January 06, 2023

List of Data Gaps

Subject : BEST MTR Petition for Truing-up for Aggregate Revenue Requirement (ARR) and Revenue for FY 2019-20, FY 2020-21 & FY 2021-22, Provisional Truing-up for FY 2022-23, and Revised Projections for FY 2023-24 & FY 2024-25

Sr. No	Reference in Petition	Data Gaps
	Data Gaps as per TVS dated 03rd January 2023	
1.	Distribution Loss for FY 2020-21	As per BEST, for the consumers of Cycle 19 and 24, due to limitations of billing software, the re-estimation was done on monetary terms whereas approx. 135 MUs were not adjusted in the billing system resulting in lower Distribution loss and same will be revised in MTR Petition. BEST needs to address following issues in MTR Petition: • BEST to provide the detail of 135 MUs, category wise and justification in detail in relation to IT limitation and current status. **BEST Response:** BEST has erroneously calculated the figure of 135 MUs. After detailed scrutiny, BEST submits that the excess units which were not adjusted in the billing system was 52.97 MUs. The detailed breakup of the excess units is given below:

Sr. No	Reference in Petition	Data Gaps

Tariff	Units asper billing				Net ExcessTotal
	Apr-20	May-20	Jun-20	Jul-20	
LT1B	9.62	9.62	-2.40	-22.21	-5.37
LT2A	5.11	5.10	1.00	-5.03	6.17
LT2B	14.90	14.92	2.86	-19.74	12.94
LT2C	26.52	26.46	2.08	-33.77	21.28
LT3A	0.50	0.50	-0.18	-2.13	-1.31
LT3B	6.16	6.15	-2.09	-5.10	5.12
LT4A	3.78	3.78	2.54	-2.83	7.27
LT4B	10.38	10.39	-0.59	-13.67	6.52
LT6	0.18	0.18	0.00	0.00	0.35
Total	**77.14**	**77.09**	**3.21**	**-104.47**	**52.97**

The detailed justification is given in the answer below.

- BEST to reassess the Impact of such Sales to be accounted from FY 2019-20 to FY 2021-22, which has been resultant due to assessed billing and the impact of the same not accounted in Sales due to IT limitation.

BEST Response:

BEST submits that assessed billing is done to its consumers on account of various reasons in absence of actual meter reading. In the subsequent bill, credit / debit adjustment is carried out. On scrutiny, it is observed that in the I.T. billing system, impact of such credit/debit is captured in revenue statements. However, same is not considered in the energy sales reports.

The details of debit/credit adjustment for F.Y. 2019-2020 to F.Y. 2021-2022 is given below:

Sr. No	Reference in Petition	Data Gaps
		(table below)

Year	Units Purchased in MUs	Units Sold in MUs	D'Loss in %	Dr./Cr. Adjustment of all Cycles Net Units to be adjusted
A	B	C	D=1-(C/B)	E
19-20	4792.25	4569.34	4.65%	-2.82
20-21	3931.42	3829.81	2.58%	-52.97
21-22	4266.59	4068.97	4.63%	-3.51

It may be seen that the impact of debit/credit adjustment is appreciable in year FY 2020-21 as it was affected due to Covid-19 pandemic. However, for FY 2019-20 and FY 2021-22 impact is minimal.

At present, as per the billing program, the billing of Cy 19 and 24 is feasible only when the actual reading of the meter is available and the billing on estimation is not feasible as readings of 11 registers is required. Normally in case of estimated billing, readings are manually generated as it is not feasible to develop estimated reading of 11 registers in the system. During covid lockdown period manual estimation was not possible, hence the following process was followed:

i. During billing month of April 20 to June 20, the actual consumption of billing month of March 2020 was considered.

ii. Practice directions from Hon'ble Commission dated 09.05.2020 stated that Industrial and Commercial consumers were to be billed on 10% of the average energy consumption to the premises which were

Sr. No	Reference in Petition	Data Gaps
		under lockdown. But as it was not possible to calculate the readings of 11 slots to get 10% consumption, the bill was calculated on 10% of bill amount of forced consumption. Accordingly, the message was also conveyed to the consumer on bill as "You are charged on 10% of your estimated billing amount”. iii. Once the actual readings were received, the total bill amount of the forced consumption period (when readings were not available) was credited to the consumer. Also, in the same billing month the bill was calculated for the entire period for which the reading was not available. Hence, the consumers were billed for actual consumption of the lockdown period after resumption of meter reading activity. iv. BEST submits that this process was carried out only during the period when the readings for cycles 19 & 24 were not available during the lockdown period from bill process month of April 2020 to June 2020. On scrutiny, it is observed that in the billing reports, monetary impact of such credit/debit is captured, however the impact of the same is not considered in the energy sales reports. The details of debit/credit adjustment for F.Y. 2020-21 is given below:

Detail submitted in submitted MTR Petition				**Revised Submission**		
Year	Units Purchased in MUs	Units Sold in MUs	D'Loss in %	Dr./Cr. Adjustment of all Cycles Net Units to be adjusted	Sale after DR./CR. Adjustments	D'loss with Adjustments in %
A	B	C	D=1-(C/B)	E	F=C+E	G=1-(F/B)
FY2020-21	3931.42	3829.81	2.58%	-52.97	3776.84	3.93%

Sr. No	Reference in Petition	Data Gaps
		BEST submits that it will make necessary corrections in the energy balance statement while submission of revised MTR petition to the Hon'ble Commission. BEST also submits that, it will take necessary corrective action to modify the required reports in the IT billing system
2.	Distribution Loss	BEST in TVS has provided the details of theft cases and its impact on the distribution loss which is very miniscule. BEST needs to address following issues in MTR Petition: • BEST to provide the details of the Theft figure along-with the impact in sales, number of cases and category of consumers. **BEST Response:** The details of theft cases were shown in the TVS just to show the activities for vigiliance, replacement of faulty/burnt meters were adversely effected due to the Covid-19 pandemic. The main categories for vigilance are Residence, Commercial, a mix of residence+commercial (units that include a shop below and residence above or residences through which commercial activities are taking place) and Festivals (Temporary supply during religious functions such as Ganesh Utsav, Ramzan, Diwali, Navratri, Holi etc.) The cases of theft cannot be considered in sales as the vigilance activities for each year may not pertain to the current financial year and could be of past years as well and, therefore are treated separately from sales. In any case the units recovered by vigilance do not constitute a significant quantum compared to sales on the whole. BEST submits that it is doing continuous efforts to limit theft and for the recovery of stolen electricity through the legal route.

Sr. No	Reference in Petition	Data Gaps
		BEST to justify the losses considering the impact of theft, IT limitation and existing distribution infrastructure in detail **BEST Response:** BEST submits that the theft, IT limitations and deficiency of existing distribution infrastructure are sometimes unavoidable obstacles for any distribution business similar to the Covid-19 pandemic. They, while present do not constitute a major hindrance to BEST's operations as the Undertaking takes utmost care in overcoming these shortcomings and providing its consumers the best service possible. Furthermore, BEST is vigilant and continuously investing in modernizing its facilities and services through various modernization schemes it is undertaking (such as: smart metering through the RDSS schemes). BEST is committed to future and limiting such impediments to the bare minimum.
3.	Compliance of the direction	BEST needs to provide the details of the compliance to the directions issued by the Commission in MYT Order dated 30th March 2020 and the subsequent orders as issued from time to time till date. **BEST Response:** BEST has already included compliance to directives issued by the Commission in the MYT Order. It will include the directions from other orders in the revised petition to be submitted to the Hon'ble Commission.
4.	Additional Impact due to COVID	As per Tariff Order dated 30th March 2020, the Commission has highlighted the Special Interim Dispensation due to COVID-19 and has stated that it will take an appropriate view on the additional expenses that are likely to be incurred by the Dlistribution Licensees on account of additional Interest on Working Capital during the MTR process. BEST to provide the details of the additional expenses incurred and resultant additional interest on

Sr. No	Reference in Petition	Data Gaps
		working capital with proper justification and quantification in the revised MTR petition. **BEST Response:** The expenses of BEST increased due to adhering to Covid-19 guidelines with respect to safety measures for employees which included sanitisation of office premises, providing face masks, hand sanitizers and other material to safeguard employees from the infection. A financial aid package of ex-gratia compensation of Rs.50 lakh per employee was provided to the members of deceased employees' families who died of Covid-19 infection while performing their duty. In addition to that BEST suffered heavy losses (Rs. 285.75 crores in FY 2020-21 and Rs. 609.13 Crores for FY 2021-22) due to decreased income from commercial and industrial consumers which led to shortage of working capital to maintain the uninterrupted Electric supply. Hence BEST made use of Overdraft facilities from Canara Bank to maintain adequate working capital during financially trying times.
5.	Justification on delay in procurement of power from SECI	It has been observed that there has been a delay in the Solar power procurement from SECI against the schedule delivery date as per PPA. BEST to provide the detail justification for the delay in commencement of the power, action taken by BEST within the provisions of the PPA and resultant impact of delay on the consumers. **BEST Response:** According to the email by SECI on 1/11/2022, SECI has informed as follows: *"As per CTU's 10th consultation MoM the "Fatehgarh-IV & Bhadla-III PS transmission system is under bidding but on hold due to GIB issues. The tentative start date of Connectivity for the same shall be Dec'2024 subject to approval of SCOD extension*

Sr. No	Reference in Petition	Data Gaps
		issue." And also it is understood from CTU that the P-III Ramgarh ISTS substation is also on hold due to GIB issues. *In view of the above, the developers are matching its hybrid project establishments timelines along with the CTU ISTS substation timelines (Which is expected by DEC,2024), due to delay in ISTS substation, the Project land acquisition and the finalization of supply equipment are on hold."* BEST has not taken any action for this delay as according to the PPA there is no recourse for a delay in the supply of power. The impact on consumers due to the delay has been computed and given in AnnexurePoint5**.** BEST will include the same in the revised petition to be submitted to the Hon'ble Commission.
6.	Power Procurement Plan	BEST has filed a Petition for approval of Power Procurement Plan dated 20.12.2022. BEST needs to highlight the same in the MTR Petition along-with the details of the power planned in FY 2024-25 linking with the transmission corridor and its constraint. BEST to provide the alternative plan also in case the transmission constraint issues are not resolved. **BEST Response:** BEST will align the details of the Power Procurement Plan in the revised petition to be submitted to the Hon'ble Commission. It will also include the power planned for FY 2024-25 linked to the transmission corridor constraints and will include an alternate plan for procurement to manage the transmission constraints.
7.	Additional O&M expenses claimed	BEST has proposed additional cost over and above normative O&M against the Smart Meter Scheme under TOTEX Model. BEST needs to provide the cost benefit analysis, saving in the O&M cost due to implementation of TOTEX model and impact on tariff comparing the TOTEX model and if the same was undertaken in CAPEX mode.

Sr. No	Reference in Petition	Data Gaps
		Also, BEST to provide the same details in MTR Petition. **BEST Response:** BEST submits that Smart Metering scheme is being undertaken as per the Operational Guidelines for Revamped Distribution Sector Scheme (RDSS) - A Reforms-based and Results-linked Scheme issued by GOI vide dated 29.07.2021. The relevant para of the guideline pertaining to Totex and funding linked to the same is given below: *"2.3 Eligible Works and Activities under Part A - Metering* *2.3.1 Under this part, Prepaid Smart metering for consumers, and System metering at Feeder and Distribution Transformer level with communicating feature along with associated Advanced Metering Infrastructure (AMI) will be done in TOTEX mode through PPP, to facilitate reduction of Distribution losses and enable automatic measurement of energy flows and energy accounting as well as auditing.* *2.3.2 Funding under this Part will be available only if the DISCOM agrees to the operation of smart meters in prepayment mode for consumers, and in accordance with the uniform approach indicated by the Central Government, with implementation in TOTEX mode………."* Further, BEST submits that, as per the clause no. 84.7 of the MERC (Multi Year Tariff) Regulations, 2019, a distribution license may undertake opex schemes over and above normative O&M expenses subject to prudence check by Hon'ble Commission. The relevant extract from the regulation is reproduced below: *"84.7 A Distribution Licensee may undertake Opex schemes for system automation, new technology and IT implementation, etc. and, such expenses may be allowed over and above normative O&M Expenses, subject to prudence check by the Commission:*

Sr. No	Reference in Petition	Data Gaps
		Provided that the Distribution Licensee shall submit detailed justification, cost benefit analysis of such schemes as against capex schemes, and savings in O&M expenses, if any.” As per MERC Capex Regulation, 2022, Regulation 3.11, BEST has planned to execute the project of “Implementation of Smart Metering” under TOTEX model through Advanced Metering Infrastructure Service Provider (AMISP) on Design, Built, Finance, Own, Operate and Transfer (DBFOOT) basis. The relevant extract from the regulation is reproduced below: *“3.11 The Distribution Business/Licensees may consider implementation of Smart Meters and/or Prepaid meters under Total Expenses or TOTEX (Capex Expenditure + Opex Expenditure) model:* *Provided that the prudence of the TOTEX scheme shall be evaluated in accordance with the framework laid down by the relevant Guidelines of Government of India.”* Ministry of Power has issued a guidance note for appointment of Advanced Metering Infrastructure (AMI) Service Provider for Smart Prepaid Metering in India. In the same, MoP mentioned as follows: *“……….* *ix. Accounting process of AMISP payment:* *•Transaction Nature: Payment to the AMISP by the DISCOM shall be considered as an Operational Expenditure on DISCOM’s account* *•Regulatory Treatment: DISCOM to consider AMISP payments (AMISP service charge along with the lump sum payment per meter) as operational expenditure while filing ARR and tariff review petition to the state ERC*

Sr. No	Reference in Petition	Data Gaps
		……"

As can be seen from above guidelines, regulations & guidance note, BEST is considering O&M expenditure in OPEX scheme. The total O&M expenses including Smart Meter OPEX scheme considered for ARR is given below:

Particulars	FY 2023-24 (Approved)	FY 2023-24 (Revised)	FY 2024-25 (Approved)	FY 2024-25 (Revised)
Normative O&M	614.99	677.89	632.42	711.10
Opex Scheme		47.51		136.48
Total O&M Expenses	**614.99**	**725.41**	**632.42**	**847.58**

Further, for the implementation of smart meters, BEST has carried out competitive bidding for selection of Advanced Metering Infrastructure Service Provider (AMISP). Accordingly, M/s. Adani Transmission Ltd. was appointed as Advanced Metering Infrastructure Service Provider (AMISP) for implementation of smart meter. BEST submits that after issuing of LOA, the work shall be completed within 30 months and after 9 months of LOA, first 5% of the meters of total quantity shall be covered under go-live system.

Further, as per MYT regulations, BEST has calculated cost-benefit analysis of the Opex vs. Capex scheme. The detailed analysis is attached as **AnnexurePoint7**. The impact of the same is reproduced below:

Comparison of impact of OPEX mode v/s Capex Mode for Smart metering works			
Particulars	**UoM**	**Capex**	**Opex**
Net Value	Rs. Crore	₹ 1,303.16	₹ 1,204.28
Grant - Phase I	Rs. Crore		₹ 98.88
Total	Rs. Crore	**₹ 1,303.16**	**₹ 1,303.16**
Levelised Impact on Tariff	**Rs. kWh**	**₹ 0.41**	**₹ 0.28**

*Only considered Phase I of smart metering implementation project

Note: For OPEX scheme, grant is considered as per approved by PFC.

Sr. No	Reference in Petition	Data Gaps
		BEST submits that, as can be seen from above table, per unit impact on tariff is lesser in OPEX mode. BEST submit that due to smart metering implementation there will be improvement in outage detection, improvement in service restoration, improvement in billing efficiency, etc. Also, smart meter implementation will reduce manual meter reading, better work and asset management, outage management, etc. which will result in lowering overall O&M expenses. BEST submits that, it would be very difficult to quantify the benefits at present. However, the same can be envisaged after initial installation of smart meters only.
8.	KVAh Metering	As per the directions of the Commission in the MYT Order dated 30th March 2020, BEST was directed to implemented kVAh billing for all HT Consumers from 1st April 2020 onwards. However, BEST has been billing the consumers on kVAh basis on derived formula basis considering PF of 0.95. BEST to provide the reasons for not implementing the kVAh billing with accurate PF and the impact of the same on the consumers billing. BEST need to submit the details of **actual implementation** (not on derived basis) of kVAh billing of HT & LT consumers. **BEST Response:** BEST submits that it is not billing the consumers by considering PF of 0.95. BEST has been billing the consumers on derived kVAh unit basis , based on the formula for PF specified by Hon'ble Commission. i.e. kVAh(Total) = $\sqrt{(kWh)^2 + (RkVAhLag + RkVAhLead)^2}$ As per the directives of Hon'ble Commission, for implementation of kVAh billing to the consumers whose consumption is above 20 kW and CEA guidelines dated Jan 2016, of implementing smart meters for consumers having consumption more than 200 units and Installation of Energy audit meters upto distribution transformer

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Sr. No	Reference in Petition	Data Gaps
		level, a Special Study Team (SST) was formed by BEST in July 2018. Accordingly, SST was given task to study and initiate the following proposal: i. A common software system was envisaged for reading the Meters pertaining to HT as well as LT consumers above 20 Kw, Energy auditing of system up to distribution transformer level and also reading of the ABT meters of Interface points, which will reduce the cost of the project and meet all the regulatory requirements. ii. The proposal of Implementation of smart meters above 20 Kw and Energy audit meters with EFPI integration was in-principally approved by the management in Aug. 2019 and directed SST to prepare RFP. iii. For preparation of RFP, SST attended various seminars, discussed rigorously with Smart Meter implementing agencies, Meter manufacturers, etc. During the discussion, it was observed that there were various issues faced by other utilities all over India while implementation of such projects regarding adoption of right communication technology, no manufacturer has taken BIS certification for HT CT PT meter, etc. Hence it took considerable time for finalising the specifications. The final approval of the management for RFP was obtained in November 2020. iv. BEST while implementing above directives of Hon'ble Commission, also decided to replace meters for HT Consumers with Smart Meters, which not only have facility to record kVAh reading but also have other features such as Net Meter, power quality measurement, remote firmware up-gradation, in-built modem etc. v. Accordingly, a comprehensive proposal was prepared, considering the directives of Hon'ble Commission, as well as CEA and other requirements. The proposal comprised of replacement of around 20,200 Nos. of meters with SMART Meters (200 Nos. of HT meters and 20,000 nos. of LT Meters having sanctioned load above 20 KW). Also 5000 nos. of SMART meters were proposed to be installed for Energy Auditing at various voltage levels from 110 KV interface points to Distribution Transformer at 415 Volts. vi. It was intended to keep common meter reading software and Meter data Management System (MDMS) for all above meters, to optimize the cost of the project thereby burden on the consumer in ARR will

Sr. No	Reference in Petition	Data Gaps
		be minimum. As the system will be based on remote reading, it will reduce the requirement of visiting site for downloading the reading data. vii. The project was approved by the management and the tender was to be floated in last quarter of FY2020-21. As per schedule it was envisaged that BEST will complete the work of replacement of meters pertaining to HT consumers by December 2021. viii. BEST had prepared above plan to replace all consumer meters with load above 20 kW with kVAh compliant meters. Meanwhile MoP, vide notification dated 17th August, 2021 directed that: "all the consumers (other than agricultural consumers) in areas with communication network, shall be supplied electricity with SMART meters working in Prepayment Mode, conforming to relevant IS, within the time". Hence, BEST decided to replace all existing energy meters with SMART meters with Prepayment facility. ix. The Ministry of Power, Govt. of India through its subsidiary and Nodal agency "Power Finance Corporation of India" (PFC) after approval from State cabinet, sanctioned financial assistance to BEST Undertaking, for execution of various projects including replacement of existing energy meters by SMART Meters. x. Now, in accordance with "Revamped Distribution Sector Scheme" (RDSS) of Govt. of India, BEST has appointed AMI-SP to execute the "Scheme of Prepaid Smart Metering" on Design, Built, Finance, Own, Operate & Transfer (DBFOOT) basis. xi. After issuing of LOA, the work shall be completed within 30 months and after 9 months of LOA, first 5% of the meters of total quantity shall be covered under go-live system. Considering the maximum period for AMI-SP the scheduling is given below: i. Total Quantity Considered as Bill of Material – 10,80,676 Nos. ii. 9th month after Issuing LOA will be June 2023 and the 30th month will be March 2025. a) 54,035 Smart Meters (5% of total) are operational at the end of 9th Month from date of execution of the Contract;

Sr. No	Reference in Petition	Data Gaps
		b) From there on, 44,200 Smart Meters (4.09% of total) are operational every month till 5,00,000 Smart Meters (50% of total) are operational at the end of 20th Month from date of execution of the Contract; c)From there on, 54,035 Smart Meters (5 % of total) are operational every month till 10,80,676 smart meters (100% of total) are operational at the end of 30th Month from date of execution of the Contract. The accrual of meter-months will commence as soon as the first lot of 5% of total Smart Meters are installed and operational at the end of 9th Month from date of execution of the Contract. Hence, 'Meter-Months' of AMI system operated after operational go-live is determined as below:

Sr. No	Reference in Petition	Data Gaps
		(table continued below)

Month	Total Smart Meters Installed	Meters per Month
9	54035	54035
10	98235	44200
11	142435	44200
12	186635	44200
13	230835	44200
14	275035	44200
15	319235	44200
16	363435	44200
17	407635	44200
18	451835	44200
19	496035	44200
20	540235	44200
21	594270	54035
22	648305	54035
23	702340	54035
24	756375	54035
25	810410	54035
26	864445	54035
27	918480	54035
28	972515	54035
29	1026550	54035
30	1080676	54126

Sr. No	Reference in Petition	Data Gaps
9.	Proposed capitalisation in FY 2023-24 and FY 2024-25	It has been observed that the average capitalisation undertaken by BEST in a year is in the range of Rs. 100 Crores. However, BEST has projected CAPEX and Capitalisation of Rs. 960 Crores and Rs. 652 Crores in FY 2023-24 and FY 2024-25 respectively. BEST to provide the detailed Justification for Capitalisation to be completed within the given time period considering past experience and implementation plan to undertake such huge capitalisation.

Sr. No	Reference in Petition	Data Gaps
		BEST Response: The Government of India has approved the Revamped Distribution Sector Scheme (RDSS) to help DISCOMs improve their operational efficiencies and financial sustainability by providing result-linked financial assistance to DISCOMs to strengthen supply infrastructure. The sunset date for this scheme is 31-03-2026. To utilize the opportunity provided by the central government in form of Grant under the Revamped Distribution Sector Scheme (RDSS) an Action plan and DPR was prepared. BEST has forwarded the DPR of Rs. 3460.98 Crore and Action Plan under the RDSS Project to Government of Maharashtra for its approval and to recommend the same to the Ministry of Power. This DPR contains Distribution Infrastructure works (i.e. RSS/DSS infra works, IT applications and Infrastructure works, Advance Distribution Management System (ADMS)) and Advance Metering Infrastructure (Smart Metering). The GoM has approved BEST's DPR of Rs. 3460.98 Crore and Action Plan on 25.08.2022. Subsequently, the DPR of Rs. 1632.05 crore has been approved by the monitoring committee on 28.10.2022. The details are given below:

Sr. No.	Particulars	Amount (Rs. Crores)	GBS	PMA Charges	GBS for PMA Charges
1.	Smart Metering Works	659.17	98.88	2.47	1.48
2.	Infrastructure Works - Loss Reduction	972.88	583.73	14.59	8.76
Total		**1632.05**	**682.60**	**17.07**	**10.24**

BEST submits that, it has proposed capex and capitalization according to the proposal approved by Government of Maharashtra and is in process of preparing DPRs and same will be submitted in due course.

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Sr. No	Reference in Petition	Data Gaps
	Additional Data gaps considering the replies to data gap set -1	
10.	Requirement of Cost Audit Report – Query no. 3	Cost Audit report as per Regulations 23.4 of MYT Regulations 2019 justifying the revenue expenses is not provided. BEST to submit the Cost Audit Report duly audited by the internal auditor. BEST has replied that BEST conducts internal audit & Municipal Audit (MCA Audit) for financial prudence and requests the Commission to exempt it from the compliance of submission of Cost Audit Report. However, as per MYT Regulations 2019, Cost Audit Report is one of the mandatory requirements for the admission of the Petition. Also, at the time of Draft MYT Regulation 2019, BEST has suggested that being a local authority, it should be allowed to submit Cost Audit Report audited by internal audit department of the Utility which was accepted by the Commission. However, at present, BEST is seeking exemption for the same. As stated in Statement of Reasons, Cost audit sought under MYT Regulations 2019 was introduced for proper monitoring of inventory and inventory management within prudence of revenue expenditure, and to ensure that the company is following optimum inventory management as proposed. Hence BEST is requested to provide the status of the cost audit report and submit the same. **BEST Response:** BEST has appointed a Cost Auditor to carry out the cost audit to submit to the MERC on a priority basis. The Cost Audit report will be submitted within 3 weeks of both the financial years i.e. FY 2020-21 & FY 2021-22.
11.	Depreciation	Form 5 - Reasons for negative figures under Accumulated depreciation under "Withdrawals during the year" provided in FY 2021-22 to FY 2024-25. **BEST Response:**

Sr. No	Reference in Petition	Data Gaps
		The depreciation had been charged during FY 17-18 and FY 18-19 on the incomplete structures of Wadala Truck Terminus, Mahatma Gandhi Hospital, and Dosti Complex RSS/DSS. In view of this the provision of depreciation was adjusted as shown in withdrawals as Rs. -0.22 crore. BEST will rectify this error and exclude it from the future projections of depreciation.
12.	Energy Sales and Energy Balance – Query No. 10, 33	BEST in its replies to data gaps has provided the monthly energy drawl at T< > D Interface and energy drawl at G< > T interface for FY 2019-20 to FY 2021-22 under Annexure Point10. However, the energy as specified in G>T interface doesn't reconcile with Form 2.1. BEST needs to reconcile the same. Similar monthly reconciliation to be provided for FY 2021-22 also. **BEST Response:** BEST will reconcile the same and include it in the revised petition to be submitted to the Hon'ble Commission.
13.	Power Purchase - Manikaran Power Limited (MPL) - Query No. 12	Replies to the query to provide the calculation / supporting for the number projected in para 2.3.12 (866 MU available from SWPL/MPL, BEST was in shortfall by ~694 MUs, medium term power of Rs 4.06/Unit) was provided. However, the number needs to be reconciled with para 2.3.12 of MTR Petition. **BEST Response:** BEST has inadvertently written 866 MUs the correct figure is 744.60 MUs. BEST will include the same in the revised petition to be submitted to the Hon'ble Commission.
14.	Power Purchase – RPS rebate – Query no. 13, 35	BEST has provided the details of RPS Rebate invoice wise for FY 2019-20 to FY 2021-22 in excel table along with the calculation. The number needs to be reconciled with the amount claimed in Form 2 of MTR Petition

<table>
<tr><th>Sr. No</th><th>Reference in Petition</th><th>Data Gaps</th></tr>
<tr><td></td><td>and 64</td><td>

BEST Response:

The numbers in Form 2 are correct. The reconciliation with the amount from the invoice details is as follows:

For 2019-20:

<table>
<tr><th>Particulars</th><th>Amount</th></tr>
<tr><td>Rebate from Walwhan</td><td>0.84</td></tr>
<tr><td>Rebate for Additional units for March 2019</td><td>0.68</td></tr>
<tr><td>Rebate from Greta Energy</td><td>0.07</td></tr>
<tr><td>Rebate from Lokmangal</td><td>0.01</td></tr>
<tr><td>(subtract) Rebate for Additional units for March 2020</td><td>0.57</td></tr>
<tr><td>(subtract)Rebate for Feb 2020</td><td>0.02</td></tr>
<tr><td>Total</td><td>1.00</td></tr>
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BEST submits that rebated of Rs. 2,42,908/- for the month of Feb-2020 for M/s. Walwhan Solar was not availed till April-2020, However, it was inadvertently considered as Rebate in FY 2019-20 by Account Dept. BEST submits that the rebate amount was paid in Nov-2020 by Walwhan Solar. The Rebate for Additional units for March 2020 which is considered in the next financial year was considered in this financial year in the Annexure.

For 2020-21:

<table>
<tr><th>Particulars</th><th>Amount</th></tr>
<tr><td>Rebate from Walwhan</td><td>0.58</td></tr>
<tr><td>Rebate for Additional Units for March 2020</td><td>0.57</td></tr>
<tr><td>(subtract) Rebate for Additional Units for March 2021</td><td>0.31</td></tr>
<tr><td>Total</td><td>0.84</td></tr>
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<table>
<tr><th>Sr. No</th><th>Reference in Petition</th><th>Data Gaps</th></tr>
<tr><td></td><td></td><td>BEST submits that the Rebate for Additional Units for March 2021which is considered in the next financial year was considered in this financial year in the Annexure.

For 2021-22:

<table>
<tr><th>Particulars</th><th>Amount</th></tr>
<tr><td>Rebate from Walwhan</td><td>0.36</td></tr>
<tr><td>Rebate for Additional Units for March 2021</td><td>0.31</td></tr>
<tr><td>(subtract) Rebate for Additional Units for March 2022</td><td>0.09</td></tr>
<tr><td>Total</td><td>0.58</td></tr>
</table>
BEST submits that the Rebate for Additional Units for March 2022 which is considered in the next financial year was considered in this financial year in the Annexure.</td></tr>
<tr><td>15.</td><td>Power Purchase – RE Purchase – Query no. 13</td><td>Against the query to provide the supporting purchased 58.95 MU of Non-Solar RE (Biomass and bagasse) under short term, BEST has provided LoI as per Annexure Point 13 LOI. However as per LoI, the rate of power procurement is Rs. 6.43/kWh whereas rate claimed in MTR petition is Rs. 6.97. BEST to reconcile the same.

BEST Response:
The LOI specified is only for TPTCL (Lokmangal Agro) while the rate in the petition includes the quantum and rate for Greta Energy (Rs. 6.74/kWh according to LOI) as well. Additionally, the Open Access charges that are not included in the LOI are added as well. The power procurement of non-solar is summarised below:</td></tr>
</table>

<table>
<tr><th>Sr. No</th><th>Reference in Petition</th><th>Data Gaps</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><th rowspan="2">Particulars</th><th>Quantum</th><th>Energy Charges</th><th>OA Charges</th><th>Net Charges</th><th>Rate</th></tr>
<tr><th>MU</th><th>Rs.Cr.</th><th>Rs.Cr.</th><th>Rs.Cr.</th><th>Rs./kWh</th></tr>
<tr><td>Greta</td><td>56.94</td><td>39.54</td><td>0.09</td><td>39.63</td><td>6.96</td></tr>
<tr><td>Lokmangal</td><td>2.02</td><td>1.42</td><td>0.05</td><td>1.48</td><td>7.32</td></tr>
<tr><td>Total</td><td>58.95</td><td>40.97</td><td>0.14</td><td>41.11</td><td>6.97</td></tr>
</table>
The LOI for Greta Energy and monthly breakup of non-solar RPS sources is included in AnnexurePoint15.
</td></tr>
<tr><td>16.</td><td>O&M expenses</td><td>As per F3.2, the expenses capitalised is highlighted whereas in MTR petition, the same is highlighted as “Establishment of Allied departments”. BEST has provided the explanation for the same. However consistency to be maintained between write-up and formats.

BEST Response:
BEST will rectify the error and include it in the revised model to be submitted to the Hon’ble Commission.</td></tr>
<tr><td>17.</td><td>Operation and Maintenance Expenses – For FY 2019-20 to FY 2021-22 – reply to Query no. 18, 45, 73 and 74</td><td>The Commission has sought the justification for the increase in certain cost component of employee expenses, A&G Expenses and R&M Expenses. The justification provided by BEST is general in nature and BEST to provide the details justification along-with the quantifying the same.
BEST Response:
Employee expenses including impact of wage agreement for F.Y.2019-20
The actual wage impact for F.Y.2019-20 is Rs. 36.03 crores, which consist increase in Basic salary by Rs. 50.96 crores, DA decrease by Rs.20.77 crores, HRA increased by Rs. 6.05 crores , LTA decrease by Rs. 0.32 crores, Leave Encashment decrease by Rs. 0.49 crores, Medical Allowance decrease by Rs. 0.19 crores, Overtime payment</td></tr>
</table>

Sr. No	Reference in Petition	Data Gaps
		decrease by RS. 1.21 crores, P.F. increase by Rs. 2.64 crores, & Gratuity decrease by Rs. 0.64 crores. The details are given below:

Particulars	Amount (Rs. Cr.)
Basic Salary	50.96
Dearness Allowance	(20.77)
House Rent Allowance	6.05
Leave Travel Allowance	(0.32)
Leave Encashment	(0.49)
Medical Allowances	(0.19)
Overtime Payment	(1.21)
Provident Fund	2.64
Gratuity	(0.64)
Total Impact of Wage Revision Agreement	**36.03**

The Following factors have contributed for increase in the employee expenses:

i) Basic pay increased by Rs. 50.96 crores mainly on account of fixation of individual employee in their respective grade w.e.f. Oct – 2019 in case of employees

ii) Dearness allowances decreased by Rs.20.77 crores due to DA being merged with basic pay.

iii) HRA and Provident fund increased by Rs.6.05 crores and 2.64 crores respectively due to increase in basic pay.

Repairs & Maintenance Exp. 2019-20

As compare to FY 2018-19 the R&M expenses was increased by Rs. 11.44 crores.

The increase is mainly attributed to increase in Civil Works by Rs. 5.81 crores & Lines & Cable Net Works by Rs.0.

Sr. No	Reference in Petition	Data Gaps
		98 crores. The expenditure on this account is increased due to increase in the Civil work and increase in Reinstatement charges on account of excavation taken for repairing underground cable faults occurring during the year paid to Mumbai Municipal Corporation of Greater Mumbai (MCGM) as well as increase in the Lines & Cable Net Works. the Lines & Cable Net Works were a necessity in order to give uninterrupted power supply to consumers. In additional to this, Plant & Machinery is increased by Rs.3.21 crores and Office Equipment is increased by Rs.1.62 crores due to increase in cost of material required for Receiving / Sub-station and increase in repair and maintenance cost of Office Equipment. **Administrative and General Expenses 2019-20** The actual audited A&G Expense for FY 2019-20 is Rs. 111.17 Crores which is marginally increased by Rs.2.37 crores as compared to F.Y. 2018-19 is due to: i. Rent, Rates & Taxes increased by Rs. 1.07 crores mainly due to revision in property taxes by MCGM, to be levied on capital value instead of rateable value. ii. Vehicle Running expenses increased by 1.94 crores due to increase in fuel cost. iii. Share of G.A. increase by 3.70 crores due to wage revision settlement arrived from Octomber-2019 in case of employees of the general administration department. iv. Marginal increase in Telephone & Postage, Legal charges & Audit fees. **Employee expenses including impact of wage agreement for F.Y.2020-21** As compared to 2019-20 the 62.24 crores have been increased in FY 20-21. The Following factors have contributed for increase in the employee expenses:

Sr. No	Reference in Petition	Data Gaps
		i. Basic pay increased by Rs.110.56 crores mainly on account of fixation of individual employee in their respective grade w.e.f. Sep – 2019 in case of employees & in case of officers from Oct-2020. ii. Dearness allowances decreased by Rs.45.98 crores due to DA being merged in basic pay. iii. HRA, OT, PF & Gratuity are increased by Rs.8.48 crores, Rs.1.00 crore, Rs. 0.79 Crores & & Rs.0.37 crores respectively on account of increase in basic pay. **Repairs & Maintenance Exp. F.Y.2020-21** The repairs and maintenance cost decreased by Rs. 30.72 crores as compared to FY 2019-20 mainly on account of the Covid-19 Lockdown. **Administrative and General Expenses F.Y.2020-21** The administrative and general expenses increased by Rs. 19.74 Crs. as compared to FY 2019-20. The Following factors have contributed for increase in the expenses: i. Other cost expenses increased by Rs. 9.44 crores mainly due to sanitization of premises, providing face mask, sanitizer & other material to staff/officers to prevent from Covid-19 infection & financial aid in lieu of ex-gratia compensation of Rs. 50 lakh for each employee which was provided to the members of deceased employees' family who died of Covid-19 infection during performing their duty. ii. Vehicle Running expenses increased by Rs. 4.13 crores due to increase in hiring of vehicles & also increase in fuel cost. iii. Security arrangement & Share of G.A. increase by Rs 0.61 crores & Rs.8.19 crores respectively due to wage revision settlement arrived from September-2019 in case of employees and October-2020 in case of officers of the general administration department. iv. Marginal increased in Insurance, Bank charges & Professional, Consultancy, Technical fee.

January 06, 2023

Sr. No	Reference in Petition	Data Gaps
		Employee Expenses FY 2021-22 The employee expenses increased by Rs. 31.12 crores. as compared to FY 2020-21 is mainly due to increase in the payment of Gratuity by Rs. 29.70 crores. The amount of Gratuity increased due to a greater number of employees retiring (585 in FY 2021-22 compared to 520 in FY 2020-21). The amount of gratuity also depends on the factors below: 1. Grade of employee at the time of retirement 2. Base pay of retiring employee 3. Wage revision 4. No. of years of service Therefore, due to the impact of wage revision as well as an increase in the number of retiring employees (65 from FY 2020-21) the amount of gratuity increased significantly. **Repairs & Maintenance Exp. F.Y.2021-22** The audited R &M expenses increased by Rs. 9.33 crores when it is compared to last year's actual expenditure of Rs. 46.71crores. Major increase in R & M expenses was under Lines & Cables Net Works by Rs.7.73 crores, Plant and Machinery by Rs.1.96. crores and Office Equipment by Rs. 2.21 crores. Further reduction under civil work 2.62 crores. Further, one of the reasons was the increase in the cost of material required for repairs and maintenance. It is to be pointed out here that if we compare the expenses with 2019-20 the expenses have not increased and to compare the expenses with FY 2020-21, the expenses of FY 2020-21 are on lower side due to Covid-19 lock down.

Sr. No	Reference in Petition	Data Gaps
		Administrative and General Expenses F.Y.2021-22 The actual audited A&G Expense for FY 2021-22 is Rs. 137.26 Crores which is marginally increased by Rs.6.35 crores as compared to F.Y. 2020-21 is due to: i. Other cost expenses decreased by Rs. 5.54 crores and the bank charges are increased by Rs. 5.53 crores for increase in the bank renewals and commissions. ii. Vehicle Running expenses is increased by 2.60 crores due to increase in hiring of vehicles & also increase in fuel cost. iii. Security arrangement & Share of G.A. increase by Rs 1.02 crores & Rs.1.81 crores respectively due to wage revision settlement arrived from Octomber-2019 in case of employees & November-2020 in case of officers of the general administration department. • BEST to quantify the increase in the amount of gratuity in FY 2021-22 with the details of the number of employees retired in past and in FY 2021-22 along-with the proper justification. **BEST Response:** The details of retired employees for BEST are as follows:

Year	No. of Employees
FY 2020-21	520
FY 2021-22	585

Furthermore, the amount of gratuity depends on the factors below:

Sr. No	Reference in Petition	Data Gaps
		5. Grade of employee at the time of retirement 6. Base pay of retiring employee 7. Wage revision 8. No. of years of service Therefore, due to the impact of wage revision as well as an increase in the number of retiring employees (65 from FY 2020-21) the amount of gratuity increased significantly • BEST to quantify the increase by Rs. 5.53 Crs (395%) in expenses related to Bank Charges. It has been observed that there is an increase in Bank Charges BEST to provide the details of the bank charges incurred in excel sheet along-with the justification for such a huge increase. **BEST Response:** Best submits that it had issued Letters of Credit amounting to Rs. 43 crores in favour of MSETCL, Rs. 2.25 crores in favour Walwhan power and Rs. 7.37 crores in favour of Manikaran power. For renewal of these LCs in favour of above firms, the bank charged BEST, Rs. 2.23 crores in the year 2021-22. The bank has also charged commission, processing and documentation charges amounting to Rs. 2.31crores. Therefore, bank charges increased in FY 2021-22.
18.	Operation and Maintenance Expenses – Reply to Query no. 19	BEST has stated that for FY 2019-20 R&M expense for Civil Works has increased significantly, due to increase in the cost of Re-Instatement Charges. However, BEST has provided the notice of revision for FY 2021-22 and no supporting was provided for FY 2019-20. BEST to provide the supporting for FY 2019-20.

Sr. No	Reference in Petition	Data Gaps
		BEST Response: BEST inadvertently claimed an increase in the rate of the reinstatement charges. The R&M expenses for the Civil Works increased cost due to increased excavation undertaken for repairing underground cable faults occurring during the year and not due to increased rate. It is to be pointed out that the Civil Works expenses for FY 2021-22 are in line with FY 2019-20. The expenses of FY 2020-21 are on a lower side due to the Covid-19 lockdown and may not be considered for comparison.
19.	2.9 Interest on Working Capital (IoWC) – Reply to Query no. 23, 50 and 78	• For FY 2019-20 to FY 2021-22, as per the submission of BEST the working capital loan availed by BEST was for electric supply as well as transport business. BEST to provide the allocation principle of such loan to Supply and Transport business with proper supporting documentation and justification. Also, BEST to provide the supporting of the utilisation of such amount for Supply business. **BEST Response:** BEST maintains unique codes to bifurcate the supply and transport business. The division-wise code is indicated on each payment voucher. With the help of code on the payment vouchers, the amount for each division is derived and amount of actual interest on O.D account is allocated to electric supply division. The reason for availing this OD facility is 1) Undertaking day to day inflow of cash/bank is uncertain and received bill payment from consumers is piecemeal. 2) The huge payment of power purchase/Employee salary and vital item to be paid in bulk. BEST is a Local Authority and the division-wise income and expenditure of both the supply and transport divisions is audited by the Auditors of Brihanmumbai Munical Corporation. The audited accounts are already submitted in the petition to the Hon'ble Commission.

Sr. No	Reference in Petition	Data Gaps
		• For FY 2019-20, against the query on lower collection efficiency in FY 2019-20, BEST has replied that it has been dropped due to Covid-19 pandemic and nationwide lockdown effect called on 22nd March 2020. BEST to provide the monthly collection efficiency for FY 2019-20 and also how the impact of last month billing will affect the collection efficiency. **BEST Response:** The payment of bills generated for every month is mostly done at the end of the month as BEST provides around 20 days to consumers to pay their bills. BEST submits that the average collection for FY 2019-20 prior to March 2020 was approx. Rs. 343 crore, the collection for March 2020 dropped significantly due to the Covid-19 lockdown. The collection for the month of March 2020 was only Rs. 155.53 crore which is the reason why the collection efficiency for FY 2019-20 was reduced.
20.	Provision for Bad and doubtful Debts	• BEST has not provided the details of the arrears collected during the year which were due for more than 6 months and the arrear amount category wise. BEST to provide the same. **BEST Response:** Presently BEST's procedure for Bad Debts is as follows: i. 1.5% of the total unrecovered amount as on 31-3-2018 for the year 2017-18 (Rs.339.33 Crores) is considered as Bad debt for the year 2019-20. The same approach has been taken in the case of 2020-21 and 2021-22. ii. The accounts where there is no possibility of recovering the amount due, are audited and considered for Bad debt. In such cases, meters are removed and final bills are prepared generally after 2 years of meter

<table>
<tr><th>Sr. No</th><th>Reference in Petition</th><th>Data Gaps</th></tr>
<tr><td></td><td></td><td>removal. This means 8113 cases (sr no 1 below table) of Bad Debt taken in the year 2017-18 are meter removed cases of 2015-16. The available security deposit and payment received is deducted and the final amount is considered as Bad debt.

The summary for arrears recovered before consideration of bad debts are as follows:
<table><tr><th>Year</th><th>No. of Cases</th><th>Amount (Rs. Crore)</th></tr><tr><td>FY 2017-18 (for FY 2019-20)</td><td>8,113</td><td>1.31</td></tr><tr><td>FY 2018-19 (for FY 2020-21)</td><td>15,718</td><td>1.41</td></tr><tr><td>FY 2019-20 (for FY 2021-22)</td><td>16,952</td><td>2.40</td></tr><tr><td>Total</td><td>40,783</td><td>5.12</td></tr></table></td></tr>
<tr><td>21.</td><td>Contribution to Contingency reserves - Reply to Query no. 52 and 80</td><td>Considering the delay in investment against the contingency reserves, BEST to provide the details of the dates of the approval in the chronological order, with remarks if any.

BEST Response:
The approval for Investment of FY 2020-21 was obtained on 8th December, 2021 and invested on 30th December, 2021.
The approval for FY 2021-22 was obtained on 23rd September, 2022 and invested on 19th October, 2022.</td></tr>
<tr><td>22.</td><td>Other Expenses – Reply to Query no. 53</td><td>In data gaps set -1, BEST was asked to submit the cost benefit analysis of the said scheme and the impact of the collection due to implementation of Incentive Scheme 2020. BEST has not provided the same in the replies. BEST to provide the details of the same.</td></tr>
</table>

Sr. No	Reference in Petition	Data Gaps
		BEST Response: BEST submits that, due to Covid-19 pandemic, revenue collection was hampered. Till October 2020, arrears have increased to Rs. 534.24 Cr. To improve the revenue realization of the same, BEST has implemented the Incentive Scheme of 2020, it incentivized customers to pay their arrears. The customers were given 2 options. Option 1: If the consumer pays bill of October on time, then he is eligible for following rebate: • Delayed Payment Charges & Interest on Arrears on bills for the month of April, May, June, July, August & September 2020 would be waived off. • 2% discount on April, May, June, July, August & September bills. Option 2: If the consumer pays bill of October in three instalments October, November & December, then he is eligible for following rebate: • Delayed Payment Charges & Interest on Arrears on bills for the month of April, May, June, July, August & September 2020 would be waived off. • 1% discount on April, May, June, July, August & September bills. • If the October months bill paid on three instalments on time, then interest on arrears would be waived off. The impact of the scheme is not easily quantifiable but it can be seen that the amount of arrears reduced in the months after the scheme was introduced as seen in the table below:

Month	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Arrears(Rs. Crore)	491.11	477.10	452.66	426.76	402.18

Sr. No	Reference in Petition	Data Gaps
23.	5.3 Power Purchase expense for FY 2021-22 – Renewable Power Purchase – Reply to Query No. 67	The documentary evidence was sought for purchase of REC indicating number of certificates purchased and cost of purchase of REC for FY 2021-22. However, the BEST has only provided the excel sheet highlighting the details of REC purchase and the cost without any documentary evidence. BEST to provide the documentary evidence for the same. **BEST Response:** BEST will include the documentary evidence for REC purchase in AnnexurePoint23.
24.	5.17 Non-tariff Income - Reply to Query No. 84	In the data gaps set -1, justification was sought for decrease in Other income (Part of Non-Tariff income) of Rs. 0.15 Crs, which includes Charges for collection of Electricity Duty collected on behalf of Government at a rate of Rs.45 per 100 consumers, whereby BEST has claimed collection efficiency of 101% for FY 2021-22. So since the collection efficiency has been increased along-with the sales and revenue, BEST was required to justify the decrease in other income. However, BEST has provided rationale for the other component of Non-Tariff Income and no explanation has been provided for reduction in “OTHER INCOME”. BEST to reconsider their submission and provide the justification for reduction in “OTHER INCOME” as highlighted in Non-Tariff income of Rs. 0.15 Crs. **BEST Response:** The “Others” income head includes other components such as penalty recovered from outside parties, Administrative charges, dishonoured cheque charges, penal interest on let-out etc. These incomes are uncertain and hence may not be compared.
25.	7.8 Power Purchase	Under Para 7.8.23 – BEST has considered an escalation of 5% on the cost of Manikaran Power Limited for projecting power procurement cost from a new source. BEST has not provided any rationale for considering 5%

Sr. No	Reference in Petition	Data Gaps
	Expenses – Reply to Query no. 107	escalation. However, as per Clause 11 of PPA, Fixed charges is required to be revised at 20% of variation in WPI. BEST to consider the calculation on the basis of PPA terms. **BEST Response:** According to Clause 11.2 of the Manikaran PPA the Base Fixed Charge is Rs. 1.97/ kWh. The escalation of the base fixed charge according to Clause 11.3 is given as follows: *"For determining the Fixed Charge due and payable to the Supplier, the Base Fixed Charge shall be revised annually to reflect 20%(twenty per cent) of the variation in WPI occurring between January 31 immediately preceding the Bid Date and January 31 immediately preceding the Accounting Year for which such revision is undertaken* *………."* Similarly, for variable charge, the Base Variable Charge is Rs. 1.97/kWh according to Clause 12.2. The escalation of the base variable charge according to Caluse 12.3.2 is given as follows: *"The Parties agree that the generating cost component of Base Variable Charge specified in Clause 12.2 shall be increased for every Accounting Year following the Base Year so as to reflect 50%(fifity per cent) of the variation in WPI occurring between January 31 immediately preceding the Base Year and the January 31 immediately preceding the Accounting Year for which such revision is undertaken.* *………."* Therefore, to project the rate of Manikaran Power for FY 2022-23, FY 2023-24 and FY 2024-25, BEST has used the 5-year average of WPI of 4.63% as an escalation rate to project the future rate for the new

Sr. No	Reference in Petition	Data Gaps
		source. The power projection is revised as follows:

Particulars	Fixed Cost	Variable Cost	Total Cost
WPI of all Commodities for 31st Jan, 2018	116.00	116.00	
WPI of all Commodities for 31st Jan, 2022	143.80	143.80	
% of Variation	23.97%	23.97%	
Variation rate applies	20.00%	50.00%	
% of Variation	4.79%	11.98%	
Base Tariff	1.97	1.97	
Indexed tariff for 22-23	2.06	2.21	4.27
WPI of all Commodities for 31st Jan, 2023	150.46	150.46	
% of Variation	29.71%	29.71%	
Variation rate applies	20.00%	50.00%	
% of Variation	5.94%	14.85%	
Base Tariff	1.97	1.97	
Indexed tariff for 23-24	2.09	2.26	4.35
WPI od all Commodities for 31st Jan, 2024	157.43	157.43	
% of Variation	35.72%	35.72%	
Variation rate applies	20.00%	50.00%	
% of Variation	7.14%	17.86%	
Base Tariff	1.97	1.97	
Indexed tariff for 24-25	2.11	2.32	4.43

Sr. No	Reference in Petition	Data Gaps
26.	MTR petition formats – F13.2 – Reply to Query no. 146	The Commission in data gap set -1 has stated in F13.2 - Revenue from Fixed as well as demand charges has been considered for LT II (B), (C) and LT III B categories. However, BEST replied it has considered revenue from Demand charges only for LT II(B), (C) and LT III B categories. BEST is required to recheck Cell M 33, 34 and 36 with Cell N 33, 34 and 36 which highlights double accounting of the fixed charges. The amount calculated under

Sr. No	Reference in Petition	Data Gaps
		Cell M 33, 34 and 36 may be deleted. **BEST Response:** BEST will correct F13.2 and include the same in the revised petition to be submitted to the Hon'ble Commission.
27.	F23 – Other Expenses – Reply to Query no. 153	The Commission has highlighted the error in calculation of other expenses for FY 2024-25, whereby BEST has while calculating the cost for FY 2024-25 has considered escalation in the cost approved for FY 2024-25 rather than the cost of FY 2023-24. BEST to rectify the same. (Cell M17). The reply of BEST needs to be revisited. **BEST Response:** While computing the other expenses for FY 2024-25, BEST has correctly considered escalation on other expenses of FY 2023-24 and accordingly projected the expenses for FY 2024-25.
28.	Reply to Query no. 154	The Commission has sought the reasons for reduction in Contingencies Reserve Fund Investment in FY 2020-21 whereby BEST has replied that there were some investments invested against contingency reserves that were matured in FY 2020-21 to Contingency Reserve Fund Investment in FY 2020-21. BEST to provide the details of the date when such investment was matured and whether the same was reinvested back in contingency reserve investment. If yes, the details of such reinvestment is required to be provided. **BEST Response:** BEST submits that two policies (9.56% Tamil Nadu Power Finance and Infra. Dev. Co. and 9.19% Tamil Nadu Power Finance and Infra. Dev. Co.) amounting to Rs. 4.62 crore matured on 8th January, 2021 and 28th May, 2020 respectively. These were reinvested in the following manner: 1. Rs. 1.20 crore in 6.91% Maharashtra SDL on 28th October, 2021

Sr. No	Reference in Petition	Data Gaps
		2. Rs. 0.1 crore in 8.31% GOI 31/12/2042 on 30th November 2021 3. Rs. 0.02 crore in 7.14% Kerala SDL 2035 on 30th December 2021 (along with contingency reserve investment of FY 2021-22) 4. Rs. 3.30 crore in 10.03% Rajasthan SDL on 30th March 2021 BEST will include the details of the securities matured and the details of the same which were reinvested back into the contingency reserve in AnnexurePoint28
29.	Annexure 1 to 3 / 23 – Reply to Query no. 154	BEST to provide the Reconciliation of figures in MTR Petition with Audited accounts as outlined in Annexure 1 of the reply to data gaps – set I **BEST Response:** While preparing the MTR financial statement, BEST has not considered the expenses which are related to the Street lighting business and also various heads of expenses pertaining to General Administration including depreciation which are shown under one head i.e. Share of General Administration Expenses. In short as per the guidelines the expenses and income which are related to ARR of the supply business are the only values considered. For example: 1) the delayed payment charges paid to Generation Company is not considered in MTR format under Power purchase while the same is considered in the pro forma accounts. 2) The expenses related to Street lighting is not considered in MTR format and while preparing pro forma Balance sheet, profit and loss account, the expenses related to the Street lighting business also considered. In addition to this, the Share of General Administration expenses which is shown under one head in MTR format is split according to the respective heads of expenses and included in the profit and loss account.

Sr. No	Reference in Petition	Data Gaps
		For example: 1) The General administration expenses having various heads such as: 1) Depreciation 2) establishment cost 3) Rent rates & taxes 4) Printing and stationary 5) Postage and telegram 6) Bank Charges 7) Legal and consultancy charges 8) petrol expenses 9) electricity charges 10) Other expenses 11) repairs/maintenance and cleaning Expenses etc. 2) Above all expenses are shown in MTR format under one head i.e. Share of General Administration expenses. 3) The depreciation pertaining to General Administration is shown under expenses head Share of general Expenses in MTR. In short while preparing Proforma Accounts both section expenses i.e Supply division and Share of General Administration expenses are clubbed according to their respective heads of expenses and in MTR format the share of General Administration expenses is shown under one head i.e. Share of General Administration, hence the Expenses. Therefore, there is a variation in amount as per MTR and Proforma Accounts and the total expenses are more compared to the MTR formats. Furthermore, the amount of DPC/IOA charged to consumers are not considered in MTR format. However, the same has been considered while preparing the Proforma Accounts format. With regard to non-tariff income it is to be stated that in the Accounts format the R&M charges received from MCGM for Street Lighting, Delayed payment Charges and Interest on Arrears received from consumers are included while they are not considered for Non-Tariff Income in the MTR Format. The Sale of Scrap is included in Non-Tariff income in MTR Format. Hence, there is a variation in Non-Tariff income of Rs. 68.41 crore in FY 2019-20, Rs. 94.04 crore in FY 2020-21 and Rs. 98.26 crore in FY 2021-22.

Sr. No	Reference in Petition	Data Gaps
		Balance Sheet Security Deposit from customers. In the Accounts format the security deposit included the Deposits received against service cable charges, D.E.A. on hire deposit, and consumer's deposit. However, in MTR format only Consumer deposit is shown. Hence there is a variation in Accounts and MTR format. Consumer grant. The grant received under Street lighting maintenance is also included. Hence there is a variation in the grant amount. The same has already been replied vide data gap query. Contingency reserve fund investment. The investment in contingency reserves is due to securities which have matured and hence have been reinvested in later accounting period. Receivables In the MTR format only electricity bills receivable amount is shown and in the Account format the Other Receivables are also included with the electricity bills receivable. Hence the amount in Accounts and MTR format is different. The reconciliation with the Audited Accounts are provided in AnnexurePoint29.

ANNEXURES to BEST MTR Petition - Data Gap Set 2

List of Annexures:

Sr. No.	Annexure
1	AnnexurePoint5
2	AnnexurePoint7
3	AnnexurePoint15
4	AnnexurePoint23
5	AnnexurePoint28
6	AnnexurePoint29

Link for Annexures & Statement of Accounts

https://drive.google.com/file/d/1JH-2p_FcgZ4EPG01XD3X4BSJtmR6m86J/view?usp=share_link