

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 323/TT/2023

Coram:

**Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member**

Date of Order: 18.12.2024

In the matter of:

Approval under Regulation 86 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and truing up of transmission tariff of 2014-19 period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 and determination of transmission tariff of 2019-24 period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for **Asset 1:** OPGW link for Betul-Khandwa under Central Sector, **Asset 2:** OPGW link (125 km) for Mauda-Wardha under Central Sector, **Asset 3:** 6 numbers OPGW link (92.66 km) under State Sector, **Asset 4A:** 3 numbers OPGW link (656.926 km) under Central Sector, **Asset 4B:** OPGW link for Korba-Birsinghpur under Central Sector, **Asset 5A:** OPGW link (15.462 km) for 400 kV Xeldom-Madgaon under State sector, **Asset 5B:** OPGW link for 400 kV Vapi–Magarwada under Central Sector and **Asset 6:** 9 numbers of OPGW link under State Sector-OPGW link (169 km) associated with “Establishment of Fibre Optic Communication System in the Western Region under Master Communication Plan (Additional Requirement)” in the Western Region.

And in the matter of:

Power Grid Corporation of India Limited,
SAUDAMINI, Plot No-2,
Sector-29, Gurgaon-122001 (Haryana).

...Petitioner

Versus

1. Madhya Pradesh Power Management Company Limited,
Shakti Bhawan, Rampur
Jabalpur - 482008.
2. Madhya Pradesh Audyogik Kendra
Vikas Nigam (Indore) Limited
3/54, Press Complex, Agra Bombay Road, Indore - 452008.
3. Maharashtra State Electricity Distribution Company Limited,
Hongkong Bank Building, 3rd Floor,
MG Road, Fort, Mumbai - 400001.



4. Gujarat Urja Vikas Nigam Limited,
Sardar Patel Vidyut Bhawan,
Race Course Road, Vadodara - 390007.
5. Electricity Department,
Government of Goa, Vidyut Bhawan, Panaji,
Near Mandvi Hotel, Goa - 403001.
6. Electricity Department,
Administration of Daman & Diu,
Daman - 396210.
7. DNH Power Distribution Corporation Limited,
Vidyut Bhawan, 66 kV Road, Near Secretariat, Amla,
Silvassa - 396230.
8. Chhattisgarh State Power Distribution Company Limited,
P.O. Sunder Nagar, Dangania, Raipur,
Chattisgarh - 492013.

...Respondent(s)

Parties Present: Shri Shashwat Kumar, MSEDCL
Ms. Shikha Sood, MSEDCL
Shri Harshit Gupta, Advocate, MSEDCL
Shri Mohd. Mohsin, PGCIL
Shri Zafrul Hasan, PGCIL
Shri Vishal Sagar, PGCIL

ORDER

The instant petition has been filed by Power Grid Corporation of India Limited for truing up of transmission tariff of the 2014-19 tariff period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as “the 2014 Tariff Regulations”) and the determination of tariff under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”) of 2019-24 tariff in respect of the following assets associated with “Establishment of Fibre Optic Communication System in the Western Region under Master Communication Plan (Additional Requirement),” (hereinafter referred to as the “Communication System/communication assets”):

Asset 1: OPGW link for Betul-Khandwa under Central Sector



Asset 2: OPGW link (125 km) for Mauda-Wardha under Central Sector

Asset 3: 6 Nos. OPGW link (92.66 km) under State Sector for the following links:

- i. Mapusa-Amona
- ii. Amona-Ponda
- iii. Mapusa-Tivim
- iv. Ponda-Xeldem
- v. Ponda-Verna
- vi. Xeldem-Cuncochim

Asset 4A: 3 Nos. OPGW link (656.926 km) under Central Sector for the following links:

- i. Korba-Birshingpur
- ii. Bilaspur-Dharamjaygarh
- iii. Parli-Wardha

Asset 4B: OPGW link for Korba-Birsinghpur under Central Sector

Asset 5A: OPGW link (15.462 km) for 400 kV Xeldom-Madgaon under State Sector

Asset 5B: OPGW link for 400 kV Vapi–Magarwada under Central Sector and

Asset 6: 9 Nos. of OPGW link under State Sector-OPGW link (169 km) for the following links:

- i. Chindwada-Seoni
- ii. Ratlam-Nagda
- iii. Shujalpur-Shujalpur
- iv. Neemuch-Nagda
- v. Itarsi-Itarsi
- vi. Rajgarh-Rajgarh
- vii. Pithampur-Pithampur
- viii. Indore-Indore
- ix. Seoni-Pench

2. The Petitioner has made the following prayers in the instant petition:

- “1) Condone the delay in filing of instant petition.*
- 2) Allow the addcap for 2014-19 and 2019-24 tariff block as claimed as per Para 5 and 7 above.*
- 3) Approve the trued-up Transmission Tariff for 2014-19 block and transmission tariff for 2019-24 block for the assets covered under this petition, as per para 6 and 7 above.*
- 4) Allow the petitioner to recover the shortfall or refund the excess Annual Fixed Charges, on account of Return on Equity due to change in applicable Minimum*



Alternate/Corporate Income Tax rate as per the Income Tax Act, 1961 (as amended from time to time) of the respective financial year directly without making any application before Hon'ble Commission as provided in Tariff Regulation 2014 and Tariff regulations 2019 as per para 6 and 7 above for respective block.

- 5) *Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 70 (1) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019, and other expenditure (if any) in relation to the filing of petition.*
- 6) *Allow the petitioner to bill and recover Licensee fee and RLDC fees and charges, separately from the beneficiaries in terms of Regulation 70 (3) and (4) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019.*
- 7) *Allow the petitioner to bill and adjust impact on Interest on Loan due to change in Interest rate on account of floating rate of interest applicable during 2019-24 period, if any, from the beneficiaries.*
- 8) *Allow the Petitioner to claim the overall security expenses and consequential IOWC on that security expenses separately.*
- 9) *Allow the petitioner to claim the capital spares at the end of tariff block as per actual.*
- 10) *Allow the Petitioner to bill and recover GST on Transmission Charges separately from the beneficiaries, if GST on transmission is levied at any time in future. Further, any taxes including GST and duties including cess etc. imposed by any statutory/Govt./municipal authorities shall be allowed to be recovered from the beneficiaries.*

and pass such other relief as Hon'ble Commission deems fit and appropriate under the circumstances of the case and in the interest of justice."

Background

3. The brief facts of the case are as follows:
 - a. The Investment Approval (IA) of said communication system was accorded by the Board of Directors (BoD) of the Petitioner in its 313th meeting held on 17.4.2015 and circulated vide memorandum No. C/CP/FOCS-WR(AD) dated 24.4.2015, at an estimated cost of ₹12072 lakh based on the December 2014 price level with a completion schedule within 30 months.
 - b. The communication system was discussed and agreed in the 14th, 21st and 23rd WRPC meeting held on 19.08.2010, 09.11.2012 and 12.06.2013 respectively.
 - c. The scope of work covered under the transmission project is as under:



- i. Implementation of OPGW fibre optic cable on the EHV transmission line of POWERGRID and constituents; the estimated length of such cable is approximately 3483 km.
- ii. Installation of 56 numbers of terminal equipment based upon the Synchronous Digital Hierarchy (SDH) technology at sub-stations of POWERGRID and the constituents; 56 numbers of Mux/D&I/DACS at wideband nodes; and Network Management System (NMS).
- iii. DC Power Supply is presently envisaged at all the wideband locations where equipments is to be installed. However, the requirement will be optimized during detailed engineering.
- iv. Approach cable for providing the connectivity between OPGW and equipment.

4. The details of the communication assets, including the scheduled commercial operation date (SCOD), date of commercial operation (COD), and time overrun, are as follows:

Assets	SCOD	COD	Time over-run
Asset-1	17.10.2017	1.5.2017	Nil
Asset-2		1.9.2017	Nil
Asset-3		2.7.2018	258 days
Asset-4A		2.9.2018	320 days
Asset-4B		2.9.2018	320 days
Asset-5A		1.3.2019	500 days
Asset-5B		1.3.2019	500 days
Asset-6		1.3.2019	500 days

5. The instant Petition has been filed by the Petitioner for truing up of transmission tariff for the 2014-19 tariff block and determination of transmission tariff for the 2019-24 tariff period along with justification with respect to time over-run in case of Asset-3, 4A, 4B, 5A, 5B and 6 in terms of Order dated 25.7.2022 in Petition No. 731/TT/2020 vide which the transmission tariff of the instant communication assets was determined.



6. The Respondents are distribution licensees, transmission licensees, and power departments, which are procuring transmission services from the Petitioner, mainly beneficiaries of the Western Region.

7. The Petitioner has served the copy of the petition on the Respondents, and notice regarding the filing of this petition has been published in the newspapers in accordance with Section 64 of the Electricity Act, 2003 (the Act). No comments or suggestions have been received from the general public in response to the aforesaid notices published in the newspapers by the Petitioner.

8. Madhya Pradesh Power Management Company Limited (MPPMCL), Respondent No. 1, has filed its reply vide affidavit dated 23.01.2024 and has raised the issues of time over-run, IDC and IEDC computation, Interest on Loan computation, and GST on transmission charges. Maharashtra State Electricity Distribution Company Limited (MSEDCL), Respondent No. 3, has filed its reply vide affidavit dated 15.01.2024 and has raised the issues of time over-run, IDC and IEDC computation, Interest on Loan computation, and GST on transmission charges. The issues raised by MPPMCL and MSEDCL are considered in the succeeding paragraphs of this order.

9. The hearings in this matter were held on 20.12.2023, 31.1.2024 and 16.7.2024 and the order was reserved.

10. This order is issued considering the submissions made by the Petitioner vide affidavits dated 22.8.2023, 28.11.2023, 8.1.2024, and 19.2.2024. Further, MPPMCL's and MSEDCL's reply filed vide affidavit dated 23.1.2024 and 15.1.2024, respectively, are also considered while passing the order.

11. Having heard the representatives of the Petitioner and perused the material on record, we proceed to dispose of the petition.



Truing up of Annual Fixed Charges for 2014-19 tariff period

12. The details of the transmission charges claimed by the Petitioner in this true-up petition in respect of the transmission/communication assets from their COD to 2019 are as follows:

Asset-1

(₹ in lakh)

Particulars	2017-18 (pro rata for 335 days)	2018-19
Depreciation	17.32	16.24
Interest on Loan	13.61	11.45
Return on Equity	16.18	15.21
Interest on Working Capital	1.03	0.95
O&M Expenses	0.34	0.49
Total	48.48	44.34

Asset-2

(₹ in lakh)

Particulars	2017-18 (pro rata for 212 days)	2018-19
Depreciation	9.20	18.57
Interest on Loan	7.59	14.39
Return on Equity	8.59	17.39
Interest on Working Capital	0.55	1.11
O&M Expenses	0.00	0.56
Total	25.93	52.02

Asset-3

(₹ in lakh)

Particulars	2018-19 (Pro-rata for 273 days)
Depreciation	22.01
Interest on Loan	17.86
Return on Equity	20.61
Interest on Working Capital	1.26
O&M Expenses	0.00
Total	61.74

Asset-4A

(₹ in lakh)

Particulars	2018-19 (pro-rata for 211 days)
Depreciation	64.36
Interest on Loan	52.90
Return on Equity	60.27
Interest on Working Capital	3.87
O&M Expenses	3.66
Total	185.06



Asset-4B

(₹ in lakh)

Particulars	2018-19 (pro-rata for 211 days)
Depreciation	6.85
Interest on Loan	5.71
Return on Equity	6.42
Interest on Working Capital	0.41
O&M Expenses	0.38
Total	19.77

Asset-5A

(₹ in lakh)

Particulars	2018-19 (pro-rata for 31 days)
Depreciation	0.29
Interest on Loan	0.27
Return on Equity	0.28
Interest on Working Capital	0.02
O&M Expenses	0.00
Total	0.86

Asset-5B

(₹ in lakh)

Particulars	2018-19 (pro-rata for 31 days)
Depreciation	0.25
Interest on Loan	0.21
Return on Equity	0.23
Interest on Working Capital	0.02
O&M Expenses	0.10
Total	0.81

Asset-6

(₹ in lakh)

Particulars	2018-19 (pro-rata for 31 days)
Depreciation	5.06
Interest on Loan	4.24
Return on Equity	4.74
Interest on Working Capital	0.29
O&M Expenses	0.00
Total	14.33

13. The details of Interest on Working Capital (IWC) claimed by the Petitioner in respect of the transmission assets are as follows:

Asset-1

(₹ in lakh)

Particulars	2017-18 (pro rata for 335 days)	2018-19
O&M Expenses	0.03	0.04
Maintenance Spares	0.06	0.07



Particulars	2017-18 (pro rata for 335 days)	2018-19
Receivables	8.80	7.39
Total Working Capital	8.89	7.50
Rate of Interest (%)	12.60	12.60
Interest on Working Capital	1.03	0.95

Asset-2

(₹ in lakh)

Particulars	2017-18 (pro rata for 212 days)	2018-19
O&M Expenses	0.00	0.05
Maintenance Spares	0.00	0.08
Receivables	7.44	8.67
Total Working Capital	7.44	8.80
Rate of Interest (%)	12.60	12.60
Interest on Working Capital	0.55	1.11

Asset-3

(₹ in lakh)

Particulars	2018-19 (Pro-rata for 273 days)
O&M Expenses	0.00
Maintenance Spares	0.00
Receivables	13.76
Total Working Capital	13.76
Rate of Interest (%)	12.20
Interest on Working Capital	1.26

Asset-4A

(₹ in lakh)

Particulars	2018-19 (pro-rata for 211 days)
O&M Expenses	0.53
Maintenance Spares	0.95
Receivables	53.35
Total Working Capital	54.83
Rate of Interest (%)	12.20
Interest on Working Capital	3.87

Asset-4B

(₹ in lakh)

Particulars	2018-19 (pro-rata for 211 days)
O&M Expenses	0.06
Maintenance Spares	0.10
Receivables	5.70
Total Working Capital	5.86
Rate of Interest (%)	12.20
Interest on Working Capital	0.41



Asset-5A

(₹ in lakh)

Particulars	2018-19 (pro-rata for 31 days)
O&M Expenses	0.00
Maintenance Spares	0.00
Receivables	1.68
Total Working Capital	1.68
Rate of Interest (%)	12.20
Interest on Working Capital	0.02

Asset-5B

(₹ in lakh)

Particulars	2018-19 (pro-rata for 31 days)
O&M Expenses	0.10
Maintenance Spares	0.18
Receivables	1.59
Total Working Capital	1.87
Rate of Interest (%)	12.20
Interest on Working Capital	0.02

Asset-6

(₹ in lakh)

Particulars	2018-19 (pro-rata for 31 days)
O&M Expenses	0.00
Maintenance Spares	0.00
Receivables	28.12
Total Working Capital	28.12
Rate of Interest (%)	12.20
Interest on Working Capital	0.29

Date of Commercial Operation (COD)

14. The Commission, vide order dated 25.7.2022 in Petition No. 731/TT/2020, has approved the COD of the transmission/communication assets, and the same is as follows:

Assets	COD
Asset-1	1.5.2017
Asset-2	1.9.2017
Asset-3	2.7.2018
Asset-4A	2.9.2018
Asset-4B	2.9.2018
Asset-5A	1.3.2019
Asset-5B	1.3.2019
Asset-6	1.3.2019



Capital Cost

15. The capital cost of the communication system has been calculated in accordance with Regulations 9(1) and 9(2) of the 2014 Tariff Regulations.

16. The Commission vide order dated 25.7.2022 in Petition No. 731/TT/2020 allowed capital cost as on COD for all transmission/communication assets and Additional Capital Expenditure (ACE) for the 2014-19 tariff period. The details of the capital cost as allowed by the Commission in the aforesaid order are as follows:

(₹ in lakh)

Assets	Approved FR Cost	Expenditure up to COD	ACE		Capital Cost as on 31.3.2019
			2017-18	2018-19	
Asset-1	467.51	346.07	(95.98)	12.86	262.95
Asset-2	350.00	226.45	47.60	38.58	312.63
Asset-3	570.00	408.50	0.00	46.86	455.37
Asset-4A	2150.00	1517.17	0.00	180.11	1697.28
Asset-4B	518.71	216.96	0.00	(71.39)	145.57
Asset-5A	79.00	43.48	0.00	5.20	48.68
Asset-5B	89.16	52.29	0.00	(18.57)	33.72
Asset-6	1477.55	853.93	0.00	86.41	940.34
Total	5701.93	3664.85	(48.38)	280.06	3896.54

17. The Petitioner, in the instant true-up Petition, has submitted the following capital cost as per the Auditor Certificate for true-up in the 2014-19 tariff period:

(₹ in lakh)

Assets	Approved FR Cost	Expenditure upto COD	ACE		Capital Cost as on 31.3.2019
			2017-18	2018-19	
Asset-1	467.51	351.25	(101.11)	12.86	263.00
Asset-2	290.00	230.15	45.23	37.29	312.67
Asset-3	570.00	448.98	0.00	45.16	494.14
Asset-4A	2150.00	1692.27	0.00	179.64	1871.91
Asset-4B	518.71	226.62	0.00	(71.39)	155.23
Asset-5A	79.00	52.20	0.00	5.18	57.38
Asset-5B	89.16	56.16	0.00	(18.57)	37.59
Asset-6	1477.55	917.57	0.00	86.41	1003.98
Total	5641.93	3975.2	-55.88	276.58	4195.90

18. The Petitioner vide affidavit dated 19.2.2024 has submitted that due to typographical error, the FR apportioned cost of Asset-2 was erroneously considered as ₹290.00 lakh instead of ₹350.00 lakh. Further, the Petitioner has submitted that the same has been corrected as per the order dated 25.7.2022 in Petition No. 731/TT/2020. The revised asset-wise details of cost as on COD and actual additional capitalization incurred during 2014-19 as per the Auditor Certificates are given as under:

(₹ in lakh)

Assets	Approved FR Cost	Expenditure up to COD	ACE		Capital Cost as on 31.3.2019
			2017-18	2018-19	
Asset-1	467.51	351.25	(101.11)	12.86	263.00
Asset-2	350.00	230.15	45.23	37.29	312.67
Asset-3	570.00	448.98	0.00	45.16	494.14
Asset-4A	2150.00	1692.27	0.00	179.64	1871.91
Asset-4B	518.71	226.62	0.00	(71.39)	155.23
Asset-5A	79.00	52.20	0.00	5.18	57.38
Asset-5B	89.16	56.16	0.00	(18.57)	37.59
Asset-6	1477.55	917.57	0.00	86.41	1003.98
Total	5701.93	3975.20	(55.88)	276.58	4195.90

Cost Overrun

19. The Petitioner has submitted that the capital cost of ₹263.00 lakh, ₹312.67 lakh, ₹494.14 lakh, ₹1871.91 lakh, ₹155.23 lakh, ₹57.38 lakh, ₹37.59 lakh, and ₹1003.98 lakh was incurred for Asset-1, 2, 3, 4A, 4B, 5A, 5B, and 6 respectively, as on 31.3.2019. The total completion cost, including ACE in respect of transmission assets, is ₹4195.90 lakh against the approved FR cost of ₹5701.93 lakh.

20. The Petitioner has submitted the following major reasons of cost variation with respect to F.R. cost:

- i. **Communication cost:** The cost variation is due to higher awarded/executed rates with respect to the unit rates considered in F.R.
- ii. **IEDC:** 10.75% of equipment cost has been considered as IEDC. Meanwhile, the actual IEDC amount has been taken by the Petitioner at the time of claim.



iii. **IDC:** The increase in IDC has been attributed to variation in the rate of interest considered in FR v/s Actuals, increase in overall capital cost with respect to FR, and deployment of the funds based on actuals. In FR, IDC has been calculated considering the rate of interest for domestic loans as 10.5%. The actual IDC accrued up to COD has been considered at the time of the claim of tariff.

21. We have considered the submissions of the Petitioner. It is observed that since the estimated completion cost of the communication asset is lower than the FR approved cost, there is no cost over-run.

Time overrun

22. As per the IA dated 17.4.2015, the transmission project was scheduled to be put into commercial operation within 30 months from the date of the IA, i.e., by 17.10.2017. against which the Asset-1, 2, 3, 4A, 4B, 5A, 5B and 6 were put into commercial operation on 1.5.2017, 1.9.2017, 2.7.2018, 2.9.2018, 2.9.2018, 1.3.2019, 1.3.2019 and 1.3.2019 respectively. The details of the time over-run of different assets considered in the instant Petition are as under:

Assets	SCOD	COD	Time over-run
Asset-1	17.10.2017	1.5.2017	Nil
Asset-2		1.9.2017	Nil
Asset-3		2.7.2018	258 Days
Asset-4A		2.9.2018	320 Days
Asset-4B		2.9.2018	320 days
Asset-5A		1.3.2019	500 Days
Asset-5B		1.3.2019	500 Days
Asset-6		1.3.2019	500 Days

23. As per the SCOD of 17.10.2017, Asset-1 and 2 are commissioned on 1.5.2017 and 1.9.2017. Therefore, there is no time overrun in the commissioning of Asset-1 and Asset-2. The Commission vide order dated 25.7.2022 in Petition No. 731/TT/2020 has not condoned the time overrun in the case of Asset-3 4A, 4B, 5A, 5B, and 6. The relevant extracts of the order are as follows:



“Asset-3:

26. We have considered the above submissions of the Petitioner. The Petitioner has submitted that the time over-run was on account of delay in timely availability of transmission line parameters by GED. The Petitioner has submitted letters dated 25.2.2016, 8.3.2016, 11.4.2016, 21.4.2016 and 12.5.2016 written by the Petitioner to GED seeking Transmission Line Design Parameters. The Petitioner has submitted letter/ e-mail sent to GED seeking design parameters for laying of OPGW. However, the Petitioner has not submitted when GED has provided the transmission design parameters. Further, the Petitioner has not submitted the reasons for the delay from 12.5.2016 to 2.7.2018. Accordingly, the time over-run from 17.10.2017 to 2.7.2018 (258 days) is not condoned. However, the Petitioner is directed to submit the date when the transmission line parameters were submitted by GED. Based on this, the time over-run in case of Asset-3 will be reviewed at the time of truing-up.”

Asset-4A and 4B:

31. We have considered the submissions of the Petitioner. The Petitioner has submitted that due to cyclone the towers were damaged and due to which OPGW laying work of Bilaspur -Dharmajaygarh was not completed. The Petitioner is directed to submit when the towers collapsed and when the towers were again installed with supporting documents at the time of truing up. The Petitioner has not submitted any documentary evidence to show that the PTW was not available continuously due to reliability requirements. Accordingly, the time over-run of 10 months 16 days in case of Asset-4A and Asset-4B due to RoW issue, dismantling and related issues, damage caused by cyclone is not condoned at this stage and the same will be reviewed at the time of truing-up based on the valid documentary proof.

Asset-5A:

33. We have considered the submissions of the Petitioner. The Petitioner has submitted that the time over-run was on account of delay in availability of Transmission Line Parameters from GED and Non-Availability of ADSS Cable. The Petitioner has submitted documents in support of its contentions along with the petition. The Petitioner has submitted that there was delay in GED providing Transmission Line Parameters like Pole Configuration Details for ADSS Cable and GPS coordinates data for survey. The Petitioner has submitted a copy of its letter dated 12.8.2016 GED citing Pole Configuration Details for ADSS Cable. The Petitioner has also submitted a copy of its letter dated 12.3.2018 to GED seeking GPS Coordinate for survey. However, the Petitioner has not submitted the action taken during the intervening period from 12.8.2016 to 12.3.2018. The asset was put into commercial operation on 1.3.2019. The Petitioner has not submitted the reasons for the delay from 12.3.2018 to COD of the asset on 1.3.2019. Accordingly, the time over-run in case of Asset-5A is not condoned. However, the Petitioner is at liberty to approach the Commission at the time of truing up with valid documentary evidence and the same will be reviewed at the time of truing-up.

Asset-5B:

34. The Petitioner has not submitted any reason for the time over-run of 16 months and 13 days in case of Asset-5B. Accordingly, the time over-run in case of Asset 5B from 17.10.2017 to 1.3.2019 (500 days) is not condoned.

Asset-6:

37. We have considered the above submissions of the Petitioner and MPPMCL and observed that the Petitioner has not substantiated any reason for delay in Asset-6 and merely attached various communications without establishing the correlation and explaining the circumstances due to which the time over-run occurred. The Petitioner



has not given any explanation regarding the works/ requisitioning done during the period falling between 17.4.2015 and 9.3.2017. Due to non-submissions of the valid documentary evidence in support of 9 no. of OPGW links under state sector (MPPMCL), we are not inclined to condone the same. Accordingly, the time over-run in case of Asset-6 from 17.10.2017 to 1.3.2019 (500 days) is not condoned. However, the Petitioner is directed to submit the valid documentary evidence at the time of truing up and same will be reviewed at the time of truing up.”

24. The summary of SCOD, COD, and the time overrun condoned/not condoned for the transmission/communication assets in the Commission vide order dated 25.7.2022 in the Petition No. 731/TT/2020 is as follows:

Asset	SCOD	Actual COD	Time overrun Claimed	Time overrun Condoned	Time overrun not condoned
Asset-1	17.10.2017	1.5.2017	Nil	Nil	Nil
Asset-2		1.9.2017	Nil	Nil	Nil
Asset-3		2.7.2018	258 days	Nil	258 days
Asset-4A		2.9.2018	320 days	Nil	320 days
Asset-4B		2.9.2018	320 days	Nil	320 days
Asset-5A		1.3.2019	500 days	Nil	500 days
Asset-5B		1.3.2019	500 days	Nil	500 days
Asset-6		1.3.2019	500 days	Nil	500 days

25. However, the Commission vide order dated 25.7.2022 in Petition No. 731/TT/2020 directed the Petitioner to submit the documentary evidence for the time overrun in the commissioning of the transmission assets at the time of truing up. The same is being reviewed in the instant truing up petition.

26. The detailed reasons submitted by the Petitioner for time overrun in the case of the transmission/communication assets are as under:

Asset-3:

a. The Petitioner has submitted that the 6 numbers of links under the instant asset pertain to the transmission lines of the Goa Electricity Department (GED). OPGW were to be laid on transmission lines, which are 220 kV and below 220 kV lines, which is a deviation from regular 400 kV and above lines. Therefore, a new design of OPGW had to be adopted based on tower design, schedules, and other transmission line parameters based on the Sag-Tension Chart. The GED caused

a delay in providing the required parameters. This delay in finalising the Stringing Chart and Design of the OPGW cable resulted in a delay in the supply of OPGW and its hardware and, finally, a delay¹ in the commissioning of the instant Communication Asset.

- b. The Petitioner has submitted that the agency was denied a 'permit to work' (PTW) by GED during the monsoon period (1.6.2017-30.9.2017). This has delayed the installation work by a further 4 months. The chronology of events resulting in delayed commissioning is as under:

Sl. No	Letter/e-mail Date	Brief Description of Letter/e-mail
1	14.10.2015	For providing Tower Schedule of GED Lines and Transmission Line Design Parameters
2	9.11.2015	Submission of Tower Schedule by GED
3	25.2.2016	Letter to GED for providing Transmission Line Design Parameters
4	8.3.2016	Letter to GED for providing Transmission Line Design Parameters
5	11.4.2016	Letter to GED for providing Transmission Line Design Parameters
6	19.4.2016	Letter to GED for providing Transmission Line Design Parameters
7	21.4.2016	Letter to GED for providing Transmission Line Design Parameters
8	21.4.2016	Transmission Line Design Parameters provided by GED. However, some parameters were missing in the submitted data
9	12.5.2016	Letter to GED for providing Transmission Line Design Parameters
10	31.5.2016	Approval of Drum Schedules and given to Agency for Manufacturing.
11	27.1.2017	Receipt of Material at Site
12	1.6.2017 to 30.9.2017	Agency Could not get PTW for work from GED during the Monsoon Period w.e.f. 1.6.2017 for four months.
13	1.10.2017 to 2.7.2018	Subsequent to the availability of PTW from October 2017, the Agency resumed the installation work and completed the commissioning of these assets by 2.7.2018.

27. The Respondent No. 1, i.e., M.P. Power Management Company Limited (MPPMCL) vide affidavit dated 23.1.2024, has submitted that the Petitioner had already placed on record the copies of correspondences exchanged with GED in Petition No.



731/TT/2020. However, no new document from GED has been placed on the record in the instant petition. As such, there is no material to review in the decision regarding the non-condonation of delay in the instant truing up Petition.

28. The Respondent No. 3, i.e., Maharashtra State Electricity Distribution Company Limited (MSEDCL) vide affidavit dated 15.1.2024, has submitted that the full schedule was given by GED on 9.11.2015 (seven months out of 30 months project), so proper planning by the Petitioner could have easily met the SCOD. The Respondent has further submitted that the delay due to the denial of permission to work by GED during the Monsoon period (i.e., 1.6.2017 to 30.6.2017) should have been anticipated, and work could have been scheduled accordingly.

Asset-4A and 4B

29. The Petitioner has submitted that in Asset-4A, there are 3 Nos. of OPGW links viz. Bilaspur-Dharamjaygarh, Parli-Wardha Link and Portion of Korba -Birsinghpur and in Asset-4B portion of Korba- Birsinghpur. The original scope of work was to commission the Parli-Wardha OPGW link. However, during the installation period, Parli-Wardha line was LILoed at Warora by PWTL. Owing to the said work of LILo at Warora by PWTL, the OPGW work remained pending due to the proposed dismantling of 3 Nos. of towers at Tapping Point. The end equipments were also changed and diverted from other links due to a change in line (link) length because of LILo at Warora. Even after completion of the Parli-Wardha OPGW stringing under the scope of the Petitioner, the complete link could not be commissioned till the installation of OPGW in the LILo portion by PWTL as the Link was commissioned as Parli-Warora, Warora-Wardha OPGW Links.

30. The Petitioner has further submitted that during the erection period of OPGW on the Parli-Wardha Link, MSETCL was carrying out transmission line periodic Maintenance Activities and OPGW erection works in their transmission line, viz., Warora-Wardha, Wardha-Paused, Paused-Patani, etc. Though the outage was



approved by the OCC, due to daily system constraints, PTW was either provided only for 15 days in a month for the Parli Wardha line or PTW of Wardha-Parli was deferred by WRLDC on a continuation basis, which caused delay in OPGW Erection work of aforesaid transmission line. This situation prevailed for at least 06 months, from July 2017 to December 2017. The Petitioner has further submitted that in Parli-Wardha link, there were severe RoW disturbances continuously for about 4 months in the Nanded Section.

31. The Petitioner has submitted that OPGW on Bilaspur-Dharamjaygarh work was delayed due to collapse of Tower No. of 120 (A+0), 121 (A+0) & 122(A+0) of 765 kV S/C Bilaspur -Dharamjaygarh on 27.4.2018 due to cyclone which caused damaged of OPGW between Tower No. 114 to 123 of said transmission line. Restoration of the transmission line was completed on 12.5.2018 with temporary earth wire instead of OPGW, as spare OPGW was not available readily in near vicinity stations, and the same was to be transported from Aurangabad, Maharashtra, and this caused delay and subsequently, after installation of new OPGW, the link as made ready on 15.6.2018.

32. The Petitioner has submitted that in the Korba-Birssinghpur line, PTW was not available due to reliability requirements as this line connects the two Generating Stations. Further, the work was hampered near the Birsinghpur location at this line, which passed through the Bhandargarh Tiger Reserve Region.

33. The Chronology of events causing a delay in asset 4A submitted by the Petitioner is as follows:

S.No	Letter / e-mail Date	Brief Description of Letter / e-mail
1	2.12.2017	Letter to Tehsildar, Mahagaon for clearing RoW Problem in Parli - Wardha Line
2	4.12.2017	Letter to SP, Yavtmal District for Police Protection in Parli-Wardha Line
3	2.1.2018	Letter from Agency informing RoW issues in 362-364 spans of Parli-Wardha Line
4	13.5.2018	Delay happened due to LILO work of PWTL.



S.No	Letter / e-mail Date	Brief Description of Letter / e-mail
5	27.4.2018	3 No. of Bilaspur - Dharamjaygarh Transmission Line Towers Collapsed due to a Cyclone on 27.4.2018. OPGW in this section was completely damaged beyond repair.
6	12.5.2018	Transmission Line was restored by having a temporary Earth wire, as OPGW Spares of the existing Design were not available in the near vicinity.
7	15.6.2018	OPGW for the damaged Section of the Bilaspur-Dharamjaygarh Link was diverted from Spares available at Aurangabad, and the Agency completed re-stringing work for the entire 4 km Drum & Completed the commissioning on 15.6.2018.
8	17.9.2018	Letter from Agency Highlighting difficulties faced by Agency during Work

34. The Respondent No. 01, i.e., M.P. Power Management Company Limited (MPPMCL), vide affidavit dated 23.1.2024, has submitted that the Petitioner had already submitted the documents relied upon in the instant petition in support of the contentions along with Petition No. 731/TT/2020 and nothing new has been placed in the instant petition. It has been further submitted that there is nothing to review in the decision regarding time overrun in the instant petition.

35. The Respondent No. 03, i.e., Maharashtra State Electricity Distribution Company Limited (MSEDCL) vide affidavit dated 15.1.2024, has submitted that delay due to the non-availability of OPGW in the Chhattisgarh area is not justified, as the location of work was already known to the Petitioner. It has been further submitted that the delay in getting PTW, which caused a delay in the OPGW erection work of the transmission line, is not justified, as this should be a part of advance planning of the outages.

Asset-5A & 5B:

36. The Petitioner has submitted that due to the non-availability of earth wire on Xeldem-Madgao Line (33 kV), the Petitioner vide letter dated 21.4.2016 requested for alternative transmission line path as their main SLDC was located at Madgao. As there was no alternate transmission line path for Madgao, the Petitioner went ahead with



ADSS Cable instead of OPGW and requested the GED for submission of pole configuration details for ADSS cable up to the Madgaon SLDC vide letter dated 12.8.2016.

37. The Petitioner has further submitted that the contract for the supply & erection of ADSS cable was awarded by the Petitioner vide letter dated 6.12.2017. Due to the unavailability of GIS data in the GED records, the Agency commenced a physical survey along with GED for the ADSS cable till Madgao SLDC. Upon completion of the survey by 5.3.2018, GED also provided GIS data.

38. The Petitioner has further submitted that after the upgradation of technology, all ADSS manufacturers started manufacturing OPGW/OFC cable. Hence, ADSS cable was not readily available for purchase. Also, the required line length for ADSS came around approximately 12.5 km, which was a very small quantity. Accordingly, contractors submitted their inability to procure such a small quantity of ADSS cable as manufacturers were not accepting their procurement orders. Further, as supply from a new vendor mandates the requirement of type test approval, the same was conducted jointly for another Telecom Project with the new manufacturer (M/s Apar Industries), and approval was given to the manufacturer vide letter 29.5.2018.

39. The chronology of events causing the delay, as submitted by the Petitioner, is as follows:

S. No	Letter / e-mail Date	Brief Description of Letter / e-mail
1	21.4.2016	GED was informed to provide alternate route for OPGW due to the absence of earth wire on Xeldem-Madgao 33kV line
2	12.8.2016	Letter to GED for providing pole configuration details for ADSS Cable
3	6.12.2017	Undertaking tendering process for award of Supply & Erection of ADSS Cable. LOA issued on 6.12.2017



S. No	Letter / e-mail Date	Brief Description of Letter / e-mail
4	12.3.2018	The survey was completed by the executing Agency, and GED provided GIS Data
5	12.3.2018	Letter to GED regarding the Inability of the Contractor to procure ADSS Cable, which was stopped by all Manufacturers
6	29.5.2018	A type Test was conducted, and approval was given vide letter dated 29.5.2018.
7	30.7.2018	Subsequent to approval of the Type Test and Vendor approval, FAT was completed on 30.7.2018
8	1.3.2019	Link was successfully commissioned.

40. The Respondent No. 01, i.e., M.P. Power Management Company Limited (MPPMCL) vide affidavit dated 23.1.2024, has submitted that the Petitioner has already submitted documents relied upon in the instant petition in support of its contentions along with Petition No. 731/TT/2020, and nothing new has been placed to substantiate its request in the instant petition. The Respondent has further submitted that in the instant petition, GED vide letter dated 12.3.2018 (sic. 5.3.2018) confirmed that GIS data had been provided. However, the date on which GED provided Pole configuration is not mentioned, which must be earlier than 6.12.2017. Nothing has been placed on record to substantiate that the Petitioner has pursued the GED for GIS Data. Thus, the Petitioner cannot pass the blame on GED and is fully responsible for the delay in getting GIS Data. Furthermore, the decision about the physical survey could have been taken earlier by the Petitioner if it was apprehended that GED did not have GIS data to complete the work by its SCOD. The Petitioner has not submitted any reasons/details for the time overrun of 16 months and 13 days in the case of Asset -5B.

41. Respondent No. 03, i.e., Maharashtra State Electricity Distribution Company Limited (MSEDCL) vide affidavit dated 15.1.2024, has submitted that the Petitioner has failed to submit any justifiable reason for the delay in commissioning of the transmission



assets. It has been further submitted that the reasons cited by the Petitioner are general activities that a transmission licensee must undertake while developing the transmission assets. Furthermore, the Commission has time and again emphasised that a transmission licensee cannot seek condonation of delay for activities that ought to have been anticipated by any transmission licensee.

Asset-6:

42. The Petitioner has submitted that 09 links were commissioned by laying OPGW on 220kV/132 kV lines owned by MPPTCL. Special cables suitable for line-specific parameters were designed based on the inputs received from MPPTCL. The Petitioner has further submitted that there was a significant delay on the part of MPPTCL towards submission of line parameters, tower schedule, and signing of survey reports to finalize the cable type and approval of drum schedule.

43. The Petitioner has further submitted that the work was completed in all respects by 6.10.2018. However, the trial run certificate was delayed from WRLDC and issued w.e.f. 28.2.2019 vide certificate WRLDC/MCP/2019/WR-II. Further, several lines like Pithampur-Pithampur, Nagda-Ratlam & Neemuch-Gandhisagar were LILOOed, and this scope was not covered in the initial project scope. However, as the LILO was made during the execution, respective links can only be commissioned to cover the LILO portion as well, causing further delay.

44. Further, the Petitioner has submitted that there was a great degree of confusion on the Pithampur-Pithampur link as this line was LILOOed at multiple locations, and MPPTCL site officials were not aware of the full scope for survey and execution of the work. A lot of time had lapsed due to delay on the part of MPPTCL in sharing the details of tower type, earth wire, parameters, etc., as shown in MPPTCL internal letters dated 11.4.2017 and 8.2.2017, where tower details are getting clarified for the Pithampur-



Pithampur link. Further, the Petitioner has submitted that work on Chhindwara-Seoni link was withheld on request from MPPTCL towards some planned diversion.

45. The Petitioner has submitted that all attempts were made by the Petitioner towards the timely commissioning of 09 nos. MPPTCL links. However, there were some delays that were not in the control of the Petitioner and can only be resolved on the intervention from the concerned at the MPPTCL end. There was a significant delay in the confirmation of line parameters and LILO details on several lines from the MPPTCL end. Despite so many issues, these MPPTCL links were ready as on 8.8.2018, and a trial run certificate was applied with WRLDC on 8.8.2018. Another reminder for the trial run was sent on 3.10.2018 and vide email dated 6.10.2018 to MPPTCL.

46. The chronology of events and correspondences as submitted by the Petitioner is as below:

S. No.	Letter/e-mail Date	Brief Description of Letter/e-mail
1	19.2.2016	Letter towards confirmation of line parameters for OPGW design finalization
2	5.4.2016	Reminder email towards confirmation of line parameters for OPGW design finalization
3	24.5.2016	MPPTCL Providing preliminary input from MPPTCL online parameters
4	4.11.2016	MPPTCL Informing about LILO of 04 Nos Lines i.e. 220 kV Ratlam-Nagda, 220 kV Neemuch-Nagda; 220 kV Neemuch-Gandhisgar & 220 kV Indore SZ-Indore Chambal and survey of these lines was required to be re-conducted.
5	23.11.2016	Approval of OPGW Drum Schedule & BOQ for 132 kV Seoni-Pench issued to the implementing agency. However, this link can only be commissioned on the laying of OPGW on the 22 KV Seoni -132 kV Seoni-MPPTCL line, Tower Schedule for this line was shared by MPPTCL over mail on 4.1.2018.
6	25.11.2016	Approval of OPGW Drum Schedule & BOQ for 220 kV Shujalpur- Shujalpur issued to the implementing agency.
7	28.11.2016	Approval of OPGW Drum Schedule & BOQ for 220 kV Rajgarh-Rajgarh issued to the implementing agency.
8	20.1.2017	Approval of OPGW Drum Schedule & BOQ for 220 kV Neemuch -Nagda issued to the implementing agency. The Tower Schedule for the LILO portion was shared by MPPTCL only on 6.1.2018, resulting in a delay for readiness on the



S. No.	Letter/e-mail Date	Brief Description of Letter/e-mail
		LILO portion OPGW, causing an overall delay in the commissioning of 220 kV Neemuch -Nagda.
9	21.2.2017	Approval of OPGW Drum Schedule & BOQ for 220 kV Chindwara-Seoni issued to the implementing agency.
10	21.2.2017	Approval of OPGW Drum Schedule & BOQ for 220 Nagda-Nagra-Ratlam issued to the implementing agency.
11	21.2.2017	Approval of OPGW Drum Schedule & BOQ for 220 Itarsi-Itarsi issued to the implementing agency.
12	6.4.2017	For confirmation on the Multi-circuit portion of the Pithampur-Pithampur line
13	17.5.2017	Approval of OPW Drum Schedule and BOQ issued to the implementing agency
14	7.7.2017	Signed survey report for MPPTCL stations for Approach cable and FODP layout.
15	11.7.2017	BOQ approval for FODP at LILO locations of MPPTCL links.04 No's links were affected due to LILO coming up to the original link.
16	19.1.2018	Approval of OPGW Drum Schedule & BOQ for part of 220 Neemuch-Gandhisagar link from 220 kV Neemuch-132 kV Neemuch. This portion was not initially confirmed by MPPTCL. issued to the implementing agency.
17	14.6.2018	Informing the status of the MCP-Additional project and requesting support towards clearance of hold drum on 220kV Chhindwara-Seoni
18	6.10.2018	Mail confirmation from SLDC-MP informing proper working of Pithampur-Pithampur, Itarsi-Itarsi, Shujalpur-Shujalpur, Neemuch-Nagda, Indore-Indore SZ, and Indore SZ-Indore Chambal links. Further, the trial run certificate was delayed from the MPPTCL end. The Duration from 06.10.2018 to 1.3.2019 (0Date of issue of trial run certificate by WRLDC) (146 Days) is not attributable to the Petitioner.
19	27.10.2018	Signed SAT report for Nagda-Neemuch indicating link readiness

47. The Respondent No. 01, i.e., M.P. Power Management Company Limited (MPPMCL), vide affidavit dated 23.1.2024, has submitted that the Petitioner has attributed significant delay on account on the part of M.P. Power Transmission Company Limited (MPPTCL), which has not been made a party in the instant petition. It is further submitted that in Petition No. 731/TT/2020, MPPTCL was made Respondent



no. 2, and it had filed its detailed reply and the same is mentioned in the order dated 25.7.2022 also. It is further mentioned that 9 OPGW links under Asset-6 have been installed by the Petitioner on the transmission network owned and operated by MPPTCL. The Petitioner has not placed any new reasons for the delay in the commissioning of 9 OPGW links; it will be in the interest of justice that MPPTCL may also be impleaded in the instant petition to bring out its views on the allegations of delay on account of MPPTCL, as raised by the Petitioner. Furthermore, it is submitted that the Petitioner has also mentioned that although the work was completed in all respects by 6.10.2018 as is apparent from mail confirmation by SLDC-MP. However, the trial run certificate was delayed from WRLDC and issued w.e.f. 28.2.2019 (146 days). This delay of 146 days at WRLDC's end is not plausible as the Petitioner should have taken all necessary steps to obtain a trial run certificate from WRLDC at the earliest. The respondent has finally submitted that the Commission may either not allow time overrun for this Asset No. 6 or direct the Petitioner to implead MPPTCL and WRLDC as the respondents in the instant petition.

48. The Respondent No.3, i.e., Maharashtra State Electricity Distribution Company Limited (MSEDCL) vide affidavit dated 15.1.2024, has submitted that the Petitioner has failed to submit any justifiable reason for delay in commissioning of the transmission assets. It has been further submitted that the reasons cited by the Petitioner are general activities that a transmission licensee must undertake while developing the transmission assets. Furthermore, the Commission has time and again emphasised that a transmission licensee cannot seek condonation of delay for activities that ought to have been anticipated by any transmission licensee.

49. We have considered the submission made by the Petitioner and the respondents, i.e., MPPMCL & MSEDCL. Further, we have gone through the documentary evidence produced on record to justify the time overrun.



Asset-1 and Asset-2

50. Asset-1 and Asset-2 are commissioned on 1.5.2017 and 1.9.2017 against the SCOD of 17.10.2017. Therefore, there is no time overrun in the commissioning of Asset-1 and Asset-2.

Asset-3

51. The Petitioner has submitted that a New Design of OPGW was to be adopted based on Tower Design, schedules, and other transmission line parameters based on Sag -Tension Chart. However, as per the submission made by the Petitioner and supporting Documents placed on record, we observed that the matter for providing the Tower Schedule of GED Lines and Transmission Line Design Parameters was taken up by the Petitioner with the GED on dated 14.10.2015, i.e., after lapse of 181 days (approx. 06 months) from the approval of the IA on 17.4.2015. The Petitioner also submitted letters dated 25.2.2016, 8.3.2016, 11.4.2016, 19.4.2016 & 21.4.2016 written by the Petitioner to GED seeking transmission Line Design Parameters. Subsequently, as per the Petitioner, the transmission line parameters were provided by the GED on 21.4.2016, and again, the Petitioner took up the matter for the supply of Balance transmission line design parameters vide letter dated 12.5.2016.

52. We have considered the submissions of the Petitioner and MSEDCL. The Petitioner vide letter dated 14.10.2015 has requested for providing Tower Schedule of GED Lines and Transmission Line Design Parameters and thereafter GED on 21.4.2016 has been provided certain Transmission Line Design Parameters. We are of the view that without having details of the Tower Schedule of GED Lines and Transmission Line Design Parameters, the Petitioner was unable to install OPGW of the said transmission lines. Therefore, we are of the view that the time period from



14.10.2015 to 21.4.2016 (190 days) is beyond the control of the Petitioner, and the same has been condoned.

53. The Petitioner has submitted that the materials were received on-site on 27.1.2017. The Petitioner has submitted that the time period from 1.6.2017 to 30.9.2017 is delayed on account of not being able to get Permission to Work (PTW) from GED. We note that after receiving materials on site on 26.1.2017, the Petitioner took almost 6 months to apply to get permission to work from GED. It is observed that the Petitioner has submitted an email dated 5th June 2017 wherein it mentioned that out of 27.730 Kms, 23.886 Kms have been completed, and balance work has not been able to complete due to the work stopped by the Goa Electricity Department (GED) from 1.6.2017. With respect to this, the Petitioner has not submitted any document where GED has not given permission to work on the said transmission lines. Accordingly, the time period of 4 months (1.6.2017 to 30.09.2017) sought by the Petitioner on account of the denial of a permit to work by GED is of no merit, and the same is not condoned.

54. The Petitioner has submitted that the Petitioner resumed work on 1.10.2017 and completed on 2.7.2018. It is observed that the Petitioner has taken almost 274 days for the completion of 3.814 Km of OPGW, and the Petitioner has not submitted any justification as to why it has taken 274 days for the completion of about 3.814 Km. Due to the non-submission of any justification and documentary evidence, we are not inclined to condone the time period from 1.10.2017 to 2.07.2018.

55. As discussed above, out of the total time overrun of 258 days, the time overrun of 190 days is condoned due to a delay in getting design parameters from GED, and the balance time overrun is not condonable in respect of Asset-3.



Asset-4A & 4B

56. Asset-4A consists of 3 no. of OPGW links, i.e., Bilaspur-Dharamjaygarh, Parli-Wadha line and a portion of Korba-Birsingpur and Asset-4B consists of Korba-Birsingpur. Even though the Petitioner has claimed combined COD for both Asset-4A and Asset-4B, the Petitioner has submitted the OPGW link-wise reasons for delay, and the same is as follows:

(i) **Bilaspur-Dharamjaygarh:**

The Petitioner has submitted that the OPGW on Bilaspur-Dharmajaygarh between Tower No. 114 to 123 was damaged due to a severe cyclone that occurred on 27.4.2018. Restoration of towers of 765 KV Bilaspur-Dharamjaygarh transmission line was completed on 12.5.2018 with temporary Earth wire instead of OPGW, as spare OPGW was not readily available in near vicinity stations. The same was to be transported from Aurangabad, Maharashtra and this caused a delay, and subsequently, after the installation of the new OPGW, the link became ready on 15.6.2018.

The Commission observed that as per the Joint Inspection Report of Tower Failure submitted by the Petitioner, all four stubs of 3 Nos. towers, i.e., towers at Location No. 120 (A+0), 121 (A+0) & 122 (A+0), were intact, and it appears that the said towers collapsed due to high-intensity cyclone. The big and small trees near the vicinity of about 100 meters in width were broken/uprooted due to the severity of the cyclone. Further, as per the Joint Inspection Report, the required Towers for restoration (suspension towers) were available at the site, and the transmission line was likely to be restored using spares on or before 12.5.2018. However, due to the non-availability of OPGW in the near vicinity and after transportation of the same from Maharashtra, the work of installation of new OPGW was completed on 15.6.2018., The Commission is of the opinion that the damage to existing transmission line towers due to a severe cyclone was beyond the control of the Petitioner. Therefore, the time overrun from 27.4.2018 to



15.6.2018 (49 days) is beyond the control of the Petitioner, we condone the time overrun due to the cyclone and restoration of damaged towers, i.e., 49 days (from 27.4.2018 to 15.6.2018).

(ii) **Parli-Wardha OPGW link**

The Petitioner has submitted the original scope of the work to commission Parli-Wardha OPGW; however, during the installation period, the Parli-Wardha line was LILoed at Warora by PWTL. The Petitioner has submitted that the complete link could not be commissioned till the installation of OPGW in the LILo portion by PWTL. It is observed that LILo of both circuits of the Wardha - Parli (PG) 400 kV D/C line at Warora Pooling Station (Quad) is to be implemented by Powergrid Warora Transmission Limited (PWTL) under TBCB and PWTL entered into the TSA with LTTCs on 9.2.2015 with completion schedule of November 2017. In the instant case, the Petitioner obtained investment approval on 17.04.2015, which is later than TSA signed with LTTCs. We are of the view that the submission of the Petitioner that during the installation period, the Petitioner has to make the LILo of the Parli-Wardha OPGW link is factually not correct and the Petitioner vide letter dated 17.9.2018 had himself mentioned that the material from store was released on 15.12.2016 for OPGW installation of 400 kv Parli-Wardha line. Therefore, we are not inclined to condone the time overrun till the installation of OPGW in the LILo portion .

57. The Petitioner has submitted that during the erection period of OPGW on the Parli-Wardha Link, MSETCL was carrying out the transmission line periodic maintenance activities and OPGW erection works in their transmission lines, viz. Warora -Wardha, Wardha-Paused, Paused-Patani etc. Though the outage was approved by the OCC, due to daily system constraints, PTW was either provided only 15 days in a month for the Parli Wardha line or PTW of Wardha-Parli was deferred by WRLDC on a continuous basis, which caused a delay in OPGW erection work of aforesaid transmission line. The Petitioner sought condonation of 6 months from July



2017 to December 2017 on account of the shutdown deferred by WRLDC. We have gone through the submissions of the Petitioner and it is important to take note of the dates/time when the Petitioner had applied for outage approval of the transmission line and when finally OCC approved the outage approval of the transmission line. The Petitioner also did not submit when it had applied for shutdown from WRLDC and when finally, WRLDC approved the shutdown of the transmission line. Due to the non-submission of any OCC minutes for outage approval and communication with WRLC, we are not inclined to condone the time period of six months July,2017 to December-2017 on account of the shutdown approval. The Petitioner has submitted that in Parli-Wardha link, the Petitioner has faced severe RoW issues continuously for about 4 months in the Nanded Section. The Petitioner has further submitted that the matter was taken up with the Tehsildar, Mahagaon, and the Superintending of Police, Distt. Yavatmal (Maharashtra) to resolve the RoW issues and provide the police protection vide letter dated 2.12.2017 and 4.12.2017 respectively. The Petitioner has placed on record the copies of the emails dated 8.11.2017,16.7.2017, and 2.1.2018 sent by the executing agency to resolve the RoW issues in the Parli-Wardha line. We have gone through the submissions of the Petitioner. The Petitioner has submitted random emails, and from this it is not clear when the said RoW issues were resolved. Also, no documents have been submitted by the Petitioner regarding the course of action taken up by the local administration and Police authorities to resolve the RoW issues. Accordingly, the time period of 4 months on account of RoW problems is not condoned.

(iii) Korba-Birsinghpur line:

The Petitioner has submitted that in the Korba-Birsinghpur line, PTW was not available continuously due to reliability requirements as this line connects two generating stations. Further, the work was hampered near the Birsinghpur Location as this line passes through the Bandhavgarh Tiger Reserve Region. It is observed that the Petitioner has not provided any map or any other document to show how this passing



of line from the tiger reserve was not known earlier to them and they only got to know about it while they were implementing the project. They have also not claimed any particular time period which got effected due to this. Hence, in the absence of valid documentary evidence required, we are not inclined to condone the time over-run due to the tiger reserve.

58. In view of the above, the Commission is of the opinion that the time overrun of 49 days (from 27.4.2018 to 15.6.2018) due to damage of the tower because of a severe cyclone is condoned and the remaining delay of 271 days claimed by the Petitioner due to LILO of Parli-Wardha Line at Warora, non-issuance of PTW by WRLDC, Severe RoW Issues, and passing of the Korba- Birsinghpur Line through the Bhandhargarh Tiger Reserve Region are not Condoned for Asset-4A & 4B.

59. The summary of the time overrun condoned/ not condoned in respect of Asset-4A & 4B is as follows:

Asset	SCOD	Actual COD	Time overrun Claimed	Time overrun Condoned	Time overrun not Condoned
Asset-4A	17.10.2017	02.09.2018	320 Days	49 days	271 days
Asset-4B					

Asset-5A & 5B

60. The Petitioner has submitted that due to the non-availability of earth wire on the Xeldem-Madgao Line (33 kV), the Petitioner vide letter dated 21.4.2016 requested for alternative transmission line path as their main SLDC was located at Madgao. As there was no alternate transmission line path for Madgao, the Petitioner went ahead with ADSS Cable instead of OPGW and requested the GED for submission of pole configuration details for ADSS Cable up to Madgaon SLDC vide letter dated 12.8.2016. Further, the Petitioner awarded the contract for supply and erection of ADSS cable on 6.12.2017.



61. In this regard, it is observed that vide the letter dated 9.11.2015, the GED had already informed the Petitioner that there is no tower line from Xeldem to Margao (SLDC). However, OPGW could have been laid on the existing 33 kV line route available between Xeldem to Margao. Therefore, the Commission is of the view that the Petitioner should have informed the concerned immediately about the non-availability of earth wire on the 33 kV Line route between the Xeldom-Madgao line and seek an alternative transmission line path. Also, the Petitioner failed to furnish any documentation justifying the reasons to take up the matter with the GED for an alternative transmission line path after the lapse of 165 days, i.e., on 21.4.2016 after getting intimation on 9.11.2015. Also, the Petitioner has not submitted any substantial document regarding the response/information provided by the GED against the correspondences made by the Petitioner for the requisite alternative transmission line path. Therefore, we are not inclined to condone the delay on account of the non-availability of earth wire on the Xeldem-Madgao line.

62. The Petitioner has submitted that due to the non-availability of GIS data, the Petitioner had carried out a physical survey along with GED for the ADSS cable till Madgaon SLDC and the survey was completed on 5.3.2018. We have gone through the submissions of the Petitioner, and we observe that no corroborating documents have been provided by the Petitioner in support of survey details. Accordingly, due to the non-submission of documentary evidence, we are not inclined to condone the delay in the of survey of the transmission line.

63. The Petitioner has submitted that, after the upgradation of the technology, all ADSS manufacturers started manufacturing OPGW/OFC cable. Accordingly, the Petitioner vide letter dated 12.3.2018 informed the GED that the required ADSS cable was not readily available for purchase as the agency submitted its inability to procure such a small quantity of ADSS cable as manufacturers were not accepting their

procurement orders. To procure the ADSS Cable from a new vendor, the approval was given to Supreme and Company Private Limited to conduct the type test by the Petitioner vide letter dated 29.5.2018. Further, the Factory Acceptance Test (FAT) was completed by M/s Supreme & Company Private Limited on 30.7.2018.

64. The Commission observed that as per the email dated 12.3.2018, the executing agency informed the Petitioner that none of the vendors is quoting for cable due to a small quantity and world-wide shortage of fibre. However, as per said email, the price was quoted by M/s APAR and the executing agency was in discussion with them. The executing agency also intimated to the Petitioner that M/s APAR is not approved by the Petitioner company and formalities for its approval are required. Further, it is observed that the approval for the Manufacturer and GTP of ADSS & approach cable was conveyed by the Petitioner on 29.5.2018. Subsequently, the FAT and type test was completed by the executing agency on 30.7.2018.

65. Regulation 12 (1) of the 2014 tariff Regulations is extracted as under:

“12. Controllable and Uncontrollable factors:

The following shall be considered as controllable and uncontrollable factors leading to cost escalation impacting Contract Prices, IDC and IEDC of the project:

(1) The “controllable factors” shall include but shall not be limited to the following:

(a) Variations in capital expenditure on account of time and/or cost over-runs on account of land acquisition issues;

(b) Efficiency in the implementation of the project not involving approved change in scope of such project, change in statutory levies or force majeure events; and

(c) Delay in execution of the project on account of contractor, supplier or agency of the generating company or transmission licensee.”

66. From the above, it is noted that delay in execution of the project on account of contractor, supplier or agency of the transmission licensee is fall under controllable factor. In the instant case, supply of ADSS cable by the contractor is lead to delay in commissioning of the asset. Further the contractor himself is in discussion with M/s APAR for supply of ADSS cable. We are of the view that the time period from 29.5.2018 to 30.07.2018 (62 days) is on account of delay in ADSS cable by contractor is not condonable as per 12(1)(i) of the 2014 tariff Regulations.



67. The summary of the time over-run condoned/ not condoned in respect of Asset-5A & 5B is as follows:

Asset	SCOD	Actual COD	Time over-run Claimed	Time over-run Condoned	Time overrun not Condoned
Asset-5A	17.10.2017	1.3.2019	500 Days	Nil	500 Days
Asset-5B					

Asset-6

68. The Petitioner has submitted that MPPTCL was requested for confirmation of line parameters for OPGW design finalization vide letters dated 19.2.2016 and 5.4.2016. In response, MPPTCL, vide letter dated 24.5.2016, submitted the preliminary input on the transmission line parameters. However, it is observed that the Petitioner took up the matter with the concerned authority of MPPTCL after the lapse of approx. 11 months from the Investment Approval, i.e., 17.4.2015, for the requisite line parameters for OPGW design finalization.

69. The Petitioner has submitted that several lines like Pithampur-Pithampur, Nagda-Ratlam, and Neemuch-Gandhisagar links were LILoed, and this scope was not covered in the initial project scope. However, as the LILo was made during execution, respective links can only be commissioned on covering the LILo portion as well causing further delay. The Commission observes that the Petitioner has failed to furnish any evidentiary substantiation or documentation substantiating how the LILo in the sever lines during the execution affected the progress and what efforts were made by the Petitioner to minimize the effect of LILo of the above transmission lines.

70. The Petitioner has submitted that there was a great degree of confusion on the Pithampur-Pithampur link as this line was LILoed at multiple locations, and MPPTCL site officials were not aware of the full scope for survey and execution of the work. A lot of time had elapsed due to delay by MPPTCL in sharing the details of tower type, earth wire parameters, etc., as shown in MPPTCL internal letters dated 11.4.2017 and



8.2.2017, where clarification regarding the 400 kV Pithampur Sub-station to 220 kV Sub-station Pithampur link was sought for the Pithampur-Pithampur link from MPPTCL. The Commission observes that the Petitioner had failed to furnish any evidence or document substantiating that when the requisite clarification regarding 400 kV Pithampur Sub-station to 220 kV Sub-station Pithampur link was provided by MPPTCL and how the OPGW laying work affected in the absence of these clarifications as well as LILO of said transmission line at multiple locations.

71. The Petitioner has submitted that work on the Chhindwara-Seoni link was withheld on the request from MPPTCL towards some planned diversion, and the same was also requested apprised by the Petitioner to MPPTCL vide letter dated 14.6.2018. The Commission observes that the Petitioner has failed to furnish any evidence or document substantiating that when the clearance to complete the work on the Chhindwara- Seoni link was issued by MPPTCL.

72. The Petitioner has submitted that the work was completed in all respects by 06.10.2018, as is apparent from the mail confirmation by SLDC-MP. However, the trial run certificate was delayed from WRLDC and issued vide WRLDC certificate WRLDC/MCP/2019/WR-II dated 28.2.2019. The Commission observed that the WRLDC requested to confirm the working of both telemetry and voice on these links vide email dated 04.10.2018. Further, vide email dated 06.10.2018, MPPTCL intimated to WRLDC that the "SAT report of the MP link along with the equipment for which trial operation certificate requested by WR-II is not available". Also, as per email, it is noticed that both telemetry and voice were not working for 400 kV Indore-220 kV Indore SZ, 220 kV Indore SZ- Indore Chambal, and SLDC Bhopal- Bhopal 220 links. Further, no documents have been provided by the Petitioner depicting when the balance work of telemetry and voice was completed for the aforementioned links and subsequently followed up by the Petitioner for getting the trial run certificate from WRLDC.



73. With regard to the claim for condonation of delay in execution of Asset-6, the Respondent MPPMCL vide its affidavit dated 23.1.2024 has submitted as under:

“In this regard it is to submit that the Petitioner has attributed significant delay on account of delay on part of M.P. Power Transmission Co. Ltd. (MPPTCL-State Transmission Utility of MP), which has not been made a party in this Petition.

It is pertinent to mention that in Petition No. 731/TT/2020, MPPTCL was made Respondent no. 2 and it had also filed its detailed Reply and the same is mentioned in the Order dtd 25.07.2022 also. MP Power Management Co. Ltd. is a separate entity.

..... Further, the Petitioner has also mentioned that although the work was completed in all respect by 06.10.2018 as is apparent from mail confirmation by SLDC-MP. However, trial run certificate was delayed from WRLDC and issued w.e.f. 28.02.2019 (146 days).”

74. The MPPMCL has submitted that the Petitioner has attributed the delay (in executing 9 OPGW links under Asset-6) on MPPTCL for sharing the details of tower type, earth wire parameters, etc., as the transmission network is owned and operated by MPPTCL, Similarly, the Petitioner has attributed the delay of 146 days at WRLDC for issuing the trial run certificate. Therefore, MPPTCL and WRLDC may be impleaded as parties to the Petition.

75. We have considered the submissions of MPPMCL and the Petitioner and have also gone through the records. The Petitioner submitted that it had vide letter dated 19.2.2016 requested for confirmation of line parameters for OPGW design, and in response, MPPTCL vide letter dated 24.05.2016 provided preliminary input on line parameters. The Petitioner submitted that the delay of 95 days was from MPPTCL, and after submission of preliminary data, the Petitioner required 4 months' time for carrying out type test, site survey, manufacturing, inspection, dispatch clearance, and delivery at site locations. We note that the Petitioner obtained Investment approval for the project on 17.04.2015; however, the first letter was written to MPPTCL on 19.02.2016 for providing line parameters, which is after 308 days from the date of IA. We observe that the implementation of the project is 30 months, and the Petitioner took about 10 months to write a letter to MPPTCL; if the Petitioner had written a letter immediately after the IA, the Petitioner could have implemented the project in time. It is also observed that



MPPTCL also required some minimum time to provide data and taken 95 days for providing lines data of MPPTCL. We are of the view that the time period of 4 months sought by the Petitioner on account of the delay in providing line parameters by MPPTCL has no merit, and the time overrun on this account is not condonable.

76. MPPTCL vide letter dated 4.11.2016 has informed about LILO of 4 no. of lines, i.e. 220 kV Ratlam-Nagda, 220 kV Neemuch-Nagada, 220 kV Neemuch-GandhiSagar, 220 kV Indore SZ-Indore Chambal. Based on this requirement, the Petitioner finalised the drum schedule and BOQ to the implementing agency, which was completed on 19.01.2018. Therefore, we are of the view that on account of the creation of LILOs, for which some time was required for the Petitioner to issue a revised schedule and BOQ, the time period from 4.11.2016 to 19.01.2018 (109 days) is beyond the control of the Petitioner and the same has been condoned.

77. The Petitioner has submitted that the work was completed in all respects by 6.10.2018. However, the trial run certificate was delayed from WRLDC and issued on 28.2.2019. The Petitioner has submitted that the time period of 146 days is not attributable to the Petitioner. We have gone through the submissions of the Petitioner. The Petitioner wrote a mail on 6.10.2018 to SLDC-MP that the trial run certificate was applied for on 8.8.2018, and confirmation from MPPTCL has been delayed, due to which the time period from 6.10.2018 to 1.03.2019 is affected.

78. We have gone through the documents submitted by the Petitioner in this regard. The Petitioner has submitted that the OPGW link was executed on 8.8.2018. However, WRLDC issued the certification on 29.3.2019 regarding the successful trial operation of the communication asset as 1.3.2019. In this regard, the Petitioner has submitted some communication made with WRLDC, wherein it has been noted that the Petitioner, vide emails dated 8.8.2018 and 4.10.2018 to WRLDC, requested for COD of the communication asset. WRLDC sought confirmation of the communication assets from



MPPTCL regarding the working of telemetry and voice. In response, MPPTCL vide email dated 6.10.2018 communicated that few assets, including the subject asset, are working and few assets are not working. It is observed that the Petitioner neither provided any information regarding the action taken, including communication exchanged with WRLDC nor has provided supporting documents for the period from 8.8.2018 to 1.3.2019. Accordingly, we are unable to accept the Petitioner's contention that the delay from 8.8.2018 to 1.3.2019 was attributable to WRLDC. Therefore, the time overrun of 146 days is not condoned.

79. The summary of the reasons for time over-run condoned/not condoned in respect of Asset-6 is as follows:

Asset	SCOD	Actual COD	Time overrun claimed	Time overrun Condoned	Time overrun not Condoned
Asset-6	17.10.2017	1.3.2019	500 Days	109 days	391Days

80. The summary of the time overrun condoned/not condoned in respect of all transmission assets are as follows:

Asset	SCOD	Actual COD	Time overrun Claimed	Time overruns Condoned	Time over run not condoned
Asset-1	17.10.2017	1.5.2017	Nil	Nil	Nil
Asset-2		1.9.2017	Nil	Nil	Nil
Asset-3		2.7.2018	258 Days	190 days	68 Days
Asset-4A		2.9.2018	320 Days	49 days	271 Days
Asset-4B		2.9.2018	320 Days	49 days	271 Days
Asset-5A		1.3.2019	500 Days	Nil	500 Days
Asset-5B		1.3.2019	500 Days	Nil	500 Days
Asset-6		1.3.2019	500 Days	109 days	391 Days

Interest During Construction (IDC) and Incidental Expenditure During Construction (IEDC)

81. The Petitioner has claimed IDC of the communication assets covered in the instant petition and has submitted the statement showing IDC claim and discharge of IDC liability as on the date of commercial operation and thereafter as follows:



(₹ in lakh)

Assets	IDC as per Auditor Certificate	IDC Discharged up to COD	IDC discharged during the year		
			2017-18	2018-19	2019-20
Asset-1	5.18	0.00	5.18	0.00	0.00
Asset-2	6.11	2.41	2.37	1.33	0.00
Asset-3	28.52	15.50	0.00	12.89	0.13
Asset-4A	109.93	65.45	0.00	42.23	2.26
Asset-4B	11.84	4.67	0.00	6.88	0.30
Asset-5A	0.80	0.80	0.00	0.00	0.00
Asset-5B	4.36	3.19	0.00	0.46	0.70
Asset-6	75.26	53.61	0.00	4.18	17.48

82. The Petitioner has submitted an IDC computation statement, which contains the name of the loan, drawl date, loan amount, interest rate, and interest claimed. The IDC is worked out based on the details given in the IDC statement. Further, the loan amount as on COD has been mentioned in Form-6 and Form-9C. The allowable IDC has been worked out based on the information available on record and relying on the loan amount as per Form-9C.

83. MPPMCL has submitted that the Petitioner has not placed any new proof of documents in the instant petition before the Commission to review its decision of not condoning the delay in the COD of the assets, which has been approved in the order dated 25.7.2022 in Petition No. 731/TT/2020. Further, the Respondent has submitted that the IDC and IEDC allowed in the order dated 25.7.2022 in Petition No. 731/TT/2020 may only be considered in the calculation for working out the tariff for the assets covered in the instant petition.

84. MSEDCL has submitted that the 2019 Tariff Regulations state that if there has been a delay in achieving the COD on the part of the transmission licensee, then IDC, IEDC ought to be disallowed post the SCOD, and liquidated damages are liable to be recovered by the Petitioner. The Respondent has further submitted that the beneficiaries of these assets need not be burdened for the negligence on the part of the Petitioner and their failure to coordinate with other entities.



85. We have considered the submissions made by the Petitioner, MPPMCL, and MSEDCL. As detailed in the earlier paragraphs regarding the time over-run condoned/not condoned, we worked out the IDC on a cash basis up to the COD based on the loan details given in the statement showing the discharge of IDC and Form-9C for the transmission assets. The summary of the discharge of IDC liability up to COD and thereafter for the purpose of tariff determination is as under:

(₹ in lakh)

Assets	IDC as per the Auditor certificate	IDC disallowed due to time over-run not condoned and computational difference	IDC allowed	IDC discharged up to COD	IDC discharged during the year		
					2017-18	2018-19	2019-20
Asset-1	5.18	0.05	5.13	0.00	5.13	0.00	
Asset-2	6.11	0.04	6.07	2.41	2.37	1.29	
Asset-3	28.52	4.69	23.83	14.93		8.90	0.00
Asset-4A	109.93	66.01	43.92	43.92		0.00	0.00
Asset-4B	11.84	8.72	3.12	3.12		0.00	0.00
Asset-5A	0.80	0.54	0.26	0.26		0.00	0.00
Asset-5B	4.36	3.69	0.67	0.67		0.00	0.00
Asset-6	75.26	49.96	25.30	25.30		0.00	0.00

86. Further, the Petitioner has claimed IEDC for the transmission assets as per the Auditor Certificate. The Petitioner has submitted that the IEDC mentioned in the Auditor's Certificate is on a cash basis and was paid up to the COD. IEDC is allowed based on time over-run condoned, if any. IEDC considered as on the COD for the purpose of tariff determination is as follows:

(₹ in lakh)

Asset	IEDC as per Auditor's Certificate	IEDC disallowed due to time overrun not condoned	IEDC allowed
Asset-1	3.17	0.00	3.17
Asset-2	41.76	0.00	41.76
Asset-3	103.24	5.99	97.25
Asset-4A	389.82	85.61	304.21
Asset-4B	1.89	0.42	1.47
Asset-5A	23.09	8.16	14.93
Asset-5B	0.54	0.19	0.35
Asset-6	9.28	2.57	6.71

Initial Spares

87. The Initial Spares claimed by the Petitioner in the instant petition are as follows:

(₹ in lakh)

Assets	Plant and Machinery Costs (excluding IDC and IEDC, land cost, and cost of civil works)	Initial Spares claimed	Ceiling Limit
Asset-1	439.81	11.14	3.50%
Asset-2	296.95	0.00	3.50%
Asset-3	403.79	13.97	3.50%
Asset-4A	1637.17	24.28	3.50%
Asset-4B	275.57	9.65	3.50%
Asset-5A	44.24	0.00	3.50%
Asset-5B	68.98	2.26	3.50%
Asset-6	1093.67	38.28	3.50%

88. Regulation 13(d) of the 2014 Tariff Regulations provides that Initial Spares will be capitalized as a percentage of plant and machinery cost up to the cut-off date, subject to the following ceiling norms:

“(d) Transmission System

- (i) *Transmission line: 1.00%*
- (ii) *Transmission sub-station (Green Field): 4.00%*
- (iii) *Transmission sub-station (Brown Field): 6.00%*
- (iv) *Gas Insulated sub-station :5.00%*
- (v) *Communication System: 3.5%”*

89. We have considered the submissions of the Petitioner. Accordingly, the Initial Spares allowed in respect of the transmission assets as per the norm under the 2014 Tariff Regulations are as follows:

(₹ in lakh)

Assets	Particulars	Plant and Machinery cost (excluding IDC and IEDC, land cost & cost of civil works) up to cut-off date* (₹ in lakh)	Initial Spares claimed (₹ in lakh)	Norms as per the 2014 Tariff Regulations (in %)	Initial Spares allowable (₹ in lakh)	Excess Initial Spares (₹ in lakh)	Initial Spares allowed (₹ in lakh)
		A	B	C	$D = \frac{(A-B) * C}{(100-C)}$	$E = B - D$	
Asset-1	Communication System	439.80	11.14	3.50%	15.55	0.00	11.14
Asset-2		296.94	0.00	3.50%	10.77	0.00	0.00



Assets	Particulars	Plant and Machinery cost (excluding IDC and IEDC, land cost & cost of civil works) up to cut-off date* (₹ in lakh)	Initial Spares claimed (₹ in lakh)	Norms as per the 2014 Tariff Regulations (in %)	Initial Spares allowable (₹ in lakh)	Excess Initial Spares (₹ in lakh)	Initial Spares allowed (₹ in lakh)
		A	B	C	$D = \frac{(A-B) * C}{(100-C)}$	E=B-D	
Asset-3		403.79	13.97	3.50%	14.14	0.00	13.97
Asset-4A		1637.17	24.28	3.50%	58.51	0.00	24.28
Asset-4B		275.57	9.65	3.50%	9.64	0.01	9.64
Asset-5A		44.24	0.00	3.50%	1.60	0.00	0.00
Asset-5B		64.48	2.26	3.50%	2.26	0.00	2.26
Asset-6		64.48	2.26	3.50%	2.26	0.00	2.26

*Based on Auditor certificates

Capital Cost as on COD

90. The capital cost of the transmission assets has been calculated in accordance with Regulation 9(2) of the 2014 Tariff Regulations. The details of the capital cost now approved as on COD after adjustment of IDC, IEDC, and Initial Spares are as under:

Assets	Capital cost claimed as on COD (A)	Disallowed as on COD (B)		Initial Spares Disallowed	Undischarged IDC as on COD (C)	Capital cost allowed as on COD
		IDC due to time over-run not condoned and computational difference	IEDC due to time over-run not condoned			(E = A-B-C)
Asset-1	351.25	0.05	0.00	0.00	5.13	346.07
Asset-2	230.15	0.04	0.00	0.00	3.66	226.45
Asset-3	448.98	4.69	5.99	0.00	8.90	429.40
Asset-4A	1692.27	66.01	85.61	0.00	0.00	1540.66
Asset-4B	226.62	8.72	0.42	0.01	0.00	217.48
Asset-5A	52.20	0.54	8.16	0.00	0.00	43.50
Asset-5B	56.17	3.69	0.19	0.00	0.00	52.29
Asset-6	917.57	49.96	2.57	0.00	0.00	865.04



Additional Capital Expenditure (ACE)

91. The Commission vide order dated 25.7.2022 in Petition No. 731/TT/2020 allowed ACE in respect of the transmission assets for the 2014-19 tariff period as follows:

(₹ in lakh)					
Assets	Approved FR Cost	Expenditure up to COD	ACE 2017-18	ACE 2018-19	Capital Cost as on 31.3.2019
Asset-1	467.51	346.07	(95.98)	12.86	262.95
Asset-2	350.00	226.45	47.60	38.58	312.63
Asset-3	570.00	408.50	0.00	46.86	455.37
Asset-4A	2150.00	1517.17	0.00	180.11	1697.28
Asset-4B	518.71	216.96	0.00	-71.39	145.57
Asset-5A	79.00	43.48	0.00	5.20	48.68
Asset-5B	89.16	52.29	0.00	-18.57	33.72
Asset-6	1477.55	853.93	0.00	86.41	940.34
Total	5701.93	3664.85	(48.38)	280.06	3896.54

92. Against this, the Petitioner has claimed the following ACE based on the actual expenditure in accordance with Regulation 14(1) of the 2014 Tariff Regulations:

Asset-1

(₹ in lakh)

Particulars	Regulations	Actual ACE	
		2017-18	2018-19
Balance and retention payments for liabilities other than IDC	14(1) ((i)	38.93	12.86
Addition in Gross Block	14(1)(ii)	(140.04)	0.00
IDC Discharged after COD	14(1)(i)	5.18	0.00
Total		(95.93)	12.86

Asset-2

(₹ in lakh)

Particulars	Regulations	Actual ACE	
		2017-18	2018-19
Balance and retention payments for liabilities other than IDC	14(1) (i)	45.23	37.29
Addition in Gross Block	14(1)(ii)	0.00	0.00
IDC Discharged after COD	14(1)(i)	2.37	1.33
Total		47.60	38.62

Asset-3

(₹ in lakh)

Particulars	Regulations	Actual ACE
		2018-19
Balance and retention payments for liabilities other than IDC	14(1)(i)	45.16
Addition in Gross Block	14(1)(ii)	0.00
IDC Discharged after COD	14(1)(i)	12.89
Total		58.05



Asset-4A

(₹ in lakh)

Particulars	Regulations	Actual ACE
		2018-19
Balance and retention payments for liabilities other than IDC	14(1)(i)	179.64
Addition in Gross Block	14(1)(ii)	0.00
IDC Discharged after COD	14(1)(i)	42.23
Total		221.87

Asset-4B

(₹ in lakh)

Particulars	Regulations	Actual ACE
		2018-19
Balance and retention payments for liabilities other than IDC	14(1)(i)	23.98
Addition in Gross Block	14(1)(ii)	(95.37)
IDC Discharged after COD	14(1)(i)	6.88
Total		(64.51)

Asset-5A

(₹ in lakh)

Particulars	Regulations	Actual ACE
		2018-19
Balance and retention payments for liabilities other than IDC	14(1)(i)	5.18
Addition in Gross Block	14(1)(ii)	0.00
IDC Discharged after COD	14(1)(i)	0.00
Total		5.18

Asset-5B

(₹ in lakh)

Particulars	Regulations	Actual ACE
		2018-19
Balance and retention payments for liabilities other than IDC	14(1)(i)	4.59
Addition in Gross Block	14(1)(ii)	(23.16)
IDC Discharged after COD	14(1)(i)	0.46
Total		(18.11)

Asset-6

(₹ in lakh)

Particulars	Regulations	Actual ACE
		2018-19
Balance and retention payments for liabilities other than IDC	14(1)(i)	86.41
Addition in Gross Block	14(1)(ii)	0.00
IDC Discharged after COD	14(1)(i)	4.18
Total		90.59

93. The vendor-wise details of ACE claimed by the Petitioner for the transmission assets are as follows:



Asset-1:

(₹ in lakh)

Particulars	2017-18	2018-19
Civil Work	0.00	0.00
Sub-Station	0.00	0.00
PLCC/OPGW	(117.06)	0.00
I.T. Equipment	15.95	12.86
Total	(101.11)	12.86

Asset-2:

(₹ in lakh)

Particulars	2017-18	2018-19
Sterlite	28.84	35.29
Sterlite	2.59	0.58
Fibcom	13.79	1.42
Fibcom	0.00	0.00
Telecom Share/ Transfer	0.00	0.00
Total	45.22	37.29

Asset-3:

(₹ in lakh)

Particulars	2018-19
Shenzhen SDGI/ INCAP	18.52
Sree Krishna Power Engineering and Consultancy Limited	0.36
Himalayan Plastics	5.99
Fibcom	18.20
Fibcom	0.00
Tejas	2.08
Tejas	0.00
Total	45.16

Asset-4A:

(₹ in lakh)

Particulars	2018-19
Crop Compensation	0.55
Sterlite	39.70
Sterlite	42.75
Shenzhen SDGI/ INCAP	76.53
Sree Krishna Power Engineering & Consultancy Limited	1.60
Himalayan Plastics Limited	1.18
Acme Cleantech Solutions Ltd – Supply	0.67
Acme Cleantech Solutions Ltd – Service	2.47
Fibcom	8.69
M/s Mahalaxmi Electrical Agency	5.51
Total	179.64



Asset-4B:

(₹ in lakh)

Particulars	2018-19
Civil Work	0.00
Sub-Station	0.00
PLCC/OPGW	(76.39)
I.T. Equipment	5.00
Total	(71.39)

Asset-5A:

(₹ in lakh)

Particulars	2018-19
Supreme Company and Private Limited	0.48
Supreme Company and Private Limited	4.70
Fibcom	0.00
Tejas	0.00
Total	5.18

Asset-5B:

(₹ in lakh)

Particulars	2018-19
Civil Work	0.00
Sub-Station	0.00
PLCC/OPGW	(18.57)
I.T. Equipment	0.00
Total	(18.57)

Asset-6:

(₹ in lakh)

Particulars	2018-19
Civil Work	0.00
Sub-Station	0.00
PLCC/OPGW	82.05
I.T. Equipment	4.35
Total	86.40

94. We have considered the submissions of the Petitioner. ACE claimed towards the balance and retention payments, and unexecuted works within the cut-off date have been allowed under Regulation 14(1)(i) and Regulation 14(1)(ii) of the 2014 Tariff Regulations. The un-discharged IDC has been allowed as ACE during the year of its discharge. The allowed ACE is summarized as under:

Asset-1

(₹ in lakh)

Particulars	Regulation	ACE allowed	
		2017-18	2018-19
Balance and retention payments for liabilities other than IDC	14(1)(i) and 14(1)(ii)	(101.11)	12.86
IDC Discharged after COD		5.13	0.00
Total ACE		(95.98)	12.86



Asset-2

(₹ in lakh)

Particulars	Regulation	ACE allowed	
		2017-18	2018-19
Balance and retention payments for liabilities other than IDC	14(1)(i) and 14(1)(ii)	45.23	37.29
IDC Discharged after COD		2.37	1.29
Total ACE		47.60	38.58

Asset-3

(₹ in lakh)

Particulars	Regulation	ACE allowed	
		2018-19	
Balance and retention payments for liabilities other than IDC	14(1)(i) and 14(1)(ii)	45.16	
IDC Discharged after COD		8.90	
Total ACE		54.06	

Asset-4A

(₹ in lakh)

Particulars	Regulation	ACE allowed	
		2018-19	
Balance and retention payments for liabilities other than IDC	14(1)(i) and 14(1)(ii)	179.64	
IDC Discharged after COD		0.00	
Total ACE		179.64	

Asset-4B

(₹ in lakh)

Particulars	Regulation	ACE allowed	
		2018-19	
Balance and retention payments for liabilities other than IDC	14(1)(i) and 14(1)(ii)	(71.39)	
IDC Discharged after COD		0.00	
Total ACE		(71.39)	

Asset-5A

(₹ in lakh)

Particulars	Regulation	ACE allowed	
		2018-19	
Balance and retention payments for liabilities other than IDC	14(1)(i) and 14(1)(ii)	5.18	
IDC Discharged after COD		0.00	
Total ACE		5.18	

Asset-5B

(₹ in lakh)

Particulars	Regulation	ACE allowed	
		2018-19	
Balance and retention payments for liabilities other than IDC	14(1)(i) and 14(1)(ii)	(18.57)	
IDC Discharged after COD		0.00	
Total ACE		(18.57)	



Asset-6

(₹ in lakh)

Particulars	Regulation	ACE allowed
		2018-19
Balance and retention payments for liabilities other than IDC	14(1)(i) and 14(1)(ii)	86.40
IDC Discharged after COD		0.00
Total ACE		86.40

95. The summary of capital cost and ACE allowed in respect of the transmission assets for the 2014-19 period is as follows:

(₹ in lakh)

Assets	Apportioned Approved Cost	Capital Cost allowed as on COD	ACE Allowed		Capital Cost as on 31.3.2019
			2017-18	2018-19	
Asset-1	467.51	346.07	(95.98)	12.86	262.95
Asset-2	350.00	226.45	47.60	38.58	312.63
Asset-3	570.00	429.40		54.06	483.46
Asset-4A	2150.00	1540.66		179.64	1720.30
Asset-4B	518.71	217.48		(71.39)	146.09
Asset-5A	79.00	43.50		5.18	48.68
Asset-5B	89.16	52.29		(18.57)	33.71
Asset-6	1477.55	865.04		86.40	951.44
Total	5701.93	3720.89	(48.38)	286.76	3959.26

Debt-Equity ratio

96. The Petitioner has considered a Debt-Equity ratio of 70:30 as on the COD and for ACE. The debt-equity ratio of 70:30 has been allowed in respect of the transmission assets in accordance with Regulation 19 (1) of the 2014 Tariff Regulations, and the same has been summarised as follows:

Asset-1

Funding	Capital Cost as on COD (₹ in lakh)	(%)	ACE in 2014-19 (₹ in lakh)	(%)	Capital Cost as on 31.3.2019 (₹ in lakh)	(%)
Debt	242.25	70.00	(58.18)	70.00	184.07	70.00
Equity	103.82	30.00	(24.94)	30.00	78.88	30.00
Total	346.07	100.00	(83.12)	100.00	262.95	100.00



Asset-2

Funding	Capital Cost as on COD (₹ in lakh)	(%)	ACE in 2014-19 (₹ in lakh)	(%)	Capital Cost as on 31.3.2019 (₹ in lakh)	(%)
Debt	158.52	70.00	60.33	70.00	218.84	70.00
Equity	67.93	30.00	25.85	30.00	93.79	30.00
Total	226.45	100.00	86.18	100.00	312.63	100.00

Asset-3

Funding	Capital Cost as on COD (₹ in lakh)	(%)	ACE in 2014-19 (₹ in lakh)	(%)	Capital Cost as on 31.3.2019 (₹ in lakh)	(%)
Debt	300.58	70.00	37.84	70.00	338.42	70.00
Equity	128.82	30.00	16.22	30.00	145.04	30.00
Total	429.40	100.00	54.06	100.00	483.46	100.00

Asset-4A

Funding	Capital Cost as on COD (₹ in lakh)	(%)	ACE in 2014-19 (₹ in lakh)	(%)	Capital Cost as on 31.3.2019 (₹ in lakh)	(%)
Debt	1078.46	70.00	125.75	70.00	1204.21	70.00
Equity	462.20	30.00	53.89	30.00	516.09	30.00
Total	1540.66	100.00	179.64	100.00	1720.30	100.00

Asset-4B

Funding	Capital Cost as on COD (₹ in lakh)	(%)	ACE in 2014-19 (₹ in lakh)	(%)	Capital Cost as on 31.3.2019 (₹ in lakh)	(%)
Debt	152.24	70.00	(49.97)	70.00	102.26	70.00
Equity	65.24	30.00	(21.42)	30.00	43.83	30.00
Total	217.48	100.00	(71.39)	100.00	146.09	100.00

Asset-5A

Funding	Capital Cost as on COD (₹ in lakh)	(%)	ACE in 2014-19 (₹ in lakh)	(%)	Capital Cost as on 31.3.2019 (₹ in lakh)	(%)
Debt	30.45	70.00	3.63	70.00	34.08	70.00
Equity	13.05	30.00	1.55	30.00	14.60	30.00
Total	43.50	100.00	5.18	100.00	48.68	100.00



Asset-5B

Funding	Capital Cost as on COD (₹ in lakh)	(%)	ACE in 2014-19 (₹ in lakh)	(%)	Capital Cost as on 31.3.2019 (₹ in lakh)	(%)
Debt	36.60	70.00	(13.00)	70.00	23.60	70.00
Equity	15.69	30.00	(5.57)	30.00	10.11	30.00
Total	52.29	100.00	(18.57)	100.00	33.71	100.00

Asset-6

Funding	Capital Cost as on COD (₹ in lakh)	(%)	ACE in 2014-19 (₹ in lakh)	(%)	Capital Cost as on 31.3.2019 (₹ in lakh)	(%)
Debt	605.53	70.00	60.48	70.00	666.01	70.00
Equity	259.51	30.00	25.92	30.00	285.43	30.00
Total	865.04	100.00	86.40	100.00	951.44	100.00

Depreciation

97. The Petitioner has claimed depreciation under Regulation 27 of the 2014 Tariff Regulations. The Gross Block during the 2014-19 tariff period has been depreciated at a weighted average rate of depreciation (WAROD). WAROD at Annexure-I to Annexure-VIII has been worked out after considering the depreciation rates of assets as specified in the 2014 Tariff Regulations, and depreciation allowed during the 2014-19 tariff period is as follows:

(₹ in lakh)			
Asset-1			
	Particulars	2017-18 (pro-rata 335 days)	2018-19
	Depreciation		
A	Opening Gross Block	346.07	250.09
B	ACE	(95.98)	12.86
C	Closing Gross Block (A+B)	250.09	262.95
D	Average Gross Block (A+C)/2	298.08	256.52
E	Weighted Average Rate of Depreciation (%)	6.33	6.33
F	Balance useful life of the asset	15	15
G	Elapsed life at the beginning of the year	0	0
H	Aggregate Depreciable Value (D*90%)	268.27	230.87
I	Depreciation during the year	17.32	16.24
J	Aggregate Cumulative Depreciation	17.32	33.56
K	Remaining Depreciable Value (H-J)	250.96	197.32

(₹ in lakh)

Asset-2			
	Particulars	2017-18 (pro-rata 212 days)	2018-19
	Depreciation		
A	Opening Gross Block	226.45	274.05
B	ACE	47.60	38.58
C	Closing Gross Block (A+B)	274.05	312.63
D	Average Gross Block (A+C)/2	250.25	293.34
E	Weighted Average Rate of Depreciation (%)	6.33	6.33
F	Balance useful life of the asset	15	15
G	Elapsed life at the beginning of the year	0	0
H	Aggregate Depreciable Value (D*90%)	225.23	264.01
I	Depreciation during the year	9.20	18.57
J	Aggregate Cumulative Depreciation	9.20	27.77
K	Remaining Depreciable Value (H-J)	216.02	236.24

(₹ in lakh)

Asset-3		
	Particulars	2018-19 (pro-rata 273 days)
	Depreciation	
A	Opening Gross Block	429.40
B	ACE	54.06
C	Closing Gross Block (A+B)	483.46
D	Average Gross Block (A+C)/2	456.43
E	Weighted Average Rate of Depreciation (%)	6.33
F	Balance useful life of the asset	15
G	Elapsed life at the beginning of the year	0
H	Aggregate Depreciable Value (D*90%)	410.79
I	Depreciation during the year	21.61
J	Aggregate Cumulative Depreciation	21.61
K	Remaining Depreciable Value (H-J)	389.18

(₹ in lakh)

Asset-4A		
	Particulars	2018-19 (pro-rata 211 days)
	Depreciation	
A	Opening Gross Block	1540.66
B	ACE	179.64
C	Closing Gross Block (A+B)	1720.30
D	Average Gross Block (A+C)/2	1630.48
E	Weighted Average Rate of Depreciation (%)	6.33
F	Balance useful life of the asset	15
G	Elapsed life at the beginning of the year	0
H	Aggregate Depreciable Value (D*90%)	1467.43
I	Depreciation during the year	59.66
J	Aggregate Cumulative Depreciation	59.66
K	Remaining Depreciable Value (H-J)	1407.76



(₹ in lakh)

Asset-4B		
	Particulars	2018-19 (pro-rata 211 days)
	Depreciation	
A	Opening Gross Block	217.48
B	ACE	(71.39)
C	Closing Gross Block (A+B)	146.09
D	Average Gross Block (A+C)/2	181.79
E	Weighted Average Rate of Depreciation (%)	6.33
F	Balance useful life of the asset	15
G	Elapsed life at the beginning of the year	0
H	Aggregate Depreciable Value (D*90%)	163.61
I	Depreciation during the year	6.65
J	Aggregate Cumulative Depreciation	6.65
K	Remaining Depreciable Value (H-J)	156.95

(₹ in lakh)

Asset-5A		
	Particulars	2018-19 (pro-rata 31 days)
	Depreciation	
A	Opening Gross Block	43.50
B	ACE	5.18
C	Closing Gross Block (A+B)	48.68
D	Average Gross Block (A+C)/2	46.09
E	Weighted Average Rate of Depreciation (%)	6.33
F	Balance useful life of the asset	15
G	Elapsed life at the beginning of the year	0
H	Aggregate Depreciable Value (D*90%)	41.48
I	Depreciation during the year	0.25
J	Aggregate Cumulative Depreciation	0.25
K	Remaining Depreciable Value (H-J)	41.23

(₹ in lakh)

Asset-5B		
	Particulars	2018-19 (pro-rata 31 days)
	Depreciation	
A	Opening Gross Block	52.29
B	ACE	(18.57)
C	Closing Gross Block (A+B)	33.72
D	Average Gross Block (A+C)/2	43.00
E	Weighted Average Rate of Depreciation (%)	6.33
F	Balance useful life of the asset	15
G	Elapsed life at the beginning of the year	0
H	Aggregate Depreciable Value (D*90%)	38.70
I	Depreciation during the year	0.23
J	Aggregate Cumulative Depreciation	0.23
K	Remaining Depreciable Value (H-J)	38.47



(₹ in lakh)

Asset-6		
	Particulars	2018-19 (pro-rata 31 days)
	Depreciation	
A	Opening Gross Block	865.04
B	ACE	86.40
C	Closing Gross Block (A+B)	951.44
D	Average Gross Block (A+C)/2	908.24
E	Weighted Average Rate of Depreciation (%)	6.33
F	Balance useful life of the asset	15
G	Elapsed life at the beginning of the year	0
H	Aggregate Depreciable Value (D*90%)	817.42
I	Depreciation during the year	4.88
J	Aggregate Cumulative Depreciation	4.88
K	Remaining Depreciable Value (H-J)	812.54

98. The details of depreciation approved vide order dated 25.7.2022 in Petition No. 731/TT/2020 in respect of the transmission assets, claimed by the Petitioner in the instant petition and true-up in the instant order are as follows:

(₹ in lakh)

Asset-1	2017-18 (Pro-rata 335 days)	2018-19
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	17.32	16.24
Claimed by the Petitioner in the instant petition	17.32	16.24
Approved after true-up in this order	17.32	16.24

(₹ in lakh)

Asset-2	2017-18 (Pro-rata 212 days)	2018-19
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	9.20	18.57
Claimed by the Petitioner in the instant petition	9.20	18.57
Approved after true-up in this order	9.20	18.57

(₹ in lakh)

Asset-3	2018-19 (Pro-rata 273 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	20.45
Claimed by the Petitioner in the instant petition	22.01
Approved after true-up in this order	21.61

(₹ in lakh)

Asset-4A	2018-19 (Pro-rata 211 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	58.81
Claimed by the Petitioner in the instant petition	64.36
Approved after true-up in this order	59.66



(₹ in lakh)

Asset-4B	2018-19 (Pro-rata 211 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	6.63
Claimed by the Petitioner in the instant petition	6.85
Approved after true-up in this order	6.65

(₹ in lakh)

Asset-5A	2018-19 (Pro-rata 31 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.25
Claimed by the Petitioner in the instant petition	0.29
Approved after true-up in this order	0.25

(₹ in lakh)

Asset-5B	2018-19 (Pro-rata 31 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.23
Claimed by the Petitioner in the instant petition	0.25
Approved after true-up in this order	0.23

(₹ in lakh)

Asset-6	2018-19 (Pro-rata 31 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	4.82
Claimed by the Petitioner in the instant petition	5.06
Approved after true-up in this order	4.88

Interest on Loan (IoL)

99. The Petitioner has claimed the weighted average rate of IoL based on its actual loan portfolio and rate of interest.

100. We have considered the submissions of the Petitioner and MSEDCL. IoL has been calculated based on the actual interest rate submitted by the Petitioner in accordance with Regulation 26 of the 2014 Tariff Regulations. The trued-up IoL allowed in respect of the transmission assets is as follows:

(₹ in lakh)

	Particulars	Asset-1	
		2017-18 (pro-rata 335 days)	2018-19
	Interest on Loan		
A	Gross Normative Loan	242.25	175.07
B	Cumulative Repayments upto Previous Year	0.00	17.32
C	Net Loan-Opening (A-B)	242.25	157.75
D	Additions	(67.18)	9.00
E	Repayment during the year	17.32	16.24
F	Net Loan-Closing (C+D-E)	157.75	150.51



	Particulars	Asset-1	
		2017-18 (pro-rata 335 days)	2018-19
G	Average Loan (C+F)/2	200.00	154.13
H	Weighted Average Rate of Interest on Loan (%)	7.4161	7.4270
I	Interest on Loan (G*H)	13.61	11.45

(₹ in lakh)

Particulars	Asset-2	
	2017-18 (pro-rata 212 days)	2018-19
Interest on Loan		
Gross Normative Loan	158.52	191.84
Cumulative Repayments upto Previous Year	0.00	9.20
Net Loan-Opening (A-B)	158.52	182.63
Additions	33.32	27.01
Repayment during the year	9.20	18.57
Net Loan-Closing (C+D-E)	182.63	191.07
Average Loan (C+F)/2	170.57	186.85
Weighted Average Rate of Interest on Loan (%)	7.6649	7.6979
Interest on Loan (G*H)	7.59	14.38

(₹ in lakh)

Particulars	Asset-3	
	2018-19 (pro-rata 273 days)	
Interest on Loan		
A Gross Normative Loan		300.58
B Cumulative Repayments upto Previous Year		0.00
C Net Loan-Opening (A-B)		300.58
D Additions		37.84
E Repayment during the year		21.61
F Net Loan-Closing (C+D-E)		316.81
G Average Loan (C+F)/2		308.70
H Weighted Average Rate of Interest on Loan (%)		7.5922
I Interest on Loan (G*H)		17.53

(₹ in lakh)

Particulars	Asset-4A	
	2018-19 (pro-rata 211 days)	
Interest on Loan		
A Gross Normative Loan		1078.46
B Cumulative Repayments upto Previous Year		0.00
C Net Loan-Opening (A-B)		1078.46
D Additions		125.75
E Repayment during the year		59.66
F Net Loan-Closing (C+D-E)		1144.54
G Average Loan (C+F)/2		1111.50
H Weighted Average Rate of Interest on Loan (%)		7.6323
I Interest on Loan (G*H)		49.04



(₹ in lakh)

	Particulars	Asset-4B
		2018-19 (pro-rata 211 days)
	Interest on Loan	
A	Gross Normative Loan	152.24
B	Cumulative Repayments upto Previous Year	0.00
C	Net Loan-Opening (A-B)	152.24
D	Additions	(49.97)
E	Repayment during the year	6.65
F	Net Loan-Closing (C+D-E)	95.61
G	Average Loan (C+F)/2	123.92
H	Weighted Average Rate of Interest on Loan (%)	7.7410
I	Interest on Loan (G*H)	5.55

(₹ in lakh)

	Particulars	Asset-5A
		2018-19 (pro-rata 31 days)
	Interest on Loan	
A	Gross Normative Loan	30.45
B	Cumulative Repayments upto Previous Year	0.00
C	Net Loan-Opening (A-B)	30.45
D	Additions	3.63
E	Repayment during the year	0.25
F	Net Loan-Closing (C+D-E)	33.83
G	Average Loan (C+F)/2	32.14
H	Weighted Average Rate of Interest on Loan (%)	8.3367
I	Interest on Loan (G*H)	0.23

(₹ in lakh)

	Particulars	Asset-5B
		2018-19 (pro-rata 31 days)
	Interest on Loan	
A	Gross Normative Loan	36.60
B	Cumulative Repayments upto Previous Year	0.00
C	Net Loan-Opening (A-B)	36.60
D	Additions	-13.00
E	Repayment during the year	0.23
F	Net Loan-Closing (C+D-E)	23.37
G	Average Loan (C+F)/2	29.98
H	Weighted Average Rate of Interest on Loan (%)	7.8001
I	Interest on Loan (G*H)	0.20

(₹ in lakh)

	Particulars	Asset-6
		2018-19 (pro-rata 31 days)
	Interest on Loan	
A	Gross Normative Loan	605.53
B	Cumulative Repayments upto Previous Year	0.00
C	Net Loan-Opening (A-B)	605.53
D	Additions	60.48



	Particulars	Asset-6
		2018-19 (pro-rata 31 days)
E	Repayment during the year	4.88
F	Net Loan-Closing (C+D-E)	661.13
G	Average Loan (C+F)/2	633.33
H	Weighted Average Rate of Interest on Loan (%)	7.6011
I	Interest on Loan (G*H)	4.09

101. The details of IoL allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020 for the transmission assets, claimed by the Petitioner in the instant petition and true-up IoL in the instant order are as follows:

(₹ in lakh)

Asset-1	2017-18 (Pro-rata 335 days)	2018-19
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	13.61	11.45
Claimed by the Petitioner in the instant petition	13.61	11.45
Approved after true-up in this order	13.61	11.45

(₹ in lakh)

Asset-2	2017-18 (Pro-rata 212 days)	2018-19
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	7.59	14.39
Claimed by the Petitioner in the instant petition	7.59	14.39
Approved after true-up in this order	7.59	14.38

(₹ in lakh)

Asset-3	2018-19 (Pro-rata 273 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	16.59
Claimed by the Petitioner in the instant petition	17.86
Approved after true-up in this order	17.53

(₹ in lakh)

Asset-4A	2018-19 (Pro-rata 211 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	48.34
Claimed by the Petitioner in the instant petition	52.90
Approved after true-up in this order	49.04

(₹ in lakh)

Asset-4B	2018-19 (Pro-rata 211 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	5.53
Claimed by the Petitioner in the instant petition	5.71
Approved after true-up in this order	5.55



(₹ in lakh)

Asset-5A	2018-19 (Pro-rata 31 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.23
Claimed by the Petitioner in the instant petition	0.27
Approved after true-up in this order	0.23

(₹ in lakh)

Asset-5B	2018-19 (Pro-rata 31 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.20
Claimed by the Petitioner in the instant petition	0.21
Approved after true-up in this order	0.20

(₹ in lakh)

Asset-6	2018-19 (Pro-rata 31 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	4.04
Claimed by the Petitioner in the instant petition	4.24
Approved after true-up in this order	4.09

Return on Equity (RoE)

102. The Petitioner has claimed RoE in respect of the transmission assets in terms of Regulations 24 and 25 of the 2014 Tariff Regulations. The Petitioner has submitted that it is liable to pay income tax at MAT rates and has claimed the following effective tax rates for the 2014-19 tariff period:

Year	Claimed effective tax rate (in %)	Grossed-up RoE [(Base Rate)/(1-t)] (in %)
2014-15	20.961	19.610
2015-16	21.342	19.705
2016-17	21.342	19.705
2017-18	21.342	19.705
2018-19	21.549	19.758

103. The Commission, vide order dated 27.4.2020 in Petition No.274/TT/2019, had arrived at the effective tax rate for the Petitioner based on the notified MAT rates, and the same is as follows:

Year	Notified MAT rates (inclusive of surcharge & cess)	Effective tax (in %)
2014-15	20.961	20.961
2015-16	21.342	21.342
2016-17	21.342	21.342
2017-18	21.342	21.342
2018-19	21.549	21.549



104. The MAT rates, as considered in the above-mentioned order in Petition No. 274/TT/2019, are considered for the purpose of grossing up of rate of RoE for truing up of the tariff of the 2014-19 period in terms of the provisions of the 2014 Tariff Regulations. The same is as follows:

Year	Notified MAT rates (in %) (Inclusive of surcharge & cess)	Base rate of RoE (in %)	Grossed-up RoE [(Base Rate)/(1-t)] (in %)
2014-15	20.961	15.50	19.610
2015-16	21.342	15.50	19.705
2016-17	21.342	15.50	19.705
2017-18	21.342	15.50	19.705
2018-19	21.549	15.50	19.758

105. The Petitioner has claimed RoE for the 2014-19 tariff period after grossing up the RoE @15.50% with Effective Tax rates (based on MAT rates) each year as per Regulation 25(3) of the 2014 Tariff Regulations. RoE is trued-up based on MAT rates applicable in the respective years and is allowed for the transmission assets for the 2014-19 tariff period as follows:

(₹ in lakh)

	Particulars	Asset-1	
		2017-18 (pro-rata 335 days)	2018-19
	Return on Equity		
A	Opening Equity	103.82	75.03
B	Additions	(28.79)	3.86
C	Closing Equity (A+B)	75.03	78.89
D	Average Equity (A+C)/2	89.42	76.96
E	Return on Equity (Base Rate) (%)	15.500	15.500
F	MAT Rate for respective year (%)	21.342	21.549
G	Rate of Return on Equity (%)	19.705	19.758
H	Return on Equity (D*G)	16.17	15.21

(₹ in lakh)

	Particulars	Asset-2	
		2017-18 (pro-rata 212 days)	2018-19
	Return on Equity		
A	Opening Equity	67.94	82.22
B	Additions	14.28	11.57
C	Closing Equity (A+B)	82.22	93.79
D	Average Equity (A+C)/2	75.08	88.00
E	Return on Equity (Base Rate) (%)	15.500	15.500

	Particulars	Asset-2	
		2017-18 (pro-rata 212 days)	2018-19
F	MAT Rate for respective year (%)	21.342	21.549
G	Rate of Return on Equity (%)	19.705	19.758
H	Return on Equity (D*G)	8.59	17.39

(₹ in lakh)

	Particulars	Asset-3
		2017-18 (pro-rata 273 days)
	Return on Equity	
A	Opening Equity	128.82
B	Additions	16.22
C	Closing Equity (A+B)	145.04
D	Average Equity (A+C)/2	136.93
E	Return on Equity (Base Rate) (%)	15.500
F	MAT Rate for respective year (%)	21.549
G	Rate of Return on Equity (%)	19.758
H	Return on Equity (D*G)	20.24

(₹ in lakh)

	Particulars	Asset-4A
		2018-19 (pro-rata 211 days)
	Return on Equity	
A	Opening Equity	462.20
B	Additions	53.89
C	Closing Equity (A+B)	516.09
D	Average Equity (A+C)/2	489.14
E	Return on Equity (Base Rate) (%)	15.500
F	MAT Rate for respective year (%)	21.549
G	Rate of Return on Equity (%)	19.758
H	Return on Equity (D*G)	55.87

(₹ in lakh)

	Particulars	Asset-4B
		2018-19 (pro-rata 211 days)
	Return on Equity	
A	Opening Equity	65.24
B	Additions	(21.42)
C	Closing Equity (A+B)	43.83
D	Average Equity (A+C)/2	54.54
E	Return on Equity (Base Rate) (%)	15.500
F	MAT Rate for respective year (%)	21.549
G	Rate of Return on Equity (%)	19.758
H	Return on Equity (D*G)	6.23



(₹ in lakh)

	Particulars	Asset-5A
		2018-19 (pro-rata 31 days)
	Return on Equity	
A	Opening Equity	13.05
B	Additions	1.55
C	Closing Equity (A+B)	14.60
D	Average Equity (A+C)/2	13.83
E	Return on Equity (Base Rate) (%)	15.500
F	MAT Rate for respective year (%)	21.549
G	Rate of Return on Equity (%)	19.758
H	Return on Equity (D*G)	0.23

(₹ in lakh)

	Particulars	Asset-5B
		2018-19 (pro-rata 31 days)
	Return on Equity	
A	Opening Equity	15.69
B	Additions	-5.57
C	Closing Equity (A+B)	10.11
D	Average Equity (A+C)/2	12.90
E	Return on Equity (Base Rate) (%)	15.500
F	MAT Rate for respective year (%)	21.549
G	Rate of Return on Equity (%)	19.758
H	Return on Equity (D*G)	0.22

(₹ in lakh)

	Particulars	Asset-6
		2018-19 (pro-rata 31 days)
	Return on Equity	
A	Opening Equity	259.51
B	Additions	25.92
C	Closing Equity (A+B)	285.43
D	Average Equity (A+C)/2	272.47
E	Return on Equity (Base Rate) (%)	15.500
F	MAT Rate for respective year (%)	21.549
G	Rate of Return on Equity (%)	19.758
H	Return on Equity (D*G)	4.57

106. The details of RoE approved vide order dated 25.7.2022 in Petition No. 731/TT/2020 for the transmission assets claimed by the Petitioner in the instant petition and true-up RoE in the instant order are as follows:

(₹ in lakh)

Asset-1	2017-18 (Pro-rata 335 days)	2018-19
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	16.17	15.21
Claimed by the Petitioner in the instant petition	16.18	15.21
Approved after true-up in this order	16.17	15.21



(₹ in lakh)

Asset-2	2017-18 (Pro-rata 212 days)	2018-19
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	8.59	17.39
Claimed by the Petitioner in the instant petition	8.59	17.39
Approved after true-up in this order	8.59	17.39

(₹ in lakh)

Asset-3	2018-19 (Pro-rata 273 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	19.15
Claimed by the Petitioner in the instant petition	20.61
Approved after true-up in this order	20.24

(₹ in lakh)

Asset-4A	2018-19 (Pro-rata 211 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	55.07
Claimed by the Petitioner in the instant petition	60.27
Approved after true-up in this order	55.87

(₹ in lakh)

Asset-4B	2018-19 (Pro-rata 211 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	6.21
Claimed by the Petitioner in the instant petition	6.42
Approved after true-up in this order	6.23

(₹ in lakh)

Asset-5A	2018-19 (Pro-rata 31 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.23
Claimed by the Petitioner in the instant petition	0.28
Approved after true-up in this order	0.23

(₹ in lakh)

Asset-5B	2018-19 (Pro-rata 31 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.22
Claimed by the Petitioner in the instant petition	0.23
Approved after true-up in this order	0.22

(₹ in lakh)

Asset-6	2018-19 (Pro-rata 31 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	4.52
Claimed by the Petitioner in the instant petition	4.74
Approved after true-up in this order	4.57

Operation and Maintenance (O&M) Expenses

107. The Petitioner has not claimed any O&M expenses for Asset-3, Asset-5A, and Asset-6, which are part of the State Sector. As per the tariff Forms, the actual O&M



expenses claimed by the Petitioner for Asset-1, Asset-2, Asset-4A, Asset-4B, Asset-5B is as follows:

Asset details	2017-18 (₹ in lakh)	2018-19 (₹ in lakh)
Asset-1	0.34	0.49
Asset-2	0.00	0.56
Asset-4A	-	3.66
Asset-4B	-	0.38
Asset-5B	-	0.10

108. We have considered the submissions of the Petitioner and the details of O&M expenses approved vide order dated 25.7.2022 in Petition No. 731/TT/2020, actual O&M expenses claimed by the Petitioner in the instant petition and allowed after true-up in the instant order against the different transmission assets, i.e., Asset-1, Asset-2, Asset-4A, Asset-4B and Asset-5B are as follows:

(₹ in lakh)

Asset-1	2017-18 (Pro-rata 335 days)	2018-19
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.34	0.49
Claimed by the Petitioner in the instant petition	0.34	0.49
Approved after true-up in this order	0.34	0.49

(₹ in lakh)

Asset-2	2017-18 (Pro-rata 212 days)	2018-19
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.00	0.56
Claimed by the Petitioner in the instant petition	0.00	0.56
Approved after true-up in this order	0.00	0.56

(₹ in lakh)

Asset-4A	2018-19 (Pro-rata 211 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	3.66
Claimed by the Petitioner in the instant petition	3.66
Approved after true-up in this order	3.66

(₹ in lakh)

Asset-4B	2018-19 (Pro-rata 211 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.38
Claimed by the Petitioner in the instant petition	0.38
Approved after true-up in this order	0.38



(₹ in lakh)

Asset-5B	2018-19 (Pro-rata 31 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.10
Claimed by the Petitioner in the instant petition	0.10
Approved after true-up in this order	0.10

Interest on Working Capital (IWC)

109. IWC has been worked out as per the methodology provided in Regulation 28 of the 2014 Tariff Regulations, and the details are as follows:

(₹ in lakh)

	Particulars	Asset-1	
		2017-18 (Pro-rata 335 days)	2018-19
	Interest on Working Capital		
A	O & M Expenses	0.03	0.04
B	Maintenance Spares	0.06	0.07
C	Receivables	8.80	7.39
D	Total Working Capital (A+B+C)	8.89	7.50
E	Rate of Interest (%)	12.60	12.60
F	Interest of working capital (D*E)	1.03	0.95

(₹ in lakh)

	Particulars	Asset-2	
		2017-18 (Pro-rata 212 days)	2018-19
	Interest on Working Capital		
A	O & M Expenses	0.00	0.05
B	Maintenance Spares	0.00	0.08
C	Receivables	7.44	8.67
D	Total Working Capital (A+B+C)	7.44	8.80
E	Rate of Interest (%)	12.60	12.60
F	Interest of working capital (D*E)	0.54	1.11

(₹ in lakh)

	Particulars	Asset-3
		2018-19 (Pro-rata 273 days)
	Interest on Working Capital	
A	O & M Expenses	0.00
B	Maintenance Spares	0.00
C	Receivables	13.51
D	Total Working Capital (A+B+C)	13.51
E	Rate of Interest (%)	12.20
F	Interest of working capital (D*E)	1.23

(₹ in lakh)

	Particulars	Asset-4A
		2018-19 (Pro-rata 211 days)
	Interest on Working Capital	
A	O & M Expenses	0.53
B	Maintenance Spares	0.95



	Particulars	Asset-4A
		2018-19 (Pro-rata 211 days)
C	Receivables	49.54
D	Total Working Capital (A+B+C)	51.02
E	Rate of Interest (%)	12.20
F	Interest of working capital (D*E)	3.60

(₹ in lakh)

	Particulars	Asset-4B
		2018-19 (Pro-rata 211 days)
	Interest on Working Capital	
A	O & M Expenses	0.05
B	Maintenance Spares	0.10
C	Receivables	5.54
D	Total Working Capital (A+B+C)	5.69
E	Rate of Interest (%)	12.20
F	Interest of working capital (D*E)	0.40

(₹ in lakh)

	Particulars	Asset-5A
		2018-19 (Pro-rata 31 days)
	Interest on Working Capital	
A	O & M Expenses	0.00
B	Maintenance Spares	0.00
C	Receivables	1.42
D	Total Working Capital (A+B+C)	1.42
E	Rate of Interest (%)	12.20
F	Interest of working capital (D*E)	0.01

(₹ in lakh)

	Particulars	Asset-5B
		2018-19 (Pro-rata 31 days)
	Interest on Working Capital	
A	O & M Expenses	0.10
B	Maintenance Spares	0.18
C	Receivables	1.50
D	Total Working Capital (A+B+C)	1.78
E	Rate of Interest (%)	12.20
F	Interest of working capital (D*E)	0.02

(₹ in lakh)

	Particulars	Asset-6
		2018-19 (Pro-rata 31 days)
	Interest on Working Capital	
A	O & M Expenses	0.00
B	Maintenance Spares	0.00
C	Receivables	27.13
D	Total Working Capital (A+B+C)	27.13
E	Rate of Interest (%)	12.20
F	Interest of working capital (D*E)	0.28



110. The details of IWC allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020 for transmission assets, claimed by the Petitioner in the instant petition, and true-up IWC in the instant order are as follows:

(₹ in lakh)

Asset-1	2017-18 (Pro-rata 335 days)	2018-19
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	1.03	0.95
Claimed by the Petitioner in the instant petition	1.03	0.95
Approved after true-up in this order	1.03	0.95

(₹ in lakh)

Asset-2	2017-18 (Pro-rata 212 days)	2018-19
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.54	1.12
Claimed by the Petitioner in the instant petition	0.55	1.11
Approved after true-up in this order	0.54	1.11

(₹ in lakh)

Asset-3	2018-19 (Pro-rata 273 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	1.21
Claimed by the Petitioner in the instant petition	1.26
Approved after true-up in this order	1.23

(₹ in lakh)

Asset-4A	2018-19 (Pro-rata 211 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	3.55
Claimed by the Petitioner in the instant petition	3.87
Approved after true-up in this order	3.60

(₹ in lakh)

Asset-4B	2018-19 (Pro-rata 211 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.40
Claimed by the Petitioner in the instant petition	0.41
Approved after true-up in this order	0.40

(₹ in lakh)

Asset-5A	2018-19 (Pro-rata 31 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.02
Claimed by the Petitioner in the instant petition	0.02
Approved after true-up in this order	0.01



(₹ in lakh)

Asset-5B	2018-19 (Pro-rata 31 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.02
Claimed by the Petitioner in the instant petition	0.02
Approved after true-up in this order	0.02

(₹ in lakh)

Asset-6	2018-19 (Pro-rata 31 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.28
Claimed by the Petitioner in the instant petition	0.29
Approved after true-up in this order	0.28

Trued-up Annual Fixed Charges for 2014-19 Tariff Period

111. The trued-up AFC for the transmission assets for the tariff period 2014-19 is summarised as follows:

(₹ in lakh)

	Particulars	Asset-1	
		2017-18 (pro-rata 335 days)	2018-19
	Annual Transmission Charges		
A	Depreciation	17.32	16.24
B	Interest on Loan	13.61	11.45
C	Return on Equity	16.17	15.21
D	O&M Expenses	0.34	0.49
E	Interest on Working Capital	1.03	0.95
F	Total (A+B+C+D+E)	48.47	44.34

(₹ in lakh)

	Particulars	Asset-2	
		2017-18 (pro-rata 212 days)	2018-19
	Annual Transmission Charges		
A	Depreciation	9.20	18.57
B	Interest on Loan	7.59	14.38
C	Return on Equity	8.59	17.39
D	O&M Expenses	0.00	0.56
E	Interest on Working Capital	0.54	1.11
F	Total (A+B+C+D+E)	25.93	52.01

(₹ in lakh)

	Particulars	Asset-3
		2018-19 (pro-rata 273 days)
	Annual Transmission Charges	
A	Depreciation	21.61
B	Interest on Loan	17.53
C	Return on Equity	20.24
D	O&M Expenses	0.00
E	Interest on Working Capital	1.23
F	Total (A+B+C+D+E)	60.61



(₹ in lakh)

	Particulars	Asset-4A
		2018-19 (pro-rata 211 days)
	Annual Transmission Charges	
A	Depreciation	59.66
B	Interest on Loan	49.04
C	Return on Equity	55.87
D	O&M Expenses	3.66
E	Interest on Working Capital	3.60
F	Total (A+B+C+D+E)	171.83

(₹ in lakh)

	Particulars	Asset-4B
		2018-19 (pro-rata 211 days)
	Annual Transmission Charges	
A	Depreciation	6.65
B	Interest on Loan	5.55
C	Return on Equity	6.23
D	O&M Expenses	0.38
E	Interest on Working Capital	0.40
F	Total (A+B+C+D+E)	19.21

(₹ in lakh)

	Particulars	Asset-5A
		2018-19 (pro-rata 31 days)
	Annual Transmission Charges	
A	Depreciation	0.25
B	Interest on Loan	0.23
C	Return on Equity	0.23
D	O&M Expenses	0.00
E	Interest on Working Capital	0.01
F	Total (A+B+C+D+E)	0.72

(₹ in lakh)

	Particulars	Asset-5B
		2018-19 (pro-rata 31 days)
	Annual Transmission Charges	
A	Depreciation	0.23
B	Interest on Loan	0.20
C	Return on Equity	0.22
D	O&M Expenses	0.10
E	Interest on Working Capital	0.02
F	Total (A+B+C+D+E)	0.77

(₹ in lakh)

	Particulars	Asset-6
		2018-19 (pro-rata 31 days)
	Annual Transmission Charges	
A	Depreciation	4.88
B	Interest on Loan	4.09
C	Return on Equity	4.57
D	O&M Expenses	0.00
E	Interest on Working Capital	0.28
F	Total (A+B+C+D+E)	13.82



112. The details of AFC allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020 for transmission assets, AFC claimed by the Petitioner in the instant petition and true-up in the instant order are as follows:

(₹ in lakh)

Asset-1	2017-18 (Pro-rata 335 days)	2018-19
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	48.48	44.33
Claimed by the Petitioner in the instant petition	48.48	44.34
Approved after true-up in this order	48.47	44.34

(₹ in lakh)

Asset-2	2017-18 (Pro-rata 212 days)	2018-19
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	25.93	52.03
Claimed by the Petitioner in the instant petition	25.93	52.02
Approved after true-up in this order	25.93	52.01

(₹ in lakh)

Asset-3	2018-19 (Pro-rata 273 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	58.37
Claimed by the Petitioner in the instant petition	61.74
Approved after true-up in this order	60.61

(₹ in lakh)

Asset-4A	2018-19 (Pro-rata 211 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	169.43
Claimed by the Petitioner in the instant petition	185.06
Approved after true-up in this order	171.83

(₹ in lakh)

Asset-4B	2018-19 (Pro-rata 211 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	19.15
Claimed by the Petitioner in the instant petition	19.77
Approved after true-up in this order	19.21

(₹ in lakh)

Asset-5A	2018-19 (Pro-rata 31 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.84
Claimed by the Petitioner in the instant petition	0.86
Approved after true-up in this order	0.72



(₹ in lakh)

Asset-5B	2018-19 (Pro-rata 31 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	0.77
Claimed by the Petitioner in the instant petition	0.81
Approved after true-up in this order	0.77

(₹ in lakh)

Asset-6	2018-19 (Pro-rata 31 days)
Allowed vide order dated 25.7.2022 in Petition No. 731/TT/2020	13.66
Claimed by the Petitioner in the instant petition	14.33
Approved after true-up in this order	13.82

Determination of Annual Fixed Charges for the 2019-24 Tariff Period

113. The Petitioner has combined the five transmission assets, namely, Asset-1, Asset-2, Asset-4A, Asset-4B, and Asset-5B, into a Combined Asset and has filed a consolidated petition claiming tariff for the Combined Asset for the 2019-24 tariff period as provided in Regulation 8(1) of the 2019 Tariff Regulations.

114. The Petitioner vide affidavit dated 28.11.2023 has submitted that the optic fibre links which pertain to the central sector have been combined while calculating the transmission tariff for the 2019-24 period, while the links pertaining to the state sector have not been combined during the 2019-24 period due to bilateral billing of the respective assets. Further, the Petitioner has claimed the following transmission charges for the 2019-24 tariff period:

(₹ in lakh)

Particulars	Combined Asset-1, 2,4A,4B & 5B				
	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	168.99	179.20	195.28	206.12	209.03
Interest on Loan	126.71	121.74	121.46	115.99	102.34
Return on Equity	150.42	159.51	173.83	183.47	186.07
Interest on Working Capital	9.59	9.82	10.28	10.51	10.36
O&M Expenses	66.05	66.05	66.05	66.05	66.05
Total	521.76	536.32	566.90	582.14	573.85

(₹ in lakh)

Particulars	Asset-3				
	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	32.36	33.52	33.58	33.74	33.90



	Asset-3				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Interest on Loan	24.43	22.91	20.45	18.07	15.59
Return on Equity	28.80	29.83	29.89	30.03	30.17
Interest on Working Capital	1.29	1.30	1.27	1.23	1.20
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	86.88	87.56	85.19	83.07	80.86

(₹ in lakh)

	Asset-5A				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	3.93	4.23	4.23	4.27	4.31
Interest on Loan	3.43	3.37	3.02	2.70	2.38
Return on Equity	3.50	3.76	3.76	3.80	3.84
Interest on Working Capital	0.16	0.17	0.17	0.16	0.16
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	11.02	11.53	11.18	10.93	10.69

(₹ in lakh)

	Asset-6				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	64.79	70.86	74.58	74.58	74.58
Interest on Loan	51.86	51.41	48.84	43.35	37.64
Return on Equity	57.67	63.07	66.38	66.38	66.38
Interest on Working Capital	2.62	2.79	2.86	2.78	2.69
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	176.94	188.13	192.66	187.09	181.29

115. The details of IWC claimed by the Petitioner for the 2019-24 tariff period for transmission assets are as under:

(₹ in lakh)

	Combined Asset-1, 2,4A,4B & 5B				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	5.50	5.50	5.50	5.50	5.50
Maintenance Spares	9.91	9.91	9.91	9.91	9.91
Receivables	64.15	66.12	69.89	71.77	70.56
Total Working Capital	79.56	81.53	85.30	87.18	85.97
Rate of Interest (%)	12.05	12.05	12.05	12.05	12.05
Interest on Working Capital	9.59	9.82	10.28	10.51	10.36

(₹ in lakh)

	Asset-3				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Spares	0.00	0.00	0.00	0.00	0.00



	Asset-3				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Receivables	10.68	10.80	10.50	10.24	9.94
Total Working Capital	10.68	10.80	10.50	10.24	9.94
Rate of Interest (%)	12.05	12.05	12.05	12.05	12.05
Interest on Working Capital	1.29	1.30	1.27	1.23	1.20

(₹ in lakh)

	Asset-5A				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Spares	0.00	0.00	0.00	0.00	0.00
Receivables	1.35	1.42	1.38	1.35	1.31
Total Working Capital	1.35	1.42	1.38	1.35	1.31
Rate of Interest (%)	12.05	12.05	12.05	12.05	12.05
Interest on Working Capital	0.16	0.17	0.17	0.16	0.16

(₹ in lakh)

	Asset-6				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Spares	0.00	0.00	0.00	0.00	0.00
Receivables	21.75	23.19	23.75	23.07	22.29
Total Working Capital	21.75	23.19	23.75	23.07	22.29
Rate of Interest (%)	12.05	12.05	12.05	12.05	12.05
Interest on Working Capital	2.62	2.79	2.86	2.78	2.69

Effective Date of Commercial Operation (“E-COD”)

116. The Petitioner has claimed that the E-COD of the Combined Asset works out to be 4.6.2018. Based on the trued-up admitted capital cost as on 31.3.2019 and the actual COD of all the transmission assets, E-COD has been worked out as follows:

Asset	Capital Cost as on 31.3.2019 (₹ in lakh)	COD	Number of days from last COD	Weightage of Cost (in %)	Weighted Days
Asset-1	262.95	1.5.2017	669.00	10.62	71.05
Asset-2	312.63	1.9.2017	546.00	12.63	68.96
Asset-4A	1720.30	2.9.2018	180.00	69.49	125.08
Asset-4B	146.09	2.9.2018	180.00	5.90	10.62
Asset-5B	33.71	1.3.2019	0.00	1.36	0.00



Asset	Capital Cost as on 31.3.2019 (₹ in lakh)	COD	Number of days from last COD	Weightage of Cost (in %)	Weighted Days
Total	2475.68			100	275.71
Effective COD	29.5.2018				

117. E-COD is used to determine the lapsed life of the project, which works out as zero years as on 1.4.2019 (i.e., the number of completed years as on 1.4.2019 from E-COD).

Weighted Average Life (“WAL”) of the Assets

118. The Combined Asset may have multiple elements such as land, building, transmission line, sub-station, and PLCC, and each element may have a different span of life. Therefore, the concept of WAL has been used as the useful life of the project as a whole.

119. WAL has been determined based on the admitted capital cost of individual elements as on 31.3.2019 and their respective life as specified in the 2019 Tariff Regulation element-wises. The element-wise life as defined in the 2014 Tariff Regulations prevailing at the time of actual COD of individual assets has been ignored for this purpose. The life as defined in the 2019 Tariff Regulations has been considered for the determination of WAL. Accordingly, WAL of all the transmission assets put into commercial operation during the 2014-19 period has been worked out as 15 years as follows:

Particulars	Capital Cost as on 31.3.2019 (₹ in lakh)	Life (in years)	Weighted Cost (₹ in lakh)	Weighted Average Life of Asset (in years)
Freehold Land	0.00	-	0.00	15
Leasehold Land	0.00	-	0.00	
Building Civil Works & Colony	0.00	-	0.00	
Transmission Line	0.00	-	0.00	
Sub Station	0.00	-	0.00	
PLCC	2475.68	15	37135.20	
IT Equipment (Incl. Software)	0.00	-	0.00	
Total	2475.68		37135.20	

120. WAL as on 1.4.2019, as determined above is applicable prospectively (i.e., for the 2019-24 tariff period onwards) and no retrospective adjustment of depreciation in the previous tariff period is required to be done. As discussed above, E-COD of the Combined Asset is 29.5.2018, and the lapsed life of the project as a whole works out as zero years as on 1.4.2019 (i.e., the number of completed years as on 1.4.2019 from ECOD). Accordingly, WAL has been used to determine the remaining useful life as on 31.3.2019 to be 15 years.

Capital Cost

121. Regulation 19 of the 2019 Tariff Regulations provides as follows:

“19 Capital Cost: (1) *The Capital cost of the generating station or the transmission system, as the case may be, as determined by the Commission after prudence check in accordance with these regulations shall form the basis for determination of tariff for existing and new projects.*

(2) *The Capital Cost of a new project shall include the following:*

- (a) *The expenditure incurred or projected to be incurred up to the date of commercial operation of the project;*
- (b) *Interest during construction and financing charges, on the loans (i) being equal to 70% of the funds deployed, in the event of the actual equity in excess of 30% of the funds deployed, by treating the excess equity as normative loan, or (ii) being equal to the actual amount of loan in the event of the actual equity less than 30% of the funds deployed;*
- (c) *Any gain or loss on account of foreign exchange risk variation pertaining to the loan amount availed during the construction period;*
- (d) *Interest during construction and incidental expenditure during construction as computed in accordance with these regulations;*
- (e) *Capitalised Initial Spares subject to the ceiling rates in accordance with these regulations;*
- (f) *Expenditure on account of additional capitalization and de-capitalisation determined in accordance with these regulations;*
- (g) *Adjustment of revenue due to sale of infirm power in excess of fuel cost prior to the date of commercial operation as specified under Regulation 7 of these regulations;*
- (h) *Adjustment of revenue earned by the transmission licensee by using the assets before the date of commercial operation;*
- (i) *Capital expenditure on account of ash disposal and utilization including handling and transportation facility;*
- (j) *Capital expenditure incurred towards railway infrastructure and its augmentation for transportation of coal upto the receiving end of the generating station but does not include the transportation cost and any other appurtenant cost paid to the railway;*
- (k) *Capital expenditure on account of biomass handling equipment and facilities, for co-firing;*
- (l) *Capital expenditure on account of emission control system necessary to meet the revised emission standards and sewage treatment plant;*
- (m) *Expenditure on account of fulfilment of any conditions for obtaining environment clearance for the project;*



(n) Expenditure on account of change in law and force majeure events; and
(o) Capital cost incurred or projected to be incurred by a thermal generating station, on account of implementation of the norms under Perform, Achieve and Trade (PAT) scheme of Government of India shall be considered by the Commission subject to sharing of benefits accrued under the PAT scheme with the beneficiaries.

(3) The Capital cost of an existing project shall include the following:

- (a) Capital cost admitted by the Commission prior to 1.4.2019 duly tried up by excluding liability, if any, as on 1.4.2019;
- (b) Additional capitalization and de-capitalization for the respective year of tariff as determined in accordance with these regulations;
- (c) Capital expenditure on account of ash disposal and utilization including handling and transportation facility;
- (d) Capital expenditure on account of ash disposal and utilization including handling and transportation facility;
- (e) Capital expenditure incurred towards railway infrastructure and its augmentation for transportation of coal up to the receiving end of generating station but does not include the transportation cost and any other appurtenant cost paid to the railway; and
- (f) Capital cost incurred or projected to be incurred by a thermal generating station, on account of implementation of the norms under Perform, Achieve and Trade (PAT) scheme of Government of India shall be considered by the Commission subject to sharing of benefits accrued under the PAT scheme with the beneficiaries.”

(4) The capital cost in case of existing or new hydro generating station shall also include:

- (a) cost of approved rehabilitation and resettlement (R&R) plan of the project in conformity with National R&R Policy and R&R package as approved; and
- (b) cost of the developer's 10% contribution towards Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) and Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) project in the affected area.

(5) The following shall be excluded from the capital cost of the existing and new projects:

- (a) The assets forming part of the project, but not in use, as declared in the tariff petition;
- (b) De-capitalised Assets after the date of commercial operation on account of replacement or removal on account of obsolescence or shifting from one project to another project:

Provided that in case replacement of transmission asset is recommended by Regional Power Committee, such asset shall be decapitalised only after its redeployment;

Provided further that unless shifting of an asset from one project to another is of permanent nature, there shall be no de-capitalization of the concerned assets.

(c) *In case of hydro generating stations, any expenditure incurred or committed to be incurred by a project developer for getting the project site allotted by the State Government by following a transparent process;*

(d) *Proportionate cost of land of the existing project which is being used for generating power from generating station based on renewable energy; and*

(e) *Any grant received from the Central or State Government or any statutory body or authority for the execution of the project which does not carry any liability of repayment.”*



122. The Petitioner has claimed the following capital cost of the transmission assets during the 2019-24 tariff period:

(₹ in lakh)

Assets	Capital Cost claimed as on 31.3.2019	ACE Claimed				Estimated Completion Cost
		2019-20	2020-21	2021-22	2022-23	
Combined Asset-1, 2, 4A, 4B & 5B	2637.16	64.94	257.81	250.32	92.06	3302.29
Asset-3	494.00	34.39	2.15	0.00	5.01	535.55
Asset-5A	57.38	9.39	0.00	0.00	1.36	68.13
Asset-6	986.50	74.08	117.62	0.00	0.00	1178.21
Total	4175.04	182.80	377.59	250.32	98.43	5084.18

123. We have considered the submissions of the Petitioner. The capital cost has been dealt with in line with Regulation 19(3) of the 2019 Tariff Regulations. The element-wise capital cost (i.e., land, building, transmission line, Sub-station, and PLCC) as admitted by the Commission as on 31.3.2019 for the transmission assets has been considered as capital cost as on 1.4.2019 as per the following details:

(₹ in lakh)

Element	Combined Asset-1, 2, 4A, 4B & 5B	Asset-3	Asset-5A	Asset-6
PLCC	2475.68	483.46	48.68	951.44
Total	2475.68	483.46	48.68	951.44

124. The trued-up capital cost of ₹ 262.95 lakh for Asset-1, ₹ 312.63 lakhs for Asset-2, ₹ 483.46 lakh for Asset-3, ₹ 1720.30 lakh for Asset-4A, ₹ 146.09 lakh for Asset-4B, ₹ 48.68 lakh for Asset-5A, ₹ 33.71 lakh for Asset-5B, and ₹ 951.44 lakh for Asset-6 is considered as admitted capital cost as on 31.3.2019 for working out the tariff for 2019-24 tariff period.

Additional Capital Expenditure (ACE)

125. Regulations 24 and 25 of the 2019 Tariff Regulations provide as follows:

“24. Additional Capitalisation within the original scope and upto the cut-off date:

(1) The additional capital expenditure in respect of a new project or an existing project incurred or projected to be incurred, on the following counts within the original



scope of work, after the date of commercial operation and up to the cut-off date may be admitted by the Commission, subject to prudence check:

- (a) Undischarged liabilities recognized to be payable at a future date;
- (b) Works deferred for execution;
- (c) Procurement of initial capital spares within the original scope of work, in accordance with the provisions of Regulation 23 of these regulations;
- (d) Liabilities to meet award of arbitration or for compliance of the directions or order of any statutory authority or order or decree of any court of law;
- (e) Change in law or compliance of any existing law; and
- (f) Force Majeure events:

Provided that in case of any replacement of the assets, the additional capitalization shall be worked out after adjusting the gross fixed assets and cumulative depreciation of the assets replaced on account of de-capitalization.

(2) The generating company or the transmission licensee, as the case may be shall submit the details of works asset wise/work wise included in the original scope of work along with estimates of expenditure, liabilities recognized to be payable at a future date and the works deferred for execution.

25. Additional Capitalisation within the original scope and after the cut-off date

(1) The additional capital expenditure incurred or projected to be incurred in respect of an existing project or a new project on the following counts within the original scope of work and after the cut-off date may be admitted by the Commission, subject to prudence check:

- (a) Liabilities to meet award of arbitration or for compliance of the directions or order of any statutory authority, or order or decree of any court of law;
- (b) Change in law or compliance of any existing law;
- (c) Deferred works relating to ash pond or ash handling system in the original scope of work;
- (d) Liability for works executed prior to the cut-off date;
- (e) Force Majeure events;
- (f) Liability for works admitted by the Commission after the cut-off date to the extent of discharge of such liabilities by actual payments;
- (g) Raising of ash dyke as a part of ash disposal system.

(2) In case of replacement of assets deployed under the original scope of the existing project after cut-off date, the additional capitalization may be admitted by the Commission, after making necessary adjustments in the gross fixed assets and the cumulative depreciation, subject to prudence check on the following grounds:

- (a) The useful life of the assets is not commensurate with the useful life of the project and such assets have been fully depreciated in accordance with the provisions of these regulations;
- (b) The replacement of the asset or equipment is necessary on account of change in law or Force Majeure conditions;
- (c) The replacement of such asset or equipment is necessary on account of obsolescence of technology; and
- (d) The replacement of such asset or equipment has otherwise been allowed by the Commission."

126. The Petitioner has claimed ACE of ₹665.13 lakhs for Combined Asset of 1, 2, 4A, 4B & 5B, ₹41.55 lakhs for Asset-3, ₹10.75 lakhs for Asset-5A, and ₹191.70 lakh for Asset- 6 for the 2019-24 period under Regulations 24(1)(a) and 24(1)(b) of the 2019



Tariff Regulations on account of the undischarged liabilities recognized to be payable at a future date and works deferred for execution. The same has been summarised as follows:

(₹ in lakh)

Assets	Projected ACE				
	2019-20	2020-21	2021-22	2022-23	Total (2019-24)
Combined Asset-1, 2, 4A, 4B & 5B	64.94	257.81	250.32	92.06	665.13
Asset-3	34.39	2.15	0.00	5.01	41.55
Asset-5A	9.39	0.00	0.00	1.36	10.75
Asset-6	74.08	117.62	0.00	0.00	191.70

127. The details of ACE claimed by the Petitioner for the transmission assets are as under:

Asset-1:

(₹ in lakh)

Particulars	2019-20	2021-22
Sub-Station	4.00	5.00
PLCC/OPGW	37.12	135.04
I.T. Equipment	4.00	0.00
Total	45.12	140.04

Asset-2:

(₹ in lakh)

Particulars	2019-20			2020-21 (Unexecuted Work)	2022-23 (Liability Discharge)
	Liability Discharge	Unexecuted Work	Total		
Sterlite	4.38	0.00	4.38	0.00	0.52
Sterlite	22.73	0.00	22.73	0.00	1.76
Fibcom	2.03	0.00	2.03	0.00	0.40
Fibcom	0.00	0.00	0.00	0.00	0.31
Telecom Share/ Transfer	0.00	(100.18)	(100.18)	100.18	0.00
Total	29.14	(100.18)	(71.04)	100.18	2.99

Asset-3:

(₹ in lakh)

Particulars	2019-20	2020-21	2022-23
Shenzhen SDGI/ INCAP	0.00	2.15	0.00
Sree Krishna Power Engineering and Consultancy Limited	12.41	0.00	0.00
Fibcom	13.41	0.00	0.22
Fibcom	0.00	0.00	2.74
Tejas	3.58	0.00	1.29
Tejas	4.84	0.00	0.76
Total	34.25	2.15	5.01



Asset-4A:

(₹ in lakh)

Particulars	2019-20			2020-21			2022-23
	Liability Discharge	Unexecuted Work	Total	Liability Discharge	Unexecuted Work	Total	
Crop Compensation	0.00	(65.16)		0.00	65.16		0.00
Sterlite	6.00			0.00			68.34
Sterlite	22.87			0.00			7.93
Shenzhen SDGI/ INCAP	0.00			64.14			0.00
Sree Krishna Power Engineering & Consultancy Limited	55.98			0.00			0.00
Himalayan Plastics Limited	0.00			0.00			0.00
Acme Cleantech Solutions Ltd – Supply	0.00			0.00			0.00
Acme Cleantech Solutions Ltd – Service	0.00			0.00			0.00
Fibcom	14.79			12.74			12.21
M/s Mahalaxmi Electrical Agency	0.00			0.00			0.00
Total	99.64		(65.16)	34.48		76.88	65.16

Asset-4B:

(₹ in lakh)

Particulars	2019-20	2021-22	2022-23
Sub-Station	2.50	5.00	2.00
PLCC/OPGW	40.96	84.70	(8.73)
I.T. Equipment	9.55	0.00	7.31
Total	53.01	89.70	0.58

Asset-5A:

(₹ in lakh)

Particulars	2019-20	2022-23
Supreme Company and Private Limited	8.28	0.00
Fibcom	0.40	0.63
Tejas	0.71	0.73
Total	9.39	1.36

Asset-5B:

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22
PLCC/OPGW	0.13	15.58	20.58
Total	0.13	15.58	20.58



Asset-6:

(₹ in lakh)

Particulars	2020-21	2021-22
PLCC/OPGW	30.81	81.49
I.T. Equipment	25.79	36.14
Total	56.60	117.63

128. The ACE claimed by the Petitioner for the Combined Asset - 1, 2, 4A, 4B & 5B is calculated by combining the claims made for Asset-1, Asset-2, Asset-4A, Asset-4B, and Asset-5B, and is calculated as follows:

(₹ in lakh)

Balance and retention payments for liabilities other than IDC				
Particulars	2019-20	2020-21	2021-22	2022-23
Asset-1	45.12	0.00	140.04	0.00
Asset-2	(71.04)	100.18	0.00	2.99
Asset-4A	34.48	142.04	0.00	88.48
Asset-4B	53.01	0.00	89.70	0.58
Asset-5B	0.13	15.58	20.58	0.00
Total	61.69	257.81	250.32	92.06

129. We have considered the submissions of the Petitioner. The un-discharged IDC as on COD has been allowed as ACE during the year of its discharge. The allowed ACE is summarized as follows:

Combined Asset-1, 2, 4A, 4B & 5B

(₹ in lakh)

Particulars	Regulation	ACE allowed			
		2019-20	2020-21	2021-22	2022-23
Balance and retention payments for liabilities other than IDC	24(1)(a) and 24(1)(b)	61.69	257.81	250.32	92.06
Total ACE		61.69	257.81	250.32	92.06

Asset-3

(₹ in lakh)

Particulars	Regulation	ACE allowed		
		2019-20	2020-21	2022-23
Balance and retention payments for liabilities other than IDC	24(1)(a) and 24(1)(b)	34.25	2.15	5.01
Total ACE		34.25	2.15	5.01



Asset-5A

(₹ in lakh)

Particulars	Regulation	ACE allowed	
		2019-20	2022-23
Balance and retention payments for liabilities other than IDC	24(1)(a) and 24(1)(b)	9.39	1.36
Total ACE		9.39	1.36

Asset-6

(₹ in lakh)

Particulars	Regulation	ACE allowed	
		2019-20	2020-21
Balance and retention payments for liabilities other than IDC	24(1)(a) and 24(1)(b)	56.60	117.63
Total ACE		56.60	117.63

130. The total capital expenditure as on 31.3.2024 is within the apportioned approved cost. Accordingly, ACE for 2019-24 and the capital cost as on 31.3.2024 for the transmission assets considered are as follows:

(₹ in lakh)

Asset	Capital Cost admitted as on 1.4.2019 (A)	ACE allowed for 2019-24 (B)				Capital Cost allowed as on 31.3.2024
		2019-20	2020-21	2021-22	2022-23	
Combined Asset-1, 2, 4A, 4B & 5B	2475.68	61.69	257.81	250.32	92.06	3137.56
Asset-3	483.46	34.25	2.15	0.00	5.01	524.87
Asset-5A	48.68	9.39	0.00	0.00	1.36	59.43
Asset-6	951.44	56.60	117.63	0.00	0.00	1125.67
Total	3959.26	161.93	377.59	250.32	98.43	4847.53

Debt-Equity ratio

131. Regulation 18 of the 2019 Tariff Regulations provides as follows:

“18. Debt-Equity Ratio: (1) For new projects, the debt-equity ratio of 70:30 as on date of commercial operation shall be considered. If the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as normative loan:

Provided that:

- where equity actually deployed is less than 30% of the capital cost, actual equity shall be considered for determination of tariff:
- the equity invested in foreign currency shall be designated in Indian rupees on the date of each investment:



- iii. any grant obtained for the execution of the project shall not be considered as a part of capital structure for the purpose of debt: equity ratio.

Explanation.-The premium, if any, raised by the generating company or the transmission licensee, as the case may be, while issuing share capital and investment of internal resources created out of its free reserve, for the funding of the project, shall be reckoned as paid up capital for the purpose of computing return on equity, only if such premium amount and internal resources are actually utilised for meeting the capital expenditure of the generating station or the transmission system.

(2) The generating company or the transmission licensee, as the case may be, shall submit the resolution of the Board of the company or approval of the competent authority in other cases regarding infusion of funds from internal resources in support of the utilization made or proposed to be made to meet the capital expenditure of the generating station or the transmission system including communication system, as the case may be.

(3) In case of the generating station and the transmission system including communication system declared under commercial operation prior to 1.4.2019, debt: equity ratio allowed by the Commission for determination of tariff for the period ending 31.3.2019 shall be considered:

Provided that in case of a generating station or a transmission system including communication system which has completed its useful life as on or after 1.4.2019, if the equity actually deployed as on 1.4.2019 is more than 30% of the capital cost, equity in excess of 30% shall not be taken into account for tariff computation;

Provided further that in case of projects owned by Damodar Valley Corporation, the debt: equity ratio shall be governed as per sub-clause (ii) of clause (2) of Regulation 72 of these regulations.

(4) In case of the generating station and the transmission system including communication system declared under commercial operation prior to 1.4.2019, but where debt: equity ratio has not been determined by the Commission for determination of tariff for the period ending 31.3.2019, the Commission shall approve the debt: equity ratio in accordance with clause (1) of this Regulation.

(5) Any expenditure incurred or projected to be incurred on or after 1.4.2019 as may be admitted by the Commission as additional capital expenditure for determination of tariff, and renovation and modernisation expenditure for life extension shall be serviced in the manner specified in clause (1) of this Regulation.

(6) Any expenditure incurred for the emission control system during the tariff period as may be admitted by the Commission as additional capital expenditure for determination of supplementary tariff, shall be serviced in the manner specified in clause (1) of this Regulation.”

132. The debt-equity considered for the purpose of computation of tariff for the 2019-24 tariff period is allowed as per Regulation 18(3) of the 2019 Tariff Regulations. The debt-equity considered for the purpose of computation of tariff for the transmission assets for the 2019-24 tariff period is as follows:



Combined Asset-1, 2, 4A, 4B & 5B:

Funding	Capital Cost as on 1.4.2019 (₹ in lakh)	(In %)	ACE in 2019-24 (₹ in lakh)	(In %)	Capital Cost as on 31.3.2024 (₹ in lakh)	(In %)
Debt	1732.98	70.00	463.32	70.00	2196.29	70.00
Equity	742.70	30.00	198.56	30.00	941.27	30.00
Total	2475.68	100.00	661.88	100.00	3137.56	100.00

Asset-3:

Funding	Capital Cost as on 1.4.2019 (₹ in lakh)	(In %)	ACE in 2019-24 (₹ in lakh)	(In %)	Capital Cost as on 31.3.2024 (₹ in lakh)	(In %)
Debt	338.42	70.00	28.99	70.00	367.41	70.00
Equity	145.04	30.00	12.42	30.00	157.46	30.00
Total	483.46	100.00	41.41	100.00	524.87	100.00

Asset-5A:

Funding	Capital Cost as on 1.4.2019 (₹ in lakh)	(In %)	ACE in 2019-24 (₹ in lakh)	(In %)	Capital Cost as on 31.3.2024 (₹ in lakh)	(In %)
Debt	34.08	70.00	7.53	70.00	41.60	70.00
Equity	14.60	30.00	3.23	30.00	17.83	30.00
Total	48.68	100.00	10.75	100.00	59.43	100.00

Asset-6:

Funding	Capital Cost as on 1.4.2019 (₹ in lakh)	(In %)	ACE in 2019-24 (₹ in lakh)	(In %)	Capital Cost as on 31.3.2024 (₹ in lakh)	(In %)
Debt	666.01	70.00	121.96	70.00	787.97	70.00
Equity	285.43	30.00	52.27	30.00	337.70	30.00
Total	951.44	100.00	174.23	100.00	1125.67	100.00

Depreciation

133. Regulation 33 of the 2019 Tariff Regulations provides as follows:

“33. Depreciation: (1) Depreciation shall be computed from the date of commercial operation of a generating station or unit thereof or a transmission system or element thereof including communication system. In case of the tariff of all the units of a generating station or all elements of a transmission system including communication system for which a single tariff needs to be determined, the depreciation shall be computed from the effective date of commercial operation of the generating station or the transmission system taking into consideration the depreciation of individual units:

Provided that effective date of commercial operation shall be worked out by considering the actual date of commercial operation and installed capacity of all the



units of the generating station or capital cost of all elements of the transmission system, for which single tariff needs to be determined.

(2) The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission. In case of multiple units of a generating station or multiple elements of a transmission system, weighted average life for the generating station of the transmission system shall be applied. Depreciation shall be chargeable from the first year of commercial operation. In case of commercial operation of the asset for part of the year, depreciation shall be charged on pro rata basis.

(3) The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the capital cost of the asset:

Provided that the salvage value for IT equipment and software shall be considered as NIL and 100% value of the assets shall be considered depreciable;

Provided further that in case of hydro generating stations, the salvage value shall be as provided in the agreement, if any, signed by the developers with the State Government for development of the generating station:

Provided also that the capital cost of the assets of the hydro generating station for the purpose of computation of depreciated value shall correspond to the percentage of sale of electricity under long-term power purchase agreement at regulated tariff:

Provided also that any depreciation disallowed on account of lower availability of the generating station or unit or transmission system as the case may be, shall not be allowed to be recovered at a later stage during the useful life or the extended life.

(4) Land other than the land held under lease and the land for reservoir in case of hydro generating station shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the asset.

(5) Depreciation shall be calculated annually based on Straight Line Method and at rates specified in **Appendix-I** to these regulations for the assets of the generating station and transmission system:

Provided that the remaining depreciable value as on 31st March of the year closing after a period of 12 years from the effective date of commercial operation of the station shall be spread over the balance useful life of the assets.

(6) In case of the existing projects, the balance depreciable value as on 1.4.2019 shall be worked out by deducting the cumulative depreciation as admitted by the Commission upto 31.3.2019 from the gross depreciable value of the assets.

(7) The generating company or the transmission licensee, as the case may be, shall submit the details of proposed capital expenditure five years before the completion of useful life of the project along with justification and proposed life extension. The Commission based on prudence check of such submissions shall approve the depreciation on capital expenditure.

(8) In case of de-capitalization of assets in respect of generating station or unit thereof or transmission system or element thereof, the cumulative depreciation shall be adjusted by taking into account the depreciation recovered in tariff by the de-capitalized asset during its useful services.



(9) Where the emission control system is implemented within the original scope of the generating station and the date of commercial operation of the generating station or unit thereof and the date of operation of the emission control system are the same, depreciation of the generating station or unit thereof including the emission control system shall be computed in accordance with Clauses (1) to (8) of this Regulation.

(10) Depreciation of the emission control system of an existing or a new generating station or unit thereof where the date of operation of the emission control system is subsequent to the date of commercial operation of the generating station or unit thereof, shall be computed annually from the date of operation of such emission control system based on straight line method, with salvage value of 10%, over a period of

- a) twenty five years, in case the generating station or unit thereof is in operation for fifteen years or less as on the date of operation of the emission control system; or
- b) balance useful life of the generating station or unit thereof plus fifteen years, in case the generating station or unit thereof is in operation for more than fifteen years as on the date of operation of the emission control system; or
- c) ten years or a period mutually agreed by the generating company and the beneficiaries, whichever is higher, in case the generating station or unit thereof has completed its useful life.”

134. We have considered the submissions of the Petitioner. The depreciation has been worked out considering the admitted capital cost as on 31.3.2019, ACE allowed during the 2019-24 tariff period, and accumulated depreciation up to 31.3.2019. The Weighted Average Rate of Depreciation (WAROD) from Annexure-IX to Annexure-XII has been worked out as per the rates of depreciation specified in the 2019 Tariff Regulations. The depreciation allowed for the transmission assets is as follows:

Combined Asset-1, 2, 4A, 4B & 5B:

		(₹ in lakh)				
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
	Depreciation					
A	Opening Gross Block	2475.68	2537.37	2795.18	3045.50	3137.56
B	ACE	61.69	257.81	250.32	92.06	0.00
C	Closing Gross Block (A+B)	2537.37	2795.18	3045.50	3137.56	3137.56
D	Average Gross Block (A+C)/2	2506.53	2666.28	2920.34	3091.53	3137.56
E	Weighted average rate of Depreciation (WAROD) (%)	6.33	6.33	6.33	6.33	6.33
F	Balance useful life of the asset	15	14	13	12	11
G	Aggregate Depreciable Value (D*90%)	2255.87	2399.65	2628.31	2782.38	2823.80
H	Depreciation during the year	158.66	168.78	184.86	195.69	198.61



	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
I	Cumulative Depreciation	286.53	455.31	640.17	835.86	1034.47
J	Remaining Depreciable Value (G-I)	1969.34	1944.34	1988.14	1946.52	1789.34

Asset-3

(₹ in lakh)						
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
	Depreciation					
A	Opening Gross Block	483.46	517.71	519.86	519.86	524.87
B	ACE	34.25	2.15	0.00	5.01	0.00
C	Closing Gross Block (A+B)	517.71	519.86	519.86	524.87	524.87
D	Average Gross Block (A+C)/2	500.58	518.78	519.86	522.36	524.87
E	Weighted average rate of Depreciation (WAROD) (%)	6.33	6.33	6.33	6.33	6.33
F	Balance useful life of the asset	15	14	13	12	11
G	Aggregate Depreciable Value (D*90%)	450.53	466.91	467.87	470.13	472.38
H	Depreciation during the year	31.69	32.84	32.91	33.07	33.22
I	Cumulative Depreciation	53.30	86.14	119.04	152.11	185.33
J	Remaining Depreciable Value (H-I)	397.23	380.77	348.83	318.02	287.05

Asset-5A

(₹ in lakh)						
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
	Depreciation					
A	Opening Gross Block	48.68	58.07	58.07	58.07	59.43
B	ACE	9.39	0.00	0.00	1.36	0.00
C	Closing Gross Block (A+B)	58.07	58.07	58.07	59.43	59.43
D	Average Gross Block (A+C)/2	53.38	58.07	58.07	58.75	59.43
E	Weighted average rate of Depreciation (WAROD) (%)	6.33	6.33	6.33	6.33	6.33
F	Balance useful life of the asset	15	14	13	12	11
G	Aggregate Depreciable Value (D*90%)	48.04	52.26	52.26	52.88	53.49
H	Depreciation during the year	3.38	3.68	3.68	3.72	3.76
I	Cumulative Depreciation	3.63	7.30	10.98	14.70	18.46
J	Remaining Depreciable Value (G-I)	44.41	44.96	41.29	38.18	35.03



Asset-6

(₹ in lakh)

	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
	Depreciation					
A	Opening Gross Block	951.44	1008.04	1125.67	1125.67	1125.67
B	ACE	56.60	117.63	0.00	0.00	0.00
C	Closing Gross Block (A+B)	1008.04	1125.67	1125.67	1125.67	1125.67
D	Average Gross Block (A+C)/2	979.74	1066.86	1125.67	1125.67	1125.67
E	Weighted average rate of Depreciation (WAROD) (%)	6.33	6.33	6.33	6.33	6.33
F	Balance useful life of the asset	15	14	13	12	11
G	Aggregate Depreciable Value (D*90%)	881.77	960.17	1013.11	1013.11	1013.11
H	Depreciation during the year	62.02	67.53	71.26	71.26	71.26
I	Cumulative Depreciation	66.90	134.43	205.69	276.94	348.20
J	Remaining Depreciable Value (G-I)	814.87	825.74	807.42	736.16	664.91

Interest on Loan (IoL)

135. Regulation 32 of the 2019 Tariff Regulations provides as follows:

- “32. Interest on loan capital:** (1) *The loans arrived at in the manner indicated in regulation 18 of these regulations shall be considered as gross normative loan for calculation of interest on loan.*
- (2) *The normative loan outstanding as on 1.4.2019 shall be worked out by deducting the cumulative repayment as admitted by the Commission up to 31.3.2019 from the gross normative loan.*
- (3) *The repayment for each of the year of the tariff period 2019-24 shall be deemed to be equal to the depreciation allowed for the corresponding year/period. In case of de-capitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on a pro rata basis and the adjustment should not exceed cumulative depreciation recovered upto the date of de-capitalisation of such asset.*
- (4) *Notwithstanding any moratorium period availed by the generating company or the transmission licensee, as the case may be, the repayment of loan shall be considered from the first year of commercial operation of the project and shall be equal to the depreciation allowed for the year or part of the year.*
- (5) *The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio after providing appropriate accounting adjustment for interest capitalized:*

Provided that if there is no actual loan for a particular year but normative loan is still outstanding, the last available weighted average rate of interest shall be considered;



Provided further that if the generating station or the transmission system, as the case may be, does not have actual loan, then the weighted average rate of interest of the generating company or the transmission licensee as a whole shall be considered.

- (5a) The rate of interest on loan for installation of emission control system shall be the weighted average rate of interest of actual loan portfolio of the emission control system or in the absence of actual loan portfolio, the weighted average rate of interest of the generating company as a whole shall be considered.
- (6) The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.
- (7) The changes to the terms and conditions of the loans shall be reflected from the date of such re-financing.”

136. The weighted average rate of IoL has been considered on the basis of the rates prevailing as on 1.4.2019. The Petitioner has prayed that the change in interest rate due to the floating rate of interest applicable, if any, during the 2019-24 tariff period may be adjusted. Accordingly, the floating rate of interest, if any, will be considered at the time of true-up. IoL has been allowed in accordance with Regulation 32 of the 2019 Tariff Regulations. IoL allowed for the 2019-24 tariff period is as follows:

Combined Asset-1, 2, 4A, 4B & 5B:

		(₹ in lakh)				
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Loan					
A	Gross Normative Loan	1732.98	1776.16	1956.63	2131.85	2196.29
B	Cumulative Repayments up to Previous Year	127.87	286.53	455.31	640.17	835.86
C	Net Loan-Opening (A-B)	1605.11	1489.63	1501.32	1491.68	1360.43
D	Additions	43.18	180.47	175.22	64.44	0.00
E	Repayment during the year	158.66	168.78	184.86	195.69	198.61
F	Net Loan-Closing (C+D-E)	1489.63	1501.32	1491.68	1360.43	1161.82
G	Average Loan (C+F)/2	1547.37	1495.47	1496.50	1426.06	1261.13
H	Weighted Average Rate of Interest on Loan (%)	7.67%	7.65%	7.68%	7.73%	7.73%
I	Interest on Loan (G*H)	118.72	114.48	114.94	110.27	97.43

Asset-3:

		(₹ in lakh)				
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Loan					
A	Gross Normative Loan	338.42	362.40	363.90	363.90	367.41



	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
B	Cumulative Repayments up to Previous Year	21.61	53.30	86.14	119.04	152.11
C	Net Loan-Opening (A-B)	316.81	309.10	277.77	244.86	215.30
D	Additions	23.98	1.51	0.00	3.51	0.00
E	Repayment during the year	31.69	32.84	32.91	33.07	33.22
F	Net Loan-Closing (C+D-E)	309.10	277.77	244.86	215.30	182.08
G	Average Loan (C+F)/2	312.96	293.43	261.31	230.08	198.69
H	Weighted Average Rate of Interest on Loan (%)	7.6427	7.6483	7.6667	7.6938	7.6895
I	Interest on Loan (G*H)	23.92	22.44	20.03	17.70	15.28

Asset-5A:

(₹ in lakh)

	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Loan					
A	Gross Normative Loan	34.08	40.65	40.65	40.65	41.60
B	Cumulative Repayments upto Previous Year	0.25	3.63	7.30	10.98	14.70
C	Net Loan-Opening (A-B)	33.83	37.02	33.35	29.67	26.90
D	Additions	6.57	0.00	0.00	0.95	0.00
E	Repayment during the year	3.38	3.68	3.68	3.72	3.76
F	Net Loan-Closing (C+D-E)	37.02	33.35	29.67	26.90	23.14
G	Average Loan (C+F)/2	35.43	35.18	31.51	28.29	25.02
H	Weighted Average Rate of Interest on Loan (%)	8.3366	8.3359	8.3363	8.3373	8.3381
I	Interest on Loan (G*H)	2.95	2.93	2.63	2.36	2.09

Asset-6:

(₹ in lakh)

	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Loan					
A	Gross Normative Loan	666.01	705.63	787.97	787.97	787.97
B	Cumulative Repayments upto Previous Year	4.88	66.90	134.43	205.69	276.94
C	Net Loan-Opening (A-B)	661.13	638.73	653.54	582.28	511.03
D	Additions	39.62	82.34	0.00	0.00	0.00
E	Repayment during the year	62.02	67.53	71.26	71.26	71.26
F	Net Loan-Closing (C+D-E)	638.73	653.54	582.28	511.03	439.77
G	Average Loan (C+F)/2	649.93	646.13	617.91	546.66	475.40
H	Weighted Average Rate of Interest on Loan (%)	7.6365	7.5796	7.5509	7.5756	7.5632
I	Interest on Loan (G*H)	49.63	48.97	46.66	41.41	35.96



Return on Equity (RoE)

137. Regulations 30 and 31 of the 2019 Tariff Regulations provide as follows:

“30. Return on Equity: (1) Return on equity shall be computed in rupee terms, on the equity base determined in accordance with Regulation 18 of these regulations.

(2) Return on equity shall be computed at the base rate of 15.50% for thermal generating station, transmission system including communication system and run-of river hydro generating station, and at the base rate of 16.50% for the storage type hydro generating stations including pumped storage hydro generating stations and run-of river generating station with pondage:

Provided that return on equity in respect of additional capitalization after cut-off date beyond the original scope, excluding additional capitalization on account of emission control system, shall be computed at the weighted average rate of interest on actual loan portfolio of the generating station or the transmission system or in the absence of actual loan portfolio of the generating station or the transmission system, the weighted average rate of interest of the generating company or the transmission licensee, as the case may be, as a whole shall be considered, subject to ceiling of 14%.

Provided further that:

i. In case of a new project, the rate of return on equity shall be reduced by 1.00% for such period as may be decided by the Commission, if the generating station or transmission system is found to be declared under commercial operation without commissioning of any of the Restricted Governor Mode Operation (RGMO) or Free Governor Mode Operation (FGMO), data telemetry, communication system up to load dispatch centre or protection system based on the report submitted by the respective RLDC;

ii. in case of existing generating station, as and when any of the requirements under (i) above of this Regulation are found lacking based on the report submitted by the concerned RLDC, rate of return on equity shall be reduced by 1.00% for the period for which the deficiency continues;

iii. in case of a thermal generating station, with effect from 1.4.2020:

a) rate of return on equity shall be reduced by 0.25% in case of failure to achieve the ramp rate of 1% per minute;

b) an additional rate of return on equity of 0.25% shall be allowed for every incremental ramp rate of 1% per minute achieved over and above the ramp rate of 1% per minute, subject to ceiling of additional rate of return on equity of 1.00%:

Provided that the detailed guidelines in this regard shall be issued by National Load Dispatch Centre by 30.6.2019.

(3) The return on equity in respect of additional capitalization on account of emission control system shall be computed at the base rate of one-year marginal cost of lending rate (MCLR) of the State Bank of India as on 1st April of the year in which the date of operation (ODe) occurs plus 350 basis point, subject to ceiling of 14%.”

“31. Tax on Return on Equity:(1) The base rate of return on equity as allowed by the Commission under Regulation 30 of these regulations shall be grossed up with the effective tax rate of the respective financial year. For this purpose, the effective tax rate shall be considered on the basis of actual tax paid in respect of the financial



year in line with the provisions of the relevant Finance Acts by the concerned generating company or the transmission licensee, as the case may be. The actual tax paid on income from other businesses including deferred tax liability (i.e. income from business other than business of generation or transmission, as the case may be) shall be excluded for the calculation of effective tax rate.

(2) Rate of return on equity shall be rounded off to three decimal places and shall be computed as per the formula given below:

$$\text{Rate of pre-tax return on equity} = \text{Base rate} / (1-t)$$

Where “t” is the effective tax rate in accordance with clause (1) of this Regulation and shall be calculated at the beginning of every financial year based on the estimated profit and tax to be paid estimated in line with the provisions of the relevant Finance Act applicable for that financial year to the company on pro-rata basis by excluding the income of non-generation or non-transmission business, as the case may be, and the corresponding tax thereon. In case of generating company or transmission licensee paying Minimum Alternate Tax (MAT), “t” shall be considered as MAT rate including surcharge and cess.

Illustration-

(i) In case of a generating company or a transmission licensee paying Minimum Alternate Tax (MAT) @ 21.55% including surcharge and cess:

$$\text{Rate of return on equity} = 15.50 / (1 - 0.2155) = 19.758\%$$

(ii) In case of a generating company or a transmission licensee paying normal corporate tax including surcharge and cess:

- (a) Estimated Gross Income from generation or transmission business for FY 2019-20 is Rs 1,000 crore;
- (b) Estimated Advance Tax for the year on above is Rs 240 crore;
- (c) Effective Tax Rate for the year 2019-20 = Rs 240 Crore / Rs 1000 Crore = 24%;
- (d) Rate of return on equity = $15.50 / (1 - 0.24) = 20.395\%$.

(3) The generating company or the transmission licensee, as the case may be, shall true up the grossed up rate of return on equity at the end of every financial year based on actual tax paid together with any additional tax demand including interest thereon, duly adjusted for any refund of tax including interest received from the income tax authorities pertaining to the tariff period 2019-24 on actual gross income of any financial year. However, penalty, if any, arising on account of delay in deposit or short deposit of tax amount shall not be claimed by the generating company or the transmission licensee, as the case may be. Any under-recovery or over-recovery of grossed up rate on return on equity after truing up, shall be recovered or refunded to beneficiaries or the long term customers, as the case may be, on year to year basis.”

138. The Petitioner has submitted that the MAT rate is applicable to it. Accordingly, the MAT rate applicable for 2019-20 has been considered for the purpose of RoE, subject to truing-up in accordance with Regulation 31(3) of the 2019 Tariff Regulations. RoE allowed for the transmission assets is as follows:



Combined Asset-1, 2, 4A, 4B & 5B:

(₹ in lakh)						
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
	Return on Equity					
A	Opening Equity	742.70	761.21	838.55	913.65	941.27
B	Additions	18.51	77.34	75.10	27.62	0.00
C	Closing Equity (A+B)	761.21	838.55	913.65	941.27	941.27
D	Average Equity (A+C)/2	751.96	799.88	876.10	927.46	941.27
E	Return on Equity (Base Rate) (%)	15.50%	15.50%	15.50%	15.50%	15.50%
F	MAT Rate for respective year (%)	17.472%	17.472%	17.472%	17.472%	17.472%
G	Rate of Return on Equity (%)	18.782%	18.782%	18.782%	18.782%	18.782%
H	Return on Equity (D*G)	141.23	150.23	164.55	174.19	176.78

Asset-3:

(₹ in lakh)						
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
	Return on Equity					
A	Opening Equity	145.04	155.31	155.96	155.96	157.46
B	Additions	10.28	0.65	0.00	1.50	0.00
C	Closing Equity (A+B)	155.31	155.96	155.96	157.46	157.46
D	Average Equity (A+C)/2	150.18	155.64	155.96	156.71	157.46
E	Return on Equity (Base Rate) (%)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (%)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (%)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	28.21	29.23	29.29	29.43	29.57

Asset-5A:

(₹ in lakh)						
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
	Return on Equity					
A	Opening Equity	14.60	17.42	17.42	17.42	17.83
B	Additions	2.82	0.00	0.00	0.41	0.00
C	Closing Equity (A+B)	17.42	17.42	17.42	17.83	17.83
D	Average Equity (A+C)/2	16.01	17.42	17.42	17.63	17.83
E	Return on Equity (Base Rate) (%)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (%)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (%)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	3.01	3.27	3.27	3.31	3.35



Asset-6:

(₹ in lakh)

	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
	Return on Equity					
A	Opening Equity	285.43	302.41	337.70	337.70	337.70
B	Additions	16.98	35.29	0.00	0.00	0.00
C	Closing Equity (A+B)	302.41	337.70	337.70	337.70	337.70
D	Average Equity (A+C)/2	293.92	320.06	337.70	337.70	337.70
E	Return on Equity (Base Rate) (%)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (%)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (%)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	55.20	60.11	63.43	63.43	63.43

Operation & Maintenance Expenses (O&M Expenses)

139. The O&M expenses claimed by the Petitioner for the transmission assets for the 2019-24 period are as follows:

	(₹ in lakh)				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Combined Asset-1, 2, 4A, 4B & 5B	66.05	66.05	66.05	66.05	66.05
Asset-3	0.00	0.00	0.00	0.00	0.00
Asset-5A	0.00	0.00	0.00	0.00	0.00
Asset-6	0.00	0.00	0.00	0.00	0.00

140. The norms specified under Regulation 35(3)(a) and Regulation 35(4) of the 2019 Tariff Regulations provide as follows:

“35. Operation and Maintenance Expenses:

...

(3) Transmission system: (a) *The following normative operation and maintenance expenses shall be admissible for the transmission system:*

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
<i>Norms for sub-station Bays (₹ Lakh per bay)</i>					
<i>765 kV</i>	<i>45.01</i>	<i>46.60</i>	<i>48.23</i>	<i>49.93</i>	<i>51.68</i>
<i>400 kV</i>	<i>32.15</i>	<i>33.28</i>	<i>34.45</i>	<i>35.66</i>	<i>36.91</i>
<i>220 kV</i>	<i>22.51</i>	<i>23.30</i>	<i>24.12</i>	<i>24.96</i>	<i>25.84</i>
<i>132 kV and below</i>	<i>16.08</i>	<i>16.64</i>	<i>17.23</i>	<i>17.83</i>	<i>18.46</i>
<i>Norms for Transformers (₹ Lakh per MVA)</i>					
<i>765 kV</i>	<i>0.491</i>	<i>0.508</i>	<i>0.526</i>	<i>0.545</i>	<i>0.564</i>
<i>400 kV</i>	<i>0.358</i>	<i>0.371</i>	<i>0.384</i>	<i>0.398</i>	<i>0.411</i>
<i>220 kV</i>	<i>0.245</i>	<i>0.254</i>	<i>0.263</i>	<i>0.272</i>	<i>0.282</i>
<i>132 kV and below</i>	<i>0.245</i>	<i>0.254</i>	<i>0.263</i>	<i>0.272</i>	<i>0.282</i>



Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Norms for AC and HVDC lines (₹ Lakh per km)					
Single Circuit (Bundled Conductor with six or more sub-conductors)	0.881	0.912	0.944	0.977	1.011
Single Circuit (Bundled conductor with four sub-conductors)	0.755	0.781	0.809	0.837	0.867
Single Circuit (Twin & Triple Conductor)	0.503	0.521	0.539	0.558	0.578
Single Circuit (Single Conductor)	0.252	0.260	0.270	0.279	0.289
Double Circuit (Bundled conductor with four or more sub-conductors)	1.322	1.368	1.416	1.466	1.517
Double Circuit (Twin & Triple Conductor)	0.881	0.912	0.944	0.977	1.011
Double Circuit (Single Conductor)	0.377	0.391	0.404	0.419	0.433
Multi Circuit (Bundled Conductor with four or more sub-conductor)	2.319	2.401	2.485	2.572	2.662
Multi Circuit (Twin & Triple Conductor)	1.544	1.598	1.654	1.713	1.773
Norms for HVDC stations					
HVDC Back-to-Back stations (Rs Lakh per 500 MW) (Except Gazuwaka BTB)	834	864	894	925	958
Gazuwaka HVDC Back-to-Back station (₹ Lakh per 500 MW)	1,666	1,725	1,785	1,848	1,913
500 kV Rihand-Dadri HVDC bipole scheme (Rs Lakh) (1500 MW)	2,252	2,331	2,413	2,498	2,586
±500 kV Talcher- Kolar HVDC bipole scheme (Rs Lakh) (2000 MW)	2,468	2,555	2,645	2,738	2,834
±500 kV Bhiwadi-Balia HVDC bipole scheme (Rs Lakh) (2500 MW)	1,696	1,756	1,817	1,881	1,947
±800 kV, Bishwanath-Agra HVDC bipole scheme (Rs Lakh) (3000 MW)	2,563	2,653	2,746	2,842	2,942

Provided that the O&M expenses for the GIS bays shall be allowed as worked out by multiplying 0.70 of the O&M expenses of the normative O&M expenses for bays;

Provided further that:

- i. the operation and maintenance expenses for new HVDC bi-pole schemes commissioned after 1.4.2019 for a particular year shall be allowed pro-rata on the basis of normative rate of operation and maintenance expenses of similar HVDC bi-pole scheme for the corresponding year of the tariff period;
- ii. the O&M expenses norms for HVDC bi-pole line shall be considered as Double Circuit quad AC line;
- iii. the O&M expenses of ±500 kV Mundra-Mohindergarh HVDC bipole scheme (2000 MW) shall be allowed as worked out by multiplying 0.80 of



the normative O&M expenses for ± 500 kV Talchar-Kolar HVDC bi-pole scheme (2000 MW);

- iv. the O&M expenses of ± 800 kV Champa-Kurukshetra HVDC bi-pole scheme (3000 MW) shall be on the basis of the normative O&M expenses for ± 800 kV, Bishwanath-Agra HVDC bi-pole scheme;
- v. the O&M expenses of ± 800 kV, Alipurduar-Agra HVDC bi-pole scheme (3000 MW) shall be allowed as worked out by multiplying 0.80 of the normative O&M expenses for ± 800 kV, Bishwanath-Agra HVDC bi-pole scheme; and
- vi. the O&M expenses of Static Synchronous Compensator and Static Var Compensator shall be worked at 1.5% of original project cost as on commercial operation which shall be escalated at the rate of 3.51% to work out the O&M expenses during the tariff period. The O&M expenses of Static Synchronous Compensator and Static Var Compensator, if required, may be reviewed after three years.

(b) The total allowable operation and maintenance expenses for the transmission system shall be calculated by multiplying the number of sub-station bays, transformer capacity of the transformer (in MVA) and km of line length with the applicable norms for the operation and maintenance expenses per bay, per MVA and per km respectively.

(c) The Security Expenses and Capital Spares for transmission system shall be allowed separately after prudence check:

Provided that the transmission licensee shall submit the assessment of the security requirement and estimated security expenses, the details of year-wise actual capital spares consumed at the time of truing up with appropriate justification.

(4) Communication system: The operation and maintenance expenses for the communication system shall be worked out at 2.0% of the original project cost related to such communication system. The transmission licensee shall submit the actual operation and maintenance expenses for truing up.”

141. We have considered the submission of the Petitioner. The Petitioner has claimed O&M Expenses separately for PLCC under Regulation 35(4) of the 2019 Tariff Regulations for Combined Asset-1, 2, 4A, 4B & 5B @ 2% of its original project cost. The O&M Expenses have been worked out in accordance with Regulation 35(3)(a) of the 2019 Tariff Regulations and the same are as follows:

Particulars	(₹ in lakh)				
	Combined Asset-1, 2, 4A, 4B & 5B				
	2019-20	2020-21	2021-22	2022-23	2023-24
OPGW Communication System					
Normative Rate of O&M as per Regulation	2%	2%	2%	2%	2%
Capital Cost (₹ in Lakh)	3137.56	3137.56	3137.56	3137.56	3137.56
Total O&M Expenses allowed (₹ in lakh)	62.75	62.75	62.75	62.75	62.75



Interest on Working Capital (IWC)

142. Regulation 34(1)(c), Regulation 34(3), Regulation 34(4) and Regulation 3(7) of the 2019 Tariff Regulations specify as follows:

“34. Interest on Working Capital: (1) *The working capital shall cover:*

.....

(c) For Hydro Generating Station (including Pumped Storage Hydro Generating Station) and Transmission System:

- (i) *Receivables equivalent to 45 days of annual fixed cost;*
- (ii) *Maintenance spares @ 15% of operation and maintenance expenses including security expenses; and*
- (iii) *Operation and maintenance expenses, including security expenses for one month.*

.....

(3) Rate of interest on working capital shall be on normative basis and shall be considered as the bank rate as on 1.4.2019 or as on 1st April of the year during the tariff period 2019-24 in which the generating station or a unit thereof or the transmission system including communication system or element thereof, as the case may be, is declared under commercial operation, whichever is later:

Provided that in case of truing-up, the rate of interest on working capital shall be considered at bank rate as on 1st April of each of the financial year during the tariff period 2019-24.

(4) Interest on working capital shall be payable on normative basis notwithstanding that the generating company or the transmission licensee has not taken loan for working capital from any outside agency.”

“3. Definitions. - *In these regulations, unless the context otherwise requires:-*

‘Bank Rate’ means the one year marginal cost of lending rate (MCLR) of the State Bank of India issued from time to time plus 350 basis points;”

143. The Petitioner has submitted that it has claimed IWC for the 2019-24 period considering the SBI Base Rate plus 350 basis points as on 1.4.2019. The Petitioner has considered the rate of IWC as 12.05%. The IWC has been worked out in accordance with Regulation 34 of the 2019 Tariff Regulations. The Rate of Interest (ROI) considered is 12.05% (SBI 1-year MCLR applicable as on 1.4.2019 of 8.55% plus 350 basis points) for FY 2019-20, 11.25% (SBI 1-year MCLR applicable as on 1.4.2020 of 7.75% plus 350 basis points) for FY 2020-21, 10.50% (SBI 1-year MCLR applicable as on 1.4.2021 of 7.00% plus 350 basis points) for the FYs 2021-22 and FY 2022-23 and 12.00% (SBI 1 year MCLR applicable as on 1.4.2023 of 8.50% plus 350 basis points) for the FY



2023-24. The components of the working capital and interest thereon allowed are as follows:

Combined Asset-1, 2, 4A, 4B & 5B:

						(₹ in lakh)
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	O & M Expenses	5.23	5.23	5.23	5.23	5.23
B	Maintenance Spares	9.41	9.41	9.41	9.41	9.41
C	Receivables	60.29	62.25	66.03	68.00	67.05
D	Total Working Capital (A+B+C)	74.94	76.89	80.67	82.64	81.70
E	Rate of Interest (%)	12.05	11.25	10.50	10.50	12.00
F	Interest on working capital (D*E)	9.03	8.65	8.47	8.68	9.80

Asset-3:

						(₹ in lakh)
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	O & M Expenses	0.00	0.00	0.00	0.00	0.00
B	Maintenance Spares	0.00	0.00	0.00	0.00	0.00
C	Receivables	10.46	10.57	10.27	10.02	9.74
D	Total Working Capital (A+B+C)	10.46	10.57	10.27	10.02	9.74
E	Rate of Interest (%)	12.05	11.25	10.50	10.50	12.00
F	Interest on working capital (D*E)	1.26	1.19	1.08	1.05	1.17

Asset-5A:

						(₹ in lakh)
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	O & M Expenses	0.00	0.00	0.00	0.00	0.00
B	Maintenance Spares	0.00	0.00	0.00	0.00	0.00
C	Receivables	1.17	1.24	1.20	1.17	1.15
D	Total Working Capital (A+B+C)	1.17	1.24	1.20	1.17	1.15
E	Rate of Interest (%)	12.05	11.25	10.50	10.50	12.00
F	Interest on working capital (D*E)	0.14	0.14	0.13	0.12	0.14

Asset-6:

						(₹ in lakh)
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	O & M Expenses	0.00	0.00	0.00	0.00	0.00
B	Maintenance Spares	0.00	0.00	0.00	0.00	0.00
C	Receivables	20.82	22.08	22.65	22.00	21.29
D	Total Working Capital (A+B+C)	20.82	22.08	22.65	22.00	21.29
E	Rate of Interest (%)	12.05	11.25	10.50	10.50	12.00
F	Interest on working capital (D*E)	2.51	2.48	2.38	2.31	2.56



Annual Fixed Charges of the 2019-24 Tariff Period

144. The transmission charges allowed for the 2019-24 tariff period are summarized as follows:

Combined Asset-1, 2, 4A, 4B & 5B

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	158.66	168.78	184.86	195.69	198.61
Interest on Loan	118.72	114.48	114.94	110.27	97.43
Return on Equity	141.23	150.23	164.55	174.19	176.78
O&M Expenses	62.75	62.75	62.75	62.75	62.75
Interest on Working Capital	9.03	8.65	8.47	8.68	9.80
Total	490.39	504.89	535.57	551.58	545.37

Asset-3

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	31.69	32.84	32.91	33.07	33.22
Interest on Loan	23.92	22.44	20.03	17.70	15.28
Return on Equity	28.21	29.23	29.29	29.43	29.57
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Interest on Working Capital	1.26	1.19	1.08	1.05	1.17
Total	85.08	85.70	83.31	81.25	79.24

Asset-5A

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	3.38	3.68	3.68	3.72	3.76
Interest on Loan	2.95	2.93	2.63	2.36	2.09
Return on Equity	3.01	3.27	3.27	3.31	3.35
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Interest on Working Capital	0.14	0.14	0.13	0.12	0.14
Total	9.48	10.02	9.71	9.51	9.34

Asset-6

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	62.02	67.53	71.26	71.26	71.26
Interest on Loan	49.63	48.97	46.66	41.41	35.96
Return on Equity	55.20	60.11	63.43	63.43	63.43
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Interest on Working Capital	2.51	2.48	2.38	2.31	2.56
Total	169.36	179.09	183.73	178.41	173.21



Filing Fee and Publication Expenses

145. The Petitioner has sought reimbursement of the fee paid by it for filing the petition and publication expenses. The Petitioner shall be entitled to reimbursement of the filing fees and publication expenses in connection with the present petition directly from the beneficiaries on a pro-rata basis in accordance with Regulation 70 (1) of the 2019 Tariff Regulations.

License Fee and Publication Expenses

146. The Petitioner shall be entitled to reimbursement of the licence fee in accordance with Regulation 70(4) of the 2019 Tariff Regulations for the 2019-24 tariff period. The Petitioner shall also be entitled to recovery of RLDC fees and charges in accordance with Regulations 70(3) of the 2019 Tariff Regulations for the 2019-24 tariff period.

Goods and Services Tax

147. The Petitioner has submitted that if GST is levied at any rate and at any point of time in the future on charges of transmission of electricity, the same will be borne and additionally paid by the Respondent(s) to the Petitioner, and the same will be charged and billed separately by the Petitioner. Further additional taxes, if any, are to be paid by the Petitioner on account of demand from Government / Statutory authorities, and the same may be allowed to be recovered from the beneficiaries.

148. MPPMCL has submitted that they strongly oppose the above-said request of the Petitioner as it is premature at this stage, and nothing can be allowed in anticipation of something that has not occurred yet.

149. MSEDCL has submitted that the transmission charges are statutorily exempted from the levy of GST. Hence, the submissions of the Petitioner to claim the same basis on the future levy, are farfetched and premature.

150. We have considered the submissions of the Petitioner, MPPMCL, and MSEDCL. GST is not levied on transmission service at present, and we are of the view that the Petitioner's prayer is premature.

Security Expenses

151. The Petitioner has submitted that security expenses in respect of transmission assets are not claimed in the instant Petition, and it would file a Petition to claim them separately. We have considered the Petitioner's submissions. The Petitioner had claimed consolidated security expenses on a projected basis for the 2019-24 tariff period on the basis of actual security expenses incurred in FY 2018-19 in Petition No. 260/MP/2020. The Commission, vide order dated 3.8.2021 in Petition No. 260/MP/2020, approved security expenses from 1.4.2019 to 31.3.2024. Therefore, the Petitioner's prayer in the instant Petition for allowing it to file a separate Petition for claiming the overall security expenses has become infructuous.

Capital Spares

152. The Petitioner has sought reimbursement of capital spares at the end of the tariff period. The Petitioner's claim, if any, will be dealt with in accordance with the provisions of the 2019 Tariff Regulations.

Sharing of Transmission Charges

2014-19:

153. The Petitioner has submitted that the transmission charges claimed under the instant petition for the State Sector, i.e., Asset-3, Asset-5A, and Asset-6 for the 2014-19 tariff period, will be shared by the respective States (i.e., Goa & Madhya Pradesh) in accordance with the applicable Sharing Regulations as provided under Regulation 43 of the 2014 Tariff Regulations.

154. Further, the Petitioner has submitted that the transmission charges claimed under the instant petition for the Central Sector, i.e., Asset-1, Asset-2, Asset-4A, Asset-



4B, and Asset-5B, for the 2014-19 tariff period will be recovered in accordance with the applicable Sharing Regulations in accordance with Regulation 43 of the 2014 Tariff Regulations.

2019-24:

155. The Petitioner has submitted that the transmission charges claimed under the instant petition for the State Sector, i.e., Asset-3, Asset 5A, and Asset 6 for the 2019-24 tariff period, will be shared by the respective States (i.e., Goa and Madhya Pradesh).

156. The Petitioner has further submitted that the transmission charges claimed under the instant petition for the Central Sector, i.e., Asset-1, Asset-2, Asset-4A, Asset-4B, and Asset-5B for the 2019-24 tariff period, will be recovered in accordance with Regulation 57 of 2019 Tariff Regulations and will be shared by the beneficiaries and long term transmission customers in the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020 (in short “the 2020 Sharing Regulations”).

157. We have considered the submissions of the Petitioner. The transmission charges for the 2014-19 period shall be recovered on a monthly basis in terms of the Commission’s order dated 25.7.2022 in Petition No. 731/TT/2020. Further, with effect from 1.11.2020, sharing of transmission charges is governed by the 2020 Sharing Regulations. Accordingly, the liabilities of the DICs for arrears of the transmission charges determined through this order shall be computed DIC-wise in accordance with the provisions of respective Sharing Regulations and shall be recovered from the concerned DICs through a bill under Regulation 15(2)(b) of the 2020 Sharing Regulations. The billing, collection, and disbursement of transmission charges approved in this order for subsequent periods shall be recovered in terms of the



provisions of the 2020 Sharing Regulations as provided in Regulation 57 of the 2019 Tariff Regulations.

158. To summarise:

a. The trued-up Annual Fixed Charges for the 2014-19 tariff period are as follows:

Asset-1

(₹ in lakh)

Particulars	2017-18	2018-19
Asset-1	48.47	44.34

Asset-2

(₹ in lakh)

Particulars	2017-18	2018-19
Asset-2	25.93	52.01

Asset-3

(₹ in lakh)

Particulars	2018-19
Asset-3	60.61

Asset-4A

(₹ in lakh)

Particulars	2018-19
Asset-4A	171.83

Asset-4B

(₹ in lakh)

Particulars	2018-19
Asset-4B	19.21

Asset-5A

(₹ in lakh)

Particulars	2018-19
Asset-5A	0.72

Asset-5B

(₹ in lakh)

Particulars	2018-19
Asset-5B	0.77

Asset-6

(₹ in lakh)

Particulars	2018-19
Asset-6	13.82



b. The Annual Fixed Charges allowed for the 2019-24 tariff period are as follows:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Combined Asset-1, 2, 4A, 4B & 5B	490.39	504.89	535.57	551.58	545.37
Asset-3	85.08	85.70	83.31	81.25	79.24
Asset-5A	9.48	10.02	9.71	9.51	9.34
Asset-6	169.36	179.09	183.73	178.41	173.21

159. Annexure-I to Annexure-XII given hereinafter shall form part of the instant order.

160. This order disposes of Petition No. 323/TT/2023 in terms of the above discussions and findings.

sd/-
(Ramesh Babu V.)
Member

sd/-
(Jishnu Barua)
Chairperson



Asset-1

2014-19	Admitted Capital Cost as on 1.4.2014/COD (₹ in lakh)	ACE (₹ in lakh)			Admitted Capital Cost as on 31.3.2019 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)		
		2017-18	2018-19	Total			2017-18	2018-19	
Capital Expenditure									
PLCC	346.07	-95.98	12.86	-83.12	262.95	6.33%	18.87	16.24	
Total	346.07	-95.98	12.86	-83.12	262.95		18.87	16.24	
							Average Gross Block (₹ in lakh)	298.08	256.52
							Weighted Average Rate of Depreciation	6.3300%	6.3300%



Asset-2

2014-19	Admitted Capital Cost as on 1.4.2014/COD (₹ in lakh)	ACE (₹ in lakh)			Admitted Capital Cost as on 31.3.2019 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)	
		2017-18	2018-19	Total			2017-18	2018-19
Capital Expenditure								
PLCC	226.45	47.60	38.58	86.18	312.63	6.33%	15.84	18.57
Total	226.45	47.60	38.58	86.18	312.63		15.84	18.57
						Average Gross Block (₹ in lakh)	250.25	293.34
						Weighted Average Rate of Depreciation	6.3300%	6.3300%



Asset-3

2014-19	Admitted Capital Cost as on 1.4.2014/COD (₹ in lakh)	ACE (₹ in lakh)		Admitted Capital Cost as on 31.3.2019 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)
		2018-19	Total			2018-19
Capital Expenditure						
PLCC	429.40	54.06	54.06	483.46	6.33%	28.89
Total	429.40	54.06	54.06	483.46		28.89
Average Gross Block (₹ in lakh)						456.43
Weighted Average Rate of Depreciation						6.3300%



Asset-4A

2014-19	Admitted Capital Cost as on 1.4.2014/COD (₹ in lakh)	ACE (₹ in lakh)		Admitted Capital Cost as on 31.3.2019 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)
		2018-19	Total			2018-19
Capital Expenditure						
PLCC	1540.66	179.64	179.64	1720.30	6.33%	103.21
Total	1540.66	179.64	179.64	1720.30		103.21
Average Gross Block (₹ in lakh)						1630.48
Weighted Average Rate of Depreciation						6.3300%



Asset-4B

2014-19	Admitted Capital Cost as on 1.4.2014/COD (₹ in lakh)	ACE (₹ in lakh)		Admitted Capital Cost as on 31.3.2019 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)
		2018-19	Total			2018-19
Capital Expenditure						
PLCC	217.48	-71.39	-71.39	146.09	6.33%	11.51
Total	217.48	-71.39	-71.39	146.09		11.51
Average Gross Block (₹ in lakh)						181.79
Weighted Average Rate of Depreciation						6.3300%



Asset-5A

2014-19	Admitted Capital Cost as on 1.4.2014/COD (₹ in lakh)	ACE (₹ in lakh)		Admitted Capital Cost as on 31.3.2019 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)
		2018-19	Total			2018-19
Capital Expenditure						
PLCC	43.50	5.18	5.18	48.68	6.33%	2.92
Total	43.50	5.18	5.18	48.68		2.92
Average Gross Block (₹ in lakh)						46.09
Weighted Average Rate of Depreciation						6.3300%



Asset-5B

2014-19	Admitted Capital Cost as on 1.4.2014/COD (₹ in lakh)	ACE (₹ in lakh)		Admitted Capital Cost as on 31.3.2019 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)
		2018-19	Total			2018-19
Capital Expenditure						
PLCC	52.28	-18.57	-18.57	33.71	6.33%	2.72
Total	52.28	-18.57	-18.57	33.71		2.72
Average Gross Block (₹ in lakh)						43.00
Weighted Average Rate of Depreciation						6.3300%



Asset-6

2014-19	Admitted Capital Cost as on 1.4.2014/COD (₹ in lakh)	ACE (₹ in lakh)		Admitted Capital Cost as on 31.3.2019 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)
		2018-19	Total			2018-19
Capital Expenditure						
PLCC	865.04	86.40	86.40	951.44	6.33%	57.49
Total	865.04	86.40	86.40	951.44		57.49
Average Gross Block (₹ in lakh)						908.24
Weighted Average Rate of Depreciation						6.3300%



Combined Asset-1, 2, 4A, 4B & 5B

2019-24	Admitted Capital Cost as on 1.4.2019 (₹ in lakh)	Projected ACE (₹ in lakh)					Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)					
		2019-20	2020-21	2021-22	2022-23	Total			2019-20	2020-21	2021-22	2022-23	2023-24	
Capital Expenditure														
PLCC	2475.68	61.69	257.81	250.32	92.06	661.88	3137.56	6.33%	158.66	168.78	184.86	195.69	198.61	
Total	2475.68	61.69	257.81	250.32	92.06	661.88	3137.56		158.66	168.78	184.86	195.69	198.61	
							Average Gross Block (₹ in lakh)		2506.53	2666.28	2920.34	3091.53	3137.56	
							Weighted Average Rate of Depreciation		6.33%	6.33%	6.33%	6.33%	6.33%	



Asset-3

2019-24 Capital Expenditure	Admitted Capital Cost as on 1.4.2019 (₹ in lakh)	Projected ACE (₹ in lakh)					Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)				
		2019-20	2020-21	2021-22	2022-23	Total			2019-20	2020-21	2021-22	2022-23	2023-24
PLCC	483.46	34.25	2.15	-	5.01	41.41	524.87	6.33%	31.69	32.84	32.91	33.07	33.22
Total	483.46	34.25	2.15	-	5.01	41.41	524.87		31.69	32.84	32.91	33.07	33.22
Average Gross Block (₹ in lakh)									500.58	518.78	519.86	522.36	524.87
Weighted Average Rate of Depreciation									6.33%	6.33%	6.33%	6.33%	6.33%



Asset-5A

2019-24 Capital Expenditure	Admitted Capital Cost as on 1.4.2019 (₹ in lakh)	Projected ACE (₹ in lakh)					Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)					
		2019-20	2020-21	2021-22	2022-23	Total			2019-20	2020-21	2021-22	2022-23	2023-24	
PLCC	48.68	9.39	-	-	1.36	10.75	59.43	6.33%	3.38	3.68	3.68	3.72	3.76	
Total	48.68	9.39	-	-	1.36	10.75	59.43		3.38	3.68	3.68	3.72	3.76	
									Average Gross Block (₹ in lakh)	53.38	58.07	58.07	58.75	59.43
									Weighted Average Rate of Depreciation	6.33%	6.33%	6.33%	6.33%	6.33%



Asset-6

2019-24 Capital Expenditure	Admitted Capital Cost as on 1.4.2019 (₹ in lakh)	Projected ACE (₹ in lakh)			Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)				
		2019-20	2020-21	Total			2019-20	2020-21	2021-22	2022-23	2023-24
PLCC	951.44	56.60	117.63	174.23	1125.67	6.33%	62.02	67.53	71.26	71.26	71.26
Total	951.44	56.60	117.63	174.23	1125.67		62.02	67.53	71.26	71.26	71.26
Average Gross Block (₹ in lakh)							979.74	1066.86	1125.67	1125.67	1125.67
Weighted Average Rate of Depreciation							6.33%	6.33%	6.33%	6.33%	6.33%

