

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 359/TT/2019**

- Subject** : Petition for truing up of transmission tariff of 2014-19 period and determination of transmission tariff of 2019-24 period for 220 kV D/C Anta Transmission System in Northern Region.
- Date of Hearing** : 10.3.2021
- Coram** : Shri P.K. Pujari, Chairperson  
Shri I. S. Jha, Member  
Shri Arun Goyal, Member  
Shri Pravas Kumar Singh, Member  
Shri P. S. Mhaske, Member (Ex-officio)
- Petitioner** : Power Grid Corporation of India Ltd.
- Respondents** : Rajasthan Rajya Vidyut Prasaran Nigam Ltd.  
& 16 Others
- Parties present** : Shri R.B. Sharma, Advocate, BRPL  
Shri Mohit Mudgal, Advocate, BYPL  
Shri S.S. Raju, PGCIL  
Shri A.K. Verma, PGCIL  
Shri B. Dash, PGCIL  
Shri Ved Prakash Rastogi, PGCIL  
Ms. Megha Bajpeyi, BRPL

**Record of Proceedings**

Case was called out for virtual hearing.

2. The representative of the Petitioner has made the following submissions:
  - a. Instant petition has been filed for truing up of transmission tariff of 2014-19 period and determination of transmission tariff of 2019-24 period in respect of 220 kV D/C Anta Transmission System in Northern Region.



- b. Although the subject asset was declared under commercial operation on 1.4.1992, there is no impact of judgments of APTEL dated 22.1.2007 in Appeal No. 81 of 2005 & batch and 13.6.2007 in Appeal No. 139 of 2006 & batch to the present case. Tariff for 2014-19 period was allowed by the Commission vide order dated 25.1.2016 in Petition No. 430/TT/2014.
  - c. There was no Additional Capital Expenditure (ACE) during 2014-19 tariff period and there is no projected ACE during 2019-24 tariff period. Tariff has been trued up for the instant asset for 2014-19 period based on the impact of MAT. There is no variation in the capital cost claimed for 2014-19 tariff period in the present petition and the capital cost allowed by the Commission vide order dated 25.1.2016 in Petition No. 430/TT/2014. Information sought through Technical Validation letter has been submitted vide affidavit dated 20.7.2020. Rejoinders to replies of UPPCL and BRPL have been filed vide affidavits dated 23.12.2020.
3. Learned counsel for BRPL made submissions in Petition No.416/TT/2019 and prayed that the same may be considered in the present petition as well. The main submissions of BRPL germane to the present petition are as under:
- a. The tariff trued up for the tariff period 2009-14 is not in accordance with Regulation 6(1) of the 2009 Tariff Regulations. The claim for grossing up of RoE can be allowed on submission of documents by the Petitioner clearly indicating the payment of tax on its transmission business. In response to an RTI application of certain electricity consumer from Delhi whose details are given in Annexure-1 to the reply of BRPL in Petition No. 416/TT/2019, it was informed by the Petitioner that the Petitioner did not pay any tax to Income Tax Authorities during 2009-14 and 2014-19 tariff periods. The Petitioner has not carried out truing up of the grossed-up rate of RoE on annual basis despite it being a statutory requirement. Form-3 submitted by the Petitioner indicates the effective tax rate on transmission business as nil. The Petitioner is entitled and is claiming tax benefits of higher depreciation during initial period under Income Tax Act, 1961 and is also availing the benefits of the Tax Holiday as per Section 80IA of the Income Tax Act, 1961. Such benefits under Income Tax Act, 1961 are permissible only in respect of its core services related to transmission business and not otherwise.
  - b. Form 3 submitted in its present form does not permit grossing up of RoE for truing up period. The Petitioner has claimed grossing up of RoE in various petitions including Petition No. 24/TT/2020 without placing on record the documents relating to actual tax paid. It is obligatory for the Petitioner to place on record region-wise corporate audited balance sheet, profit and loss accounts with all schedules and annexures of new Transmission System & Communication System for the relevant years as it is a statutory requirement.



- c. The Petitioner has opted for deemed cost exemption as per para D7 AA of IND AS 101 'First Time Adoption' of Indian Accounting Standard. Indian Accounting Standards is for the purposes of Companies Act, 2013 and not for the purposes of the 2014 Tariff Regulations or 2019 Tariff Regulations. Adoption of Indian Accounting Standards is increasing the tariff.
4. In addition to above, learned counsel submitted that the reply filed by BRPL vide affidavit dated 6.1.2020 may be considered while allowing tariff in the present petition.
5. Learned counsel for BYPL adopted the submissions of BRPL.
6. After hearing the parties, Commission reserved the order in the matter.

**By order of the Commission**

Sd/  
(V. Sreenivas)  
Deputy Chief (Law)

