

Lincoln's Law ChamberTM

Corporate Office: 22nd F-Floor, Beverley Center, Blue Area, Islamabad
Business Center : 22nd M-Floor, Beverley Center, Blue Area, Islamabad



17th September, 2021

The Registrar

National Electric Power Regulatory Authority (NEPRA)

NEPRA Tower, Attaturk Avenue (East), G-5/1

Islamabad

For a file
- Adl. Dir. (I/O) D.
- MF
copy to:
ADG Cr.,
20/9/21
- Chairman
- HESCO
- M. J. C.A.
- M. G. C.

Subject: COVER LETTER FOR MULTI YEAR TARIFF PETITION FOR THE
FY 2020-21 TO 2024-25 HYDERABAD ELECTRIC SUPPLY COMPANY
LIMITED (LICENSE # 05/DL/2002) DISTRIBUTION BUSINESS

Dear Sir,

Please find the attached Petition of Multi Year Tariff for the FY 2020-21 to 2024-25 on behalf of Hyderabad Electric Supply Company Limited (HESCO) along with the following documents;

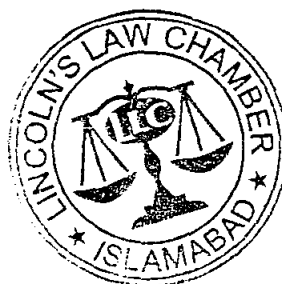
- (i) Form No. 1, 2, 3, 4, 5, 7, 8, 12, 13, 16, 17, 18, 19, 20, 21, 22, 23 and 25;
- (ii) An original Demand Draft No. 02765184 dated 01st September, 2021 amounting to Rs. 1,121,664/- on account of Petition fee;
- (iii) Affidavit;
- (iv) Board Resolution;
- (v) Vakalatnama.

Through...

Ash

Barrister Asghar Khan

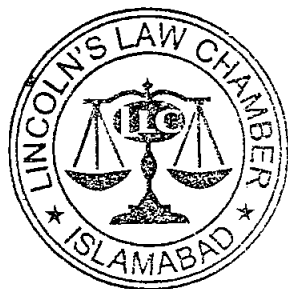
Advocate



REGISTRAR
Dy. No.: 14333
Dated: 20/9/21

BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

Subject: **MULTI YEAR TARIFF PETITION FOR THE FY 2020-21 TO 2024-25**
HYDERABAD ELECTRIC SUPPLY COMPANY LIMITED
(LICENSE # 05/DL/2002) DISTRIBUTION BUSINESS



Lincoln's Law Chamber
Corporate Chambers # 22, F&M Floor,
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Tel: 051-2814100, Fax: 051-2726647
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**BEFORE THE NATIONAL ELECTRIC POWER REGULATORY
AUTHORITY**

Subject: **MULTI YEAR TARIFF PETITION FOR THE FY 2020-21 TO
2024-25 HYDERABAD ELECTRIC SUPPLY COMPANY LIMITED
(LICENSE # 05/DL/2002) DISTRIBUTION BUSINESS**

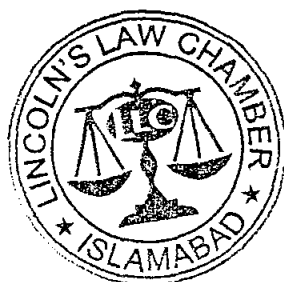
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Petitioner / HESCO

Through



Asghar Khan

BARRISTER ASGHAR KHAN
Advocate



حیدرآباد الیکٹرک سپلائی کمپنی

HYDERABAD ELECTRIC SUPPLY COMPANY

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No: CEO/CFO/HESCO/CPC/3278-79

WAPDA OFFICES COMPLEX

HUSSAINABAD HYDERABAD

URL: www.hesco.gov.pk

Dated: 30.08.2021

The Barrister Asghar Khan,
Lincoln's Law Chamber,
22nd F-Floor, Beverley Center, Blue Area,
Islamabad.

Subject: MULTI YEAR TARIFF PETITION FOR THE FY 2020-21 TO 2024-25 – HYDERABAD ELECTRIC SUPPLY COMPANY LIMITED (LICENSE # 05/DL/2002) – DISTRIBUTION BUSINESS

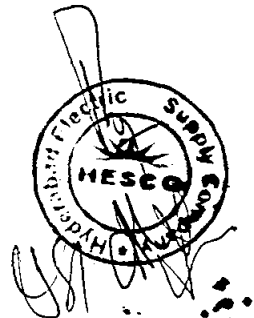
Enclosed please find herewith the subject petition of HESCO along with the following information for onward filling before NEPRA.

1. Form No. 1, 2, 3, 4, 5, 7, 8, 12, 13, 16, 17, 18, 19, 20, 21, 22, 23 and 25.
2. An original Demand Draft No. 02765184 dated 01.09.2021, amounting to Rs. 1,121,664/- on account of petition fees.
3. An Affidavit.
4. A Board Resolution.

D.A/As Above

(REHAN HAMID)

CHIEF EXECUTIVE OFFICER

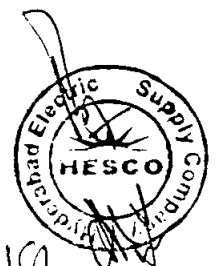


Hyderabad Electric Supply Company Limited

HESCO

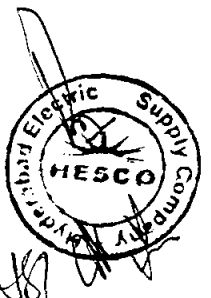
Multi Year Tariff Petition
For
Fiscal Year 2020-21 to 2024-25
Base Year 2019-20

For Distribution Business



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1. PETITION SUMMARY

1.1. Details of the Petitioner

1.1.1 Name and address

Hyderabad Electric Supply Company Limited ("HESCO" or the "Company"), WAPDA offices Complex, Hussainabad, Hyderabad.

1.1.2 License details

1.1.2.1 HESCO is a licensee of National Electric Power Regulatory Authority ("NEPRA") and holds the Distribution License bearing No. 05/DL/2002

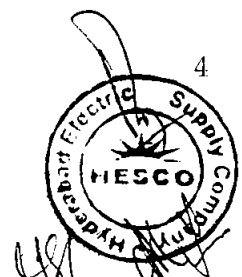
1.1.3 Key representatives

1.1.3.1 The petition is being filed through Mr. Rehan Hamid, the Chief Executive Officer of the Company who has been duly authorized by the Board of Directors vide Resolution passed in its 197th meeting held on 30th August, 2021 to sign and file the Multi Year Tariff ("MYT") Petition for the fiscal years 2020-21 to 2024-25 ("Tariff Period") and also to file a review for leave for motion (if necessary). Grounds for petition

1.1.3.2 Under the "Regulation of Generation, Transmission & Distribution of Electric Power Act, 1997 (hereinafter called as 'NEPRA Act'), the regulator (National Electric Power Regulatory Authority or NEPRA) is empowered to determine tariffs and other terms and conditions for the supply of electricity by the generation, transmission and distribution companies.

1.1.3.3 The Company is licensed public limited company distributing and supplying electricity to the distribution area within its jurisdiction, as set out in the Company's license. In accordance with the requirements of the license, the Company is hereby submitting a petition which sets out a methodology for setting and reviewing tariffs throughout the period of the Company's license, subject to a rebase once every five years.

1.1.3.4 The petition is being filed in accordance with Rule 3(1) (2) of "NEPRA (Tariff Standard and Procedure) Rules, 1998 (hereinafter called as 'Tariff Rules')", NEPRA guidelines for determination of consumer end tariff issued vide SRO 34 (1)/2015, dated 16th January, 2015 and in compliance with the directions of NEPRA to file Multi Year Tariff Petition for the determination of consumer end tariff.



1.2. Key Aims and Features of the Petition

1.2.1 Key aims of the petition

1.2.1.1 The aim of this petition is to submit the Company's MYT for the period FY 2020-21 to 2024-25 and to obtain requisite approvals for the immediate implementation of cost reflective tariffs to yield the Company's required revenues.

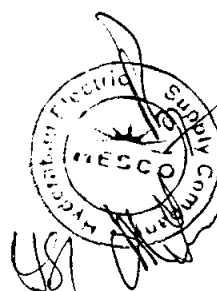
1.2.1.2 The key objectives of tariff petition include:

- Ensure its financial viability through timely recovery of its prudently incurred expenditures;
- Ensure that a reasonable return is earned on investments;
- Comply with regulatory standards and future investment for supply of services;
- Provide the utility with a tariff that supports fiscal independence while encouraging future investments in the service area.
- To provide financial sustainability to the Company for the ultimate benefit of end consumers.

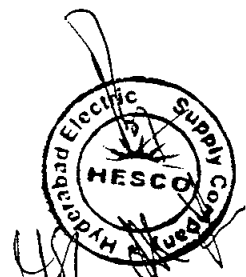
1.2.2 Summary of key proposals

1.2.2.1 The petition includes the following key parameters:

No.	Feature	Details
1	Tariff Period	Five year multi-year tariff for the period FY 2020-21 to FY 2024-25
2	Distribution Margin	The existing Distribution Margin (DM) has been modified to consider impact of internal and external factors, including inflationary impacts, increase in regulatory asset base, expansion of service area, increase in salaries, retirement benefits, repair & maintenance and depreciation etc.
3	Indexation of O&M	The O&M cost is being proposed to be indexed to Consumer Price Index (CPI) during the tariff period. For the year 2020-21 the CPI has been taken as average of July 2020 to March 2021 i.e 8.34% and for FY 2021-22 is 8%, for FY 2022-23, 2023-24 & 2024-25 is 6%.
6	Allowance for Additional Hiring	Given the Company's current constraints relating to human resources and future requirements, a total of 2,721 additional personnel are being proposed to be added to the workforce under different cadres ranging from BS 1 to 20.
7	Creation of New Divisions/ Sub-Divisions	Based on future expansions and related organization requirements the petitioner also proposes the creation of one new circle, 8 new divisions and 24 new sub-divisions during the tariff period.



8	Repairs & Maintenance Costs	The company maintains their operational and other assets on regular basis in order to run the operation smoothly. The repair & maintenance costs has been determined at 2% of net fixed assets at year end.
9	Return on Rate Base	It is proposed that the Company receives 10.95% Weighted Average Cost of Capital (WACC) from NEPRA in its determinations for FY 2019-20, hence the same rate has been projected for the tariff period.
16	Incentive for Loss Reduction	Considering the significance of T&D loss reduction as a primary driver for improved efficiency and hence, customer service, it is proposed that an added incentive be provided to the Company for achieving a T&D loss level target.
20	Prior year adjustments (PYA)	Prior-year adjustments comprises of unrecovered or excess recovery of distribution margin, unrecovered PYA for prior years.
21	Annual Adjustments in Return on Rate Base Computation	It is requested that at the end of every year, the NEPRA when adjusting RORB for variance between actual and budgeted capex, also recalculate the WACC for changes in various input parameters.
23	Retirement Benefit Payments	The company has created a separate fund for the retirement benefits for all employees of supply as well as for distribution business, which needs to bi-furcate in detail through an actuarial. For this petition purpose the retirement liabilities has been bi-furcated proportionately on the basis of Basic pay. And projected on the basis of CPI.
24	Network Rehabilitation	<p>1) Rehabilitation/ replacement is required on those equipment/material at various grid stations and transmission lines which have completed their useful life, have become deteriorated due to excess wear and tear with passage of time. Due to these reasons, they cause frequent faults. Resultantly, many breakdowns occur due to which not only public is suffered but HESCO also sustain heavy financial loss.</p> <p>The objective of the Distribution Rehabilitation Project is to reduce system technical losses, resulting from power losses in the distribution conductors and equipment including losses due to additional current flowing in the system on account of poor power factor of customer loads.</p>
25	Network Expansion	1) The load flow studies identified additional equipment needed, i.e. 132 kV transmission lines, 132/11 kV substations, re-conductoring, additional 2nd circuit, power transformer, capacitor banks and related control equipment etc.



2. TARIFF METHODOLOGY

- 2.1.1 NEPRA (Tariff Standard and Procedure) Rules, 1998 which provides details on the tariff setting process and broad parameters of tariff setting contain provision for a formula-based tariff. Additionally, the Rules also provide for a multi-year tariff from 3-5 years for a distribution company.
- 2.1.2 In accordance with the provisions in the said NEPRA Rules, it is submitted in this petition that the Company's tariff be changed to a five-year tariff with indexation every year and rebasing at the end of the five-year control period.
- 2.1.3 The formula-based method of computing the Company's tariff reduces ambiguity for the utility and ultimately benefits the consumers as it reduces yearly volatility in the end-user tariff.
- 2.1.4 The proposed tariff regime seeks to compute yearly revenue requirements of the DISCO based on a five-year investment plan and expected demand for electricity going forward. The tariff broadly comprises:
- a) Pass-through costs: Power Purchase Price (PPP), including impact of T&D losses
 - b) Distribution margin
 - c) Prior-year adjustment
- 2.1.5 The company in view of amended Act has to file tariff petition separately for its supply business and distribution business. This petition is for distribution business hence, the component of power purchase price has been incorporated in the tariff petition of supply business. Therefore, here only distribution margin and prior year adjustment will be requested.

2.2. Distribution Margin

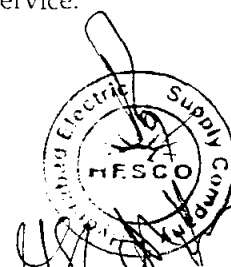
Distribution margin seeks to enable the utility to cover prudently incurred operating costs as well cover costs for securing both debt and equity capital.

2.2.1 Operations and Maintenance Costs

- 2.2.1.1 It is being submitted that the O&M cost is bifurcated into Salaries and other benefits (including post-retirement benefits), repair & maintenance expenses, travelling expenses, vehicle running expenses and other expenses. The O& M cost should be indexed every year as per CPI.

2.2.2 Return on Rate Base

- 2.2.2.1 According to Rule 17(3)(iii) of the NEPRA Tariff Standards and Procedure Rules 1998, tariff should allow the licensee a rate of return, which promotes continued reasonable investment in equipment and facilities for improved and efficient service.

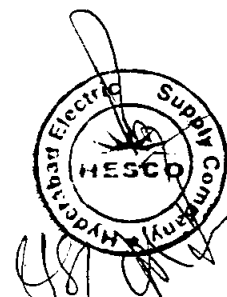


- 2.2.2.2 It is important that returns provided to the DISCO commensurate with the risks associated with the sector. The rate of return should provide for a return which is commensurate with the prevailing cost of funds available in the market and with the risk involved in delivering the utility services.
- 2.2.2.3 The return on rate base to the Company is based on application a Weighted Average Cost of Capital (WACC) to its regulatory asset base. The WACC is in turn based on return on equity and cost of debt weighted proportionately according to the debt and equity on the DISCO's balance sheet.

$$RORB = Rate\ base \times WACC$$

Where,

Rate base = Average net fixed assets + Closing work-in-progress - Deferred credit - Surplus on revaluation of fixed assets



3. TARIFF ANALYSIS

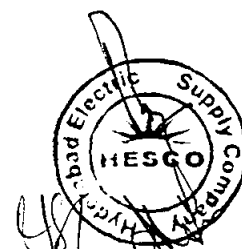
3.1. Average tariff

3.1.1.1 The following table details the projected components of the Company's tariff for the tariff period.

Table 3.1: Average tariff for tariff control period for HESCO in PKR/kwh					
Detail	2020-21	2021-22	2022-23	2023-24	2024-25
Total Units Purchase (GWh)	5,574.64	5,878.41	6,198.73	6,536.50	6,892.68
Total Units Sale (GWh)	4,013.74	4,283.01	4,588.92	4,916.76	5,268.77
T&D Losses (%)	28.00%	27.14%	25.97%	24.78%	23.56%
Distribution Margin:					
O&M costs	3.01	3.38	3.38	3.37	3.35
Depreciation	0.33	0.35	0.35	0.36	0.35
Return on rate base	0.74	0.86	1.07	1.24	1.40
Other Income	-0.36	-0.34	-0.31	-0.30	-0.28
Total distribution margin	3.72	4.24	4.49	4.67	4.84
Income tax	0.04	0.04	0.04	0.04	0.04
Revenue Requirement	3.75	4.28	4.52	4.71	4.88
Prior year/PPP adjustments	-	-	-	-	-
Total Revenue Requirement	3.75	4.28	4.52	4.71	4.88

3.2. Summary of tariff assumptions

1. *Inflation:* The CPI to be used in indexing the tariff yearly shall be the one notified by the Pakistan Bureau of Statistics. For the purposes of this tariff petition, forecasted inflation rates are 8.34% for the FY 2020-21, 8% for the FY 2021-22 and 6% for the FYs 2022-23 to 2024-25.
2. *Efficiency Factor:* The X factor has been set a 0% for the tariff period.
3. *Target T&D Losses:* The T&D losses target has been set at 27.85% for the first year which gradually reduces to 23.71% by the end of the tariff period.
4. *O&M:* The O&M is set at PKR 3.54/kWh for the first year of the tariff that is subject to the CPI.
5. *Opening Gross Fixed Assets:* The value of the Opening GFA used in the base year of the tariff period has been determined on the basis of the latest available financial statements of the Company as of 30th June 2020.
6. *Regulatory Asset Base:* It is calculated as the sum of Opening GFA and capital additions less depreciation, plus capital work-in-progress and less deferred credit.
7. *Rate of Return:* The rate of return of 10.95% has been taken as set by NEPRA in its tariff determination of HESCO for the FY 2019-20.



8. *Return on Rate Base*: RORB is calculated as the Rate of Return on the Regulatory Asset Base of the Company.
9. *Distribution Margin*: The distribution margin of the Company is calculated as the sum of O&M, Depreciation and RORB.

3.3. Analysis of key components

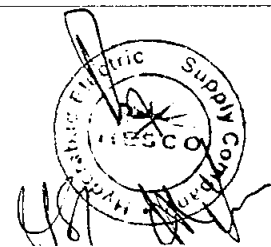
3.3.1 Transmission and Distribution Losses

- 3.3.1.1 To achieve the reduction in target T&D losses, the Company has prepared a Transmission & Distribution Plan, which includes formation of new grids, conversion of existing grids, revamping of secondary transmission (66, 132 KV) lines, augmentation of HT & LT lines, provision of T&P items, induction of low loss transformers, theft detection by enforcement agencies and replacement of sluggish meters, with static meters and upgrade to Automated Meter Reading and Advanced Metering Infrastructure.
- 3.3.1.2 NEPRA has to determine the difference between the units procured and units sold within the distribution service territory that includes the Technical as well as Administrative Losses. In the determination for FY 2019-20, NEPRA had set a T&D Loss target at 19.47% against the projected losses of 27.50% for FY 2019-20, computed on the basis of the market trend and previous year actual losses of 29.5%. The proposed losses were disallowed by NEPRA and allowed T&D losses target of 19.47%.
- 3.3.1.3 A review of the five year historical T&D loss trend indicates that the Company has maintained its T&D losses despite notable impacts of load growth, addition in the distribution network and number of consumers.

Table 3.2: Historical analysis of T&D losses	
Fiscal Year	T&D losses
2013-14	26.51%
2014-15	27.11%
2015-16	26.46%
2016-17	30.74%
2017-18	29.88%
2018-19	29.52%
2019-20	28.90%

- 3.3.1.4 Proposed Transmission and Distribution Losses for FY 2020-21 to 2024-25 are given below:

Table 3.3: T&D Losses break-up					
	FY21	FY22	FY23	FY24	FY25
Transmission Losses 132 kV	2.60%	2.82%	2.79%	2.76%	2.73%
11 kV + Transformer + Cable Metering Loss	10.90%	10.83%	10.74%	10.64%	10.52%
LT Losses	5.03%	4.86%	4.69%	4.50%	4.30%
Distribution Loss	15.93%	15.69%	15.43%	15.14%	14.82%
Total Technical Losses	18.53%	18.51%	18.22%	17.90%	17.55%



Admin. Losses	9.47%	8.63%	7.75%	6.88%	6.01%
Total T&D losses	28.00%	27.14%	25.97%	24.78%	23.56%

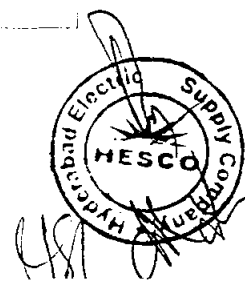
The reasons of high losses are as under:

- The worst Law & Order situation does not permit frequent movement to HESCO staff in their jurisdiction. Attacks on employees / offices are common.
- Massive theft of electricity & non-payment culture are the main problems of HESCO. Law Enforcing Agencies are not extending cooperation for providing security to staff and lodging FIRs against stealers of electricity. Out of 3,386 referred cases of electricity theft only 120 No. FIRs has so far been lodged from July-2012 to June-2016.
- Majority of villages/town/colonies are HESCO defaulters, and in case of disconnection, the defaulters blocks the highways/roads to create hurdles.
- Out of total 3,458.46 KM transmission line 687.12 KM is of 66kV i.e. 19.86%. The transmission system is old and deteriorated, which causes high loss.
- Out of 555 feeders, 310 feeders (56%) supplying electricity to rural areas.
- Due to worst Law & Order situation customers stealing electricity through Kunda / Hooking in negated LT lines.
- Even ABC (Aerial Bundled Conductor) installed in Hyderabad City has been damaged by stealers for direct hooking/Kunda.
- Due to above reasons a theft culture has been established in HESCO jurisdiction, but HESCO management is trying best to curtail it, which will take a considerable time.

The matter of fact is that HESCO has taken strong efforts in order to curtail the administrative losses, which includes as follows:

- HESCO teams at ground level have taken steps for putting the electricity stealers behind the bars for which FIRs are being lodged.
- HESCO teams started the Chowkidara / Night checking through S&I, M&T, special task force and operation circles/Division/Sub-Divisions teams. During last two years 22.025 MKWH units were detected.
- HESCO teams started securing of Plazas / Multi Story Buildings in urban areas the detail is as under:

Division	No. of Plazas	No. of Connections
Garikhata	148	5,192
Qasimabad	406	9,632
Latifabad	145	4,108
Phuleli	46	928
Total	745	19,860



d) HESCO teams has replaced the sluggish / defective meters.

Year	No. of Meters
2018-19	95,356
2019-20	74,911
2020-21 upto Mar.21	38,808
Total	209,075

3.3.2 Operating and Maintenance Costs

3.3.2.1 A summary of the forecasted O&M Expenses for 2020-21 to 2024-25 is as under:

Table 3.4: Operating and Maintenance Cost Breakup (PKR million)

	2020-21	2021-22	2022-23	2023-24	2024-25
Pay and allowances	5,070	6,053	6,933	7,559	8,183
Post-retirement benefits	5,080	5,487	5,816	6,165	6,535
Pay and allow: new hiring	-	372	150	87	39
Repair and maintenance	1,059	1,408	1,291	1,380	1,471
Travelling allowance	225	243	258	273	290
Vehicle maintenance	151	225	370	412	447
Other expenses	190	215	228	242	256
PM assistance package	288	455	449	446	443
Total	12,063	14,458	15,495	16,563	17,664

Plan for Additional Hiring

3.3.2.2 The Company is a staff deficient company and planning to hire the employees for its smooth operation and achieve efficiency.

3.3.2.3 The following is the year wise plan of hiring along with costs:

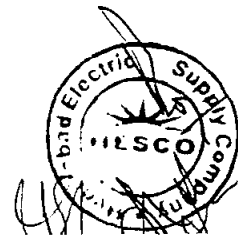
Table 3.5: Summary of new Hiring

Detail	2021-22	2021-22	2022-23	2023-24	2024-25
	Tentative	Tentative	Tentative	Tentative	Tentative
Number of Employees (A+B)	0	1840	473	279	129
A- Qualified Professionals	0	81	13	6	1
Engineers	0	43	12	6	1
Others	0	38	1	0	0
B- Staff	0	1759	460	273	128
Technical	0	818	224	119	34

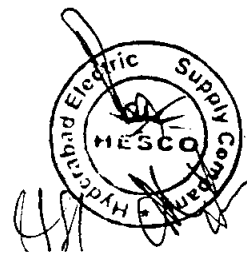
Clerical	0	215	73	43	6
Non Technical	0	726	163	111	88

3.3.2.4 The recruitment will take place in following cadres:

S/No.	Nomenclature of Posts	BPS	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
1	DG (MIRAD)	20	0	1	0	0	0
2	Manager (CM&RA)	19	0	1	0	0	0
3	Manager (Legal)	19	0	1	0	0	0
4	Manager (Planning & Forecasting)	19	0	1	0	0	0
5	Dy. Manager (Contract Management)	18	0	1	0	0	0
6	Dy. Manager (Regulatory Affairs)	18	0	1	0	0	0
7	Dy. Manager (Transmission Planning)	18	0	1	0	0	0
8	Dy. Manager (Demand Forecasting)	18	0	1	0	0	0
9	Dy. Manager (Legal) MIRAD	18	0	1	0	0	0
10	Dy. Manager (Finance)	18	0	1	0	0	0
11	Dy. Manager (L&L)	18	0	1	0	0	0
12	Dy. Manager (Security)	18	0	1	0	0	0
13	Dy. Manager (AMI Opr. & Dev.)	18	0	1	0	0	0
14	Assistant Manager (Finance) MIRAD	17	0	2	0	0	0
15	Assistant Manager (Admn) MIRAD	17	0	1	0	0	0
16	Asst. Manager (Contract Management)	17	0	2	0	0	0
17	Asst. Manager (Regulatory Affairs)	17	0	1	0	0	0
18	Asst. Manager (Transmission Planning)	17	0	2	0	0	0
19	Asst. Manager (Demand Forecasting)	17	0	2	0	0	0
20	Junior Engineer	17	0	43	12	6	1
21	Assistant Manager (TPT)	17	0	1	0	0	0
22	Assistant Manager (Admn)	17	0	5	0	0	0
23	Assistant Manager (MM)	17	0	5	1	0	0
24	Assistant Manager (Accounts)	17	0	4	0	0	0
25	Assistant Establishment	15	0	12	0	0	0
26	Accounts Assistant	15	0	22	8	6	2
27	Audit Assistant	15	0	15	1	0	0
28	Data Coder	15	0	5	0	0	0
29	Data Entry Operator	15	0	15	0	0	0



30	Senior Store Keeper	15	0	3	0	0	0
31	Personal Assistant	15	0	1	0	0	0
32	Security Inspector	15	0	1	1	0	0
33	SSO-I	15	0	8	0	0	0
34	Test Inspector	15	0	3	0	0	0
35	ALFM / LFM-II	14	0	5	0	0	0
36	SSO-II	14	0	51	2	4	6
37	LS-II	14	0	57	11	6	0
38	Steno-II	14	0	30	9	5	1
39	Store System Supervisor	14	0	2	0	0	0
40	Transport Supervisor	14	0	2	0	0	0
41	Concrete Inspector	14	0	1	0	0	0
42	Sub Engineer	14	0	8	1	0	0
43	Junior Store Keeper	14	0	8	0	0	1
44	Test Assistant	14	0	9	0	0	0
45	Laboratory Assistant	14	0	4	0	0	0
46	Assistant Draftsman	13	0	10	1	1	1
47	UDC / Senior Clerk	11	0	68	15	8	0
48	LDC (Accounts)	9	0	3	0	0	0
49	LDC (Establishment / TCC)	9	0	23	39	23	0
50	LDC (Audit)	9	0	1	0	0	0
51	SSA	9	0	53	1	1	5
52	Senior Mechanic	9	0	1	0	0	0
53	Security Sargent	9	0	2	2	3	1
54	Qanoongo	9	0	1	0	0	0
55	Crane Operator	9	0	3	0	0	0
56	Meter Mechanic	9	0	6	0	0	0
57	Gate Clerk	9	0	0	0	0	1
58	Surveyor	9	0	1	0	0	0
59	Tracer	9	0	17	8	5	0
60	Vehicle Driver	8	0	100	29	17	27
61	Electrician	7	0	3	0	0	0
62	ALM	7	0	544	207	108	22
63	Electric Welder	7	0	1	0	0	0
64	Electric Helper	7	0	43	0	0	0
65	Machine Attendent	7	0	7	2	0	1

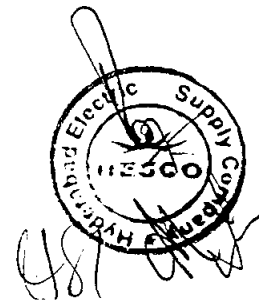


66	ASSA	7	0	48	1	0	0
67	Store Keeper	7	0	1	0	0	0
68	Telephone Operator	7	0	2	0	0	0
69	Patwari	7	0	8	0	0	0
70	Carpenter	7	0	5	0	0	0
71	Helper	7	0	14	1	0	0
72	Security Guard	6	0	72	14	18	30
73	Fork Lifter	6	0	6	0	0	0
74	Plumber	5	0	3	0	0	0
75	Pump Operator	5	0	1	1	0	0
76	Tube-well Operator	5	0	5	0	0	0
77	Work Mistry	5	0	3	0	0	0
78	Junior Mechanic	5	0	1	0	0	0
79	Store Helper	5	0	20	0	0	1
80	Moazzin	4	0	4	0	0	0
81	Cook	4	0	5	0	0	1
82	Crane Helper	3	0	1	0	0	0
83	Bearer	2	0	0	0	0	1
84	Lorry Cleaner	2	0	11	0	2	1
85	Store Cooly	1	0	5	0	0	0
86	Chowkidar	1	0	75	26	15	6
87	Field Chainman	1	0	4	0	0	0
88	Mali	1	0	51	6	6	2
89	Naib Qasid	1	0	191	52	32	12
90	Sweeper / SW	1	0	73	22	13	6
91	Dak Runner	1	0	1	0	0	0
	TOTAL		0	1840	473	279	129

Basic pay, allowances and employee benefits

3.3.2.5 The pay & allowances for FY 2020-21 have been estimated based on the Company's present strength. Pay & allowances and employee benefits including retirement benefits constitute a major portion of the Company's O&M expenses.

Retirement benefits



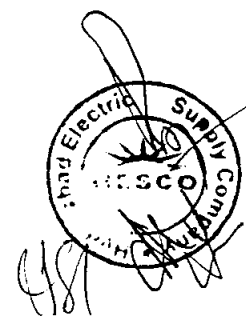
- 3.3.2.6 The company has created a separate fund for the retirement benefits for all employees of supply as well as for distribution business, which needs to bi-furcate in detail through an actuarial. For this petition purpose the retirement liabilities has been bi-furcated proportionately on the basis of Basic pay. And projected on the basis of CPI.

Table 3.7: Post-retirement Benefits break-up in PKR million					
Head of Account	FY21	FY22	FY23	FY24	FY25
Pension	4,310.20	4,655.01	4,934.32	5,230.37	5,544.20
Free electricity (retired)	157.54	170.14	180.35	191.17	202.64
Medical	426.42	460.54	488.17	517.46	548.51
Leave Encashment	185.99	200.87	212.93	225.70	239.24
Total	4,310.20	4,655.01	4,934.32	5,230.37	5,544.20

NEPRA is requested to allow the above gross amount of retirement benefits in tariff for the tariff period.

Repairs and maintenance

- 3.3.2.7 In Tariff Petition for FY 2019-20, the Company requested an amount of PKR 893 million as costs for repair & maintenance. During the hearing, the Company elaborated that such amount shall enable the company to ensure smooth and efficient functioning of the transmission and distribution system in operation. Moreover, it shall contribute to the benefit of the consumers at large by reducing power outages and system breakdowns and also help in reduction of the T&D Losses. However, NEPRA allowed only PKR 490 million and declined the remaining amount of PKR 403 million.
- 3.3.2.8 The Company is of the view, however, that the amount of repair and maintenance allowed by NEPRA in the past has been insufficient to cover the expenditure required to maintain the distribution infrastructure. Past trend of actual expenditure is thus not reflective of the actual requirements of the DISCO. This is because underutilization is partially caused by delays in determination of tariff which is often approved after a significant portion of the fiscal year has already elapsed. This coupled with the subsequent delays caused in procurement mean that the Company is unable to book an expense in its financial statement in the year the repairs were approved.
- 3.3.2.9 It is submitted that, in the Company's view, the repair and maintenance cost requested by the Company was as per its requirement for FY 2019-20, and as such, the cost would be classified as operating expense. Repair and maintenance has never been a part of ELR and DOP. DOP and ELR are the Company's capital projects which are being evaluated as per capital budgeting techniques wherein each and every item is treated as capital expenditure. The repair and maintenance is mainly for standalone items necessary for keeping the system in operation with no additional benefits.



- 3.3.2.10 The adherence to service standards and improvement of customer services is only possible through continuous repair and maintenance of distribution network etc. Timely repair and maintenance is vital to continuous and reliable supply of electricity. Delays in scheduled repairs ultimately result in system breakdowns which in turn not only has an impact on the end-consumer, including adversely affecting industrial and agricultural production, but also damages the distribution network which then requires further investments. Furthermore, not undertaking routine repairs results in accumulation of faults, with the utility requiring significant investments few years down the line - for an issue that could have been dealt earlier at a significantly lower cost. Repairs are thus an important aspect in controlling the increase in end-user tariff and necessary if distribution loss targets are to be achieved.
- 3.3.2.11 The R&M expenses have been calculated at 2.5% of net fixed assets at the end of the year. In light of the above NEPRA is requested to allow the Company the following repairs and maintenance expense for the period FY2020-21 to FY2024-25.

Financial Year	2020-21	2021-22	2022-23	2023-24	2024-25
R&M expenses (Rs. in Million)	1,058.77	1,407.76	1,290.70	1,379.71	1,470.92

Vehicle running Expenses

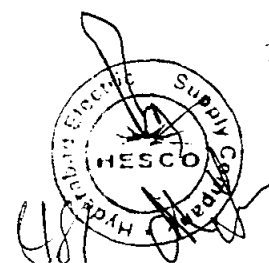
- 3.3.2.12 The Vehicle running expenses have been calculated on base year and indexed as per CPI. NEPRA is requested to allow the Company the vehicle expense for the period FY2020-21 to FY2024-25 as requested.

Travelling and Other operating expenses

- 3.3.2.13 Travelling expenses are paid to employees in lieu of discharge of duty out of head quarter. These expenses are necessary and company is liable to pay as per travelling rules of the company. Other expenses of the company are almost fixed in nature like building rent, collection expenses, stationary and supplies, legal fees, software license fees, NEPRA license fees, tariff petition fees, photo state expenses, audit fees etc. while collection expense and software license fee are linked to growth in the Company's customers. NEPRA license fee is computed on the basis of the mechanism prescribed by NEPRA and projected annual demand of electricity. All other expenses are increased by CPI during the entire tariff period.

Adjustment mechanism for O&M costs

- 3.3.2.14 Efficiency factor (X) is submitted to be kept 0% during the tariff period to allow the company sufficient time to make investment and to bring in efficiencies in the utility's operations. Further improvements in operational and governance structures at the Company are also expected to increase costs in the first few years and therefore sufficient time should be allowed to the Company to recover these costs.



Z factor for force majeure events

- 3.3.2.15 There was no provision for costs incurred as a result of force majeure events such as earthquakes, flooding, acts of terrorism, etc. Immense flooding in 2010 for instance caused significant damage to the Company's network. In the absence of a provision for such events and adjustments restricted strictly to the CPI factor, the Company was unable to recoup the costs required to undertake the necessary repairs.
- 3.3.2.16 In this respect it is submitted that an additional Z factor should be included in the MYT to cover costs for such events. These costs shall be computed after the occurrence of such an event at which point the Company shall estimate the financial impact of such an event and request NEPRA's approval for inclusion in the subsequent year. As replacement of any equipment as result of such damage shall be covered through proposed investments to be approved by NEPRA, it is anticipated that major costs falling under Z factor will comprise repair & maintenance costs. In the event that insurance coverage is available at a reasonable cost, recoveries made under such an arrangement will not be incorporated in the tariff for the subsequent period.

3.3.3 Return on Rate Base

Table 3.8: Return on Rate amount in PKR million						
Detail	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Fixed assets O/B	49,751	54,055	58,948	64,458	70,012	75,080
Addition	4,304	4,892	5,510	5,554	5,068	5,072
Fixed assets C/B	54,055	58,948	64,458	70,012	75,080	80,152
Less: Depreciation	(20,073)	(21,415)	(22,902)	(24,530)	(26,277)	(28,140)
Net fixed assets	33,983	37,533	41,555	45,482	48,803	52,012
WIP C/B	10,929	8,057	16,171	22,524	31,121	39,542
Fixed asset including WIP	44,912	45,590	57,726	68,006	79,923	91,555
Less: Deferred credit	(18,285)	(18,169)	(18,227)	(18,198)	(18,213)	(18,205)
	26,627	27,420	39,499	49,808	61,711	73,349
Regulatory Asset Base	25,794	27,024	33,460	44,653	55,759	67,530
WACC	10.95%	10.95%	10.95%	10.95%	10.95%	10.95%
RORB	2,824	2,959	3,664	4,890	6,106	7,395

- 3.3.3.1 The Company's weighted average cost of capital is taken as 10.95%.
- 3.3.3.2 Regulatory asset base for 2020-21 to 2024-25 is shown in required forms.
- 3.3.3.3 The Regulatory Asset Base (RAB) is the gross fixed asset that is used in the distribution activities of the Company. The return on rate base is calculated by applying the WACC on the RAB.
- 3.3.3.4 The details of investments proposed annually are detailed below:

Table. 3.8: Investment in PKR million

		2020-21	2021-22	2022-23	2023-24	2024-25
DOP	P&E	69	292	914	938	1,022
	Civil work	19	538	526	544	179
	Total	88	830	1,440	1,482	1,201
ELR		133	538	2,224	2,236	2,270
STG		609	9,438	3,130	5,926	7,554
T&P Items		-	150	-	-	-
New Vehicles		-	231	729	69	38
Furn. & Fixture (MIRAD)		-	5	-	-	-
Transformers Workshop		-	125	-	-	-
Protection of Distribution Transformers		-	667	2,908	2,411	796
Customer Care		-	138	38	25	5
Village Electrification		623	654	687	721	757
Others (Deposit Work)		671	705	740	777	816
Total Investment		2,124	13,480	11,896	13,648	13,437

3.3.3.5 It is also requested that the current investment plan incorporated in this petition be approved.

3.3.3.6 The stated investment plan will result in improvements in its T&D losses and enables the Company enhance its customer base by increasing connections.

3.3.3.7 Proposed impact of investments on T&D losses reduction is detailed below:

Financial Year	2020-21	2021-22	2022-23	2023-24	2024-25
T&D Losses	28.00%	27.14%	25.97%	24.78%	23.56%

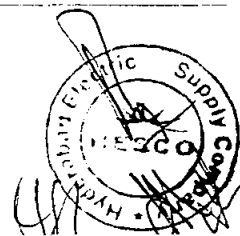
3.3.3.8 As is evident the Company would be able to decrease losses by a cumulative 3.99% over the tariff period.

3.3.3.9 Capital investments shall have a major impact on the operational efficiency and quality of service delivery by HESCO.

3.3.3.10 The company is proposing to create new sub-divisions, divisions and circle on the basis of increase in number of customers and length of lines.

3.3.3.11 The company's plan of new creation of offices is as under:

Table 3.9: Summary of creation of new Circle, Division and Sub-Divisions



Detail	Total	FY21	FY22	FY23	FY24	FY25
Circle	1	-	-	-	1	-
Divisions	8	-	4	2	2	-
Sub-Divisions	24	-	8	11	5	-
Total	33	-	12	13	8	-

Table 3.10: Detail of creation of new Circle

FY24
1. T.A Yar Division (Existing)
2. T.A Yar-II Division (Proposed)
3. T.M Khan Division (Existing)
4. T.M Khan-II Division (Proposed)
5. Badin Division (Existing)

Table 3.11: Detail of creation of new Divisions

S.No	Name of Division	FY22	FY23	FY24
1	T.A Yar-II	<u>Sub-Divisions</u> 1. T.A Yar-I (a) (Proposed) 2. T.A Yar-II (a) (Proposed) 3. Tando Jam-II (Proposed)		
2	Latifabad-II	<u>Sub-Divisions</u> 1. Rizvi-II (Proposed) 2. Kohsar (Proposed) 3. S.Umaid Ali (Existing) 4. Hussainabad (Proposed)		
3	Sehwan	<u>Sub-Divisions</u> 1. Sann (Proposed) 2. Sehwan (Existing) 3. Sehwan-II (Proposed)		
4	Sakrand	<u>Sub-Divisions</u> 1. Sakrand (Existing) 2. Saeedabad (Existing) 3. Qazi Ahmad (Existing) 4. Doulatpur (Existing)		
5	Qasimabad-II		<u>Sub-Divisions</u> 1. Qasimabad-II (Proposed) 2. Citizen-II (Proposed) 3. Hirabad-II (Proposed)	
6	T.M Khan-II		<u>Sub-Divisions</u> 1. T.M Khan-I (a) (Proposed) 2. Matli (Existing) 3. T.G.Ali (Proposed)	
7	Matiari			<u>Sub-Divisions</u> 1. Odero Lal (Existing) 2. Matiari (Existing) 3. Hala (Existing) 4. Bhitshah (Existing)
8	Mithi			<u>Sub-Divisions</u> 1. Naukot (Existing) 2. Mithi (Existing) 3. Mithi-II (Proposed)

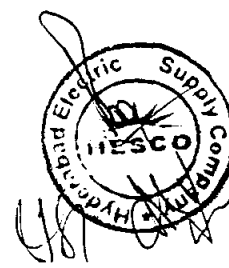


Table 3.12: Detail of creation of new Sub-Divisions					
S.No	FY 20-21	FY 21-22	FY22-23	FY23-24	FY24-25
1		Gari Khata-II			
2		T.A. Yar-I (a)			
3		T.A. Yar-II (a)			
4		Tando Jam-II			
5		Rizvi-II			
6		Kohsar			
7		Hussainabad			
8		Umarkot-II			
9			Qasimabad-II		
10			Citizen-II		
11			Hirabad-II		
12			Kotri-II		
13			Sann		
14			Sehwan-II		
15			T.M Khan-I (a)		
16			T.Ghulam Ali		
17			Badin-II		
18			Talhar-II		
19			Mehran		
20				Sanghar-II	
21				Satelite Town-II	
22				Hirabad-MPK-II	
23				Digri-II	
24				Mithi-II	

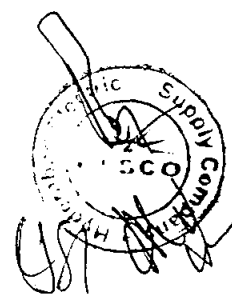
3.3.4 Depreciation

3.3.4.1 Depreciation is charged on written down value (WDV) method. As per Company's policy, building and civil works are depreciated @ 2%, feeders and grids & equipment's @ 3.5%, other plant/equipment and vehicles @ 10%.

3.3.5 Other income

3.3.5.1 Other Income includes mark-up on bank deposits, amortization of deferred credit and income from other sources. As there is no clear trend found during the past, hence, other income has been increased by considering moving average of last three financial years.

3.3.5.2 The Late Payment Surcharge has been excluded from the Total Other Income as per decision of NEPRA in the Tariff determination of FY 2014-15.



3.3.5.3 The detail of other income is as under.

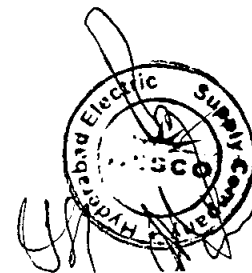
Table 3.13: Other income breakup in PKR million

	FY21	FY22	FY23	FY24	FY25
Non-utility operations	171.45	175.20	166.85	171.16	171.07
Stores handling and others	437.57	437.97	418.35	431.30	429.21
Amortization of deferred credit	835.63	854.09	857.51	849.08	853.56
	1,444.64	1,467.26	1,442.71	1,451.54	1,453.83

3.3.6 Prior year's adjustment

3.3.6.1 Working on PYA is in process.

3.3.7 Other issues



4. REVIEW OF ADJUSTMENTS

4.1. Annual adjustment

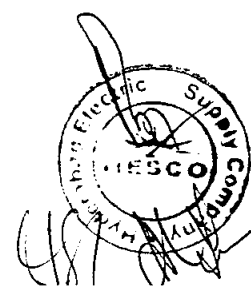
- 4.1.1.1 Investments made by the Company are added to the regulatory assets base which is used to determine the return on rate base. The difference between the budgeted and actual investment will result in variations in RAB and return on rate base. It is therefore requested that investments should be trued up every year. As a 5 year multi-year tariff has been requested, investment trued up at the end of each year will ensure that appropriate return is allowed on the regulatory assets base for the next year. Further, it will enable NEPRA to monitor performance of the DISCO in terms of timely completion of proposed projects and ensuring prudence in costs so no undue burden is placed on the end-user.

4.2. Future Prior Year Adjustments

- 4.2.1.1 It is proposed to continue Prior Year Adjustments in future periods to address the issues included, but not limited to the following
- Variation in forecasted & actual Distribution Margin, other income and Prior Period Adjustments; and
 - Any other adjustment in addition to above.

4.3. Rebasing

- 4.3.1.1 NEPRA will rebase tariffs every five years within the period of the Company's license. The rebasing will involve revising the forecast parameters to be used in setting tariffs for the next five years of the license period. This will involve NEPRA approving forecasts of operating costs, investment program, customer numbers and demand growth used in the average distribution margin formula. The average margin formula itself will not be reviewed. NEPRA would be expected to allow the Company a prudent level of operating costs and investment program consistent with forecasts of customer numbers, demand and service network expansion. NEPRA would also be expected to review the efficiency gains achieved by the Company during the previous 5-year period of control with the view to setting appropriate operating efficiency and loss reduction targets for the forthcoming 5-year period.



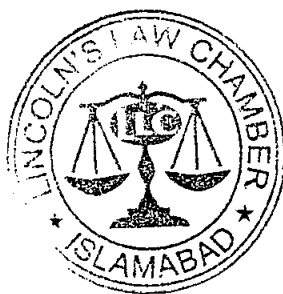
5. CONCLUSION AND PRAY


5.1.1.1 On the basis of above it is, inter alia, submitted that while admitting and allowing this petition, the Tariff of the Company for FY 2020-21 to 2024-25 whereby:

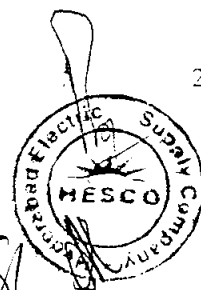
- I. The Company may be benefited by the timely determination and immediate application of the proposed tariff to ensure its financial viability and reliable system of supply of electricity to its consumers;
- II. NEPRA allow the tariff framework proposed herein designed with a view towards providing financial autonomy to the Company.
- III. NEPRA may determine with reasons and allow the Company, on basis of anticipated sale during FY 2020-21 to FY 2024-25, to recover the Revenue Requirement as mentioned in the petition above including Investment Plan of PKR 25,766 million;
- IV. The other periodical adjustments as per determinations of NEPRA may please be allowed to be continued;
- V. The Company may be allowed to create one new circle, 8 new Divisions and 24 new sub-Divisions during the tariff period.
- VI. Annual WACC indexation for RORB calculation for the tariff period.
- VII. Any other relief, order or direction which NEPRA deems fit.


(REHAN HAMID)
CHIEF EXECUTIVE OFFICER

Through...



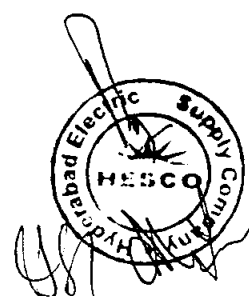

Barister Asghar Khan
Advocate



STANDARD PETITION FORMATS FOR DISTRIBUTION COMPANIES

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FORM - 1

HYDERABAD ELECTRIC SUPPLY COMPANY LTD.

Company Statistics

		FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
		Actual	Provisional	Projected	Projected	Projected	Projected
Peak demand during FY	MW	1,410.06	1,398.89	1,468.83	1,542.27	1,619.39	1,700.36
Number of Consumers	Nos.	1,144,680	1,181,579	1,219,668	1,258,984	1,299,568	1,341,460
Area	Sq. K.M	77,160	77,160	77,160	77,160	77,160	77,160
Circles	Nos.	4	4	4	4	5	5
Divisions	Nos.	15	15	19	21	23	23
Sub Divisions	Nos.	68	68	76	81	82	82
Length of Feeders	KM	28,412	28,512	28,632	28,730.16	28,835	28,940.16
Number of Feeders	Nos.	547	565	587	587	612	640
Average Length of Feeders	KM	52	50	49	49	47	45
Maximum Length of Feeder	KM	390	390	390	390	390	390
Minimum Length of Feeder	KM	1	1	1	1	1	1
New Connections	Nos.	-	-	-	-	-	-
Length of High Voltage Transmission lines (132 kV)	KM	2,771	2,771	-	-	-	-
Length of STG lines (66kV)	KM	687	687	-	-	-	-
Length of lines (11kV)	KM	28,412	28,512	28,632	28,730	28,835	28,940
Length of Low Voltage Distribution lines (400 V)	KM	15,049	15,049	15,144	15,144	15,196	15,251
Number of HV transformers (132/11KV)	Nos.	106	106	-	-	-	-
Number of burnt down HV transformers	Nos.	-	-	-	-	-	-
Number of STG transformers (132/66KV)	Nos.	5	5	-	-	-	-
Number of burnt down STG transformers	Nos.	-	-	-	-	-	-
Number of STG transformers (66/11KV)	Nos.	16	16	-	-	-	-
Number of burnt down STG transformers	Nos.	-	-	-	-	-	-
Number of LV transformers	Nos.	-	-	-	-	-	-
Number of burnt down LV transformers	Nos.	1,007	1,057	1,110	1,166	1,224	1,285

Estimated Employees Strength	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Total Number (A+B)	7,094	8,934	9,407	9,686	9,815
A-Qualified Professionals	259	340	353	359	360
Engineers	200	243	255	261	262
Others	59	97	98	98	98
B-Staff	6,835	8,594	9,054	9,327	9,455
Technical	3,802	4,620	4,844	4,963	4,997
Clerical	628	843	916	959	965
Non Technical	2,405	3,131	3,294	3,405	3,493

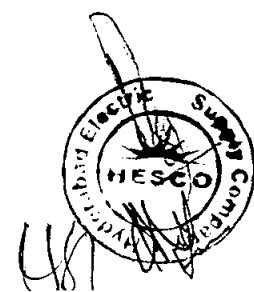


FORM - 2

HYDERABAD ELECTRIC SUPPLY COMPANY LTD.

Profit & Loss Statement

		FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
		Actual	Provisional	Projected	Projected	Projected	Projected
Power Balances							
Units Received	[MkWh]	5,471	5,575	5,878	6,199	6,537	6,893
Units Lost	[MkWh]	1,581	1,561	1,595	1,610	1,620	1,624
Units Lost	[%age]	28.90%	28.00%	27.14%	25.97%	24.78%	23.56%
Units Sold	[MkWh]	3,890	4,014	4,283	4,589	4,917	5,269
Revenue							
Sales Revenue	[Mln Rs]	12,526	15,072	18,309	20,745	23,156	25,675
Subsidy	[Mln Rs]	-	-	-	-	-	-
Fuel Price Adjustment	[Mln Rs]	-	-	-	-	-	-
Total Sales Revenue	[Mln Rs]	12,526	15,072	18,309	20,745	23,156	25,675
Rental & Service Income	[Mln Rs]	-	-	-	-	-	-
Amortization of Def Credits	[Mln Rs]	883	836	854	858	849	854
Other Income	[Mln Rs]	735	609	613	585	602	600
Total Revenue	[Mln Rs]	14,144	16,516	19,776	22,187	24,607	27,129
Operating Cost							
Power Purchase Cost	[Mln Rs]	-	-	-	-	-	-
O&M Expenses	[Mln Rs]	10,016	12,063	14,452	15,489	16,557	17,657
Depreciation	[Mln Rs]	1,214	1,342	1,487	1,628	1,747	1,863
Amortization	[Mln Rs]	-	-	-	-	-	-
Provision for Bad Debt	[Mln Rs]	-	-	-	-	-	-
Total Operating Cost	[Mln Rs]	11,230	13,405	15,939	17,117	18,304	19,520
EBIT	[Mln Rs]	2,913	3,111	3,837	5,071	6,303	7,609
Finance Cost	[Mln Rs]	-	-	-	-	-	-
EBT	[Mln Rs]	2,913	3,111	3,837	5,071	6,303	7,609
Tax	[Mln Rs]	89	152	180	195	211	228
EAT	[Mln Rs]	2,824	2,959	3,657	4,876	6,092	7,381
WPPF	[Mln Rs]	-	-	-	-	-	-
Profit for the period	[Mln Rs]	2,824	2,959	3,657	4,876	6,092	7,381



FORM - 3

HYDERABAD ELECTRIC SUPPLY COMPANY LTD.
Profit & Loss Statement (FY 2019-20)

	Jul-19 Actual	Aug-19 Actual	Sep-19 Actual	Q - 1 Actual	Oct-19 Actual	Nov-19 Actual	Dec-19 Actual	Q - 2 Actual	Jan-20 Actual	Feb-20 Actual	Mar-20 Actual	Q - 3 Actual	Apr-20 Actual	May-20 Actual	Jun-20 Actual	Q - 4 Actual	Total Actual
Power Balances																	
Units Received	(MkWh) 580	542	570	1,692	468	327	278	1,073	294	268	362	925	503	662	617	1,782	5,471
Units Lost	(MkWh) 170	178	195	543	149	43	66	258	51	29	117	197	167	239	175	582	1,581
Units Lost	(%) 29.38%	32.90%	34.17%	32.12%	31.74%	13.25%	23.92%	24.08%	17.21%	10.86%	32.32%	21.29%	33.31%	36.14%	28.45%	32.68%	28.89%
Units Sold	(MkWh) 410	363	375	1,148	320	284	211	814	244	239	245	728	335	423	441	1,200	3,890
Revenue																	
Sales Revenue	(Mln Rs) 1,044	1,044	1,044	3,132	1,044	1,044	1,044	3,132	1,044	1,044	1,044	3,132	1,044	1,044	1,043.85	3,132	12,526
Subsidy	(Mln Rs) -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel Price Adjustment	(Mln Rs) -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Revenue	(Mln Rs) 1,044	1,044	1,044	3,132	1,044	1,044	1,044	3,132	1,044	1,044	1,044	3,132	1,044	1,044	1,044	3,132	12,526
Rental & Service Income	(Mln Rs) -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Def Credits	(Mln Rs) 74	74	74	221	74	74	74	221	74	74	74	221	74	74	74	221	883
Other Income	(Mln Rs) 61	61	61	184	61	61	61	184	61	61	61	184	61	61	61	184	735
Total Revenue	(Mln Rs) 1,179	1,179	1,179	3,536	1,179	1,179	1,179	3,536	1,179	1,179	1,179	3,536	1,179	1,179	1,179	3,536	14,144
Operating Cost																	
Power Purchase Cost	(Mln Rs) -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
O&M Expenses	(Mln Rs) 835	835	835	2,504	835	835	835	2,504	835	835	835	2,504	835	835	834.68	2,504	10,016
Depreciation	(Mln Rs) 101	101	101	304	101	101	101	304	101	101	101	304	101	101	101	304	1,214
Amortization	(Mln Rs) -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Bad Debt	(Mln Rs) -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Cost	(Mln Rs) 936	936	936	2,808	936	936	936	2,808	936	936	936	2,808	936	936	936	2,808	11,230
EBT	(Mln Rs) 243	304	304	851	304	304	304	912	304	304	304	912	304	304	304	912	2,913
Financial Charges	(Mln Rs) -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EBT	(Mln Rs) 243	304	304	851	304	304	304	912	304	304	304	912	304	304	304	912	2,913
Tax	(Mln Rs) 7.42	7.42	7.42	22	7.42	7.42	7.42	22	7.42	7.42	7.42	22	7.42	7.42	7.42	22	89
EAT	(Mln Rs) 235	297	297	829	297	297	297	890	297	297	297	890	297	297	297	890	2,824
WPPF	(Mln Rs) -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	(Mln Rs) 235	297	297	829	297	297	297	890	297	297	297	890	297	297	297	890	2,824

HYDERABAD ELECTRIC SUPPLY COMPANY LTD.
Profit & Loss Statement FY 2020-21 (Projected)

	Jul-20 Actual	Aug-20 Actual	Sep-20 Actual	Q - 1 Actual	Oct-20 Actual	Nov-20 Actual	Dec-20 Actual	Q - 2 Actual	Jan-21 Actual	Feb-21 Actual	Mar-21 Actual	Q - 3 Actual	Apr-21 Actual	May-21 Actual	Jun-21 Projected	Q - 4 Provisional	Total Provisional
Power Balances																	
Units Received	(MkWh) 659	578	539	1,776	479	314	293	1,086	289	282	401	972	523	617	600	1,741	5,574
Units Lost	(MkWh) 218	158	187	563	139	38	72	249	44	30	130	204	170	202	172	544	1,560
Units Lost	(%) 33.11%	27.33%	34.67%	31.70%	29.13%	12.09%	24.38%	22.92%	15.35%	10.57%	32.39%	20.99%	32.55%	32.70%	28.70%	31.27%	27.99%
Units Sold	(MkWh) 441	420	352	1,213	349	276	222	837	244	252	271	768	353	415	428	1,196	4,014
Revenue																	
Sales Revenue	(Mln Rs) 1,255.96	1,256	1,256	3,768	1,256	1,256	1,256	3,768	1,256	1,256	1,256	3,768	1,256	1,256	1,256	3,768	15,072
Subsidy	(Mln Rs) -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel Price Adjustment	(Mln Rs) -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Revenue	(Mln Rs) 1,256	1,256	1,256	3,768	1,256	1,256	1,256	3,768	1,256	1,256	1,256	3,768	1,256	1,256	1,256	3,768	15,072
Rental & Service Income	(Mln Rs) -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Def Credits	(Mln Rs) 70	70	70	209	70	70	70	209	70	70	70	209	70	70	70	209	836
Other Income	(Mln Rs) 51	51	51	152	51	51	51	152	51	51	51	152	51	51	51	152	609
Total Revenue	(Mln Rs) 1,376	1,376	1,376	4,129	1,376	1,376	1,376	4,129	1,376	1,376	1,376	4,129	1,376	1,376	1,376	4,129	16,516
Operating Cost																	
Power Purchase Cost	(Mln Rs) -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
O&M Expenses	(Mln Rs) 1,005	1,005	1,005	3,016	1,005	1,005	1,005	3,016	1,005	1,005	1,005	3,016	1,005	1,005	1,005	3,016	12,063
Depreciation	(Mln Rs) 112	112	112	336	112	112	112	336	112	112	112	336	112	112	112	336	1,342
Amortization	(Mln Rs) -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Bad Debt	(Mln Rs) -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Cost	(Mln Rs) 1,117	1,117	1,117	3,351	1,117	1,117	1,117	3,351	1,117	1,117	1,117	3,351	1,117	1,117	1,117	3,351	13,405
EBIT	(Mln Rs) 259.26	259.26	259.26	778	259.26	259.26	259.26	778	259.26	259.26	259.26	778	259.26	259.26	259.26	778	3,111
Financial Charges	(Mln Rs) -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EBT	(Mln Rs) 259	259	259	778	259	259	259	778	259	259	259	778	259	259	259	778	3,111
Tax	(Mln Rs) 13	13	13	38	13	13	13	38	13	13	13	38	13	13	13	38	152
EAT	(Mln Rs) 247	247	247	740	247	247	247	740	247	247	247	740	247	247	247	740	2,959
WPPF	(Mln Rs) -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	(Mln Rs) 247	247	247	740	247	247	247	740	247	247	247	740	247	247	247	740	2,959

Profit & Loss Statement (FY 2021-22)

		Jul-21 Projected	Aug-21 Projected	Sep-21 Projected	Q - 1 Projected	Oct-21 Projected	Nov-21 Projected	Dec-21 Projected	Q - 2 Projected	Jan-22 Projected	Feb-22 Projected	Mar-22 Projected	Q - 3 Projected	Apr-22 Projected	May-22 Projected	Jun-22 Projected	Q - 4 Projected	Total Projected
Power Balances																		
Units Received	(MWh)	694	610	568	1,873	505	331	309	1,145	304	297	423	1,025	554	649	633	1,836	5,878
Units Lost	(MWh)	188	166	154	508	137	90	84	311	83	81	115	278	150	176	172	498	1,595
Units Lost	(%)	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%
Units Sold	(MWh)	506	444	414	1,365	368	241	225	834	222	216	308	747	404	473	461	1,338	4,283
Revenue																		
Sales Revenue	(Mn Rs)	1,525.72	1,525.72	1,525.72	4,577	1,525.72	1,525.72	1,525.72	4,577	1,525.72	1,525.72	1,525.72	4,577	1,525.72	1,525.72	1,525.72	4,577	18,309
Subsidy	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel Price Adjustment	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Revenue	(Mn Rs)	1,525.72	1,525.72	1,525.72	4,577	1,525.72	1,525.72	1,525.72	4,577	1,525.72	1,525.72	1,525.72	4,577	1,525.72	1,525.72	1,525.72	4,577	18,309
Rental & Service Inco	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Def C	(Mn Rs)	71	71	71	214	71	71	71	214	71	71	71	214	71	71	71	214	854
Other Income	(Mn Rs)	51	51	51	153	51	51	51	153	51	51	51	153	51	51	51	153	613
Total Revenue	(Mn Rs)	1,597	1,597	1,597	4,791	1,597	1,597	1,597	4,791	1,597	1,597	1,597	4,791	1,597	1,597	1,597	4,791	19,163
Operating Cost																		
Power Purchase Cos	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OSM Expenses	(Mn Rs)	1,204.30	1,204.30	1,204.30	3,613	1,204.30	1,204.30	1,204.30	3,613	1,204.30	1,204.30	1,204.30	3,613	1,204.30	1,204.30	1,204.30	3,613	14,452
Depreciation	(Mn Rs)	123.95	123.95	123.95	372	123.95	123.95	123.95	372	123.95	123.95	123.95	372	123.95	123.95	123.95	372	1,487
Amortization	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Bad Det	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Cost	(Mn Rs)	1,328	1,328	1,328	3,985	1,328	1,328	1,328	3,985	1,328	1,328	1,328	3,985	1,328	1,328	1,328	3,985	15,939
EBT	(Mn Rs)	269	269	269	806	269	269	269	806	269	269	269	806	269	269	269	806	3,217
Financial Charges	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EBT	(Mn Rs)	269	269	269	806	269	269	269	806	269	269	269	806	269	269	269	806	3,217
Tax	(Mn Rs)	15	15	15	45	15	15	15	45	15	15	15	45	15	15	15	45	180
EAT	(Mn Rs)	254	254	254	761	254	254	254	761	254	254	254	761	254	254	254	761	3,037
WPPF	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	(Mn Rs)	254	254	254	761	254	254	254	761	254	254	254	761	254	254	254	761	3,037

Profit & Loss Statement FY 2022-23 (Projected)

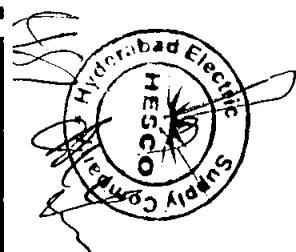
		Jul-22 Projected	Aug-22 Projected	Sep-22 Projected	Q - 1 Projected	Oct-22 Projected	Nov-22 Projected	Dec-22 Projected	Q - 2 Projected	Jan-23 Projected	Feb-23 Projected	Mar-23 Projected	Q - 3 Projected	Apr-23 Projected	May-23 Projected	Jun-23 Projected	Q - 4 Projected	Total Projected
Power Balances																		
Units Received	(MWh)	732	643	599	1,975	532	349	326	1,208	321	314	446	1,080	584	681	668	1,936	6,199
Units Lost	(MWh)	190	167	156	513	136	91	85	314	83	81	110	281	152	176	174	503	1,610
Units Lost	(%)	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%
Units Sold	(MWh)	542	476	444	1,462	396	258	241	894	238	233	336	800	432	505	494	1,433	4,589
Revenue																		
Sales Revenue	(Mn Rs)	1,728.72	1,728.72	1,728.72	5,186	1,728.72	1,728.72	1,728.72	5,186	1,728.72	1,728.72	1,728.72	5,186	1,728.72	1,728.72	1,728.72	5,186	20,745
Subsidy	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel Price Adjustment	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Revenue	(Mn Rs)	1,728.72	1,728.72	1,728.72	5,186	1,728.72	1,728.72	1,728.72	5,186	1,728.72	1,728.72	1,728.72	5,186	1,728.72	1,728.72	1,728.72	5,186	20,745
Rental & Service Inco	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Def C	(Mn Rs)	71.46	71.46	71.46	214	71.46	71.46	71.46	214	71.46	71.46	71.46	214	71.46	71.46	71.46	214	858
Other Income	(Mn Rs)	48.77	48.77	48.77	146	48.77	48.77	48.77	146	48.77	48.77	48.77	146	48.77	48.77	48.77	146	585
Total Revenue	(Mn Rs)	1,800	1,800	1,800	5,401	1,800	1,800	1,800	5,401	1,800	1,800	1,800	5,401	1,800	1,800	1,800	5,401	21,602
Operating Cost																		
Power Purchase Cos	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OSM Expenses	(Mn Rs)	1,290.74	1,290.74	1,290.74	3,872	1,290.74	1,290.74	1,290.74	3,872	1,290.74	1,290.74	1,290.74	3,872	1,290.74	1,290.74	1,290.74	3,872	15,489
Depreciation	(Mn Rs)	135.64	135.64	135.64	407	135.64	135.64	135.64	407	135.64	135.64	135.64	407	135.64	135.64	135.64	407	1,628
Amortization	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Bad Det	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Cost	(Mn Rs)	1,426	1,426	1,426	4,279	1,426	1,426	1,426	4,279	1,426	1,426	1,426	4,279	1,426	1,426	1,426	4,279	16,845
EBT	(Mn Rs)	423	423	423	1,268	423	423	423	1,268	423	423	423	1,268	423	423	423	1,268	5,071
Financial Charges	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EBT	(Mn Rs)	423	423	423	1,268	423	423	423	1,268	423	423	423	1,268	423	423	423	1,268	5,071
Tax	(Mn Rs)	16	16	16	49	16	16	16	49	16	16	16	49	16	16	16	49	195
EAT	(Mn Rs)	406	406	406	1,219	406	406	406	1,219	406	406	406	1,219	406	406	406	1,219	4,876
WPPF	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	(Mn Rs)	406	406	406	1,219	406	406	406	1,219	406	406	406	1,219	406	406	406	1,219	4,876

Profit & Loss Statement (FY 2023-24)

		Jul-23 Projected	Aug-23 Projected	Sep-23 Projected	Q - 1 Projected	Oct-23 Projected	Nov-23 Projected	Dec-23 Projected	Q - 2 Projected	Jan-24 Projected	Feb-24 Projected	Mar-24 Projected	Q - 3 Projected	Apr-24 Projected	May-24 Projected	Jun-24 Projected	Q - 4 Projected	Total Projected
Power Balances																		
Units Received	(MW/%)	772.16	678.20	632.12	2,082.48	561.06	368.41	343.91	1,273.38	338.40	330.66	470.31	1,139.36	616.01	721.28	703.99	2,041.29	6,536.50
Units Lost	(MW/%)	191.34	168.06	156.64	516.04	139.03	91.29	85.22	315.54	83.85	81.94	116.54	282.33	152.65	178.73	174.45	505.83	1,619.75
Units Lost	(Lage)	24.8%	24.8%	24.8%	24.8%	24.8%	24.8%	24.8%	24.8%	24.8%	24.8%	24.8%	24.8%	24.8%	24.8%	24.8%	24.8%	24.78%
Units Sold	(MW/%)	580.82	510.14	475.48	1,566.44	422.03	277.12	258.69	957.84	254.54	248.72	353.76	857.03	463.36	542.55	529.54	1,535.46	4,916.76
Revenue																		
Sales Revenue	(Min Rs)	1929.65	1929.65	1929.65	5788.94	1929.65	1929.65	1929.65	5788.94	1929.65	1929.65	1929.65	5788.94	1929.65	1929.65	1929.65	5788.94	23,156
Subsidy	(Min Rs)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-
Fuel Price Adjustment	(Min Rs)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-
Total Sales Revenue	(Min Rs)	1,930	1,930	1,930	5,789	1,930	1,930	1,930	5,789	1,930	1,930	1,930	5,789	1,930	1,930	1,930	5,789	23,156
Rental & Service Income	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Del Credits	(Min Rs)	71	71	71	212	71	71	71	212	71	71	71	212	71	71	71	212	849.08
Other Income	(Min Rs)	50	50	50	151	50	50	50	151	50	50	50	151	50	50	50	151	602.46
Total Revenue	(Min Rs)	2,051	2,051	2,051	6,152	2,051	2,051	2,051	6,152	2,051	2,051	2,051	6,152	2,051	2,051	2,051	6,152	24,607
Operating Cost																		
Power Purchase Cost	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
O&M Expenses	(Min Rs)	1,379.76	1,379.76	1,379.76	4,139	1,379.76	1,379.76	1,379.76	4,139	1,379.76	1,379.76	1,379.76	4,139	1,379.76	1,379.76	1,379.76	4,139	16,557.08
Depreciation	(Min Rs)	145.61	145.61	145.61	437	145.61	145.61	145.61	437	145.61	145.61	145.61	437	145.61	145.61	145.61	437	1,747.28
Amortization	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Bad Debt	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Cost	(Min Rs)	1,525	1,525	1,525	4,576	1,525	1,525	1,525	4,576	1,525	1,525	1,525	4,576	1,525	1,525	1,525	4,576	18,304.35
EBT	(Min Rs)	575	575	575	1,726	575	575	575	1,726	575	575	575	1,726	575	575	575	1,726	6,302.93
Financial Charges	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EBT	(Min Rs)	575	575	575	1,726	575	575	575	1,726	575	575	575	1,726	575	575	575	1,726	6,302.93
Tax	(Min Rs)	18	18	18	53	18	18	18	53	18	18	18	53	18	18	18	53	211.00
EAT	(Min Rs)	558	558	558	1,674	558	558	558	1,674	558	558	558	1,674	558	558	558	1,674	6,092
WPPF	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	(Min Rs)	558	558	558	1,674	558	558	558	1,674	558	558	558	1,674	558	558	558	1,674	6,092

Profit & Loss Statement FY 2024-25 (Projected)

		Jul-24 Projected	Aug-24 Projected	Sep-24 Projected	Q - 1 Projected	Oct-24 Projected	Nov-24 Projected	Dec-24 Projected	Q - 2 Projected	Jan-25 Projected	Feb-25 Projected	Mar-25 Projected	Q - 3 Projected	Apr-25 Projected	May-25 Projected	Jun-25 Projected	Q - 4 Projected	Total Projected
Power Balances																		
Units Received	(MW/%)	814.24	715.15	675.20	2,195.95	591.63	388.49	362.65	1,342.77	356.84	348.67	495.93	1,201.44	649.57	760.59	742.36	2,152.52	6,892.68
Units Lost	(MW/%)	191.83	168.49	156.64	517.37	139.39	91.53	85.44	318.36	84.07	82.15	116.84	283.06	153.04	179.19	174.60	507.13	1,623.92
Units Lost	(Lage)	23.6%	23.6%	23.6%	23.6%	23.56%	23.56%	23.56%	23.56%	23.56%	23.56%	23.56%	23.56%	23.56%	23.56%	23.56%	23.56%	23.56%
Units Sold	(MW/%)	622.40	546.66	518.56	1,678.59	452.25	296.96	277.21	1,024.41	272.76	266.53	379.09	918.38	496.54	581.39	567.76	1,645.38	5,268.77
Revenue																		
Sales Revenue	(Min Rs)	2,139.56	2,139.56	2,139.56	6,419	2,139.56	2,139.56	2,139.56	6,419	2,139.56	2,139.56	2,139.56	6,419	2,139.56	2,139.56	2,139.56	6,419	25,675
Subsidy	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel Price Adjustment	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Revenue	(Min Rs)	2,140	2,140	2,140	6,419	2,140	2,140	2,140	6,419	2,140	2,140	2,140	6,419	2,140	2,140	2,140	6,419	25,675
Rental & Service Income	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Del Credits	(Min Rs)	71	71	71	213	71	71	71	213	71	71	71	213	71	71	71	213	853.56
Other Income	(Min Rs)	50	50	50	150	50	50	50	150	50	50	50	150	50	50	50	150	600.27
Total Revenue	(Min Rs)	2,261	2,261	2,261	6,782	2,261	2,261	2,261	6,782	2,261	2,261	2,261	6,782	2,261	2,261	2,261	6,782	27,129
Operating Cost																		
Power Purchase Cost	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
O&M Expenses	(Min Rs)	1,471.41	1,471.41	1,471.41	4,414	1,471.41	1,471.41	1,471.41	4,414	1,471.41	1,471.41	1,471.41	4,414	1,471.41	1,471.41	1,471.41	4,414	17,657
Depreciation	(Min Rs)	155.24	155.24	155.24	465.71	155.24	155.24	155.24	465.71	155.24	155.24	155.24	465.71	155.24	155.24	155.24	465.71	1,863
Amortization	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Bad Debt	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Cost	(Min Rs)	1,627	1,627	1,627	4,880	1,627	1,627	1,627	4,880	1,627	1,627	1,627	4,880	1,627	1,627	1,627	4,880	19,520
EBT	(Min Rs)	684	684	684	2,052	684	684	684	2,052	684	684	684	2,052	684	684	684	2,052	7,609
Financial Charges	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EBT	(Min Rs)	684	684	684	2,052	684	684	684	2,052	684	684	684	2,052	684	684	684	2,052	7,609
Tax	(Min Rs)	19	19	19	57.00	19	19	19	57.00	19	19	19	57.00	19	19	19	57.00	224
EAT	(Min Rs)	665	665	665	1,995	665	665	665	1,995	665	665	665	1,995	665	665	665	1,995	7,381
WPPF	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	(Min Rs)	665	665	665	1,995	665	665	665	1,995	665	665	665	1,995	665	665	665	1,995	7,381



FORM - 4

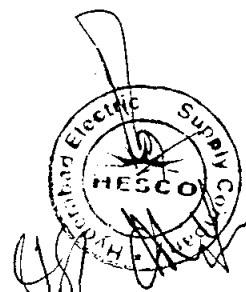
HYDERABAD ELECTRIC SUPPLY COMPANY LTD.

Balance Sheet

[Rs. in Million]

Description	FY 2018-19 Audited As on 30.06.19	FY 2019-20 Provisional As on 30.06.20	FY 2020-21 Projected As on 30.06.21	FY 2021-22 Projected As on 30.06.22	FY 2022-23 Projected As on 30.06.23	FY 2023-24 Projected As on 30.06.24	FY 2024-25 Projected As on 30.06.25
Intangible Fixed Assets	-	-	-	-	-	-	-
Net Fixed Assets in Operations	30,902	33,994	37,545	41,593	45,527	48,856	52,644
Total Net Fixed Assets in Operations	30,902	33,994	37,545	41,593	45,527	48,856	52,644
Capital Work in Progress	12,123	9,874	8,057	16,325	22,828	31,575	39,647
Long Term Loans and Deposits	1,563	1,565	1,644	1,726	1,812	1,903	1,998
Current Assets							
Stores & Spares	3,031	2,732	2,869	3,013	3,163	3,321	3,487
Net Trade Debts	37,718	50,279	52,793	55,432	58,204	61,114	64,170
Loans and Advances	37	38	40	42	44	46	48
Advances, Prepayments, Other Receivables	17,137	18,710	19,646	20,628	21,660	22,743	23,880
Receivable from Associated Companies (Including	51,018	75,331	79,098	83,053	87,205	91,566	96,144
Taxation Net	746	777	816	857	900	945	992
Accrued Mark-up	57	82	86	90	95	100	105
Cash & Bank Balances	5,649	7,698	8,083	8,487	8,911	9,357	9,824
Total Current Assets	115,394	155,648	163,430	171,602	180,182	189,191	198,651
Total Assets	159,987	201,081	210,676	231,245	250,349	271,525	292,939
Subscribed Equity	73,030	73,030	73,030	73,030	73,030	73,030	73,030
Unappropriated Profit/(Loss)	(201,460)	(213,600)	(220,621)	(217,499)	(216,715)	(214,774)	(213,558)
Total Equity	(128,430)	(140,570)	(147,591)	(144,469)	(143,685)	(141,745)	(140,528)
Long Term Liability							
Security Deposits	2,214	2,353	2,471	2,594	2,724	2,860	3,003
Employee Retirement Benefits	36,591	39,581	41,560	43,638	45,820	48,111	50,516
Deferred Credits	18,054	18,826	19,767	20,755	21,793	22,883	24,027
Receipts against deposit works and connections	3,770	3,208	3,368	3,536	3,713	3,899	4,094
Total Long Term Loan	5,953	5,616	5,430	5,235	5,031	4,816	4,591
Total Long Term Liability	66,582	69,583	72,596	75,760	79,081	82,569	86,231
Current Liability							
Current Maturity on Long Term Loans	3,372	3,709	3,895	4,099	4,294	4,509	4,734
Subsidy Received in Advance from GoP	-	-	-	-	-	-	-
Due to Associated Companies	205,974	252,762	265,400	278,670	292,603	307,234	322,595
Accrued Mark-up	7,638	8,751	9,188	9,648	10,130	10,636	11,168
Creditors, Accrued and Other Liabilities	4,851	6,846	7,189	7,548	7,925	8,322	8,738
Total Current Liability	221,835	272,068	285,672	299,955	314,953	330,700	347,235
Total Liabilities and Commitments	288,417	341,651	358,268	375,715	394,034	413,270	433,467
Total Liabilities and Equity	159,987	201,081	210,676	231,245	250,349	271,525	292,939

Note:- Combined Statement of Distribution & Supply Business.



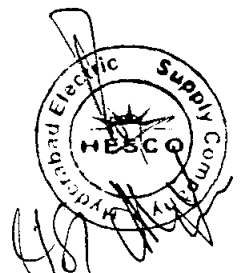
FORM - 5

HYDERABAD ELECTRIC SUPPLY COMPANY LTD.

Cash Flow Statement

	Unit	FY 2018-19 Audited	FY 2019-20 Provisional	FY 2020-21 Projected	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	[Rs. in Million] FY 2024-25 Projected
		As on 30.06.19	As on 30.06.20	As on 30.06.21	As on 30.06.22	As on 30.06.23	As on 30.06.24	As on 30.06.25
Average Monthly Demand Index (MDI)	[MW]							
Units Purchased	[GWh]							
Transmission Losses (132 kV)	[GWh]							
Distribution Losses	[GWh]							
Units Sold to Customers	[GWh]							
Average Tariff Required	[Rs/unit]							
Average Tariff Existing	[Rs/unit]							
	[Rs/unit]							
Revenue from Sales	[Rs. in M]							
Collection from Required	[%]							
Inflows from Operations								
Collection from Sales	[Rs. in M]							
Total Inflows from Operations								
Outflow from Operations								
Payment for electricity (to CPPA)	[Rs. in M]							
Distribution Service Cost (=DMC)	[Rs. in M]							
Total Outflow from Operations								
Surplus/Deficit from Operations								
Inflows from Other Sources								
Capital Contributions	[Rs. in M]							
Consumer Security Deposits	[Rs. in M]							
GOP Subsidy (Actual and Estimated)	[Rs. in M]							
Loan receipts from ADB	[Rs. in M]							
Total Inflows from Other Sources								
Outflow Others								
Repayment of Long Term Loans	[Rs. in M]							
Investment Program (Loan Disbursement)	[Rs. in M]							
Investment Program (Own Sources)	[Rs. in M]							
GOP Subsidy (Actual and Estimated) to CPPA	[Rs. in M]							
Total Outflow Others								
Surplus/Deficit Others								
Total Inflows (Operations + Others)								
Total Outflows (Operations + Others)								
Opening Balance								
Surplus/Deficit for Fiscal Year								
Closing Balance								

Note:- Combined Statement of Distribution & Supply Business.



FORM - 7

HYDERABAD ELECTRIC SUPPLY COMPANY LTD.

Line Losses FY 2018-19

		Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Total
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Power Balances														
Units Received	[MkWh]	580.27	541.58	569.81	468.23	326.81	277.73	294.36	268.01	362.28	502.60	662.32	616.77	5,470.78
Units Sold	[MkWh]	410.00	363.00	375.00	320.00	284.00	211.00	244.00	239.00	245.00	335.00	423.00	441.00	3,890.00
Units Lost	[MkWh]	170.27	178.58	194.81	148.23	42.81	66.73	50.36	29.01	117.28	167.60	239.32	175.77	1,580.78
Units Lost	[%age]	29.34%	32.97%	34.19%	31.66%	13.10%	24.03%	17.11%	10.83%	32.37%	33.35%	36.13%	28.50%	28.89%
Technical Losses	[%age]	19.64%	21.94%	17.87%	19.29%	7.33%	18.77%	17.01%	8.54%	29.15%	20.83%	25.53%	16.22%	19.02%
Administrative Losses	[%age]	9.70%	11.03%	16.32%	12.37%	5.77%	5.26%	0.10%	2.29%	3.22%	12.52%	10.60%	12.28%	9.88%
Technical Losses at Different Levels														
Transmission Losses 132 kV	[%age]	2.74%	5.07%	0.97%	2.35%	-8.87%	3.06%	2.82%	-6.46%	14.71%	4.10%	8.74%	-0.68%	2.88%
11 kV Losses	[%age]	11.72%	11.74%	11.72%	11.76%	11.07%	10.53%	9.01%	9.82%	9.26%	11.55%	11.61%	11.72%	10.96%
LT Losses	[%age]	5.18%	5.18%	5.18%	5.18%	5.18%	5.18%	5.18%	5.18%	5.18%	5.18%	5.18%	5.18%	5.18%
Total Technical Losses	[%age]	19.64%	21.94%	17.87%	19.29%	7.33%	18.77%	17.01%	8.54%	29.15%	20.83%	25.53%	16.22%	19.02%

FORM - 7 (A)

HYDERABAD ELECTRIC SUPPLY COMPANY LTD.

Line Losses FY 2019-20

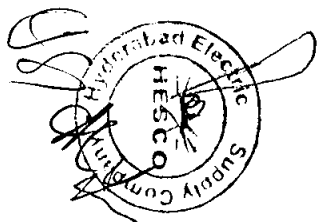
		Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Total
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Power Balances														
Units Received	[MkWh]	658.54	578.40	539.15	478.50	414.75	293.36	288.62	282.88	402.87	525.36	622.15	606.87	5,590.98
Units Sold	[MkWh]	440.50	420.30	352.20	339.10	276.11	221.80	244.30	252.20	271.20	352.90	415.30	428.10	4,014.10
Units Lost	[MkWh]	218.04	158.10	186.95	139.40	38.64	71.56	44.32	30.68	131.67	172.46	206.85	178.77	1,576.88
Units Lost	[%age]	33.11%	27.33%	34.67%	29.13%	9.31%	24.39%	15.36%	10.85%	32.68%	32.83%	33.25%	29.46%	28.20%
Technical Losses	[%age]	24.37%	13.21%	17.34%	16.79%	6.44%	19.89%	15.27%	10.16%	29.48%	21.42%	29.48%	18.13%	18.41%
Administrative Losses	[%age]	9.74%	14.12%	17.33%	12.34%	5.19%	4.50%	0.09%	0.69%	3.20%	11.41%	3.77%	11.33%	9.80%
Technical Losses at Different Levels														
Technical Losses at Different Levels	[%age]	8.00%	-2.40%	1.60%	1.10%	8.40%	5.60%	0.97%	-4.03%	15.53%	5.82%	13.72%	2.27%	3.27%
11 kV Losses	[%age]	10.20%	10.44%	10.56%	10.51%	10.14%	9.12%	9.13%	9.02%	8.78%	10.42%	10.58%	10.68%	9.96%
LT Losses	[%age]	5.17%	5.17%	5.18%	5.18%	5.18%	5.17%	5.17%	5.17%	5.17%	5.18%	5.18%	5.18%	5.17%
Total Technical Losses	[%age]	23.37%	13.21%	17.34%	16.79%	6.44%	19.89%	15.27%	10.16%	29.48%	21.42%	29.48%	18.13%	18.41%

FORM - 7 (A)
HYDERABAD ELECTRIC SUPPLY COMPANY LTD.
Line Losses FY 2021-22

		Jul-21 Projected	Aug-21 Projected	Sep-21 Projected	Oct-21 Projected	Nov-21 Projected	Dec-21 Projected	Jan-22 Projected	Feb-22 Projected	Mar-22 Projected	Apr-22 Projected	May-22 Projected	Jun-22 Projected	Total Projected
Power Balances														
Units Received	[MkWh]	694.42	609.92	568.48	504.57	331.32	309.28	304.33	297.37	422.96	553.99	648.67	633.12	5,878.41
Units Sold	[MkWh]	505.96	444.38	414.19	367.63	241.40	225.34	221.73	216.66	308.17	403.64	472.62	461.29	4,283.01
Units Lost	[MkWh]	188.47	165.53	154.28	136.94	89.92	83.94	82.59	80.71	114.79	150.35	176.05	171.83	1,595.40
Units Lost	[%age]	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%	27.14%
Technical Losses	[%age]	23.24%	13.08%	17.21%	16.66%	6.27%	19.76%	15.14%	9.03%	28.35%	21.29%	29.35%	18.00%	18.28%
Administrative Losses	[%age]	3.90%	14.06%	9.93%	10.48%	20.87%	7.38%	12.00%	18.11%	-1.21%	5.85%	-2.21%	9.14%	8.86%
Technical Losses at Different Levels														
Transmission Losses 132 kV	[%age]	7.97%	-2.43%	1.57%	1.07%	-8.93%	5.57%	0.94%	-5.06%	14.50%	5.79%	13.69%	2.24%	3.24%
11 kV Losses	[%age]	10.15%	10.39%	10.51%	10.46%	10.08%	9.07%	9.08%	8.97%	8.73%	10.37%	10.53%	10.63%	9.91%
LT Losses	[%age]	5.12%	5.12%	5.13%	5.13%	5.12%	5.17%	5.12%	5.12%	5.12%	5.13%	5.13%	5.13%	5.12%
Total Technical Losses	[%age]	23.24%	13.08%	17.21%	16.66%	6.27%	19.76%	15.14%	9.03%	28.35%	21.29%	29.35%	18.00%	18.28%

FORM - 7 (A)
HYDERABAD ELECTRIC SUPPLY COMPANY LTD.
Line Losses FY 2022-23

		Jul-22 Projected	Aug-22 Projected	Sep-22 Projected	Oct-22 Projected	Nov-22 Projected	Dec-22 Projected	Jan-23 Projected	Feb-23 Projected	Mar-23 Projected	Apr-23 Projected	May-23 Projected	Jun-23 Projected	Total Projected
Power Balances														
Units Received	[MkWh]	732.26	643.15	599.45	542.07	349.37	326.14	320.91	313.57	446.00	584.18	684.01	667.62	6,198.73
Units Sold	[MkWh]	542.09	476.12	443.77	393.89	258.64	241.44	237.57	232.14	330.18	432.47	506.37	494.24	4,588.92
Units Lost	[MkWh]	190.17	167.03	155.68	148.18	90.73	84.70	83.34	81.43	115.83	151.71	177.64	173.38	1,609.81
Units Lost	[%age]	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%	25.97%
Technical Losses	[%age]	23.11%	12.95%	17.08%	16.54%	6.14%	19.63%	15.01%	8.90%	28.22%	21.16%	29.27%	17.87%	18.15%
Administrative Losses	[%age]	2.86%	13.02%	8.89%	9.44%	19.83%	6.34%	10.96%	17.07%	-2.25%	4.81%	-3.25%	8.10%	7.82%
Technical Losses at Different Levels														
Transmission Losses 132 kV	[%age]	7.94%	-2.46%	1.54%	1.04%	-8.96%	5.54%	0.91%	-5.09%	14.47%	5.76%	13.66%	2.21%	3.21%
11 kV Losses	[%age]	10.10%	10.34%	10.46%	10.41%	10.03%	9.02%	9.03%	8.92%	8.68%	10.37%	10.48%	10.58%	9.86%
LT Losses	[%age]	5.07%	5.07%	5.08%	5.08%	5.07%	5.07%	5.07%	5.07%	5.07%	5.08%	5.08%	5.08%	5.07%
Total Technical Losses	[%age]	23.11%	12.95%	17.08%	16.54%	6.14%	19.63%	15.01%	8.90%	28.22%	21.16%	29.27%	17.87%	18.15%



FORM - 7 (A)

HYDERABAD ELECTRIC SUPPLY COMPANY LTD.

Line Losses FY 2023-24

		Jul-23 Projected	Aug-23 Projected	Sep-23 Projected	Oct-23 Projected	Nov-23 Projected	Dec-23 Projected	Jan-24 Projected	Feb-24 Projected	Mar-24 Projected	Apr-24 Projected	May-24 Projected	Jun-24 Projected	Total Projected
Power Balances														
Units Received	[MkWh]	772.16	678.20	632.12	561.06	368.41	343.91	338.40	330.66	470.31	616.01	721.28	703.99	6,536.50
Units Sold	[MkWh]	580.82	510.14	475.48	422.03	277.12	258.69	254.54	248.72	353.76	463.36	542.55	529.54	4,916.76
Units Lost	[MkWh]	191.34	168.06	156.64	139.03	91.29	85.22	83.85	81.94	116.54	152.65	178.73	174.45	1,619.75
Units Lost	[%age]	24.78%	24.78%	24.78%	24.78%	24.78%	24.78%	24.78%	24.78%	24.78%	24.78%	24.78%	24.78%	24.78%
Technical Losses	[%age]	22.98%	12.82%	16.95%	16.40%	6.01%	19.50%	14.88%	8.77%	27.09%	21.03%	29.09%	17.74%	18.02%
Administrative Losses	[%age]	1.80%	11.96%	7.83%	8.38%	18.77%	5.28%	9.90%	16.01%	-2.31%	3.75%	-4.31%	7.04%	6.76%
Technical Losses at Different Levels														
Transmission losses 132 kV	[%age]	7.91%	-2.49%	1.51%	1.01%	-8.99%	5.51%	0.88%	-5.12%	13.44%	5.73%	13.63%	2.18%	3.18%
11 kV Losses	[%age]	10.05%	10.29%	10.41%	10.36%	9.98%	8.97%	8.98%	8.87%	8.63%	10.27%	10.43%	10.53%	9.81%
LT Losses	[%age]	5.02%	5.02%	5.03%	5.03%	5.02%	5.02%	5.02%	5.02%	5.02%	5.03%	5.03%	5.03%	5.02%
Total Technical Losses	[%age]	22.98%	12.82%	16.95%	16.40%	6.01%	19.50%	14.88%	8.77%	27.09%	21.03%	29.09%	17.74%	18.02%

FORM - 7 (A)

HYDERABAD ELECTRIC SUPPLY COMPANY LTD.

Line Losses FY 2024-25

		Jul-24 Projected	Aug-24 Projected	Sep-24 Projected	Oct-24 Projected	Nov-24 Projected	Dec-24 Projected	Jan-25 Projected	Feb-25 Projected	Mar-25 Projected	Apr-25 Projected	May-25 Projected	Jun-25 Projected	Total Projected
Power Balances														
Units Received	[MkWh]	814.24	715.15	666.56	591.63	388.49	362.65	356.84	348.67	495.93	649.57	760.59	742.36	6,892.68
Units Sold	[MkWh]	622.40	546.66	509.52	452.25	296.96	277.21	272.76	266.53	379.09	496.54	581.39	567.46	5,268.77
Units Lost	[MkWh]	191.83	168.49	157.04	139.39	91.53	85.44	84.07	82.15	116.84	153.04	179.19	174.90	1,623.92
Units Lost	[%age]	23.56%	23.56%	23.56%	23.56%	23.56%	23.56%	23.56%	23.56%	23.56%	23.56%	23.56%	23.56%	23.56%
Technical Losses	[%age]	22.85%	12.69%	16.82%	16.27%	5.88%	19.37%	14.65%	8.64%	25.96%	20.90%	28.96%	17.61%	17.89%
Administrative Losses	[%age]	0.71%	10.87%	6.74%	7.29%	17.68%	4.19%	8.91%	14.92%	-2.40%	2.66%	-5.40%	5.95%	5.67%
Technical Losses at Different Levels														
Transmission losses 132 kV	[%age]	7.88%	-2.52%	1.48%	0.98%	-9.02%	5.48%	0.75%	-5.15%	12.41%	5.70%	13.60%	2.15%	3.15%
11 kV Losses	[%age]	10.00%	10.24%	10.36%	10.31%	9.93%	8.92%	8.93%	8.87%	8.58%	10.22%	10.38%	10.48%	9.76%
LT Losses	[%age]	4.97%	4.97%	4.98%	4.98%	4.97%	4.97%	4.97%	4.97%	4.97%	4.98%	4.98%	4.98%	4.97%
Total Technical Losses	[%age]	22.85%	12.69%	16.82%	16.27%	5.88%	19.37%	14.65%	8.64%	25.96%	20.90%	28.96%	17.61%	17.89%

FORM - 8

HYDERABAD ELECTRIC SUPPLY COMPANY LTD.

Operational and Technical Information

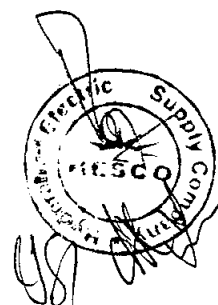
	FY 2019-20 Actual	FY 2020-21 Provisional	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
HESCO load factors on yearly basis	1.77%	1.80%	1.82%	1.84%	1.87%	1.89%

NTDC/DISCO Delivery Points metering accuracy

DISCO metering accuracy

For all customers (residential, commercial, industrial, etc.)

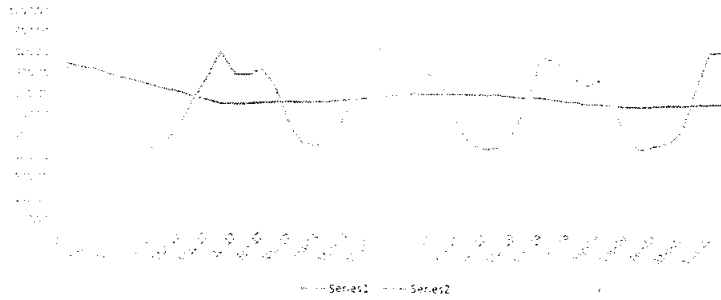
Estimated High Voltage Transmission lines losses (132 kv)	2.88%	3.27%	3.24%	3.21%	3.18%	3.15%
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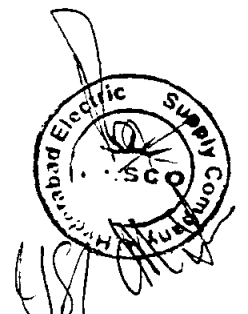
Table/Graph 13 - Load Growth Evaluation and Setting up Load Average

Month	Load [MW]	12 months moving average
Jul-16	728.00	752
Aug-16	649.00	736
Sep-16	680.00	724
Oct-16	583.00	702
Nov-16	435.00	685
Dec-16	406.00	670
Jan-17	349.00	650
Feb-17	370.00	633
Mar-17	451.00	617
Apr-17	583.00	597
May-17	692.00	579
Jun-17	809.00	561
Jul-17	704.00	559
Aug-17	702.00	564
Sep-17	727.00	568
Oct-17	631.00	572
Nov-17	456.00	573
Dec-17	371.00	570
Jan-18	366.00	572
Feb-18	392.00	574
Mar-18	520.00	579
Apr-18	641.00	584
May-18	791.00	593
Jun-18	878.00	598
Jul-18	811.00	607
Aug-18	746.00	611
Sep-18	699.00	609
Oct-18	628.00	603
Nov-18	456.00	608
Dec-18	374.00	609
Jan-19	348.00	607
Feb-19	353.00	604
Mar-19	421.00	596
Apr-19	588.00	591
May-19	791.00	591
Jun-19	766.00	582
Jul-19	697.00	572
Aug-19	647.00	564
Sep-19	679.00	562
Oct-19	568.00	557
Nov-19	410.00	554
Dec-19	350.00	552
Jan-20	360.00	553
Feb-20	373.00	554
Mar-20	429.00	555
Apr-20	646.00	560
May-20	808.00	561
Jun-20	816.00	565

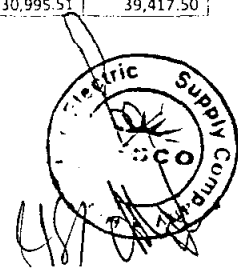
DISCO EVALUATION OF LOAD GROWTH BY USING 12 MONTHS MOVING AVERAGE



559 Load Average for last 12 months
6,708 Average Load for next Fiscal Year



Description	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Fixed Assets O/B						
Distribution Business						
LAND	139.80	139.80	139.80	139.80	139.80	139.80
BUILDING	1,795.39	1,873.78	2,007.11	2,154.88	2,274.71	2,408.35
Distribution equipment	46,741.64	50,958.27	55,689.91	60,789.54	65,472.17	70,310.14
Construction equipment	298.71	302.57	308.52	314.63	319.94	325.59
Transportation equipment	674.06	674.06	674.06	904.86	1,633.95	1,702.95
Computer and office equipment	101.82	106.39	128.32	154.12	171.55	193.26
	49,751.44	54,055.29	58,947.72	64,457.83	70,012.12	75,080.10
Additions /Deletion						
Distribution Business						
LAND	-	-	-	-	-	-
BUILDING	78.39	133.33	147.77	119.83	133.64	133.75
Distribution equipment	4,216.64	4,731.63	5,099.63	4,682.63	4,837.97	4,873.41
Construction equipment	4.25	5.55	6.11	5.31	5.66	5.69
Transportation equipment	-	-	230.80	729.09	69.00	37.64
Computer and office equipment	4.57	21.93	25.80	17.43	21.72	21.65
	4,303.85	4,892.44	5,510.11	5,554.29	5,067.98	5,072.13
Fixed Assets C/B						
Distribution Business						
LAND	139.80	139.80	139.80	139.80	139.80	139.80
BUILDING	1,873.78	2,007.11	2,154.88	2,274.71	2,408.35	2,542.09
Distribution equipment	50,958.27	55,689.91	60,789.54	65,472.17	70,310.14	75,183.55
Construction equipment	302.97	308.52	314.63	319.94	325.59	331.28
Transportation equipment	674.06	674.06	904.86	1,633.95	1,702.95	1,740.59
Computer and office equipment	106.39	128.32	154.12	171.55	193.26	214.91
	54,055.29	58,947.72	64,457.83	70,012.12	75,080.10	80,152.24
Accumulated depreciation O/B						
Distribution Business						
LAND	-	-	-	-	-	-
BUILDING	(547.87)	(574.39)	(603.04)	(634.08)	(666.89)	(701.72)
Distribution equipment	(17,552.11)	(18,721.32)	(20,015.22)	(21,442.32)	(22,983.37)	(24,639.81)
Construction equipment	(253.15)	(258.13)	(263.17)	(268.32)	(273.48)	(278.69)
Transportation equipment	(464.03)	(471.03)	(477.80)	(492.04)	(530.10)	(569.19)
Computer and office equipment	(41.25)	(47.76)	(55.82)	(65.65)	(76.24)	(87.94)
	(18,858.41)	(20,072.64)	(21,415.06)	(22,902.41)	(24,530.08)	(26,277.35)
Depreciation for the year						
Distribution Business						
LAND	-	-	-	-	-	-
BUILDING	(26.52)	(28.65)	(31.04)	(32.81)	(34.83)	(36.81)
Distribution equipment	(1,169.22)	(1,293.90)	(1,427.10)	(1,541.04)	(1,656.44)	(1,769.03)
Construction equipment	(4.98)	(5.04)	(5.15)	(5.16)	(5.21)	(5.26)
Transportation equipment	(7.00)	(6.77)	(14.24)	(38.06)	(39.10)	(39.05)
Computer and office equipment	(6.51)	(8.06)	(9.83)	(10.59)	(11.70)	(12.70)
	(1,214.23)	(1,342.42)	(1,487.35)	(1,627.67)	(1,747.28)	(1,862.84)
Accumulated depreciation C/B						
Distribution Business						
LAND	-	-	-	-	-	-
BUILDING	(574.39)	(603.04)	(634.08)	(666.89)	(701.72)	(738.53)
Distribution equipment	(18,721.32)	(20,015.22)	(21,442.32)	(22,983.37)	(24,639.81)	(26,408.84)
Construction equipment	(258.13)	(263.17)	(268.32)	(273.48)	(278.69)	(283.95)
Transportation equipment	(471.03)	(477.80)	(492.04)	(530.10)	(569.19)	(608.24)
Computer and office equipment	(47.76)	(55.82)	(65.65)	(76.24)	(87.94)	(100.64)
	(20,072.64)	(21,415.06)	(22,902.41)	(24,530.08)	(26,277.35)	(28,140.20)
Net Book value	33,993.64	37,544.90	41,591.33	45,530.09	48,872.99	52,119.80
Depreciation rates						
LAND (Lease)	0%	0%	0%	0%	0%	0%
BUILDING	2%	2%	2%	2%	2%	2%
Distribution equipment	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Construction equipment	10%	10%	10%	10%	10%	10%
Transportation equipment	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%
Computer and office equipment	10%	10%	10%	10%	10%	10%
WIP						
Capital Work-in-Progress O/B	12,122.72	10,929.33	8,056.92	16,045.51	22,398.74	30,995.51
Addition to CWIP	3,113.98	2,123.88	13,124.50	11,166.42	13,578.57	13,398.95
Capitalisation out of CWIP	(4,307.38)	(4,996.28)	(5,135.91)	(4,813.19)	(4,981.79)	(4,976.96)
Capital Work-in-Progress C/B	10,929.33	8,056.92	16,045.51	22,398.74	30,995.51	39,417.50



FORM - 16

HYDERABAD ELECTRIC SUPPLY COMPANY LTD.

Operating Cost**A Power Purchase Cost**

Energy Charge	[MIn Rs]
Capacity Charge	[MIn Rs]
Transmission Charge	[MIn Rs]
Adjustment	[MIn Rs]
Market Operation Fee	[MIn Rs]
Total Power Purchase Cost	[MIn Rs]

FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Actual	Provisional	Projected	Projected	Projected	Projected

B Operation & Maintenance

Employees Cost

Salaries, Wages & Benefits	[MIn Rs]	4,220	5,070	6,053	6,933	7,559	8,183
Hiring Cost	[MIn Rs]	-	-	372	150	87	39
PM Assistance Package	[MIn Rs]	16	288	455	449	446	443
Retirement Benefits	[MIn Rs]	4,665	5,080	5,487	5,816	6,165	6,535
Total Employees Cost	[MIn Rs]	8,901	10,438	12,367	13,348	14,257	15,200

Repair & Maintenance

Travelling	[MIn Rs]	596	1,059	1,403	1,285	1,374	1,464
Transportation	[MIn Rs]	207	225	243	258	273	290
Miscellaneous Expenses	[MIn Rs]	139	151	225	370	412	447
	[MIn Rs]	174	190	215	228	242	256
Total O&M	[MIn Rs]	10,016	12,063	14,452	15,489	16,557	17,657

C Depreciation & Amortization

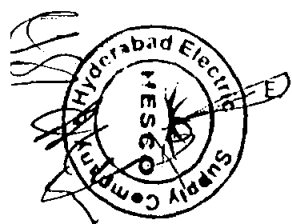
Depreciation	[MIn Rs]	1,214.23	1,342.42	1,487.35	1,627.67	1,747.28	1,862.84
Amortization of Leased Assets	[MIn Rs]						
Total	[MIn Rs]	1,214.23	1,342.42	1,487.35	1,627.67	1,747.28	1,862.84

D Provision for Bad Debts

Provision for bad debts	[MIn Rs]	-	-	-	-	-	-
Bad debts written off	[MIn Rs]	-	-	-	-	-	-

Extra Ordinary /Contingency Expenses

Other Contingency expenses due to Flood	[MIn Rs]
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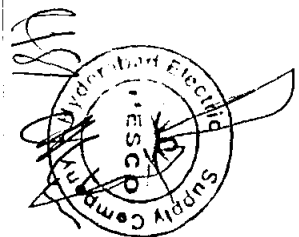
FORM - 17

HYDERABAD ELECTRIC SUPPLY COMPANY LTD.

Distribution Margin Comparison

Description	Unit	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
		Actual	Provisional	Projected	Projected	Projected	Projected
O&M Expenses	Rs. in M	10,016	12,063	14,452	15,489	16,557	17,657
Increase in %	%age		20.4%	19.8%	7.2%	6.9%	6.6%
Provision for bad debts	Rs. in M	-	-	-	-	-	-
Depreciation	Rs. in M	1,214	1,342	1,487	1,628	1,747	1,863
RORB	Rs. in M	2,824	2,959	3,657	4,876	6,092	7,381
Income Tax	Rs. in M	89	152	180	195	211	228
Other Income	Rs. in M	(1,618)	(1,445)	(1,467)	(1,443)	(1,452)	(1,454)
Distribution Margin	Rs. in M	12,526	15,072	18,309	20,745	23,156	25,675
Energy Sold	Gwh	3,890	4,014	4,283	4,589	4,917	5,269
DM per unit	Rs./kwh	3.22	3.75	4.27	4.52	4.71	4.87
DM per unit increase	%age		16.60%	13.84%	5.75%	4.18%	3.47%

40



FORM - 18

HYDERABAD ELECTRIC SUPPLY COMPANY LTD.

Financial Charges

FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Actual	Provisional	Projected	Projected	Projected	Projected

A Long Term Loans

GOP loans

Foreign Loans

Bonds

TFCs

Others

Total

-	-	-	-	-	-
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B Short Term Loan

Running Finance

Short Term Loan

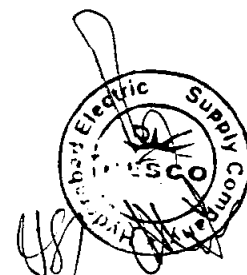
Others

Total

-	-	-	-	-	-
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C Total Financial Charges (A+B)

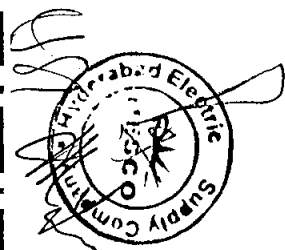
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RORB Calculation

Sr. #	Description	Unit	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
			Actual	Provisional	Projected	Projected	Projected	Projected
1	Fixed assets O/B	[Rs. in M]	49,751	54,055	58,948	64,458	70,012	75,080
2	Addition	[Rs. in M]	4,304	4,892	5,510	5,554	5,068	5,072
3	Fixed assets C/B	[Rs. in M]	54,055	58,948	64,458	70,012	75,080	80,152
4	Less: Depreciation	[Rs. in M]	(20,073)	(21,415)	(22,902)	(24,530)	(26,277)	(28,140)
5	Net fixed assets	[Rs. in M]	33,983	37,533	41,555	45,482	48,803	52,012
6	WIP C/B	[Rs. in M]	10,929	8,057	16,046	22,399	30,996	39,417
7	Fixed asset including WIP	[Rs. in M]	44,912	45,590	57,601	67,881	79,798	91,430
8	Less: Deferred credit	[Rs. in M]	(18,285)	(18,169)	(18,227)	(18,198)	(18,213)	(18,205)
		[Rs. in M]	26,627	27,420	39,374	49,683	61,586	73,224
	Regulatory Asset Base	[Rs. in M]	25,794	27,024	33,397	44,528	55,634	67,405
	WACC		10.95%	10.95%	10.95%	10.95%	10.95%	10.95%
	RORB	[Rs. in M]	2,824	2,959	3,657	4,876	6,092	7,381

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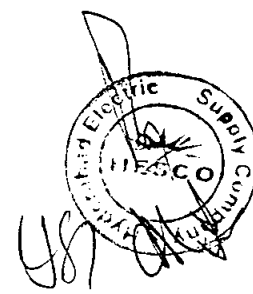
Revenue Requirement

		FY 2019-20 Actual	FY 2020-21 Provisional	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
Units Purchased	[MkWh]	5,471	5,575	5,878	6,199	6,537	6,893
Units Lost	[MkWh]	1,581	1,561	1,595	1,610	1,620	1,624
Units Lost	[%age]	28.90%	28.00%	27.14%	25.97%	24.78%	23.56%
Units Sold	[MkWh]	3,890	4,014	4,283	4,589	4,917	5,269
A Power Purchase Price	[Mln Rs]	-	-	-	-	-	-
B DM							
O&M	[Mln Rs]	10,016	12,063	14,452	15,489	16,557	17,657
Depreciation	[Mln Rs]	1,214	1,342	1,487	1,628	1,747	1,863
Provision for bad debts	[Mln Rs]	-	-	-	-	-	-
RORB	[Mln Rs]	2,824	2,959	3,657	4,875	6,092	7,381
Advance Tax	[Mln Rs]	89	152	180	195	211	228
Less Other Income	[Mln Rs]	(1,618)	(1,445)	(1,467)	(1,443)	(1,452)	(1,454)
Total DM	[Mln Rs]	12,526	15,072	18,309	20,745	23,156	25,675
C Revenue Requirement (A+B)	[Mln Rs]	12,526	15,072	18,309	20,745	23,156	25,675
D Prior Year Adjustment	[Mln Rs]	-	-	-	-	-	-
E Write Off	[Mln Rs]	-	-	-	-	-	-
F Bi-Annually PPP Adjustment	[Mln Rs]	-	-	-	-	-	-
G Net Revenue Requirement	[Mln Rs]	12,526	15,072	18,309	20,745	23,156	25,675

FORM - 20 (A)

Revenue Requirement (per unit sold)

		FY 2019-20 Actual	FY 2020-21 Provisional	FY 2016-17 Projected	FY 2017-18 Projected	FY 2018-19 Projected	FY 2019-20 Projected
A Power Purchase Price [Un-Adjusted]	[Rs/ kWh]	-	-	-	-	-	-
B Losses	[%age]	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
C Power Purchase Price [Adjusted]	[Rs/ kWh]	-	-	-	-	-	-
D DM							
O&M	[Rs/ kWh]	2.58	3.01	3.37	3.38	3.37	3.35
Depreciation	[Rs/ kWh]	0.31	0.33	0.35	0.35	0.36	0.35
Provision for bad debts	[Rs/ kWh]	-	-	-	-	-	-
RORB	[Rs/ kWh]	0.73	0.74	0.85	1.06	1.24	1.40
Tax Expenses	[Rs/ kWh]	0.02	0.04	0.04	0.04	0.04	0.04
Other Income	[Rs/ kWh]	(0.42)	(0.36)	(0.34)	(0.31)	(0.30)	(0.25)
Total DM	[Rs/ kWh]	3.22	3.75	4.27	4.52	4.71	4.87
E Revenue Requirement (A+B)	[Rs/ kWh]	3.22	3.75	4.27	4.52	4.71	4.87
F Prior Year adjustment	[Rs/ kWh]	-	-	-	-	-	-
G Write Off	[Rs/ kWh]	-	-	-	-	-	-
H Bi-Annually PPP Adjustment	[Rs/ kWh]	-	-	-	-	-	-
I Net Average Tariff Rate	[Rs/ kWh]	3.22	3.75	4.27	4.52	4.71	4.87



FORM - 21 (A)

HYDERABAD ELECTRIC SUPPLY COMPANY LTD.

Investment

FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Provisional	Projected	Projected	Projected	Projected

A Investment Plan

DOP - P&E	[Mln Rs]	69	292	914	938	1,022
DOP - Civil	[Mln Rs]	19	538	526	544	179
T&P	[Mln Rs]	-	150	-	-	-
ELR	[Mln Rs]	133	538	2,224	2,236	2,270
STG	[Mln Rs]	609	9,438	3,130	5,926	7,554
New Vehicles	[Mln Rs]	-	231	729	69	38
Furn. & Fixture (MIRAD)	[Mln Rs]	-	5	-	-	-
Protection of Distribution Transform	[Mln Rs]	-	667	2,908	2,411	796
Customer Care	[Mln Rs]	-	138	38	25	5
Village Electrification	[Mln Rs]	623	654	687	721	757
Others (Deposit Work)	[Mln Rs]	671	705	740	777	816
Total	[Mln Rs]	2,124	13,355	11,896	13,648	13,437

B Financing Arrangement

Local Financing:

Own sources:

Annual Development Budget	[Mln Rs]	830	11,997	10,469	12,150	11,864
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Government Finance:

Village Electrification	[Mln Rs]	623	654	687	721	757
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Consumer Finance:

Others (Deposit Work)	[Mln Rs]	671	705	740	777	816
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Total	[Mln Rs]	2,124	13,355	11,896	13,648	13,437
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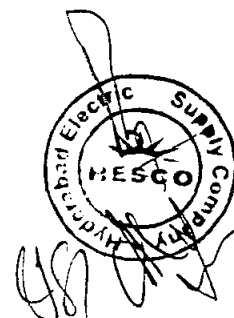
FORM - 22

HYDERABAD ELECTRIC SUPPLY COMPANY LTD.

Interest on Development Loans

Sr. No.	Loans	Interest Rate %	FY 2019-20	FY 2019-20				Total
				1st Qrt	2nd Qrt	3rd Qrt	4th Qrt	
1	World Bank Loan No 7565 & Credit No. 4464-PAK							
2	ADB Loan No 2438-PAK Tranche-I			Not Available				
3	ADB Loan No 2727-PAK Tranche-II							
4	ADB Loan No 2972-PAK Tranche-III							
5	ADB Loan No 3096-PAK Tranche-IV							
TOTAL			-	-	-	-	-	-

This form should be submitted for each loan appearing on the DISCO's Balance Sheet



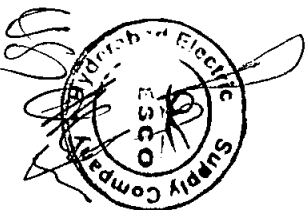
FORM - 23

HYDERABAD ELECTRIC SUPPLY COMPANY LTD.

Development Loan

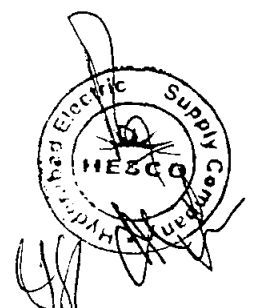
Sr. No.	Loan	Interest Rate	Remaining Years	FY 2019-20				First Qrt of FY 2020-21				Second Qrt of FY 2020-21				Third Qrt of FY 2020-21				Fourth Qrt of FY 2020-21			
				O/Bal	Disbursement	Repayment	C/Bal	O/Bal	Disbursement	Repayment	C/Bal	O/Bal	Disbursement	Repayment	C/Bal	O/Bal	Disbursement	Repayment	C/Bal	O/Bal	Disbursement	Repayment	C/Bal
i.	World Bank Loan No 7565 & Credit No. 4464-PK				-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ADB Loan No. 2438-PAK (Tranch-II)				Not Available																		
ii.	ADB Loan No. 2727-PK Tranch-II																						
iii.	ADB Loan No. 2927-PK Tranch-III																						
iv.	ADB Loan No. 3096-PK Tranch-IV				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

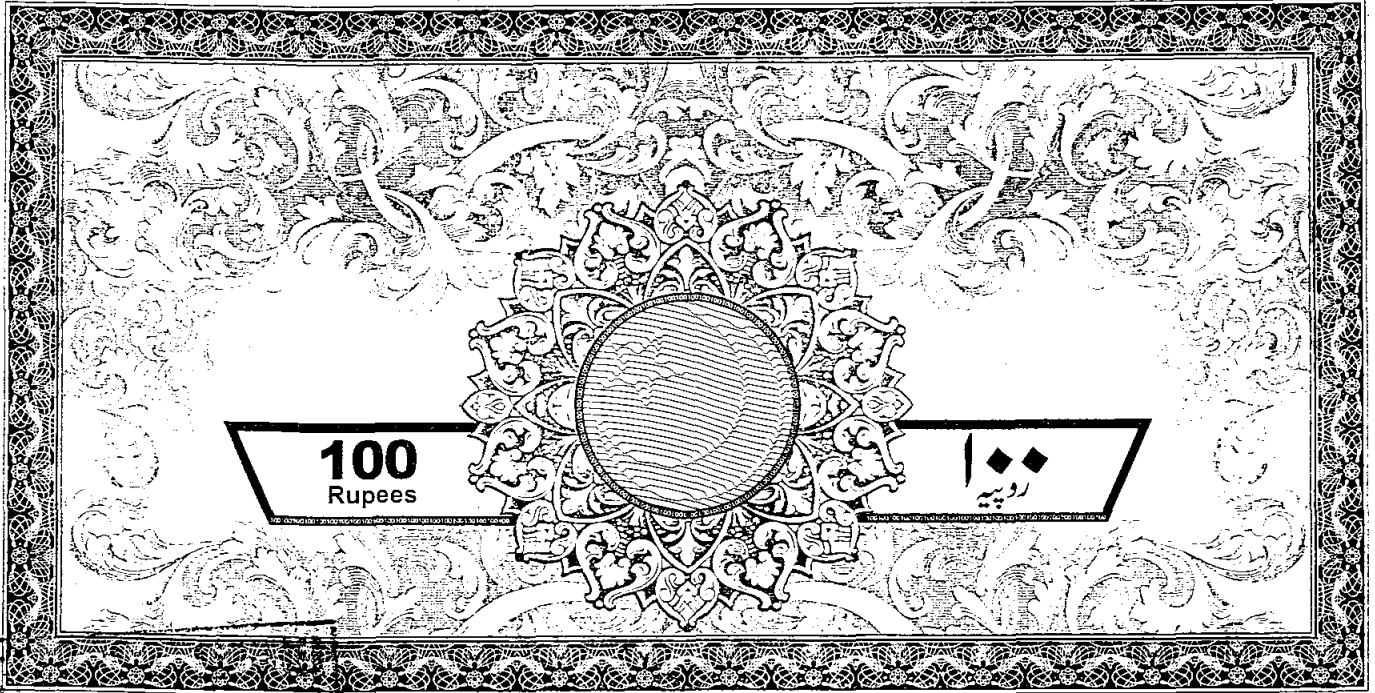
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FORM - 25**HYDERABAD ELECTRIC SUPPLY COMPANY LTD.****Provision for Taxation****[Rs. In Million]**

Sr. No.	Provision for Taxation	Total
1	Tax Year 2019-20	89.00
2	Tax Year 2020-21	152.00
3	Tax Year 2021-22	180.00
4	Tax Year 2022-23	195.00
5	Tax Year 2023-24	211.00
6	Tax Year 2024-25	228.00
Total		1,055.00





LIC: HON-11
NEAR SESSION COURT HYD

Serial No. 1064 dated 31 AUG 2021

AFFIDAVIT

I, Rehan Hamid, Chief Executive Officer, Hyderabad Electric Supply Company Limited, (Distribution License # 05/DL/2002) being duly authorized representative/attorney of Hyderabad Electric Supply Company Limited, hereby solemnly affirm and declare that the contents of the accompanying petition/application submitted/filed vide No. CEO/CFO/HESCO/CPC/3278-79 dated 30.08.2021, related to the Multi Year Tariff (Distribution Business) for the FY 2020-21 to 2024-25, including all supporting documents are true and correct to the best of my knowledge and belief and that nothing has been concealed. I also affirm that all further documents and information to be provided by me in connection with the accompanying petition shall be true to the best of my knowledge and belief.

ATTESTED
SYED AHMAD ALI
Senior Advocate / Notary Public
Session Court Hyderabad





HYDERABAD ELECTRIC SUPPLY COMPANY HYDERABAD
OFFICE OF THE COMPANY SECRETARY HESCO

3RD FLOOR ROOM NO.301 WAPDA OFFICES COMPLEX HUSSAINABAD HYDERABAD

Phone No.022-9260017

Exch.022-9260161/172

Cell # 03002044418

Fax No.022-9260361

Email:csecretary@hesco.gov.pk

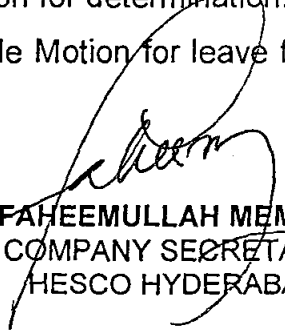
No.HESCO/BOD/CSI/2568-73

Date 30.08.2021

BOARD RESOLUTION

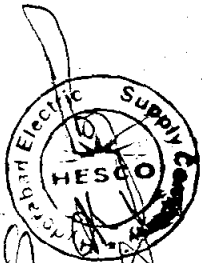
Agenda # 1 MULTI YEAR TARIFF PETITION REGARDING CONSUMER-END TARIFF FOR THE FY 2020-21 TO FY 2024-25 (INCLUDING O&M AND CAPITAL BUDGET)

The BOD in its 197th meeting held on 30.08.2021 accorded approval for Multi Year Tariff Petition of HESCO for submission to NEPRA. The BOD authorized Chief Executive Officer HESCO to file and plead the tariff petition for determination. The BOD also authorized the Chief Executive Officer HESCO to file Motion for leave for Review (if required).


(FAHEEMULLAH MEMON)
COMPANY SECRETARY
HESCO HYDERABAD

Copy to:

1. Chairman BoD HESCO Hyderabad.
2. All Members of BoD HESCO.
3. Chief Executive Officer HESCO Hyderabad.
4. General Manager (Operation) HESCO Hyderabad.
5. Chief Financial Officer HESCO Hyderabad.
6. DG/HR & Admn Director HESCO Hyderabad.
7. Master file.





HYDERABAD ELECTRIC SUPPLY COMPANY

OFFICE OF THE CHIEF FINANCIAL OFFICER HESCO

Phone No: 022-9260235
Fax No: 022-9260015
email: fdhesco@yahoo.com

3rd FLOOR,
WAPDA OFFICES COMPLEX
HESCO, HYDERABAD

NO: CFO/HESCO/CPC/ 4255


Dated 16 - 09-2021

VAKALATNAMA

[M/S HYDERABAD ELECTRIC SUPPLY COMPANY LIMITED] (The "Petitioner"),

hereby appoint, authorize and constitute M/s Lincoln's Law Chamber through Barrister Asghar Khan and Faisal Atta Advocate to appear, plead and act for us as our advocate(s) in connection with the Multi Year Tariff Petition for the FY 2020-21 to 2024-25 Hyderabad Electric Supply Company Limited (License No. 05/DL/2002 – Distribution Business before the National Electric Power Regulatory Authority (NEPRA Authority).

The Petitioner specifically authorizes the said Barrister / Advocate or any member of Lincoln's Law Chamber to do all acts and things necessary for the processing, completion and finalization of the said Petition before the NEPRA Authority.


CHIEF EXECUTIVE OFFICER
HESCO HYDERABAD