 7th June, 2012, whereas the actual completion date given in contract is 9th May, 2012 (i.e. 32 months from date of contract agreement of 9-Sep-2009). In this regard, please justify the discrepancy.

Reply:-

As per Clause 8.2 of Contract Agreement Document II of V and Section-8 PCC, completion period allowed for completion of whole of works was 32 months i/c the period for mobilization and was to be reckoned from the date at which the precedent conditions described in Clause 8.1 of document II of V (copy enclosed as Annexure-25C) have been fulfilled and on such fulfilment the EIC's instruction to commence the work is received by the contractor. The EIC notified the date of commencement to the Contractor as 08.10.2009 (copy enclosed as Annex-25C(1)). As such the commencement dated was reckoned from 08.10.2009 and the completion period works out to as 07.06.2012.

26. In reference to Para 3.11.3, PACKAGE -II: Construction Head Race Tunnel and Adits:

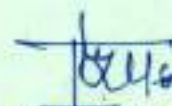
- a. In page no. 45 of the Petition, the Petitioner has mentioned that the contract work with M/s Aban -Coastal JV was terminated, and the contract work executed by this firm was of value Rs. 53.42 Cr (Total award amount was Rs. 115.92 Cr.). The balance contract work of Rs. 62.50 was awarded to M/s HCC Ltd at a cost of Rs. 179.9 crore. Please justify the increase in cost of award for balance work.

ATTESTED

Vijay Kumar Saldawa
Advocate cum Notary Public
Sector Bhawarp, Village Nagar
Shimla (H.P.)

Reply:-

The balance work of Rs. 62.50 crore was awarded to M/s HCC Ltd at a cost of Rs. 179.9 crore due to the following reasons:-

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The Estimate for construction of Head Race Tunnel i/c its adit was sanctioned during 2006 for an amount of Rs 154. 59 Cr against which the work was awarded to M/s Aban Coastal on dated 18.06.2007 amounting to Rs 115.92 Cr, which was Rs 38.68 cr. less than the estimated cost for above work.

After the termination of work from Aban-Coastal JV , an estimate for balance work was prepared & approved for an amount of Rs. 159.28 crore (price level 2014) and the balance work was awarded to M/s HCC ltd at a cost of Rs. 179.9 crore on dt. 03.11.2014. The main reason of increase in cost is due to escalation effect from year 2007 to year 2014. In this award the provision of steel liner was also made which was not in the earlier Contract.

- b. In page no. 45 of the Petition, the Petitioner has mentioned that the work was awarded to M/s Aban –Coastal JV on 18-Jun-2007 with completion timeline of 48 months. Further, the Petitioner granted extension of time till 9-Jan-2014 (with reference to Table 14). However, the work was terminated only on 3-Nov-2014. In this context, please provide the details of extension granted (if any) after 9-Jan-2014.

Reply:-

It is informed that the Extension of Time was granted with levy of liquidated damages up to 09.01.2014 only.

The work was also terminated on dated 09.01.2014 vide letter No HPPCL/AGM/ DB (HRT)/2013-14-569- 83 dated 09.01.2014 (Annexure-26-b).

- c. Please submit the current status of recovery of Liquidated Damages from M/s Aban – Coastal JV.

Reply:-

The matter is still sub-judicious.

- d. In page 56, table no. 19 - Detail of Extension of Time w.r.t HRT Package awarded to M/s Hindustan Construction Company, please provide the number of days of extension for the 3rd extension whose completion date as

ATTENDED
Vijay Kumar Saxena
Advocate
HPPCL, Shimla

per agreement is given as 24.11.2016 and total extension of time approved is from 25.11.2016 to 30.09.2020.

Reply:-

In the third extension, total period from the completion of original contract till 30.09.2020 was covered i.e. total 1406 Days and EOT was granted considering 1136 Days delay non attributable to anyone and 270 Days delay attributed to M/s HCC with levy of L.D., Competent Authority decision stands already appended as Annexure P-42.

27. In reference to Para 3.11.3 (Page No. 59), Electromechanical work package:

- a. Please submit the actual cost against the item wise cost components envisaged in DPR (provided in Table No. 22) vis-à-vis awarded with quantitative analysis.

Reply:-

The detail of the actual cost against the item wise cost components envisaged in DPR vis-à-vis awarded is attached as Annexure 27-a.

- b. Please submit the documentary evidence for remarks mentioned in column of Table 23.

Description	Total Amount in Crores	Remarks
Claim against Warehouse Charges (due to intermediate storage)	Rs. 0.34	Approved Vide Amendment No. 1 circulated vide No.
Claim against Loading unloading due to transshipment :	Rs. 0.15	HPPCL/EC/E&M/Sawra -Kuddu/Vol-
Claim against Impact on Transportation cost due to	Rs. 0.16	20/2016-17-3386-92 Dated 08.03.2017

ATTESTED

Vijay Kumar Saklan
Advocate cum Notary Public
Yash Bhawani, Vikas Nagar
Shimla HPPCL

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	transshipment.:		(copy Already submitted with main petition as annexure P-49)
	Claim against Extended Supervision Cost- Design/Automation/EPS/Site, PM & CPM Cost, Travelling Cost, Site Supervision Cost, Site Running Expenses & Infrastructure maintenance	Rs. 0.20	
	Claim against Cost of Additional Technical, Management & Administrative Services, Care of facility and Extended Installation	Rs. 4.40	Approved Vide Amendment No. 4 circulated vide No. HPPCL/EC/E&M/Saw ra -Kuddu/Vol-24/2018-19-12828-34 dated 29.08.2018 (copy Already submitted with main petition as annexure P-49)
	Claim against Cost of Warranty for the supplies/services:	Rs. 19.58 + Rs.3.35 (EURO 0.04)=Rs.22.93	Approved Vide Amendment No. 1 circulated vide No. HPPCL/EC/E&M/Saw ra -Kuddu/Vol-20/2016-17-3386-92 Dated 08.03.2017 and Amendment No. 5, 09 & 12 circulated vide even file No. 21236-242 dated 02.01.2019, 666-72 dated 16.05.2020 & 14859-65 dated

ATTEN
 Vijay Kumar Siddani
 Advocate cum Public
 Work, Khowasp, Vidya Nagar
 Shimla (H.P.)

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		11.01.2021 respectively. (copy Already submitted with main petition as annexure P-49)
Total Financial Claim amount (Annex-P-49).	Rs. 28.18	
Cost against expenses incurred for extension of bank Guarantees (Annex-P-50).	Rs. 1.01	
Cost against expenses incurred for extension of Erection All Risk Insurance Policy (Annex-P-51).	Rs. 2.05	
Grand Total (A+B+C)	Rs. 31.24	

Reply:-

The documentary evidence for remarks mentioned in column of Table 23 are already annexed with the petition and can be found at Annexure P-49 from page no. 003963 to 004012 of the petition and is tabulated below:-

Remarks for sr. no.	Page no. of the petition	Remarks
1 to 4	003964, 003965, 003966	
5	004000 and 0040001	The supporting document against sr. no. 5 of the Table 23 is for Rs. 3,72,90,250/- which is

Attested
Vijay Kumar Seldan
Advocate cum Property Pucha
104, Bhagwati, Vasant Nagar
Dehra Dun (U.P.)

&

[Signature]

		excluding GST, however the amount of Rs. 4.40 Crore appearing in the table is inclusive GST @ 18%.
6	003964, 003965, 003966, 003931 to 003933, 003995, 003996, 003998, 003999	

c. Please resubmit the Table 28 in the following format

Sr. no.	Completion date as per Agreement	Total Extension of Time Approved			Remarks
		Extension from	Extension to	Total extension granted	
Unit No.	DD/MM/YY	DD/MM/YY	DD/MM/YY	In Days	
1					

Reply:-

The Table 28 in above format is attached as Anneuxre 27-c.

d. In reference to Para 3.11.3, Page No. 77, the Petitioner has mentioned that a committee is scrutinizing the final extension of time in favor of E&M package, however, the approval is still awaited. In this regard, please

ATTESTED

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Yash Bhawan, Vikas Nagar
Shimla 171009

submit the BoD approval for final Extension of Time (EoT) granted for all the 3 Units.

Reply:-

The final extension of time (EOT) in favour of E&M package is still under process.

←

- e. In reference to table 24, please submit computation sheet in excel for variation in exchange rates of foreign currency for which a total variation of Rs. 0.2 Cr has been arrived w.r.t awarded value of the contract agreement of E&M Package.

Reply:-

The computation sheet for variation in exchange rates of foreign currency for which a total variation of Rs. 0.2 Cr has been arrived w.r.t awarded value of the contract agreement of E&M Package is annexed as Annexure-27-e.

- f. Please submit 3rd party documentary evidence to substantiate the delay in power and water availability as mentioned in Table 29.

Table No. 29: Detail of dates of water availability & power evacuation system

Sr. No.	Front	Front Availability date as per PoP	Actual Front Availability date	Total delay in Days
1	Water Availability at MIV	31.03.2012	10.09.2020	3085
2	Availability of Power Evacuation System	31.03.2012	02.11.2020	3138

ATTESTED

Vijay Kumar Bakshi
Advocate cum Special Public
Prosecutor, Himachal Pradesh
Shimla (H.P.)

Reply:-

The 3rd party documentary evidence against the water availability at MIV is not available as no 3rd party was involved in this activity. The 3rd party documentary evidence against the availability of power evacuation system i.e. of HPPTCL is attached as Annexure-27-f.

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15/11/20

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General Manager (Generation)
HPPCL, Himfed Building,
New Shimla-171009

- g. Please submit the rationale for delay (Unit 1-79 days, Unit 2-65 days, Unit 3-43 days) between date of synchronization and date of COD.

Reply:-

In this regard, it submitted that after conducting of Trial run of U#1 & U#2 on dated 12.11.2020 & 05.12.2020 resp. in presence of independent engineer, the report of independent engineer regarding trial run and other requisite reports were sent to Directorate of Energy (DOE), GoHP on dated 12.11.2020 & 07.12.2020 for permission for declaron of COD of U#1. DoE vide its letter dated 16.12.2020 raised certain observations iro U#1 & U#2. Meanwhile the trial run of U#3 was conducted on dated 16.12.2020 in presence of independent engineer and the report of independent engineer regarding trial run and other requisite reports were sent to Directorate of Energy (DOE), GoHP on dated 21.12.2020.

For complying to the observation of DoE various meetings at HPPCL end were held at different times and various different agencies were approached to comply to the observations of DoE. The final reply was submitted by HPPCL to DoE on dated 19.01.2021.

Accordindly, DoE issued the permission to declare COD of U#1, 2 & 3 of Sawra Kuddu on dated 20.01.2021. Accordingly the COD of all the units of Sawra Kuddu was declared on 21.01.2021.

The supporting documents in this regard are attached as Annexure-27-g.

28. In case of extension is granted to the Contractor(s) without levy of Liquidated Damages and it was established that the delay was not attributable to the Contractor. In this context, please provide rationale, wherever applicable, for not levying the LD charges.

ATTESTED

Vijay Kumar Sakshani
Advocate cum Notary Public
Yash Bhawan, Vikas Nagar
Shimla (H.P.)

Reply:-

No such case has been approved in Sawra Kuddu HEP.

29. In case of Extension of time granted for different packages, the Petitioner has submitted various reasons for the same. Please justify the delay attributable to

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each of the reasons with proper 3rd party documentary proof. (For e.g., weather hindrance registers for flash floods, Government notifications, newspaper cuttings for strikes, etc.)

Reply:-

The Package wise detail is as under:

- A. Package No-I: Work was awarded to M/s PEL for the accepted Contract amount of Rs 2,834,915,127/- only vide letter dated 25.08.2009 with a completion period of 32 months from the commencement date, which was reckoned from 08.10.2009 by EIC vide letter dated 08.10.2009. Accordingly the work was to be completed on or before 07.06.2012. Whereas the work was completed on 07.10.2021 (Issue of Taking over Certificate by HPPC with some conditions).

Status of Extension of Time is as under for this Package-1

1. 1st Extension of Time w.e.f. 08.06.2012 to 23.09.2013 without levy of liquidated damages.
2. 2nd Extension of Time w.e.f 24.09.2013 to 03.06.2018 without levy of liquidated damages.
3. 3rd & final Extension of Time from 04.06.2018 to 07.10.2021 is under process of approval.

Copy of approval citing the each reason for delay attributed stands already appended in the petition as P-37 upto 2nd EoT.

B Package-II:-

B-1. Contract Agreement No SK/C-II for Construction of 11145mlong Head Tunnel and Adits of Sawra-Kuddu HEP Work was awarded to M/s Aban Costal for the accepted Contract amount of Rs 115,91,61,063/- only vide letter dated 26.06.2007 with a completion period of 48 months i/c the period for mobilization and was to be reckoned from the commencement date, which was reckoned from 08.10.2009 by EIC vide letter dated 08.10.2009. Accordingly the work was to be completed on or before 17.07.2011. Whereas the work was not completed on by the Contractor and was rescinded and taken over on dated 09.01.2014.

ATTESTED

Vijay Kumar Saklani
Advocate cum Notary Public
Kash. Showup, Vaidh. Huzar
Kashmir (I.P.)

A

General Manager (Generation)
HPPCL, Himad Building,
New Shimla-171009

The Extension of time w.e.f 18.07.2011 to 09.01.2014 for a total period of 907 days, out of which 628 days without LD & 279 days with levy of maximum limit of 10% liquidated damages as per provisions of Contract Agreement was granted.

B-2. Contract Agreement No SK/C-II Balance Work was awarded to M/s HCC for an accepted contract price of Rs 179,90,00,000/- vide letter dated 0.3.11.2014. As per Contract Agreement the completion dated of work was 24.11.2016. The work was actually completed on dated 30.09.2020. The extension of time was granted in the following manners;

1. 1st EoT:- 25.11.2016 to 01.08.2018.
2. 2nd EoT 02.08.2018 to 26.07.2019.
3. 3rd & final EoT reviewed from 25.11.2016 to 30.09.2020 (for total no of days = 1406 days (1136 days attributable to None & 270 days attributed to M/s HCC.

The Extension of time w.e.f. 25.11.2016 to 30.09.2020 (for total no of days = 1406 days out which 1136 days attributable to None & 270 days attributed to M/s HCC with levy of maximum limit of 10% liquidated damages as per provisions of Contract Agreement was granted.

Copy of approval citing the each reason for delay attributed stands already appended in the petition as P-37.

B-3 Contract Agreement No SK/C-II additional Adit was awarded to M/s PEL for an accepted contract price of Rs 19,99,63,518/- vide letter dated 14.01.2013. As per Contract Agreement the completion dated of work was 13.05.2014. The work was actually completed on dated 30.09.2020.

The EoT case for 2605 days w.e.f.14.08.2013 to 30.09.2020 is under process.

B. Package-III Power House Complex. Work was awarded to M/s PEL for the accepted Contract amount of Rs 153,37,32,423/- only vide

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Vijay Kumar Saksoni
Advocate cum Notary Public
Yash Bhawan, Vikas Nagar
Shimla (H.P.)

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General Manager (Generation)
HPPCL, Himfed Building,
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letter dated 22.01.2009 with a completion period of 39 months from the commencement date, which was mutually fixed as 04.03.2009. Accordingly the work was to be completed on or before 03.06.2012. Whereas the work was completed on 22.12.2020 (Issue of Taking over Certificate by HPPC with some conditions).

Status of Extension of Time is as under for this Package-1

1. 1st Extension of Time w.e.f. 04.06.2012 to 28.12.2013 without levy of liquidated damages.
2. 2nd Extension of Time w.e.f. 29.12.2013 to 26.07.2018 without levy of liquidated damages.
3. 3rd & final Extension of Time from 27.07.2018 to 22.12.2020 is under process of approval.

Copy of approval citing the each reason for delay attributed stands already appended in the petition as P-37, however, the supporting documents of the reasons for delay attributed is attached as (Annexure-29) .

30. Please submit Gantt chart in support of the claimed delay in execution of the Project.

Reply:-

The Gantt chart in support of the claimed delay in execution of the Project for balance work of HRT is attached as Annexure-30-I (Soft copy) and as the EOT of DBID , additional adit and PH are yet to be finalized, therefore the Gantt Chart for the same shall be provided accordingly. The Gantt chart of E&M package is attached as Annexure-30-ii (Soft copy).

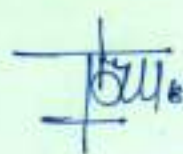
31 Please submit the bifurcation of the claimed delay in completion of project for all awards of contracts into 3 categories along with adequate reasoning: i) Delay due to HPPCL, ii) Delay due to Contractor and iii) Delay due to Force Majeure events.

Reply:-

Bifurcation of the claimed delay in completion of the project for all awarded contracts in 3 category are as under:-

ATTESTED
Vijay Kumar Sakshi
Advocate cum Notary
Vikas Nair

X



Sr. no.	Package	Delay due to HPPCL	Delay due to Contractor	Delay due to Force Majeure events
	Package-I i.e. for Construction of Diversion Barrage, Power Intake, Desanding arrangement,			
	1st Extension of Time	426		47
	2nd Extension of Time	1714		
	Final Extension of Time	Under review & shall be finalized shortly		
A	Package-II Contract Agreement No SK/C-II for Construction of 11145m long Head Tunnel and Adits of Sawra-Kuddu HEP			
	1st & Final Extension of Time	502	279	126
B	Package-II, Contract Agreement No SK/C-II Balance Work of HRT			
	1st Extension of	137	34	478

ATTESTED

Vijay Kumar Saxena
Advocate cum Notary Public
Yash Bhawan, Vikas Nagar
Shimla-171009

	Time			
	2nd Extension of Time	357	144	2
	Final Extension of Time (Reviewed from the date of commencement of work till the completion)	656	270	480
C	Package-II, Contract Agreement No SK/C-II Additional Adit.			
	1st Extension of Time	31	101	1206
	2nd & Final Extension of Time	The Case is submitted for Approval of the Competent Authority with Levy of Liquidated damages		
	For Package No :-III Contract Agreement No;- SK/C-III for "Power House Complex"			
	1st Extension of Time	426	65	147
	2nd Extension of Time	1671	186	
	Final Extension of Time	The Case is submitted for Approval of the Competent Authority without Levy of Liquidated damages		

ATTENDED
 Vikas Kumar Sahani
 Address: cum Noida Pura
 North Anandpur, Vikas Nagar
 Shimla-171009

&

[Signature]

32. Please provide the Auditor's Certificate as the supporting documents for the actual Capital Cost till Cutoff date and additional capitalization beyond cutoff date as mentioned in table 5 of the submitted Petition.

Reply:-

Necessary certification by CA firm for the actual Capital Cost till Cut-off date and additional capitalization beyond cut-off date is attached as Annexure-32.

33. Please substantiate the claims made under additional capitalization mentioned in table 5 with technical justification supported by documentary evidence as how these costs are directly linked with the original scope of work, any undischarged liabilities and the works deferred for execution.

Reply:-

The break up of the claims made under additional capitalization mentioned in Table 5 of the petition is as below:-

Sr. No.	Particulars	Amount	Remarks
FY-20-21	NIL		
FY-21-22	Land lease hold	0.03 crore	Undischarged liability against pending lease agreement of forest land
	Land free hold	-9.80 crore	Negative amount appearing is due to the fact that the revised undischarged liability was re-worked by the land acquisition officer due to disposed/dismissed cases.
	Buildings	0.17 crore	Works deferred for execution. Amount capitalized against store acquired for storing E&M components.
	Civil works	4.80 crores	It includes 4.18 cores against undischarged liability towards revised pay scales as adopted by HP govt. The Balance amount of Rs. 0.62 cores is as below against works deferred for execution:-

ATTENTION
Vijay Kumar Saini
Auditor General
Himachal Pradesh
Shimla (H.P.)

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			0.05 crores	towards under water inspection through ROV
			0.01 cores	towards balance fish ladder works
			0.04 cores	towards cut out covers at PH
			0.14 cores	towards GI wire fencing of roads
			0.04 cores	towards works of HRT Adit gates
			0.05 cores	towards asthetic upliftmen of barrage site.
			0.65 crores	towards reimbursement of excess recoveries.
			-0.36 crores	towards amount write off against the damaged portion of the DBID component due to flash flood.
	E&M	1.30 crores		Undischarged liability towards revised pay scales as adopted by HP govt of 1.26 crore and 0.04 core towards Works deferred for execution towards installation of dewatering pumps in PH.
	Electrical items	0.08 cores		Towards works deferred for execution.
	Furniture & Fixutre	0.14 crore		Towards works deferred for execution. 0.13 cores towards installation of racks at E&M store & 0.01 crores towards installation of emergency exit sign boards.
	Computers and data processing equipment	0.09 crores		towards works deferred for execution regarding proucrment of computers and data processing equipment for Control room of Power house and office.
	Vehicles	-0.06 crores		towards works deferred for execution. -0.12 crores towards transfer of vehicles

ATTESTED

Vijay Kumar Saksem
Advocate cum Notary Public
Ranch, Phayag, Vikas Nagar
Shimla HP

			to HPPCL Sundernagar Desing wing & 0.06 crores towards acquisition of vehicle.
	Total	-3.24 crores	
FY-2022-23	Land free hold	0.03 crore	Undischarged liability against enhanced compensation deopositd in district court.
	E&M works	0.36 crore	Works deferred for execution towards installation of water level sensors in various locations of power house.
	Computers and data processing equipment	0.04 cores	Towards works deferred for execution regarding proucrment of computers and data processing equipment for power house and office.
	Civil Works	0.61 cores	Works deferred for execution towards removal concrete toplping at desilting chambers of SKHeP Barrage amount to 0.08 crores. 0.18 cores against Works deferred for execution towards installation of submersible pumps at Barrage 0.35 cores against Works deferred for execution towards inspection trolley at surge shaft.
	Total	1.04 cores	
FY-2023-24	Civil Works	8.0 crores	Towards Works deferred for execution
	E&M	2.50 crores	Towards Works deferred for execution for installation mechanical over speed devices.

The related documents in this regard is attached as Annexure-33.

ATTENDED
Vijay Kumar Sakiani
Advocate cum Notary Putli
with Bhareng Vikas Nagar
Shimla (H.P.)

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10/11/24

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Himachal Government



Notary Paper

BEFORE THE HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION,
SHIMLA

Filing No. 103 of 2023

Petition No.....

IN THE MATTER OF

FILING OF PETITION FOR APPROVAL OF CAPITAL COST AS ON COD TAKING IN CONSIDERATION THE ADDITIONAL CAPITAL EXPENDITURE AND DETERMINATION OF TARIFF FROM COD TO FY 2023-24 FOR SAWRA KUDDU HYDRO ELECTRIC PROJECT (3 X 37 MW), OF HIMACHAL PRADESH POWER CORPORATION Ltd. (HPPCL) UNDER THE HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION (TERMS AND CONDITIONS FOR DETERMINATION OF HYDRO GENERATION TARIFF) REGULATIONS, 2011 AND ITS AMMENDMENTS THERAFTER AND UNDER SECTION-62 READ WITH SECTION 86 OF THE ELECTRICITY ACT 2003.

THE HIMACHAL PRADESH POWER CORPORATION LIMITED, HIMFED BUILDING, BCS, NEW SHIMLA, SHIMLA -9.

PETITIONER

VERSUS

THE HIMACHAL PRADESH STATE ELECTRICITY BOARD LIMITED, HPSEBL, VIDYUT BHAWAN, SHIMLA-171004.

RESPONDENT

Affidavit verifying the petition

I, Er. Rohit Sharda, son of Sh. Dev Dutt Sharda, aged about 49 years, presently working as a General Manager (Gen.), Himachal Pradesh Power Corporation Limited, Shimla, do hereby solemnly affirm and declare as under:-

1. That I am duly authorised to file this Compliance Report and swear in the affidavit therein.
2. That the HPPCL Reply has been prepared and drafted at my instance and under my instruction. The content of reply are true and correct to the best of my personal

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General Manager (Generation)
HPPCL, Himfed Building,
New Shimla-171009

knowledge based on the official record. No part of it is false and nothing material has been concealed there from.

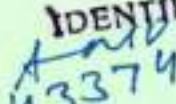
- 3. That the Petitioners further declares that this affidavit of mine is true and correct to the best of my personal knowledge, no part of it is false and nothing material has been concealed there from.
- 4. Verified at Shimla on 13th day of September, 2023.


Deponent

General Manager (Generation)
HPPCL, Himfed Building,
New Shimla-171009

ATTESTED

Vijay Kumar Sekhri
Advocate cum Notary Public
Yash Bhawan, Vikas Nagar
Shimla (H.P.)

IDENTIFIED BY

433749240053



sworn before me on affirmation
the 13th day of sep 23
at Shimla in district of Shimla
by Sh. Rohit Sharma
Identified by Sh. Arun Verma
who is personally known to me the
contents of the affidavit are duly read
to the deponent, who
declares that the contents
of the affidavit are true and correct
and he hereby attests
Signature
13/9/23