



AJMER VIDYUT VITRAN NIGAM LIMITED

Background

Ajmer Vidyut Vitran Nigam Limited (AVVNL) is an unbundled state power distribution company of erstwhile Rajasthan State Electricity Board (RSEB). As per the Rajasthan Power Sector Reforms Act, 1999 of Government of Rajasthan (GoR), the erstwhile RSEB was unbundled into a Generation Company, a Transmission Company and three Distribution Companies (Discoms) w.e.f. July 19, 2000. AVVNL covers 11 districts of Rajasthan namely Ajmer, Bhilwara, Nagaur, Sikar, Jhunjhunu, Udaipur, Banswara, Chittorgarh, Rajsamand, Doongarpur and Pratapgarh.

Key Strengths

- Satisfactory cost efficiency parameters in terms of O&M/Admin costs
- Satisfactory collection period of 19 days in FY 2020

Key Concerns

- High AT & C losses of 22.07% during FY 2020; albeit improved as compared to 23.21% during FY 2019
- Cost coverage ratio remained low at 0.89x during FY 2020; albeit improved as compared to 0.78x during FY 2019
- High payable days at 216 days in FY 2020
- Non-filing of tariff petition for FY 2022; non-availability of tariff order for FY 2021
- Non-receipt of subsidy in timely manner

Key Actionables

- Reduction in AT&C loss level by focusing more on circles which have high AT&C losses
- Billing efficiency to be improved through various administrative and technical measures
- Cost coverage to be improved through suitable tariff increase and curtailment of losses
- Timely submission of tariff petitions and issuance of tariff order by SERC
- Timely receipt of subsidy from the State Government



JODHPUR VIDYUT VITRAN NIGAM LIMITED

Background

Jodhpur Vidyut Vitran Nigam Limited (JdVVNL) is an unbundled state power distribution company of erstwhile Rajasthan State Electricity Board (RSEB). As per the Rajasthan Power Sector Reforms Act, 1999 of Government of Rajasthan (GoR), the erstwhile RSEB was unbundled into a Generation Company, a Transmission Company and three Distribution Companies (Discoms) with effect from July 19, 2000. JdVVNL covers 10 districts viz. Jodhpur, Jaisalmer, Bikaner, Sirohi, Jalore, Barmer, Pali, Churu, Hanumangarh and Shriganganagar.

Key Strengths

- Satisfactory cost efficiency parameters in terms of O&M/Admin and employee costs
- Implementation of automatic pass through of fuel cost

Key Concerns

- High AT&C Loss at 37.88% in FY 2020 which has deteriorated from 35.12% during FY 2019
- Low billing efficiency of 80.62% in FY 2020 (PY: 76.88%)
- Low cost coverage ratio of 0.64x in FY 2020 (PY: 0.70x)
- High payable days at 304 days in FY 2020 (PY: 272 days)
- Non-filing of tariff petition for FY 2022; non-availability of tariff order for FY 2021
- Non-receipt of subsidy in timely manner

Key Actionables

- Reduction in AT&C loss level by focusing more on circles which have high AT&C losses
- Billing efficiency to be improved through various administrative and technical measures
- Cost coverage to be improved through suitable tariff increase and curtailment of losses
- Timely submission of tariff petitions and issuance of tariff order by SERC
- Timely receipt of subsidy from the State Government



JAIPUR VIDYUT VITRAN NIGAM LIMITED

Background

Jaipur Vidyut Vitran Nigam Limited (JVVNL) is an unbundled state power distribution company of erstwhile Rajasthan State Electricity Board (RSEB). As per the Rajasthan Power Sector Reforms Act, 1999 of Government of Rajasthan (GoR), the erstwhile RSEB was unbundled into a Generation Company, a Transmission Company and three Distribution Companies (Discoms) with effect from July 19, 2000. JVVNL covers the 12 districts of Rajasthan namely Jaipur, Dausa, Alwar, Bharatpur, Dholpur, Kota, Bundi, Baran, Jhalawar, Sawaimadhopur, Tonk and Karoli.

Key Strengths

- Satisfactory cost efficiency parameters in terms of O&M/Admin costs
- Moderate collection period at 60 days in FY2020

Key Concerns

- High AT&C losses of 27.32% in FY 2020 (PY: 25.84%) with deterioration in collection efficiency
- Low billing efficiency of 82.79% in FY 2020 (PY: 79.46%)
- Low cost coverage ratio of 0.78x in FY 2020 (PY: 0.80x)
- High payable days at 231 days in FY 2020 (PY: 207 days)
- Non-filing of tariff petition for FY 2022; non-availability of tariff order for FY 2021
- Untreated revenue gap in tariff order
- Non-receipt of subsidy in timely manner

Key Actionables

- Reduction in AT&C loss level by focusing more on circles which have high AT&C losses
- Billing efficiency to be improved through various administrative and technical measures
- Cost coverage to be improved through suitable tariff increase and curtailment of losses
- Timely submission of tariff petitions and issuance of tariff order by SERC
- Timely receipt of subsidy from the State Government

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UTTARAKHAND POWER CORPORATION LIMITED

Background

Uttarakhand Power Corporation Limited (UPCL), formerly Uttaranchal Power Corporation Limited was incorporated under the Companies Act, 1956 on February 12, 2001 consequent upon the formation of the State of Uttaranchal. UPCL was entrusted to cater to the Transmission & Distribution functions inherited after the de-merger from Uttar Pradesh Power Corporation Limited since April 01, 2001. On June 01, 2004, Power Transmission Corporation of Uttarakhand Limited was formed to maintain and operate Transmission lines and substations while UPCL continue to cater to sub-transmission/ distribution lines in the State. UPCL is a company wholly owned by the State Government and operates as the sole distribution licensee engaged in the business of distribution and retail supply of power in the State.

Key Strengths

- Adoption of MYT, timely filing of tariff petition & issue of tariff order & true-up order
- Lower power purchase cost of ₹ 4.48 per unit in FY 2020 (PY: ₹ 4.26 per unit)
- Low receivables of 53 days in FY 2020 (PY: 28 days)
- High Fixed Assets to Total Debt Ratio in FY 2020

Key Concerns

- Low billing efficiency of 86.60% in FY 2020 though improved from previous year
- Moderate O&M and employee costs
- High payable days of 82 days in FY 2020
- Decline in cost coverage to 0.89x in FY 2020 from 0.91x in FY 2019
- Negative interest coverage ratio in FY 2020

Key Actionables

- Improvement in Billing Efficiency
- Reduction in AT&C losses and sustenance of high collection efficiency
- Better management of creditors
- Improvement in Cost coverage

B

KANPUR ELECTRICITY SUPPLY COMPANY LIMITED

Background

Erstwhile UPSEB was unbundled under the first reforms transfer scheme dated 14th Jan 2000, into three separate entities: Uttar Pradesh Power Corporation Limited (UPPCL) – vested with the function of Transmission and Distribution within the State; Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited (UPRVUNL) – vested with the function of Thermal Generation within the State; and Uttar Pradesh Jal Vidyut Nigam Limited (UPJVNL) – vested with the function of Hydro Generation within the State. Through another Transfer Scheme dated 15th January 2000, assets, liabilities and personnel of Kanpur Electricity Supply Authority (KESA) under UPSEB were transferred to Kanpur Electricity Supply Company (KESCO), a company registered under the Companies Act, 1956. Subsequently, four new distribution companies were created vide Uttar Pradesh Transfer of Distribution Undertaking Scheme 2003 namely Dakshinanchal Vidyut Vitran Nigam Limited (DVVNL), Madhyanchal Vidyut Vitran Nigam Limited (MVVNL), Paschimanchal Vidyut Vitran Nigam Limited (PVVNL) and Purvanchal Vidyut Vitran Nigam Limited (PuVVNL).

Key Strengths

- AT&C loss levels near benchmark levels at 15.46% in FY 2020
- Employee cost efficiency within benchmark levels
- Tariff order for FY 2021 and True-up order for FY 2019 issued

Key Concerns

- Weak Cost coverage of 0.85x in FY 2020
- Weak Interest coverage of (-)0.16x in FY 2020
- Weak financial profile as reflected in sustained losses & negative network
- High power purchase cost at ₹ 5.19 per unit in FY 2020
- Significantly stretched receivable and payable days

Key Actionables

- Improvement in AT&C loss levels
- Improvement in cost coverage through rationalization of power & fuel and O&M costs
- Reduction in receivable and payable days
- Improvement in overall financial position

B+

PASCHIMANCHAL VIDYUT VITRAN NIGAM LIMITED

Background

Erstwhile UPSEB was unbundled under the first reforms transfer scheme dated 14th Jan 2000, into three separate entities: Uttar Pradesh Power Corporation Limited (UPPCL) – vested with the function of Transmission and Distribution within the State; Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited (UPRVUNL) – vested with the function of Thermal Generation within the State; and Uttar Pradesh Jal Vidyut Nigam Limited (UPJVNL) – vested with the function of Hydro Generation within the State. Through another Transfer Scheme dated 15th January 2000, assets, liabilities and personnel of Kanpur Electricity Supply Authority (KESA) under UPSEB were transferred to Kanpur Electricity Supply Company (KESCO), a company registered under the Companies Act, 1956. Subsequently, four new distribution companies were created vide Uttar Pradesh Transfer of Distribution Undertaking Scheme 2003 namely Dakshinanchal Vidyut Vitran Nigam Limited (DVVNL), Madhyanchal Vidyut Vitran Nigam Limited (MVVNL), Paschimanchal Vidyut Vitran Nigam Limited (PVVNL) and Purvanchal Vidyut Vitran Nigam Limited (PuVVNL).

Key Strengths

- Subsidy booked was received during the year
- Employee cost efficiency within benchmark levels
- Improved performance in cost coverage & AT&C loss parameters
- Tariff order for FY 2021 and True-up order for FY 2019 issued

Key Concerns

- Low Cost coverage of 0.92x in FY 2020
- Weak Interest coverage of 0.31x in FY 2020
- Weak financial profile as reflected in sustained losses & negative network worth
- High level of AT&C losses at 18.64% in FY 2020 due to poor billing efficiency
- High power purchase cost at ₹ 5.19 per unit in FY 2020
- Stretched receivable days

Key Actionables

- Reduction in AT&C losses through improvement in billing efficiency and collection efficiency
- Improving cost coverage through tariff rationalization and reduction in power purchase and O&M costs
- Reduction in receivable days
- Improvement in overall financial position

B

MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED

Background

Erstwhile UPSEB was unbundled under the first reforms transfer scheme dated 14th Jan 2000, into three separate entities: Uttar Pradesh Power Corporation Limited (UPPCL) – vested with the function of Transmission and Distribution within the State; Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited (UPRVUNL) – vested with the function of Thermal Generation within the State; and Uttar Pradesh Jal Vidyut Nigam Limited (UPJVNL) – vested with the function of Hydro Generation within the State. Through another Transfer Scheme dated 15th January 2000, assets, liabilities and personnel of Kanpur Electricity Supply Authority (KESA) under UPSEB were transferred to Kanpur Electricity Supply Company (KESCO), a company registered under the Companies Act, 1956. Subsequently, four new distribution companies were created vide Uttar Pradesh Transfer of Distribution Undertaking Scheme 2003 namely Dakshinanchal Vidyut Vitran Nigam Limited (DVVNL), Madhyanchal Vidyut Vitran Nigam Limited (MVVNL), Paschimanchal Vidyut Vitran Nigam Limited (PVVNL) and Purvanchal Vidyut Vitran Nigam Limited (PuVVNL).

Key Strengths

- Subsidy booked was received during the year
- Employee cost efficiency within benchmark levels
- Improved performance in AT&C loss parameter
- Tariff order for FY 2021 and True-up order for FY 2019 issued

Key Concerns

- High level of AT&C loss at 34.14% in FY 2020 due to poor billing and collection efficiency
- Weak Cost coverage of 0.76x in FY 2020
- Weak Interest coverage of 0.67x in FY 2020
- Weak financial profile as reflected in sustained net losses
- High power purchase cost at ₹ 5.19 per unit in FY 2020
- Significantly stretched receivable and payable days

Key Actionables

- Reduction in AT&C losses through improvement in billing efficiency and collection efficiency
- Improving cost coverage through tariff rationalization and reduction in power purchase and O&M costs
- Improvement in receivable and payable days
- Improvement in overall financial position



PURVANCHAL VIDYUT VITRAN NIGAM LIMITED

Background

Erstwhile UPSEB was unbundled under the first reforms transfer scheme dated 14th Jan 2000, into three separate entities: Uttar Pradesh Power Corporation Limited (UPPCL) – vested with the function of Transmission and Distribution within the State; Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited (UPRVUNL) – vested with the function of Thermal Generation within the State; and Uttar Pradesh Jal Vidyut Nigam Limited (UPJVNL) – vested with the function of Hydro Generation within the State. Through another Transfer Scheme dated 15th January 2000, assets, liabilities and personnel of Kanpur Electricity Supply Authority (KESA) under UPSEB were transferred to Kanpur Electricity Supply Company (KESCO), a company registered under the Companies Act, 1956. Subsequently, four new distribution companies were created vide Uttar Pradesh Transfer of Distribution Undertaking Scheme 2003 namely Dakshinanchal Vidyut Vitran Nigam Limited (DVVNL), Madhyanchal Vidyut Vitran Nigam Limited (MVVNL), Paschimanchal Vidyut Vitran Nigam Limited (PVVNL) and Purvanchal Vidyut Vitran Nigam Limited (PuVVNL).

Key Strengths

- Subsidy booked was received during the year
- Employee cost efficiency within benchmark levels
- Tariff order for FY 2021 and True-up order for FY 2019 issued

Key Concerns

- High level of AT&C loss at 34.24% in FY 2020 due to poor billing and collection efficiency
- Weak Cost coverage of 0.75x in FY 2020
- Weak Interest coverage of 0.41x in FY 2020
- Weak financial profile as reflected in sustained net losses & negative network
- High power purchase cost at ₹ 5.19 per unit in FY 2020
- Significantly stretched receivable and payable days

Key Actionables

- Reduction in AT&C losses through improvement in billing efficiency and collection efficiency
- Improving cost coverage through tariff rationalization and reduction in power purchase and O&M costs
- Improvement in receivable and payable days
- Improvement in overall financial position



DAKSHINANCHAL VIDYUT VITRAN NIGAM LIMITED

Background

Erstwhile UPSEB was unbundled under the first reforms transfer scheme dated 14th Jan 2000, into three separate entities: Uttar Pradesh Power Corporation Limited (UPPCL) – vested with the function of Transmission and Distribution within the State; Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited (UPRVUNL) – vested with the function of Thermal Generation within the State; and Uttar Pradesh Jal Vidyut Nigam Limited (UPJVNL) – vested with the function of Hydro Generation within the State. Through another Transfer Scheme dated 15th January 2000, assets, liabilities and personnel of Kanpur Electricity Supply Authority (KESA) under UPSEB were transferred to Kanpur Electricity Supply Company (KESCO), a company registered under the Companies Act, 1956. Subsequently, four new distribution companies were created vide Uttar Pradesh Transfer of Distribution Undertaking Scheme 2003 namely Dakshinanchal Vidyut Vitran Nigam Limited (DVVNL), Madhyanchal Vidyut Vitran Nigam Limited (MVVNL), Paschimanchal Vidyut Vitran Nigam Limited (PVVNL) and Purvanchal Vidyut Vitran Nigam Limited (PuVVNL).

Key Strengths

- Subsidy booked was received during the year
- Employee cost efficiency within benchmark levels
- Tariff order for FY 2021 and True-up order for FY 2019 issued

Key Concerns

- High level of AT&C loss at 40.11% in FY 2020 due to poor billing and collection efficiency
- Weak Cost coverage of 0.74x in FY 2020
- Weak Interest coverage of 0.68x in FY 2020
- Weak financial profile as reflected in sustained net losses & negative network
- High power purchase cost at ₹ 5.19 per unit in FY 2020
- Significantly stretched receivable and payable days

Key Actionables

- Reduction in AT&C losses through improvement in billing efficiency and collection efficiency
- Improving cost coverage through tariff rationalization and reduction in power purchase and O&M costs
- Improvement in receivable and payable days
- Improvement in overall financial position