



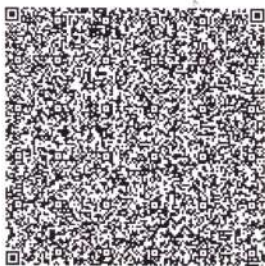
सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	: IN-DL33125725311175P
Certificate Issued Date	: 20-Sep-2017 01:12 PM
Account Reference	: IMPACC (IV)/ dl844003/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL84400368018619729865P
Purchased by	: MINISTRY OF POWER GOI
Description of Document	: Article 5 General Agreement
Property Description	: Not Applicable
Consideration Price (Rs.)	: 0 (Zero)
First Party	: MINISTRY OF POWER GOI
Second Party	: ADMINISTRATION OF UT OF DAMAN AND DIV
Stamp Duty Paid By	: MINISTRY OF POWER GOI
Stamp Duty Amount(Rs.)	: 150 (One Hundred And Fifty only)



.....Please write or type below this line.....

This e-stamp paper forms an integral part of Bipartite Memorandum of understanding amongst Ministry of Power, Government of India and, Administration of UT of Daman & Diu executed on 20th November, 2017 for achieving operational efficiencies in Distribution of Power.

Statutory Alert:

1. The authenticity of this Stamp Certificate should be verified at "www.shcilestamp.com". Any discrepancy in the details on this Certificate and as available on the website renders it invalid.
2. The onus of checking the legitimacy is on the users of the certificate.
3. In case of any discrepancy please inform the Competent Authority.

**BIPARTITE MEMORANDUM OF UNDERSTANDING
AMONGST**

The Ministry of Power, Government of India

AND

The Administration of UT of Daman & Diu

**For achieving improvement in operational efficiencies in
Distribution of Power**

This **BIPARTITE MEMORANDUM OF UNDERSTANDING** (hereinafter referred to as the “Bipartite MOU” is executed on **10th day of November, 2017**.

BY AND AMONGST

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

AND

The Administration of UT of Daman & Diu, UT Administration of D&D (hereinafter referred to as “**D&D Administration**”) which expression shall unless it be repugnant to the subject or context thereof, include its successors, in interest and permitted assigns, of the **SECOND PART**

The Government of India and the D&D Administration are hereinafter also referred to collectively as the “**Parties**” and individually as the “**Party**”

Definitions:

“**Effective Date**” means the date of signing of the MOU

Preamble:

The Electricity Department of UT of D&D does not have any outstanding liabilities at the end of September, 2015. There is no gap between ACS-ARR. D&D Administration shall strive to maintain the same till FY 2018-19. The AT&C losses in the UT stands at 10.33% in at the end of March 2017.

The Government of India and the D&D Administration have entered into a bipartite MOU in order to improve the operational parameters.

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

1. Obligations / Commitments:

1.1 The Government of India to take following measures:

- a) Priority allocation of firm power from central generating stations; and additional power during peak hours, where possible;

- b) Faster completion of ISTN lines; and
- c) Additional / Priority Funding through Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY), Integrated Power Development Scheme (IPDS), Power Sector Development Fund (PSDF) or other such schemes of Ministry of Power and Ministry of New and Renewable Energy, will be extended to the D&D Administration in meeting the operational milestones outlined in the scheme.

1.2 The D&D Administration to take the following measures:

- a) All outstanding dues from the D&D Administration departments for supply of electricity shall be paid by 31.12.17 (except litigation and criminal investigations);
- b) Replacement of street lights with LEDs in all municipal towns through Nagar Nigam / Municipal Corporations / D&D Administration;
- c) The D&D Administration shall endeavour to ensure that tariff hikes as reflected in Annexure-B are undertaken, if required;
- d) The D&D Administration shall endeavour to ensure that all operational targets as enumerated in Sub-clause 'k' are achieved.
- e) The D&D Administration will endeavour to reduce the transmission losses from 8.87 % in 2016-17 to 7.00% by 2018-19;
- f) D&D Administration shall endeavour to reduce AT&C losses from 10.33% in FY 2016-17 to 8.30% by FY 2018-19 as per the following trajectory:

Year	2016-17	2017-18	2018-19
AT&C Loss	10.33%	9.32%	8.30%

However, if the target in a particular year is not met, then the D&D Administration shall strive to achieve the targets in the subsequent years so as to achieve the desired target of 8.30% AT&C losses by FY 2018-19. The AT&C loss targets have been finalized and indicated in **Annexure- A**;

- g) As per the UDAY scheme, all DISCOMs have to eliminate gap between ACS & ARR by FY 2018-19. Currently, the gap is zero. D&D Administration shall

strive to maintain the same till FY 2018-19. Detailed computation of year wise ACS-ARR gap along with financial projections has been attached as **Annexure-B**;


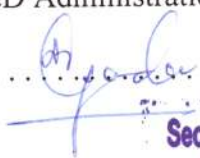
- h) D&D Administration shall submit the detailed action plan by 31st December, 2017 to achieve the projected trajectory for AT&C loss and ACS-ARR gap; and
- i) D&D Administration shall achieve operational milestones as specified in DDUGJY & IPDS.
- j) D&D Administration shall take the following measures for Loss Reduction;
 - i) Undertaking name and shame campaign to control power theft from time to time;
 - ii) Preparing loss reduction targets at Division level and making concerned officers responsible for achieving the loss reduction targets; the yearly loss reduction targets have been attached as **Annexure-A** of MOU;
 - iii) Implementing performance monitoring and management system (MIS) for tracking of meter replacement, loss reduction and day to day progress for reporting to top management;
 - iv) Already achieved 100% Distribution Transformer (DT) Metering;
 - v) Already achieved 100% feeder metering;
 - vi) 100% energy audit up-to 11 KV level in rural areas;
 - vii) 100% Feeder Improvement Program for network strengthening and optimization;
 - viii) Physical Feeder Segregation not applicable for D&D;
 - ix) Installation of Smart Meters for all consumers other than agricultural consumers consuming above 500 units / month by 31st March 2018 and consumers consuming above 200 units/ month by 31st March 2019;

- x) There is access to 100% household electrification in D&D as per trajectory finalized in the 24x7 power for all document; and
- xi) Implementing ERP system for better and effective inventory management, personnel management, accounts management etc. to reduce costs and increase efficiencies by 31st March 2019.
- k) D&D Administration shall undertake the following measures for Demand Side Management and Energy Efficiency:
 - i) Providing LED for domestic and other category consumers under DELP program through EESL;
 - ii) Undertaking consumer awareness programs for optimum utilization of resources and to foster long term behavioural changes;
 - iii) Replacing at least 10% of existing agriculture pumps with energy efficient pumps by March 2019; and
 - iv) Implementing Performance Achieve & Trade (PAT) scheme of BEE for improving energy efficiency in Industries.
- l) D&D Administration shall undertake the following tariff measures:
 - i) Quarterly tariff revision particularly to offset fuel price increase – May be exempted as no coal based plant exists or proposed in future due to environmental reasons;
 - ii) Timely filing of Tariff Petition before the JERC so that Tariff Order may be issued for the year as early as possible; and
 - iii) Timely preparation of annual accounts of the Electricity Department which shall also enable timely filing of the Tariff Petition.
- m) D&D Administration shall undertake the following measures to increase employee engagement:
 - i) Initiating capacity building of employees to enhance technical, managerial and professional capabilities at induction level and in subsequent refresher trainings; and

- ii) Devising Key Performance Indicators (KPIs) for each officer in-charge on areas of AT&C loss reduction and improvement in metering / billing / collection efficiency. The performance of officer in-charge shall be linked to KPIs achieved and will attract incentive / penalty.
- n) D&D Administration shall implement the following Consumer Service Strategy:
 - i) Setting up of Centralized Customer Call Centre for timely resolution of complaints related to no current and other technical complaints, harassment by official, reporting of theft and safety related complaints; and
 - ii) Introducing more avenues to consumers for bill payment, which could be in terms of e-payment through net banking, credit/ debit card, kiosks at banks and post offices, village panchayats, mobile collection vans, etc.
- o) D&D Administration shall procure power through the transparent process of competitive bidding.
- p) D&D Administration shall identify the key personnel for implementing the scheme (UDAY)
- q) D&D Administration shall devise the mechanism to motivate and encourage the staff.
- r) Review of performance of State Power department shall be done on a monthly basis at UT Administration level in the presence of Administration's finance representative.
- s) Base year data in the UDAY Web-portal and updation of Monthly/Quarterly Progress data shall be submitted w.e.f. 30/09/2017.
- t) Details action plan for implementation of the targeted activities is attached as **Annexure-C** of the MOU.

The Parties agree for making this MoU available in the public domain.

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

<p>SIGNED AND DELIVERED BY (on behalf of MOP, Govt. Of India)</p> <p>Signature</p> <p> Dr. A.K. Verma, Joint Secretary (Distribution), Ministry of Power Address : Ministry of Power, Shram Shakti Bhawan, Rafi Marg, Sansad Marg, New Delhi-110001.</p>	<p>In the presence of</p> <p>Signature</p> <p>Name & Designation</p> <p>.....</p> <p>Address</p> <p>.....</p>
<p>SIGNED AND DELIVERED BY (on behalf of D&D Administration)</p> <p>Signature</p> <p> Secretary (Power) Daman & Diu Shri S.S. Yadav, IAS, Secretary (Power), Administration of D&D Address: Secretariat Building, Daman, (UT)</p>	<p>In the presence of</p> <p>Signature</p> <p>Name & Designation</p> <p>.....</p> <p>Address</p> <p>.....</p>

AT&C Loss Trajectory

Name of Division	AT&C Losses		
	FY 2016-17	FY 2017-18	FY 2018-19
Electricity Department, D&D	10.33%	9.32%	8.30%

Annexure B

Financial Projections of Electricity Department, D&D

- Tariff Hike:

FY17	FY18	FY19
Reduction of 10.32%	No Change	No Change

- AT&C Loss Trajectory:

FY17	FY18	FY19
10.33%	9.32%	8.30%

- Billing Efficiency:

FY17	FY18	FY19
91.60%	92.50%	93.40%

- Collection Efficiency:

FY17	FY18	FY19
97.90%	98.00%	98.20%

Income Statement- Summary

Amount in Rs. Crore	FY17	FY18	FY 19
Total Income	947.94	1196.65	1201.66
Total Costs	859.73	1140.88	1187.94
Net Income (Without Subsidy)	88.21	55.39	13.72
Committed State Govt. Subsidy	-	-	-
Net Income (With Subsidy)	88.21	55.39	13.72

Income Statement- Detailed

Amount in Rs. Crore	FY17	FY18	FY19
INCOME			
Revenue from Sale of Power (ex/c Subsidy)	927.78	1132.65	1177.14
Other receipts	20.16	63.62	24.52
Other Income (Including Revenue from trading)	-	-	-
TOTAL INCOME	947.94	1196.65	1201.66
COSTS			
Power Purchase Costs	757.02	1046.99	1070.28
R & M Costs	15.16	13.60	16.62
Employees Costs	11.62	12.05	12.99
Administration & General Costs	5.19	5.38	5.80
Depreciation	29.27	25.82	31.65
Interest & Finance Costs	22.97	17.76	24.59
Other debits/ Prior Period Gaps	18.50	19.28	26.01
Sub-total costs	859.73	1140.88	1187.94
Less: Incidental expenses			
TOTAL COSTS	859.73	1140.88	1187.94
NET INCOME w/o Subsidy	88.21	55.39	13.72
Committed State Govt. Subsidy			
Revenue Subsidy	-	-	-
Other Subsidy	-	-	-
Total subsidy available	-	-	-
NET INCOME with Subsidy	88.21	55.39	13.72

ACS- ARR Gap

Amount in Rs. Crore	FY17	FY18	FY19
Net Power Purchase Cost	3.11	4.12	3.91
O&M and Estt Cost	0.13	0.12	0.13
Depreciation Cost	0.12	0.10	0.12
Interest Cost	0.09	0.07	0.09
Other Debits	0.08	0.08	0.10
ACS	3.54	4.49	4.34
ARR	3.90	4.71	4.39
Gap	-0.36	-0.22	-0.05

Per Unit Cost and Revenue Calculated on Input Energy

Detailed Action Plan for implementation of targeted activities

Annexure C

Clause no	Activity	Unit	Status/ pending at the end of FY 16	FY-17		FY-18		FY-19		Officer Responsible	Resources in INR	Remarks
				H 1	H 2	H 1	H 2	H 1	H 2			
1.3 (a)	AT&C loss reduction trajectory	%	10.69	10.40	10.33	9.80	9.32	8.70	8.30		-	
1.3 (e-iii)	11 KV Feeder metering functional (21,993)	%	100%	-	-	-	-	-	-			
1.3 (e-iv)	DT Metering in Urban area (Distt. HQ)	%	100%	-	-	-	-	-	-			
	DT Metering in Urban area (Other municipal town)	%	100%	-	-	-	-	-	-			
1.3 (e-v)	11 KV feeder audit in Rural area	%	100%	-	-	-	-	-	-			
1.3 (e-vi)	Feeder Improvement Program on Feeders	%	100%	-	-	-	-	-	-			
1.3 (e-vii)	Feeder separation (separation of Ag load) on feeders	%		Nil								

Clause no	Activity	Unit	Status/ pending at the end of FY 16	FY-17		FY-18		FY-19		Officer Responsible	Resources in INR	Remarks
1.3	Installation of Smart meters/ other than Ag. (Abv. 500 Units)	%	0%	0%	0%	50%	100%	-	-			
(e-viii)	Installation of Smart meters/ other than Ag. (Below 500 Units)	%	0%	0%	0%	20%	50%	80%	100%			
1.3	Domestic connections (in lakhs) under 24X7 PfA	Nos (in Lacs)	46.420	100%	100%	100%	100%	100%	100%			
(e-ix)												
1.3	Implementation of ERP System	-	0%	0%	0%	50%	80%	100%	-			
(e-x)												
1.3	Providing LED bulbs under DELP	Lacs	100%	-	-	-	-	-	-			
(f-i)												