



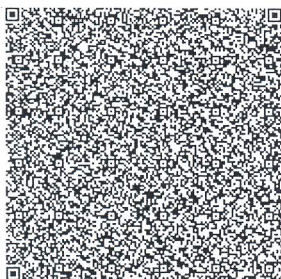
सत्यमेव जयते

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| Certificate No. | : IN-DL074065257185770 |
| Certificate Issued Date | : 22-Jan-2016 05:27 PM |
| Account Reference | : IMPACC (IV)/ dl889403/ DELHI/ DL-DLH |
| Unique Doc. Reference | : SUBIN-DL889403132466610873290 |
| Purchased by | : CHHATTISGARH STATE POWER DISTRIBUTION COMPANY LTD |
| Description of Document | : Article 5 General Agreement |
| Property Description | : Not Applicable |
| Consideration Price (Rs.) | : 0 (Zero) |
| First Party | : CHHATTISGARH STATE POWER DISTRIBUTION COMPANY LTD |
| Second Party | : GOVERNMENT OF CHHATTISGARH AND OTHERS |
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This e-Stamp Forms an Integral part of the Tripartite Memorandum of Understanding Dated 25th January, 2016 executed amongst Ministry of Power, Government of India, Government of Chhattisgarh and Chhattisgarh State Power Distribution Company Ltd.

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Ansari

Statutory Alert:

1. The authenticity of this Stamp Certificate should be verified at "www.shcilestamp.com". Any discrepancy in the details on this Certificate and as available on the website renders it invalid.
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**TRIPARTITE MEMORANDUM OF UNDERTANDING
AMONGST**

Ministry of Power, Government of India

AND

Government of Chhattisgarh

AND

Chhattisgarh State Power Distribution Company

For achieving turnaround of Chhattisgarh State Power Distribution Company.

This **TRIPARTITE MEMORANDUM OF UNDERSTANDING** (hereinafter referred to as the "Tripartite MOU" is made this -----25th----- day of Jan-2015.

BY AND AMONGST

Ministry of Power, Government of India, having its Office at Rafi Marg, Sansad Marg Area, New Delhi – 110001 which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns, of the **FIRST PART:**

AND

Government of Chhattisgarh (hereinafter referred to as "Government of Chhattisgarh") which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns, of the **SECOND PART**

AND

Chhattisgarh State Power Distribution Company (herein after referred as to "CSPDCL") which expression shall unless repugnant to the context or meaning thereof includes its successors and assigns) of the **THIRD PART**

The Government of India, the Government of Chhattisgarh, and the CSPDCL is hereinafter also referred to collectively as the "**Parties**" and individually as the "**Party**"

Definitions:

"**Effective Date**" means the date of signing of the MOU

"**Cut-off-Date**" means 30th Sept.2015

"**Chhattisgarh DISCOM**" means CSPDCL

"**Bonds**" means the bonds issued by the State Government of Chhattisgarh and CSPDCL under the Central FRP Scheme 2012 and UDAY.

"**Outstanding Debt**" means the debt of the DISCOM including Bonds and capex as well as short term loans of Banks and FIs.

Preamble:

The CSPDCL had the revenue deficit of Rs. 630.41 crore during FY 2013-14 with an expected revenue deficit of Rs 1554.16 crore in FY 2014-15. The accumulated losses have reached Rs.5571.41 crore upto FY 2014-15. The outstanding debt of CSPDCL is Rs. 1740.24 crore at the end of September 2015. The interest cost burden is nearly Rs 0.13 per unit during FY2014-15.

The Government of India, The Government of Chhattisgarh and the Chhattisgarh State Power Distribution Co.Ltd., have entered into a tripartite MOU in order to improve the operational and financial efficiency of the Chhattisgarh State Power Distribution Co.Ltd.

NOW IT IS HEREBY AGREED BY AND AMONG THE PARTIES HERETO as follows:

1. Obligations / Commitments:

1.1 The Government of India to take following measures:

- a) Facilitating Government of Chhattisgarh to take over 50% of the outstanding debt of the CSPDCL as on 30 September 2015 in Year 2015-16 and 25% of the outstanding debt in year 2016-17.
- b) Facilitating Banks / FIs not to levy any prepayment charge on the DISCOM debt. Banks / FIs shall waive off any unpaid overdue interest and penal interest on the DISCOM debt and refund / adjust any such overdue / penal interest paid since 1st October 2013. 50% of DISCOM debt as on 30th September 2015, as reduced by any waivers by Banks / FIs shall be converted by the Banks / FIs into loans or bonds with interest rate not more than the bank's base rate plus 0.1%. Alternatively, this debt maybe fully or partly issued by the DISCOM as State guaranteed DISCOM bonds at the prevailing market rates which shall be equal to or less than bank base rate plus 0.1%.
- c) Facilitating through Ministry of Coal, increase in supply of domestic coal to Chhattisgarh State Power Generating Company:
- d) Ensuring rationalization of coal linkages.
- e) Liberally allowing coal swaps from inefficient plants to efficient plants and from plant situated away from mines to pithead plants;
- f) Rationalizing coal prices based on Gross Calorific Value (GCV);
- g) Ensuring correction of coal grade slippages through re-assessment of each mine;
- h) Directing Coal India to supply 100% washed coal for G10 Grade and above by 1st October 2018.
- i) Ensuring supply of 100% crushed coal from Coal India by 1st April 2016.
- j) Faster completion of ISTN lines:
- k) Allocating linkages to State at notified price based on which the State will go for tariff based bidding. This help in getting cheaper power and revive stressed assets;



1.2 The Govt. of Chhattisgarh to take the following measures:

a) Taking over 75% of the debt of the Chhattisgarh State Power Distribution Co. Ltd as on 30 September 2015.

b) 50% of the outstanding debt as on 30 September 2015 shall be taken over in year 2015-16 while 25% shall be taken over in year 2016-17.

c) The Government of Chhattisgarh shall take over the debt according to the following timelines;

i) Year 2015-16 : Last Quarter of the financial year

ii) Year 2016-17: End of Quarter 2 of the financial year

d) The Borrowings made by the state government to take over debt of CSPDCL during 2015-16 and 2016-17 shall be utilized by Government of Chhattisgarh solely for the purpose of discharging the debt of CSPDCL and shall be transferred to the CSPDCL as grant described in the following table:

| (Rs. in Crore) | | |
|----------------|-----------------------|--|
| Year | Total Debt taken over | Transfer to the CSPDCL in the form of Grants |
| Year 1 | 50% of the total debt | 870.12 |
| Year 2 | 25% of the total debt | 435.06 |

e) For the borrowings made by the state to take over debt of CSPDCL, Government of Chhattisgarh shall take prior permission of Department of Expenditure, Ministry of Finance under Article 293 of the Constitution of India before approaching Reserve Bank of India to raise loans.

f) The borrowings made by the state government to take over debt of CSPDCL during 2015-16 and 2016-17 shall not be reckoned against the normal permissible net borrowings ceiling of the state determined by department of Expenditure, Ministry of Finance under the recommendations of 14th Finance Commission. However any borrowings made by the state government after 31/03/2017 to takeover debt of CSPDCL shall be reckoned as part of the Net Borrowings ceiling of the state.

g) The Government of Chhattisgarh shall issue non-SLR Bonds to the extent of 50% of outstanding debt as on 30th September, 2015 before 31st March 2016 to take over the debt of CSPDCL

AND

The State Government shall issue non-SLR Bonds to the extent of 25% of outstanding debt as on 30th September, 2015 before 30th September 2016 to take over the debt of CSPDCL.



Any repayments of debt made by CSPDCL after 30/09/2015 till final settlement with State Government shall be included in the amount of debt to be taken-over by the State Government.

- h) The takeover of the debt shall be in the order of debt already due, followed by debt with highest cost:
- i) The Government of Chhattisgarh shall take over the future losses of the CSPDCL in a graded manner and shall fund the losses as follows:

| Year | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---|---------------------------|---------------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| Previous year's CSPDCL loss to be taken over by State | 0% of the loss of 2014-15 | 0% of the loss of 2015-16 | 5% of the loss of 2016-17 | 10% of the loss of 2017-18 | 25% of the loss of 2018-19 | 50% of the previous year loss. |

j) Government of Chhattisgarh shall provide Operational Funding Requirement (OFR) support to the CSPDCL till CSPDCL achieves turnaround which shall also include the outstanding power purchase liabilities of the CSPDCL as on 31.3.2015.

k) All outstanding dues from the State Government departments to CSPDCL for supply of electricity shall be paid by 31.03.16. The details of dues are given in Annexure-E

l) Government of Chhattisgarh shall guarantee repayment of principal and interest payment for the balance debt remaining with CSPDCL / bonds issued by CSPDCL.

m) Henceforth, Banks / FIs shall not advance short term debt to CSPDCL for financing losses. The Government of Chhattisgarh shall guarantee the bonds issued by CSPDCL or issue bonds itself to meet current losses after 1st October 2015, if any, within the limit of loss trajectory finalised by MoP/CSERC.

n) The Government of Chhattisgarh shall endeavour to ensure replacement of street lights with LEDs in all municipal towns through Nagar Nigam / Municipal Corporations.

o) The Government of Chhattisgarh shall endeavour to ensure for improving the efficiency of State Generating Units.

p) The Government of Chhattisgarh shall endeavour to ensure that tariff hikes as reflected in Annexure-B are undertaken.



- q) The Government of Chhattisgarh shall endeavour to ensure that all operational targets as enumerated in Section 1.3 are achieved.
- r) The Government of Chhattisgarh shall endeavour to reduce the transmission losses to 3.58% by 2021-22.
- s) Review of CSPDCL performance shall be done on a monthly basis at State Government level in the presence of State finance representative.

1.3 The Chhattisgarh State Power Distribution Co. Ltd. to take the following measures:

- a) For the 50% of the debt remaining with CSPDCL as on 31st March, 2016, CSPDCL shall fully/partially issue state government guaranteed bonds or shall get them converted by Banks/FIs into loans or bonds with interest not more than the Banks base rate plus 0.1%. CSPDCL shall ensure timely payment of lender's dues towards principal/interest for the balance debt remaining with it.
- b) The CSPDCL shall pay interest to the Government of Chhattisgarh on the outstanding Government of Chhattisgarh loan, in future, if any, in a financial year at the rate at which Government of Chhattisgarh issued non-SLR bonds.
- c) The CSPDCL shall endeavour to reduce AT&C losses from 22.50% in FY 2014-15 to 15.00% by FY 2018-19 as per the following trajectory:

| Year | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------|---------|---------|---------|---------|
| AT&C Loss | 21.00 | 18.93 | 18.00 | 15.00 |

However, if the target in a particular year is not met, then the CSPDCL shall strive to achieve the targets in the subsequent years so as to achieve the desired target of 15.00% AT&C losses by FY 2018-19. The Division wise targets have been finalized as indicated in Annexure- A.

The DISCOMs shall increase hours of power supply in areas showing reduction in AT&C losses.

- d) CSPDCL shall eliminate the gap between ACS and ARR by FY 2018-19. Detailed computation of year wise ACS-ARR gap along with financial projections has been attached as Annexure-B.
- e) CSPDCL shall submit the detailed action plan by 31st March, 2016 to achieve the projected trajectory for AT&C loss and ACS-ARR gap.
- f) The CSPDCL shall achieve operational milestones as specified in DDUGJY & IPDS:



g) The CSPDCL shall take the following measures for Loss Reduction;

i) Undertaking name and shame campaign to control power theft from time to time.

ii) Preparing loss reduction targets at sub-divisions / divisions / circle/ zonal level and making concerned officers responsible for achieving the loss reduction targets; the loss reduction targets at the Division level have been attached as Annexure-A of MOU.

iii) Implementing performance monitoring and management system MIS for tracking the meter replacement, loss reduction and day to day progress for reporting to top management.

iv) Achieving 100% Distribution Transformer (DT) Metering by 30 June 2017.

v) Achieving 100% feeder metering by 30 June 2016.

vi) Undertaking energy audit up-to 11 KV level in rural areas by 31/12/2016.

vii) Undertaking Feeder Improvement Program for network strengthening and optimization, to be completed by March 2017;

viii) Undertaking Physical Feeder Segregation by March 2018.

ix) Installation of Smart Meters for all consumers other than agricultural consumers consuming above 500 units / month by 31st December 2017 and consumers consuming above 200 units/ month by 31st December 2019.

x) Providing electricity access to 9,88,304 (Nine Lacs eighty eight thousand three hundred four) unconnected households as per trajectory finalized in the 24x7 power for all document by FY 2018-19:

xi) Implementing ERP system for better and effective inventory management, personnel management, accounts management etc. to reduce costs and increase efficiencies by March 2017.

h) The CSPDCL shall undertake the following measures for Demand Side Management and Energy Efficiency:

i) Providing LED for domestic and other category consumers under DELP program through EESL:

ii) Undertaking consumer awareness programs for optimum utilization of resources and to foster long term behavioural changes:

iii) Installation of energy efficient agriculture pumps in future.

iv) Implementing PAT scheme of BEE for improving energy efficiency in Industries.

i) The CSPDCL shall undertake the following tariff measures:

i) Quarterly tariff revision particularly to offset fuel price increase;

ii) Timely filing of Tariff Petition before the CSERC so that Tariff Order may be issued for the year as early as possible.

iii) Timely preparation of annual accounts of the CSPDCL which shall also enable timely filing of the Tariff Petition.

j) The CSPDCL shall undertake the following measures to increase employee engagement:

i) Initiating capacity building of employees to enhance technical, managerial and professional capabilities at induction level and in subsequent refresher trainings;

ii) Devising Key Performance Indicators (KPIs) for each officer in-charge on areas of AT&C loss reduction and improvement in metering / billing / collection efficiency. The performance of officer in-charge shall be linked to KPIs achieved and will attract incentive / penalty.

k) The CSPDCL shall implement the following Consumer Service Strategy:

i) Setting up of Centralized Customer Call Centre for timely resolution of complaints related to no current and other technical complaints, harassment by official, reporting of theft and safety related complaints;

ii) Introducing more avenues to consumers for bill payment, which could be in terms of e-payment through net banking, credit/ debit card, kiosks at banks and post offices, village panchayats, mobile collection vans, etc.

l) The CSPDCL shall procure power through the transparent process of competitive bidding.

m) CSPDCL shall identify the key personnel for implementing the scheme (UDAY)

n) CSPDCL shall devise the mechanism to motivate and encourage the staff.

o) MD of CSPDCL shall monitor the performance of CSPDCL on monthly basis.



p) Monthly monitoring formats along with the targets shall be provided by CSPDCL by 31/03/2016.

Details action plan for implementation of the targeted activities is attached as Annexure-C of the MOU,

IN WITNESS whereof the Parties hereto have executed these presents the day, month and year first herein above written.

| | |
|--|--|
| <p>SIGNED AND DELIVERED BY (on behalf of MOP, Govt. Of India)</p> <p>Signature </p> <p>Name & Designation</p> <p>Address डा. अनुराग कुमार वर्मा DR. ANURAG KUMAR VERMA संयुक्त सचिव / Joint Secretary विद्युत मंत्रालय / Ministry of Power भारत सरकार / Government of India नई दिल्ली-110001 / New Delhi-110001</p> | <p>In the presence of</p> <p>Signature </p> <p>Name & Designation P. H. Maheshwari ED REC</p> <p>Address</p> |
| <p>SIGNED AND DELIVERED BY (on behalf of State Govt.)</p> <p>Signature </p> <p>ANANT KUMAR SINGH Principal Secretary to Chief Minister Name & Designation Energy, E & IT Government of Chhattisgarh.</p> <p>Address M-5-11, Mahanadi Bhawan, Mantralaya Raipur, Chhattisgarh.</p> | <p>In the presence of M. S. RATNAM</p> <p>Signature </p> <p>Name & Designation Officer on Special Duty Govt. of C.G. Energy Deptt. Mantralaya, Raipur</p> <p>Address A.D-3/19 Mahanadi Bhawan, Mantralaya NAYA RAIPUR Chhattisgarh.</p> |
| <p>SIGNED AND DELIVERED BY CSPDCL</p> <p>Signature </p> <p>Name & Designation Ankit Anand, Managing Director, CSPDCL RAIPUR.</p> <p>Address</p> | <p>In the presence of</p> <p>Signature </p> <p>Name & Designation</p> <p>Address G. C. Mukherjee Executive Director (Comnl.) CSPDCL Raipur.</p> |

Loss Reduction Targets at the Division Level (in %)

| Sl.No. | Name of Divison | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|-----------------|---------|---------|---------|---------|
| 1 | City (E) | 12.76% | 11.76% | 11.19% | 9.32% |
| 2 | City central | 14.55% | 13.42% | 12.76% | 10.62% |
| 3 | City (S) | 16.71% | 15.40% | 14.65% | 12.18% |
| 4 | City (W) | 12.28% | 11.33% | 10.78% | 8.98% |
| Raipur City Circle-I | | 13.83% | 12.75% | 12.13% | 10.10% |
| 5 | City (N) | 8.20% | 7.41% | 7.06% | 5.90% |
| 6 | Siltara | 0.17% | 0.19% | 0.19% | 0.22% |
| 7 | Urla | 1.34% | 1.24% | 1.19% | 1.05% |
| Raipur City Circle-II | | 2.48% | 2.27% | 2.17% | 1.86% |
| 8 | Raipur (O&M) | 18.01% | 16.24% | 15.45% | 12.84% |
| 9 | Bhatapara | 16.69% | 15.05% | 14.32% | 11.91% |
| 10 | B.Bazar | 30.31% | 27.31% | 25.96% | 21.54% |
| 11 | Rajim | 17.02% | 15.35% | 14.60% | 12.14% |
| 12 | Kurud | 17.00% | 15.33% | 14.58% | 12.13% |
| 13 | Dhamtari | 13.22% | 11.93% | 11.35% | 9.45% |
| Raipur O&M Circle | | 19.29% | 17.39% | 16.54% | 13.74% |
| 14 | Mahasamund | 36.04% | 32.47% | 30.87% | 25.60% |
| 15 | Saraipali | 39.42% | 35.51% | 33.75% | 27.99% |
| 16 | Gariyabandh | 20.00% | 18.03% | 17.15% | 14.25% |
| Mahasamund (O&M) | | 35.44% | 31.93% | 30.35% | 25.17% |
| Raipur Region | | 15.76% | 14.22% | 13.53% | 11.25% |
| 17 | Durg City | 11.94% | 10.78% | 10.26% | 8.55% |
| 18 | Bhilai(W) | 13.87% | 12.51% | 11.90% | 9.91% |
| 19 | Bhilai (E) | 12.32% | 11.13% | 10.59% | 8.82% |
| Durg City Circle | | 12.77% | 11.53% | 10.97% | 9.14% |
| 20 | Durg (O&M) | 10.85% | 9.80% | 9.33% | 7.78% |
| 21 | Bhilai (O&M) | 11.93% | 10.77% | 10.25% | 8.54% |
| 22 | Balod | 14.03% | 12.66% | 12.04% | 10.02% |
| 23 | Bemetara | 35.14% | 31.66% | 30.09% | 24.96% |
| 24 | Saja | 20.13% | 18.15% | 17.26% | 14.34% |
| Durg O&M Circle | | 18.40% | 16.59% | 15.78% | 13.12% |
| Durg region | | 15.54% | 14.02% | 13.34% | 11.10% |
| 25 | Rajnandgaon | 13.61% | 12.28% | 11.69% | 9.73% |
| 26 | Khairagarh | 21.56% | 19.43% | 18.48% | 15.35% |
| 27 | Dongargarh | 9.25% | 8.36% | 7.96% | 6.64% |
| 28 | Dongargaon | 16.37% | 14.76% | 14.04% | 11.68% |
| 29 | Kawardha | 33.40% | 30.10% | 28.61% | 23.73% |
| 30 | Pandariya | 31.91% | 28.75% | 27.33% | 22.67% |
| Rajnandgaon Circle | | 21.05% | 18.98% | 18.05% | 15.00% |
| Rajnandgaon Region | | 21.05% | 18.98% | 18.05% | 15.00% |

| Sl.No. | Name of Divison | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------|------------------------|---------|---------|---------|---------|
| 31 | City Dn. Bilaspur East | 17.28% | 15.59% | 14.83% | 12.33% |
| 32 | City Dn. Bilaspur West | 18.11% | 16.33% | 15.53% | 12.91% |
| City Circle Bilaspur | | 17.63% | 15.90% | 15.12% | 12.57% |
| 33 | (O&M) Bilaspur | 36.85% | 33.20% | 31.56% | 26.17% |
| 34 | Mungeli | 46.93% | 42.27% | 40.17% | 33.30% |
| 35 | Pendra Raod | 21.99% | 19.83% | 18.85% | 15.66% |
| O&M Bilaspur Circle | | 36.63% | 33.00% | 31.37% | 26.02% |
| 36 | City Korba | 16.99% | 15.32% | 14.57% | 12.12% |
| 37 | O&M Korba | 34.82% | 31.37% | 29.82% | 24.73% |
| Korba (O&M) Circle | | 25.39% | 22.89% | 21.76% | 18.06% |
| 39 | Champa | 37.27% | 33.58% | 31.91% | 26.47% |
| 40 | Akaltara | 26.26% | 23.89% | 22.71% | 18.85% |
| 41 | Shakti | 45.22% | 40.73% | 38.71% | 32.09% |
| Janjgir-Champa | | 37.04% | 33.37% | 31.72% | 26.31% |
| 42 | Raigarh -I | 26.77% | 24.13% | 22.94% | 19.04% |
| 43 | Raigarh -II | 7.84% | 23.90% | 22.73% | 18.86% |
| 44 | Pathalgaon | 18.82% | 16.97% | 16.14% | 13.41% |
| 45 | Jashpur | 52.56% | 47.34% | 44.99% | 37.28% |
| Raigarh | | 27.83% | 25.08% | 23.85% | 19.79% |
| Bilaspur Region | | 30.65% | 27.62% | 26.26% | 21.79% |
| 46 | Ambikapur | 23.10% | 20.83% | 19.80% | 16.45% |
| 47 | Balrampur | 51.39% | 46.29% | 43.99% | 36.46% |
| 48 | Manendragarh | 24.12% | 21.74% | 20.67% | 17.16% |
| 49 | surjpur (New Dn) | 23.10% | 20.88% | 19.80% | 16.45% |
| Ambikapur Circle | | 27.46% | 24.75% | 23.53% | 19.53% |
| Ambikapur Region | | 27.46% | 24.75% | 23.53% | 19.53% |
| 50 | Kanker (O&M) | 31.00% | 27.94% | 26.56% | 22.03% |
| 51 | Kondagaon | 20.47% | 18.70% | 17.79% | 14.78% |
| 52 | Narayanpur | 29.91% | 26.95% | 25.62% | 21.26% |
| Kanker (O&M) Circle | | 28.28% | 25.48% | 24.22% | 20.10% |
| 53 | Jagdalpur | 19.51% | 17.59% | 16.73% | 13.90% |
| 54 | Dantewada | 4.49% | 4.08% | 3.89% | 3.28% |
| 55 | Sukma | 15.37% | 13.87% | 13.19% | 10.97% |
| 56 | Bijapur | 25.37% | 22.86% | 21.74% | 18.05% |
| Jagdalpur | | 14.61% | 13.18% | 12.54% | 10.43% |
| Jagdalpur Region | | 20.72% | 18.69% | 17.77% | 14.76% |
| STATE TOTAL | | 21.00% | 18.93% | 18.00% | 15.00% |

Financial Projections of CSPDCL

Scenario Highlights (Debt Take-over with interest liability on CSPDCL)

- 75% of O/s Debt as on 30.09.2015 to be taken over in the form of grants/ equity/loan to CSPDCL.
- Take-over in Year 1 : 50%, Year 2:25%
- Take-over assumed at end of second quarter from Year 2
- ROI of Government of Chhattisgarh loan assumed to be 8.51 % p.a.
- Bonds to be taken-over in the 1st year.
- Rol of balance 25% loans : Base Rate + 0.1 % w.e.f 01.04.2016.
- OFR to be provided by Government of Chhattisgarh

Income Statement Summary:

(Rs. In Crore)

| Particulars | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|-----------|-----------|-----------|-----------|
| Total Income | 9,852.68 | 15,359.15 | 14,325.82 | 16,377.51 |
| Total costs | 10,527.00 | 13,014.73 | 13,692.95 | 15,274.39 |
| Net Income (without subsidy) | (674.32) | 2344.41 | 632.87 | 1,103.11 |
| Committed State Govt. Subsidy. | 450 | 350 | 0 | 0 |
| Net Income (with subsidy) | (224.32) | 2,694.41 | 632.87 | 1,103.11 |





Operational Funding Requirement (OFR) – Summary.

(Rs. In Crore)

| 2015-16 | 2016-17 | 2017-18 | 2018-19 | Total |
|---------|----------|----------|----------|-------|
| -105.45 | -2789.28 | -1106.37 | -1605.39 | Nil |

(+) indicating fund required

Other Key Assumptions:

- **Tariff Hike : (Year on year)**

| FY 16 | FY 17 | FY 18 | FY 19 |
|--------|-------|-------|-------|
| 14.25% | 10 % | 6% | 5% |

- **AT&C Loss Trajectory :**

| 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------|---------|---------|---------|
| 21.00 | 18.93 | 18.00 | 15.00 |

- **Billing Efficiency :**

| 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------|---------|---------|---------|
| 79.27 | 80.78 | 81.74 | 85.28 |

- **Collection Efficiency :**

| 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------|---------|---------|---------|
| 99.66 | 99.66 | 99.66 | 99.66 |



Income Statement – Detailed:

(Rs. in Crore)

| Particulars | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|------------------|------------------|------------------|------------------|
| INCOME | | | | |
| Revenue from Sale of power | 9,175.68 | 11,695.00 | 12,632.00 | 14,826.00 |
| Other receipts | 277.00 | 325.15 | 357.66 | 393.43 |
| Other Income (Including revenue from Trading) | 400.00 | 3,339.00 | 1,336.16 | 1,158.08 |
| TOTAL INCOME | 9,852.68 | 15,359.15 | 14,325.82 | 16,377.51 |
| COSTS | | | | |
| Power purchase cost | 8719.00 | 11,121.66 | 11,632.69 | 13,049.55 |
| Repair & Maintenance Costs | 124.00 | 126.17 | 134.71 | 143.82 |
| Employees costs | 1,151.00 | 1,296.18 | 1,393.11 | 1,474.07 |
| Administrative & General Cost | 124.00 | 139.38 | 148.81 | 158.87 |
| Depreciation | 185.00 | 194.87 | 223.49 | 252.27 |
| Interest & Finance costs | 224.00 | 136.48 | 160.14 | 195.80 |
| TOTAL COSTS | 10,527.00 | 13,014.73 | 13,692.95 | 15,274.39 |
| NET INCOME without Subsidy | (674.32) | 2,344.41 | 632.87 | 1,103.11 |
| Committed State Govt. Subsidy | 450 | 350 | 0 | 0 |
| NET INCOME With subsidy. | (224.32) | 2,694.41 | 632.87 | 1,103.11 |

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Operational Funding Requirement – Details:

(Rs. In Crore)

| Particulars | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------------|-----------------|-----------------|-----------------|
| Revenue (excluding Cash Support) | 9852.68 | 15359.15 | 14325.82 | 16377.51 |
| Expenditure | 10527.00 | 13014.73 | 13692.95 | 15274.39 |
| Book Loss (+)/Profit(-) | 674.32 | -2344.41 | -632.87 | -1103.11 |
| Add : Depreciation | 185.00 | 194.87 | 223.49 | 252.27 |
| Add: Provision for Pension payment | 468.00 | 489.66 | 513.62 | 539.98 |
| Cash Loss (+)/Profit (-) | 21.32 | -3028.94 | -1369.98 | -1895.36 |
| Add: Dec in Current Liabilities (incl. Misc. Exp) | 323.23 | 239.66 | 263.62 | 289.98 |
| Gross Operational Funding Required (OFR) (Without Government Support) | 344.55 | -2789.28 | -1106.36 | -1605.38 |
| Less : Support from State Govt. | | | | |
| Cash Support from State Govt. | 450 | 350 | 0 | 0 |
| Support on Reimbursement of Losses | 0 | 0 | 0 | 0 |
| Total Support from State Govt. | 450 | 350 | 0 | 0 |
| Gross Operational Funding Required (OFR) (After Government Support). | 0 | 0 | 0 | 0 |

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ACS – ARR Gap

(Rs per KWH)

| Cost Components | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------|----------------|----------------|----------------|----------------|
| Power Purchase Cost | 3.12 | 2.96 | 3.56 | 3.79 |
| Cost of Energy Lost | 1.38 | 0.86 | 1.06 | 1.08 |
| PP per unit sold | 4.50 | 3.82 | 4.62 | 4.87 |
| O&M and Estt. Cost | 0.68 | 0.70 | 0.69 | 0.66 |
| Depreciation cost | 0.10 | 0.10 | 0.10 | 0.10 |
| Interest Cost | 0.12 | 0.07 | 0.07 | 0.08 |
| ACS | 5.40 | 4.69 | 5.48 | 5.71 |
| ARR | 5.05 | 5.90 | 5.82 | 6.23 |
| Gap/Surplus | -0.35 | 1.21 | 0.34 | 0.52 |



Detailed Action Plan for Implementation of targeted activities

| Clause No. | Activity | Unit | Status at the end of FY 2014-15 | 2015-16 | | 2016-17 | | 2017-18 | | 2018-19 | | Officer responsible | Resources (in Rs Cr.) |
|--------------|---|------|---------------------------------|---------|----|---------|-----|---------|-----|---------|-----|---------------------|-----------------------|
| | | | | H1 | H2 | H1 | H2 | H1 | H2 | H1 | H2 | | |
| 1.3 (b) | AT&C loss reduction trajectory | % | 22.41 | 21 | | 19.50 | | 18 | | 15 | | ED (O&M) | |
| 1.3 (g-iv) | 11 KV Feeder metering functional | % | 57.2 | 57 | 57 | 100 | | | | | | ED (O&M) | 42.10 |
| 1.3 (g-iv) | DT Metering in Urban area | % | 62.05 | 67 | 70 | 80 | 90 | 100 | | | | ED (O&M) | 34 |
| | DT metering in (Rural) area | % | 16.24 | 16 | 16 | 16 | 40 | 100 | | | | ED (O&M) | 100 |
| 1.3 (g-v) | 11 KV Feeder audit in Rural Area | % | 9.11 | 9 | 9 | 9 | 100 | | | | | ED (O&M) | - |
| 1.3 (g-vii) | Feeder Improvement programme on feeder | % | 0 | 0 | 0 | 20 | 100 | | | | | CE (STR E) | 557 |
| 1.3 (g-viii) | Feeder separation (separation of AG load on feeder) | % | 32 | 32 | 40 | 45 | 60 | 80 | 100 | | | CE (STR E) | 930 |
| 1.3 (g-ix) | Installation of Smart Meters / other than Ag. | % | 0 | 0 | 0 | 10 | 20 | 40 | 60 | 80 | 100 | ED (O&M) | 694 |

| Clause No. | Activity | Unit | Pending at the end of FY 2014-15 | 2015-16 | | 2016-17 | | 2017-18 | | 2018-19 | | Office responsible | Resources in INR Cr. |
|------------|--|------------|----------------------------------|---------|-----|---------|-----|---------|-----|---------|------|--------------------|----------------------|
| | | | | H1 | H2 | H1 | H2 | H1 | H2 | H1 | H2 | | |
| 1.3 (g-x) | Domestic connections (in lakhs) under 24x7 PFA | Nos In Lac | 9.25 | 0.3 | 0.8 | 2.2 | 3.6 | 5 | 6.4 | 7.8 | 9.25 | ED(O&M) | - |
| 1.3 (e-x) | Implementation of ERP | | Already Implemented | | | | | | | | | CE(EITC) | |
| 1.3 (h-i) | Providing LED bulbs under DELP | Lac | 50 | | 3 | 25 | 50 | - | - | - | - | ED(O&M) | - |

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Annexure C

Monthly monitoring format for States participating in UDAY

Name of the State: Chhattisgarh
Status as on

A Financial Parameters

| | | |
|----|--|---------|
| 1 | Total outstanding debt of CSPDCL as on 30.09.2015 (Rs. Crore) | 1740.24 |
| 2 | Amount of unpaid overdue interest and penal interest waived off by Banks/ FIs (Rs.Crore) | - |
| 3 | Eligible outstanding debt of CSPDCL as on 30.09.2015 (Rs. Crore) | 1740.24 |
| 4 | 50% of the outstanding debt to be taken over in 2015-16 (Rs. Cr) | 870.12 |
| 5 | 25% of the outstanding debt to be taken over in 2016-17 (Rs. Crore) | 435.06 |
| 6 | Bonds issued by the State (Rs. Crore) | |
| 7 | Bonds issue date | |
| 8 | Rate of interest of bonds (%) | |
| 9 | Debt taken over by State Transferred to CSPDCL in Form of Grant (Rs. Crore) | |
| 10 | Debt taken over by State Transferred to CSPDCL in Form of Loan (Rs. Crore) | |
| 11 | Debt taken over by State Transferred to CSPDCL in Form of Equity (Rs. Crore) | |
| 12 | Operational funding requirement (OFR) support provided by CSPDCL (Rs. Crore) | |
| 13 | Outstanding electricity dues from the State Government departments to CSPDCL (Rs. Crore) | |
| 14 | Outstanding electricity dues from the State Government Departments paid on (Date) | |
| 15 | Previous year's CSPDCL losses taken over by State (Rs. Crore) | |





Annexure C

Monthly monitoring format for States participating in UDAY

Name of the State: Chhattisgarh

Status as on

B Operational Parameters

| | | |
|----|--|--|
| 1 | AT&C Loss(%) | |
| | Target | |
| | Actual | |
| 2 | Billing efficiency (%) | |
| | Target | |
| | Actual | |
| 3 | Collection efficiency (%) | |
| | Target | |
| | Actual | |
| 4 | Gap ACS-ARR (Rs. Per Unit) | |
| | Target | |
| | Actual | |
| 5 | Distribution loss (%) | |
| | Target | |
| | Actual | |
| 6 | Total number of un-metered Feeders | |
| 7 | Number of feeders metered in the current month | |
| 8 | Total number of unmetered Distribution Transformers (DTS) | |
| 9 | Number of Distribution Transformers (DTs) metered in the current month | |
| 10 | Total number of Smart Meters to be installed | |
| 11 | Number of Smart Meters installed in the current month | |
| 12 | Total number of LED lamps to be replaced | |
| 13 | Number of LED lamps replaced in the current month | |

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Outstanding Loans as on 30.09.2015

(Rs. In Cr.)

| Sr. No. | Lender | Amount | Rate (%) | 1st yr taken over | Due or not Due |
|---------|---------------------|----------------|---------------|-------------------------|-------------------|
| 1 | Bonds | 257.50 | 8.72 | | |
| 2 | PFC | 1.83 | 13 | | |
| 3 | PFC | 143.57 | 12 | | |
| 4 | PFC | 71.28 | 9 | | |
| 5 | PFC | 12.32 | 9 | | |
| 6 | PFC | 106.51 | 9 | | |
| 7 | REC | 473.32 | 11.75 | | |
| 8 | REC | 252.96 | 11.75 | | |
| 9 | REC | 103.37 | 12.25 | | |
| 10 | State Govt. | 26.57 | 8.90 | | |
| 11 | State Govt. | 59.77 | | | |
| 12 | CSPHCL | 223.15 | | | Yes (123.15) |
| 13 | Debentures | 7.80 | 13.59 | | Yes |
| 14 | Other Loans | 0.29 | | | Yes |
| | Total | 1740.24 | | | |
| | 50% of total | 870.12 | | | |
| | 25% of total | 435.06 | | | |

AMOUNT DUE FROM STATE GOVERNMENT TO BE PAID BY 31.03.2016
Department Wise Arrears (Nov. 2015)

| S.No. | Name of Department | Arrears Amount (In Crore) |
|-------|---|---------------------------|
| 1 | Agriculture | 0.28 |
| 2 | Education | 6.65 |
| 3 | Women & child Development, Social Welfare | 0.20 |
| 4 | Public Health Engineering | 0.68 |
| 5 | Home Deptt. (Police) | 4.24 |
| 6 | Panchayat & Rural Development (RES) | 0.32 |
| 7 | Law & Legislative | 0.22 |
| 8 | Revenue | 2.54 |
| 9 | Forest | 1.52 |
| 10 | PWD | 0.76 |
| 11 | Schedule Tribe & Schedule Caste Development | 0.36 |
| 12 | Tribal welfare | 1.67 |
| 13 | Public Health & Family welfare (Health) | 3.86 |
| 14 | Agriculture, Animal husbandary & Fisheries | 0.29 |
| 15 | Housing Board | 0.32 |
| 16 | Culture & Tourism | 1.28 |
| | Grand Total | 25.19 |

Financial Assistance towards free supply to Pump & BPL as on 30.09.15

Rs in Crore

| <u>S.No.</u> | <u>Particulars</u> | <u>Pump</u> | <u>BPL</u> |
|--------------|--|-------------|------------|
| 1 | Previous year arrears | 679.99 | 90.60 |
| 2 | Current requirement upto 30.09.16 | 489.21 | 113.06 |
| 3 | Addl requirement due to 1500 Unit as drought relief up to 30.09.15 | 104.06 | 0.00 |
| 4 | Total requirement (1+2+3) | 1273.26 | 203.66 |
| 5 | Budget Provision for 2015-16 | 1230.00 | 269.00 |
| 6 | Amount recd. in 15-16 upto 21.12.15 | 799.54 | 174.86 |
| 7 | Balance (4-6) | 473.72 | 28.80 |

GRAND TOTAL OF AMOUNT DUE FROM STATE GOVERNMENT TO BE PAID BY 31.03.2016 (Rs. Crs)

573.26

Debt Service by Government on non-SLR Bond

15 years State Bond at G-Sec + 0.75% Spread

(Rs. In Cr.)

| S. No. | Principal outstanding | Interest rate p.a | Repayment Instalment | Interest | Total Debt serve |
|--------|-----------------------|-------------------|----------------------|----------------|------------------|
| 1 | 870.12 | 8.51 | | 74.05 | 74.05 |
| 2 | 1305.18 | 8.51 | | 111.07 | 111.07 |
| 3 | 1305.18 | 8.51 | | 111.07 | 111.07 |
| 4 | 1305.18 | 8.51 | | 111.07 | 111.07 |
| 5 | 1305.18 | 8.51 | | 111.07 | 111.07 |
| 6 | 1305.18 | 8.51 | 130.52 | 111.07 | 242.59 |
| 7 | 1174.66 | 8.51 | 130.52 | 99.96 | 230.48 |
| 8 | 1044.14 | 8.51 | 130.52 | 88.86 | 219.37 |
| 9 | 913.63 | 8.51 | 130.52 | 77.75 | 208.27 |
| 10 | 783.11 | 8.51 | 130.52 | 66.64 | 197.16 |
| 11 | 652.59 | 8.51 | 130.52 | 55.54 | 186.05 |
| 12 | 522.07 | 8.51 | 130.52 | 44.43 | 174.95 |
| 13. | 391.55 | 8.51 | 130.52 | 33.32 | 163.84 |
| 14. | 261.04 | 8.51 | 130.52 | 22.21 | 152.73 |
| 15 | 130.52 | 8.51 | 130.52 | 11.11 | 141.63 |
| | Total: | | 1305.18 | 1129.22 | 2434.40 |

Assumption: It is assumed that non SLR Bonds will be issued by State Govt. at on interest rate of 8.51% p.a. (G-Sec.+0.75%).



