

**THE CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 210/TT/2025

Coram:

**Shri Ramesh Babu V., Member
Shri Harish Dudani, Member**

Date of Order: 08.07.2025

In the matter of:

Petition for truing up of transmission tariff for the 2019-24 and determination of transmission tariff for the 2024-29 tariff block for transmission asset, namely, two numbers 220 kV Line Bays at Samba Substation under "Northern Region System Strengthening-XLII" in the Northern Region under Section 62 read with Section 79 (1) (d) of the Electricity Act, 2003 and under Regulation 15 (1) (a) and Regulation 23 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023 read with Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024.

And in the matter of:

Power Grid Corporation of India Limited,

Registered office: B-9, Qutub Institutional Area,
Katwaria Sarai, New Delhi 110016

Corporate Centre: "Saudamini", Plot No. 2,
Sector-29, Gurgaon-122001 (Haryana).

...Petitioner

Versus

1. Uttar Pradesh Power Corporation Ltd.
Shakti Bhawan, 14, Ashok Marg
Lucknow – 226001
2. Ajmer Vidyut Vitran Nigam Ltd.
Corporate Office, Vidyut Bhawan
Panchsheel Nagar, Makarwali Road
Ajmer, Rajasthan – 305004
3. Jaipur Vidyut Vitran Nigam Ltd.
132 KV, GSS RVPNL Substation Building
Caligiri Road, Malviya Nagar
Jaipur, Rajasthan – 302017
4. Jodhpur Vidyut Vitran Nigam Ltd.
New Powerhouse, Industrial Area
Jodhpur, Rajasthan – 342003



5. Himachal Pradesh State Electricity Board Ltd.,
Vidyut Bhawan,
Kumar House Complex Building II,
Shimla – 171004.
6. Punjab State Power Corporation Ltd.,
The Mall, PSEB Head Office,
Patiala – 147001
7. Haryana Power Purchase Centre,
Shakti Bhawan, Sector-6,
Panchkula, Haryana – 134109
8. Jammu Kashmir Power Corporation Ltd.,
220/66/33 KV Gladni Substation, SLDC Building
Narwal, Jammu
9. BSES Yamuna Power Ltd.,
B-Block, Shakti Kiran Building,
(Near Karkadooma Court)
Karkadooma, 2nd Floor,
New Delhi – 110092
10. BSES Rajdhani Power Ltd.,
BSES Bhawan, Nehru Place,
New Delhi.
11. Tata Power Delhi Distribution Ltd.,
33 kV Substation Building,
Hudson Lane, Kingsway Camp
North Delhi – 110009.
12. Chandigarh Electricity Department,
Chandigarh Administration,
Sector – 9, Chandigarh
13. Uttarakhand Power Corporation Ltd.,
Urja Bhawan, Kanwali Road,
Dehradun.
14. North Central Railway,
Allahabad.
15. New Delhi Municipal Council,
Palika Kendra, Sansad Marg,
New Delhi – 110002.
16. Jammu & Kashmir Power Transmission Corporation Ltd.,
PDD Building, Exhibition Grounds,
Jahangir Chowk, Srinagar,
Jammu & Kashmir – 190009

...Respondents



Parties Present: Shri V. C. Sekhar, PGCIL
Shri Mohd. Mohsin, PGCIL
Shri Vijay G., PGCIL
Shri Vivek Kumar Singh, PGCIL
Shri Angaru Naresh Kumar, PGCIL
Shri Ranjit Pandey, PGCIL
Shri Arjun Malhotra, PGCIL
Ms. Ashita Chauhan, PGCIL

ORDER

The instant Petition has been filed by Power Grid Corporation of India Limited (PGCIL) for truing-up of the transmission tariff for the 2019-24 tariff period, in terms of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”) and for the determination of the transmission tariff for the 2024-29 period, in terms of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 (hereinafter referred to as “the 2024 Tariff Regulations”) in respect of 2 numbers 220 kV Line Bays at Samba Substation (hereinafter referred to as ‘the transmission asset’) covered under "Northern Region System Strengthening-XLII" (hereinafter referred to as ‘the transmission project’) in the Northern Region.

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

- a) *Approve the trued-up Transmission Tariff for 2019-24 block and transmission tariff for 2024-29 block for the assets covered under this petition, as per para 20 & 21 above.*
- b) *Admit the capital cost claimed and additional capitalization incurred during 2019-24 and projected to be incurred during 2024-29.*
- c) *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 the Commission as provided in Tariff Regulations 2019 and Tariff Regulations, 2024 as per para 20 & 21 above for respective block.*
- d) *Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 94*



- (1) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024, and other expenditure (if any) in relation to the filing of petition.*
- e) Allow the petitioner to bill and recover RLDC fees & charges and Licensee fee separately from the respondents in terms of Regulation 94 (3) and (4) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024.*
 - f) 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 2024-29 period, if any, from the respondents.*
 - g) Allow the petitioner to file a separate petition before Hon'ble Commission for claiming the overall security expenses and consequential IOWC on that security expenses as mentioned at para 27 above.*
 - h) Allow the petitioner to file a separate petition before Hon'ble Commission for claiming the overall insurance expenses and consequential IOWC on that insurance expenses.*
 - i) Allow the petitioner to file a separate petition before Hon'ble Commission for claiming the overall capital spares as per actuals as mentioned at para 27 above.*
 - j) Allow the petitioner to claim expenses of CTUIL borne by POWERGRID through a separate petition as mentioned at para 28 above.*
 - k) Allow the Petitioner to bill and recover GST on Transmission Charges separately from the respondents, if GST on transmission is levied at any rate 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 scope of the scheme was discussed and agreed upon in the 1st meeting of the Northern Region Standing Committee on Transmission held on 11.9.2018, the 2nd meeting of the National Committee on Transmission held on 4.12.2018, the 3rd meeting of the Empowered Committee on Transmission held on 21.12.2018, and the 43rd NRPC/40th TCC meeting held on 30.10.2018 and 29.10.2018, respectively.

b) The Investment Approval (the IA) for the transmission project was accorded by the Petitioner's Competent Authority on 25.7.2019 vide Memorandum Ref.: C/CP/PA 1920-04-0G-IA004, with an estimated cost of ₹804 lakh, including an Interest During Construction (IDC) of ₹29 lakh based on March 2019 price levels.

c) The scope of work included in the transmission project is as follows:

Sub-stations:

400/220 kV Samba (Jatwal) Substation (Extension)

220 kV line bay: two (for the termination of 220 kV Double Circuit ("D/C")

Samba (PDD)-Samba (Jatwal) transmission line of Jammu and Kashmir PDD.

d) The transmission asset is the only asset included in the transmission project.

e) The Commission, vide order dated 30.3.2024 in Petition No. 32/TT/2023, approved the capital cost as on COD and the transmission tariff for the transmission asset from COD to 31.3.2024.

f) The Petitioner has submitted this Petition for the true-up of the transmission tariff for the 2019-24 period and the determination of the transmission tariff for the 2024-29 period for the following transmission asset implemented in the Northern Region.

Asset	Asset Name	SCOD	Revised SCOD*	COD
Transmission Asset	2 numbers 220 kV Line Bays at Samba Substation covered under Northern Region System Strengthening-XLII in the Northern Region.	28.10.2020	28.3.2021	19.5.2021

**Revised SCOD of the transmission asset is 28.03.2021 as per MoP letter dated: 27.07.2020*

4. The Respondents, mainly the beneficiaries of the Northern Region, are Distribution Licensees, Transmission Licensees and Power Departments that receive transmission services from the Petitioner.



5. The Petitioner has served a 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). However, no comments or suggestions have been received from the general public in response to the notices published in the newspapers.

6. The matter was held on 22.4.2025, and the order was reserved.

7. The Commission, vide the Record of Proceedings (RoP) dated 22.4.2025, directed the Petitioner to provide certain information. In response, the Petitioner submitted an affidavit dated 9.5.2025, stating that the reasons for the variation between the actual ACE and the approved ACE are that the additional capitalisation has been claimed based on actual payments made to the vendors upon receipt of final invoices and after incorporating the necessary amendments. The Petitioner has further submitted that the transmission asset covered under the present Petition is actively in use and that no decapitalisation has occurred regarding this asset. Additionally, the Petitioner noted that the cut-off date for the transmission asset is 31.5.2024; the additional capitalisation has been claimed after this date due to retention payments for work included in the original scope executed prior to the cut-off date, and that this claim falls under Regulation 25 (1)(d) of the Tariff Regulations, 2024. The Petitioner has also submitted Form-5 and Form-13 concerning the transmission asset. Regarding the LD, the Petitioner stated that no LD has been recovered.

8. This order is issued considering the submissions made by the Petitioner in the Petition vide affidavits dated 2.9.2024 and 9.3.2025.

9. Having heard the Petitioner's representative and perused the material available on record, we proceed to dispose of the Petition.



TRUING-UP OF ANNUAL FIXED CHARGES FOR THE 2019-24 TARIFF PERIOD

10. The Petitioner has claimed the following transmission charges in respect of the transmission asset for the 2019-24 tariff period:

(₹ in lakh)			
Particulars	2021-22 (Pro-rata 317 days)	2022-23	2023-24
Depreciation	30.48	42.09	45.35
Interest on Loan	19.26	29.08	30.72
Return on Equity	27.03	38.58	41.52
O&M Expenses	41.90	49.92	51.68
Interest on Working Capital	2.60	3.33	4.00
Total	121.27	163.00	173.27

11. The details of the trued-up Interest on Working Capital (IWC) claimed by the Petitioner in respect of the transmission asset for the 2019-24 tariff period are as follows:

(₹ in lakh)			
Particulars	2021-22 (Pro-rata 317 days)	2022-23	2023-24
O&M Expenses	4.02	4.16	4.31
Maintenance Spares	7.24	7.49	7.75
Receivables	17.21	20.10	21.30
Total Working Capital	28.47	31.75	33.36
Rate of Interest (in %)	10.50	10.50	12.00
Interest on Working Capital	2.60	3.33	4.00

Capital Cost for the 2019-24 Tariff Period

12. The Commission, vide order dated 30.3.2024 in Petition No. 32/TT/2023, allowed the capital cost as on the COD (19.5.2021) for the transmission asset as follows:

(₹ in lakh)				
Capital cost claimed in the Auditor's Certificate as on COD (A)	Less: Disallowed IDC due to computational difference (B)	Less: Undischarged IDC (C)	Less: Excess Initial Spares disallowed as on COD (D)	Capital cost allowed as on COD (E) = (A-B-C-D)
463.30	0.01	0.95	3.35	458.99

13. The initial spares allowed by the Commission in the above-mentioned order dated 30.3.2024 in Petition No. 32/TT/2023, are restricted to 6% of the norms as



specified in the 2019 Tariff Regulations and excess initial spares are disallowed as follows:

(₹ in lakh)

Particulars	Plant and Machinery cost excluding IDC, IEDC, land cost and cost of civil works	Initial Spares claimed	Ceiling (in %)	Allowable Initial Spares	Initial Spares allowed	Excess Initial Spares
Sub-Station	700.02	56.65	6	41.07	41.07	15.58

14. The Commission in the above said order dated 30.3.2024 in Petition No. 32/TT/2023 also allowed the ACE for the 2019-24 tariff period on account of balance and retention payments allowed under Regulations 24(1)(a) of the 2019 Tariff Regulations, subject to truing up as follows:

(₹ in lakh)

Particular	ACE Allowed	
	2021-22	2022-23
Proposed ACE under Regulations 24(1)(a) of the 2019 Tariff Regulations	200.66	130.31
Add: IDC discharge	0.95	0.00
Less: Excess Initial Spares	12.23	0.00
Total ACE (Allowed)	189.38	130.31

15. Accordingly, the capital cost allowed by the Commission in its order dated 30.3.2024 in Petition No. 32/TT/2023 concerning the transmission asset as on 31.3.2024 is as follows:

(₹ in lakh)

Particulars	FR Apportioned Approved Cost	Capital Cost allowed up to COD	Allowed ACE		Capital Cost allowed as on 31.3.2024
			2021-22	2022-23	
Transmission Asset	804.00	458.99	189.38	130.31	778.68

16. The Petitioner in the instant true-up Petition has claimed the following capital cost and ACE in respect of the transmission asset for the 2019-24 tariff period:

(₹ in lakh)

Sl. No.	Expenditure	Sub-Station	IT Equipment	Total
1	Expenditure upto COD As per Auditor Certificate	402.24	61.06	463.30
2	Less: Accrued IDC undischarged upto COD	0.82	0.13	0.95
3	Less: Excess Initial Spares	4.80	0.00	4.80

4	Expenditure upto COD Excluding Accrued IDC	396.62	60.93	457.55
5	Additional Capitalisation during 2021-22 as per the auditor's certificate	200.66	0.00	200.66
6	Add: Accrued IDC Discharge during FY 2021-22	0.82	0.13	0.95
7	Less: Excess Initial Spares	12.23	0.00	12.23
8	Expenditure 2021-22 (Including Accrued IDC)	189.25	0.13	189.38
9	Expenditure during 2022-23 (As per Auditor's certificate)	75.62	0.00	75.62
10	Expenditure during 2023-24 (As per the auditor's certificate)	18.30	10.35	28.65

17. In the instant true-up Petition, the Petitioner has claimed the detailed break-up of ACE, and the same is as follows:

Asset	ACE details		
	2021-22	2022-23	2023-24
Transmission Asset	200.66	75.62	28.65
	Claimed under regulation 24(1)(a) & 24(1)(b) of the 2019 Tariff Regulations	Claimed under regulation 24(1)(a) & 24(1)(b) of the 2019 Tariff Regulations	Claimed under regulation 24(1)(a) of the 2019 Tariff Regulations

18. The Petitioner in this Petition has submitted the following Liability Flow Statement for the 2019-24 tariff period:

Party Wise	Particular	Outstanding Liability as on COD	Liability Discharge			Outstanding Liability as on 31.3.2024
			2021-22	2022-23	2023-24	
M/s. Vikran Engg. & Exim Private Ltd.	Substation	145.27	105.81	17.79	18.30	3.37
	IT	10.35	0.00	0.00	10.35	0.00
	Total	155.62	105.81	17.79	28.65	3.37

19. The capital cost as per the auditor's certificate as on the COD (19.5.2021) is ₹463.30 lakh. The capital cost of ₹463.30 lakh as on the COD also includes the undischarged accrued IDC of ₹0.95 lakh.

Initial Spares

20. Regulation 23(d) of the 2019 Tariff Regulations provides the following ceiling norms:



- “(d) Transmission System
i. Transmission line: 1.00%
ii. Transmission sub-station
- Green Field: 4.00%
- **Brown Field: 6.00%**
iii. Series Compensation devices and HVDC Station: 4.00%
iv. Gas Insulated Sub-station (GIS)
- Green Field: 5.00%
- Brown Field: 7.00%
v. Communication System: 3.50%
vi. Static Synchronous Compensator: 6.00%”

21. The Petitioner has claimed the following initial spares in respect of the transmission asset in the instant Petition:

(₹ in lakh)

Asset	Particulars	Cost for Spare Calculation (A)	Initial Spares Claimed (B)	Ceiling Limit (in %) (C)	Initial Spares Worked out	Excess Initial Spares
					$D = [(A-B)*C/(100-C)]$	$[B-D]$
Transmission Asset	Substation (Brown Field)	677.35	56.65	6	39.62	17.03

22. Further, the Petitioner has submitted the details of the discharge of initial spares in the instant Petition, which is as follows:

(₹ in lakh)

Asset	Total Initial Spares Claimed	Initial Spares upto COD and included in auditor certificate upto COD	Expenditure on Initial Spares in 2021-22
Transmission Asset (Substation)	56.65	44.42	12.23

23. We have considered the Petitioner's submissions in the instant Petition and restricted the claim of initial spares to 6% in accordance with the norms specified in the 2019 Tariff Regulations as follows:

(₹ in lakh)

Particulars	Plant & Machinery cost up to the cut-off date, excluding IDC and IEDC (₹ in lakh)	Initial Spares claimed (₹ in lakh)	Ceiling Limit (in %)	Allowable Initial Spares (₹ in lakh)	Initial Spares allowed (₹ in lakh)	Excess Initial Spares (₹ in lakh)
Substation (Brown Field)	677.35	56.65	6	39.62	39.62	17.03

24. The discharge of initial spares regarding the transmission asset is considered as follows:



(₹ in lakh)				
Asset	Initial Spares claimed	Initial Spares allowed	Initial Spares discharged upto COD	Expenditure on Initial Spares in 2021-22 (Add Cap)
Transmission Asset (Substation)	56.65	39.62	44.42	12.23

25. Accordingly, the excess initial spares claimed, as worked out above, have been adjusted from the capital cost as on the COD and in the ACE of the 2019-24 tariff period in which the liability of the initial spares is discharged. Based on the above, the capital cost allowed in this true-up order with respect to the transmission asset as on the COD is as follows:

(₹ in lakh)				
Capital cost claimed in the Auditor's Certificate as on COD (A)	Less: undischarged IDC as on COD (B)	Less: undischarged IEDC as on COD (C)	Less: Excess Initial Spares disallowed as on COD (D)	Capital cost allowed as on COD (E) = (A-B-C-D)
463.30	0.95	0.00	4.80*	457.55

Note: * Excess Initial Spares of ₹4.80 lakh is computed as ₹44.42 lakh minus ₹39.62 lakh.

26. The Petitioner has claimed the Additional Capital Expenditure (ACE) of ₹293.65 lakh, after adjusting an additional IDC discharge of ₹0.95 lakh in 2021-22 and a reduction of ₹12.23 lakh for excess initial spares in 2021-22, for the 2019-24 tariff period in the current true-up Petition. This is against the approved value of ₹319.69 lakh for the transmission asset in Petition No. 32/TT/2023. The Petitioner, in its justification, has submitted that the ACE is claimed for the transmission asset due to undischarged liabilities recognised as payable at a future date within the original scope of work and up to the cut-off date, as well as works deferred for execution within the original scope of work and up to the cut-off date under Regulations 24(1)(a) and 24(1)(b) of the 2019 Tariff Regulations. The Petitioner has further added that the ACE for the 2019-24 tariff period approved by the Commission in its order dated 30.3.2024 in Petition No. 32/TT/2023 was based on projections where the contracts were not closed, and liabilities were not finalised. However, in the current true-up Petition, ACE

is claimed on the basis of actual payment made to the contractors after receiving final invoices from them and incorporating the amendments.

27. Furthermore, in response to the Commission's query, the Petitioner, through an affidavit dated 9.5.2025, has submitted that the transmission asset covered under the present Petition is currently in use and there has been no de-capitalisation of the transmission asset.

28. We have considered the Petitioner's submissions. We approve the ACE as claimed by the Petitioner for the 2019-24 tariff period regarding the transmission asset, as it relates to undischarged liabilities and works deferred for execution within the original scope of work and up to the cut-off date.

29. Accordingly, the ACE for the transmission asset is allowed under Regulations 24(1)(a) and 24(1)(b) of the 2019 Tariff Regulations. The ACE allowed for the transmission asset is as follows:

Particulars	Regulations	(₹ in lakh)		
		ACE allowed		
		2021-22	2022-23	2023-24
Balance and Retention Payments other than IDC	Regulation 24(1)(a) of the 2019 Tariff Regulations	105.81	17.79	28.65
Addition in Gross Block	Regulation 24(1)(b) of the 2019 Tariff Regulations	94.84	57.83	0.00
Add: Accrued IDC Discharge		0.95	-	-
Less: Excess Initial Spares		12.23	-	-
Total		189.38	75.62	28.65

30. After considering the submissions and the justification provided by the Petitioner for its claim, the following capital cost is allowed for the transmission asset as on COD and as of 31.3.2024.

Particulars	FR Apportioned Approved Cost	Capital Cost allowed up to COD	(₹ in lakh)			Capital Cost allowed as on 31.3.2024
			2021-22	2022-23	2023-24	
Transmission Asset	804.00	457.55	189.38	75.62	28.65	751.20

Debt-Equity Ratio

31. The details of the debt-equity ratio considered and allowed under Regulation 18 of the 2019 Tariff Regulations for computation of the tariff in respect of the transmission asset for the 2019-24 tariff period are as follows:

Funding	Capital Cost as on COD		Admitted ACE during 2019-24		Capital Cost as on 31.3.2024	
	(₹ in lakh)	(in %)	(₹ in lakh)	(in %)	(₹ in lakh)	(in %)
Debt	320.29	70.00	205.56	70.00	525.84	70.00
Equity	137.26	30.00	88.09	30.00	225.36	30.00
Total	457.55	100.00	293.65	100.00	751.20	100.00

Depreciation

32. The depreciation has been worked out considering the admitted capital expenditure as on COD and thereafter up to 31.3.2024. The Weighted Average Rate of Depreciation (WAROD) has been determined for the transmission asset according to the rates of depreciation specified in the 2019 Tariff Regulations. Accordingly, the depreciation allowed in respect of the transmission asset is as follows:

(₹ in lakh)				
Sl. No.	Particulars	2021-22 (Pro-rata 317 days)	2022-23	2023-24
A	Opening Gross Block	457.55	646.93	722.55
B	Addition during the year 2019-24 due to ACE	189.38	75.62	28.65
C	Closing Gross Block (A+B)	646.93	722.55	751.20
D	Average Gross Block (A+C)/2	552.24	684.74	736.88
E	Average Gross Block (90% depreciable assets)	491.25	623.68	670.64
F	Average Gross Block (100% depreciable assets)	61.00	61.06	66.24
G	Depreciable value (excluding IT equipment and software) (E*90%)	442.12	561.31	603.58
H	Depreciable value of IT equipment and software (F*100%)	61.00	61.06	66.24
I	Total Depreciable Value (G+H)	503.12	622.37	669.81
J	Weighted average rate of Depreciation (WAROD) (in %)	6.35	6.15	6.15
K	Elapsed useful life at the beginning of the year (in Years)	--	0	1
L	Balance useful life at the beginning of the year (in Years)	--	23	22
M	Depreciation during the year (D*J)	30.47	42.09	45.35



N	Cumulative Depreciation at the end of the year	30.47	72.56	117.91
O	Remaining Aggregate Depreciable Value at the end of the year	472.64	549.81	551.90

33. The details of depreciation allowed vide order dated 30.3.2024 in Petition No. 32/TT/2023, depreciation claimed in the instant Petition, and trued-up depreciation allowed in the instant order in respect of the transmission asset are as follows:

(₹ in lakh)			
Particulars	2021-22 (Pro-rata 317 days)	2022-23	2023-24
Allowed vide order dated 30.3.2024 in Petition No. 32/TT/2023	30.51	44.08	48.03
Claimed by the Petitioner in the instant Petition	30.48	42.09	45.35
Allowed after truing-up in this order	30.47	42.09	45.35

Interest on Loan (IoL)

34. The Petitioner has claimed the Weighted Average Rate of Interest (WAROI) on loans based on its actual loan portfolio and the interest rate prevailing.

35. We have considered the submissions of the Petitioner and perused the record. The IoL has been calculated based on the actual interest rate provided by the Petitioner in accordance with Regulation 32 of the 2019 Tariff Regulations. The trued-up IoL allowed for the transmission asset is as follows:

(₹ in lakh)				
Sl. No.	Particulars	2021-22 (Pro-rata 317 days)	2022-23	2023-24
A	Gross Normative Loan	320.29	452.85	505.79
B	Cumulative Repayments up to the Previous Year	0.00	30.47	72.56
C	Net Loan-Opening (A-B)	320.29	422.38	433.22
D	Addition due to ACE	132.57	52.93	20.06
E	Repayment during the year	30.47	42.09	45.35
F	Net Loan-Closing (C+D-E)	422.38	433.22	407.93
G	Average Loan (C+F)/2	371.33	427.80	420.58
H	Weighted Average Rate of Interest on Loan (in %)	5.97	6.80	7.30
I	Interest on Loan (G*H)	19.26	29.08	30.72

36. The details of IoL allowed vide order dated 30.3.2024 in Petition No. 32/TT/2023, IoL claimed in the instant Petition, and trued-up IoL allowed for the transmission asset in the instant order are as follows:

Particulars	(₹ in lakh)		
	2021-22 (Pro-rata 317 days)	2022-23	2023-24
Allowed vide order dated 30.3.2024 in Petition No. 32/TT/2023	19.30	26.73	26.70
Claimed by the Petitioner in the instant Petition	19.26	29.08	30.72
Allowed after truing-up in this order	19.26	29.08	30.72

Return on Equity (RoE)

37. The Petitioner has submitted that its Income Tax assessment has been completed, and the assessment orders have been issued by the Income Tax Department for the FY 2019-20 and FY 2020-21 and the income has been assessed under MAT [115JB of the Income Tax Act, 1961 (IT Act, 1961)].

38. The Petitioner has further submitted that it is liable to pay the income tax at MAT rate of 17.472% (15% Income Tax + 12% Surcharge on Income Tax + 4% Health and Education Cess on Income Tax and Surcharge) and has claimed the following effective tax rates for the 2019-24 tariff period:

Year	Claimed effective tax rate (in %)	Grossed-up RoE (in %) [(Base Rate)/(1-t)]
2021-22	17.472	18.782
2022-23	17.472	18.782
2023-24	17.472	18.782

39. We have considered the Petitioner's submissions and have also gone through the record. We note that the entities covered under the MAT regime are paying Income Tax as per the MAT rates notified for the respective financial year under the IT Act, 1961, which is levied on the book profit of the entity computed as per Section 115 JB of the IT Act, 1961. Section 115 JB (2) of the IT Act, 1961 defines book profit as net profit in the Statement of Profit and Loss prepared in accordance with Schedule-II of the Companies Act, 2013, subject to some additions and deductions as mentioned in



the IT Act, 1961. Since the Petitioner has been paying the MAT rates of the respective financial year, the notified MAT rates for the respective financial year shall be considered as an effective tax rate for the purpose of grossing up the RoE for truing up of the 2019-24 tariff period in terms of the provisions of the 2019 Tariff Regulations. Interest imposed on any additional income tax demand as per the Assessment Order of the Income Tax Authorities shall be considered on the actual payment. However, the penalty (for default on the part of the Assessee), if any, imposed shall not be taken into account for the purpose of grossing up the rate of RoE. Any under-recovery or over-recovery of the grossed-up rates on the RoE after truing-up shall be recovered or refunded to the beneficiaries or the long-term customers, as the case may be, on a year-to-year basis. Therefore, the following effective tax rate based on the notified MAT rates is considered for the purpose of grossing up the rate of RoE:

Year	Notified MAT rates (in %) (inclusive of surcharge & cess)	Effective tax (in %) (t)	Base rate of RoE (in %)	Grossed-up RoE [(Base Rate)/(1- t)] (in %)
2021-22	17.472	17.472	15.50	18.782
2022-23	17.472	17.472	15.50	18.782
2023-24	17.472	17.472	15.50	18.782

40. Accordingly, the trued-up RoE allowed in respect of the transmission asset for the 2019-24 tariff period is as follows:

(₹ in lakh)				
Sl. No.	Particulars	2021-22 (Pro-rata 317 days)	2022-23	2023-24
A	Opening Equity	137.27	194.08	216.77
B	Addition due to ACE	56.81	22.69	8.60
C	Closing Equity (A+B)	194.08	216.77	225.36
D	Average Equity (A+C)/2	165.67	205.42	221.06
E	Return on Equity (Base Rate) (in %)	15.50	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782	18.782
H	Return on Equity (D*G)	27.02	38.58	41.52

41. The details of RoE allowed vide order dated 30.3.2024 in Petition No. 32/TT/2023, RoE claimed in the instant Petition and trued-up RoE allowed in the instant order in respect of the transmission asset are as follows:

(₹ in lakh)			
Particulars	2021-22 (Pro-rata 317 days)	2022-23	2023-24
Allowed vide order dated 30.3.2024 in Petition No. 32/TT/2023	27.09	40.20	43.87
Claimed by the Petitioner in the instant Petition	27.03	38.58	41.52
Allowed after truing-up in this order	27.02	38.58	41.52

Operation & Maintenance Expenses (O&M Expenses)

42. The Commission, vide order dated 30.3.2024 in Petition No. 32/TT/2023, allowed the following O&M Expenses in respect of the transmission asset:

(₹ in lakh)			
O&M Expenses	2021-22 (Pro-rata 317 days)	2022-23	2023-24
	41.90	49.92	51.68

43. The Petitioner has claimed the following O&M Expenses in respect of the transmission asset for the 2019-24 tariff period:

(₹ in lakh)			
O&M Expenses	2021-22 (Pro-rata 317 days)	2022-23	2023-24
	41.90	49.92	51.68

44. We have considered the Petitioner's submissions. It is observed that the O&M Expenses claimed by the Petitioner in the instant true-up Petition are as per Regulation 35(3) of the 2019 Tariff Regulations. The following O&M Expenses for the transmission asset have been worked out:

(₹ in lakh)			
O&M Expenses	2021-22 (Pro-rata 317 days)	2022-23	2023-24
Sub-station:220 kV Bays (2 Nos.)			
Norms as per Regulation (₹ per Bay)	24.12	24.96	25.84
O&M Expenses			
Sub-Station	41.90	49.92	51.68
Total O&M Expenses allowed	41.90	49.92	51.68

45. Accordingly, the details of O&M Expenses allowed vide order dated 30.3.2024 in Petition No. 32/TT/2023, O&M Expenses claimed in the instant Petition, and trued-up O&M Expenses allowed in the instant order in respect of the transmission asset are as follows:

Particulars	(₹ in lakh)		
	2021-22 (Pro-rata 317 days)	2022-23	2023-24
Allowed vide order dated 30.3.2024 in Petition No. 32/TT/2023	41.90	49.92	51.68
Claimed by the Petitioner in the instant Petition	41.90	49.92	51.68
Allowed after truing-up in this order	41.90	49.92	51.68

Interest on Working Capital (IWC)

46. IWC has been worked out in accordance with Regulation 34 of the 2019 Tariff Regulations. The Rate of Interest (RoI) considered is 10.50% (SBI 1-year MCLR applicable as on 1.4.2021 of 7.00% plus 350 basis points) for FY 2021-22, 10.50% (SBI 1-year MCLR applicable as on 1.4.2022 of 7.00% plus 350 basis points) for FY 2022-23 and 12.00% (SBI 1-year MCLR applicable as on 1.4.2023 of 8.50% plus 350 basis points) for FY 2023-24.

47. The components of the working capital and interest allowed thereon for the transmission asset are as follows:

Sl. No.	Particulars	(₹ in lakh)		
		2021-22 (Pro-rata 317 days)	2022-23	2023-24
A	Working Capital for O&M Expenses (O&M Expenses for one month)	4.02	4.16	4.31
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	7.24	7.49	7.75
C	Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	17.21	20.10	21.30
D	Total Working Capital (A+B+C)	28.74	31.74	33.36
E	Rate of Interest for Working Capital (in %)	10.50	10.50	12.00
F	Interest on Working Capital (D*E)	2.60	3.33	4.00

48. The details of IWC allowed vide order dated 30.3.2024 in Petition No. 32/TT/2023, IWC claimed in the instant Petition and trued-up IWC allowed in the instant order in respect of the transmission asset are as follows:

(₹ in lakh)			
Particulars	2021-22 (Pro-rata 317 days)	2022-23	2023-24
Allowed vide order dated 30.3.2024 in Petition No. 32/TT/2023	2.60	3.35	3.51
Claimed by the Petitioner in the instant Petition	2.60	3.33	4.00
Allowed after truing-up in this order	2.60	3.33	4.00

Trued-up Annual Fixed Charges for the 2019-24 Tariff Period

49. Accordingly, the Annual Fixed Charges allowed after truing-up for the 2019-24 tariff period in relation to the transmission asset are as follows:

(₹ in lakh)			
Particulars	2021-22 (Pro-rata 317 days)	2022-23	2023-24
Depreciation	30.47	42.09	45.35
Interest on Loan	19.26	29.08	30.72
Return on Equity	27.02	38.58	41.52
O&M Expenses	41.90	49.92	51.68
Interest on Working Capital	2.60	3.33	4.00
Total	121.25	163.01	173.27

50. The details of annual transmission charges allowed vide order dated 30.3.2024 in Petition No.32/TT/2023, the annual transmission charges claimed in the instant Petition, and trued-up annual transmission charges allowed for the transmission asset in the instant order are as follows:

(₹ in lakh)			
Particulars	2021-22 (Pro-rata 317 days)	2022-23	2023-24
Allowed vide order dated 30.3.2024 in Petition No. 32/TT/2023	121.40	164.28	173.79
Claimed by the Petitioner in the instant Petition	121.27	163.00	173.27
Allowed after truing-up in this order	121.25	163.01	173.27

DETERMINATION OF ANNUAL FIXED CHARGES FOR THE 2024-29 TARIFF PERIOD

51. The Petitioner has claimed the following transmission charges for the transmission asset for the 2024-29 tariff period:

(₹ in lakh)					
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	46.69	46.78	46.78	46.78	37.59
Interest on Loan	28.19	24.82	22.21	19.97	16.56
Return on Equity	42.42	42.51	42.51	42.51	42.51
O&M Expenses	41.34	43.50	45.80	48.20	50.72
Interest on Working Capital	3.53	3.57	3.63	3.70	3.62
Total	162.17	161.18	160.93	161.16	151.00

52. The details of IWC claimed by the Petitioner for the 2024-29 tariff period for the transmission asset are as under:

(₹ in lakh)					
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses	3.45	3.63	3.82	4.02	4.23
Maintenance Spares	6.20	6.53	6.87	7.23	7.61
Receivables	19.99	19.87	19.84	19.81	18.62
Total Working Capital	29.64	30.03	30.53	31.06	30.46
Rate of Interest on working capital (in %)	11.90	11.90	11.90	11.90	11.90
Interest on Working Capital	3.53	3.57	3.63	3.70	3.62

Capital Cost

53. Regulation 19 of the 2024 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 checks in accordance with these regulations shall form the basis for the 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 and, in the event actual equity is in excess of 30% on a pari-passu basis, by treating the excess equity over and above 30% of the funds deployed as a normative loan, or (ii) being equal to the actual amount of the loan in the event of actual equity being 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 the sale of infirm power in excess of fuel cost prior to the date of commercial operation as specified under Regulation 6 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 up to 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 the 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)
- (p)

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

- (a) Capital cost admitted by the Commission prior to 1.4.2024 duly trued up by excluding liability, if any, as on 1.4.2024;
- (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 renovation and modernisation as admitted by this Commission in accordance with these regulations;
- (d) to (h)
- (i) Expenditure on account of change in law and force majeure events;

(4)

(5)

(6) 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 obsolescence;
- (c) De-capitalised Assets on account of upgradation or shifting from one project to another project:

Provided that in case such an asset is recommended for further utilisation by the Regional Power Committee in consultation with CTU, such asset shall be de-capitalised from the original project only after its redeployment;

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

(d)

- (e) Proportionate cost of land of the existing generation or transmission project, as the case may be, which is being used for generating power from a generating station based on renewable energy as may be permitted by the Commission; and

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

54. The capital cost of ₹751.20 lakh has been considered by the Commission for the transmission asset as on 31.3.2024. Therefore, the capital cost of ₹751.20 lakh has been considered as the opening capital cost as on 1.4.2024 for the purpose of determination of transmission tariff for the 2024-29 period in accordance with Regulation 19 of the 2024 Tariff Regulations.

Additional Capital Expenditure (ACE)

55. Regulation 25 of the 2024 Tariff Regulations provides as follows:

*“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) Payment made against award of arbitration or for compliance with 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 which is not provided for in the original scope of work;*
- (c) Deferred works relating to ash pond or ash handling system or raising of ash dyke in the original scope of work;*
- (d) Payment made towards liability admitted for works within the original scope executed prior to the cut-off date;*
- (e) Force Majeure events;*
- (f) Works within original scope executed after the cut-off date and admitted by the Commission, to the extent of actual payments made; and*

(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) Assets whose useful life 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.*

Provided that any claim of additional capitalization with respect to the replacement of assets under the original scope and on account of obsolescence of technology, less than ₹ 20 lakhs shall not be considered as part of Capital cost and shall be met through normative O&M expenses”

56. The Petitioner has claimed the ACE of ₹3.37 lakh for the transmission asset for the 2024-29 tariff period under Regulations 25(1)(d) of the 2024 Tariff Regulations towards payments made for liabilities admitted for works within the original scope executed prior to the cut-off date as shown below:

Particulars	(₹ in lakh) Claimed ACE
	2024-25
Proposed ACE under Regulations 25(1)(d) of the 2024 Tariff Regulations	3.37

57. The Liability Flow Statement for the 2024-29 tariff period, submitted by the Petitioner in the instant Petition, is as follows:

Party Wise	Particulars	(₹ in lakh)		
		Outstanding Liability as on 31.3.2024	Liability Discharge in 2024-25	Outstanding Liability as on 31.3.2029
M/s. Vikran Engg. & Exim Private Ltd.	Sub-Station	3.37	3.37	0.00
	Total	3.37	3.37	0.00

58. The Petitioner has submitted that as on the date, there are nil 'previously recognised liabilities' to be discharged beyond the 2024-29 tariff period. The Petitioner further added that the actual capital expenditure to be incurred during 2024-29 shall be finalised after the closing of the contract. The payment to be made during 2024-29 after submission of the invoice and after reconciliation in accordance with the contractual clause as per the provisions of the contract.

59. We have considered the Petitioner's submissions. We allow the ACE as claimed by the Petitioner for the 2024-29 tariff period in respect of the transmission asset, as the same is towards payment made for liability admitted for works within the original scope executed prior to the cut-off date and payment made after the cut-off date. Accordingly, the ACE for the transmission asset is allowed under Regulations 25(1)(d) of the 2024 Tariff Regulations. The ACE allowed with respect to the transmission asset is as follows:



Regulations	(₹ in lakh)	
	ACE allowed	
	2024-25	Total 2024-29
Regulation 25(1)(d) of the 2024 Tariff Regulations	3.37	3.37
Total	3.37	3.37

60. The total capital expenditure as on 31.3.2029 is within the FR apportioned approved cost. Accordingly, the ACE and the capital cost as on 31.3.2029 are allowed for the transmission asset for the 2024-29 tariff period as follows:

Asset	FR Apportioned Approved Cost	Expenditure as on 31.3.2024 (A)	Admitted ACE in 2024-29 (B)	(₹ in lakh)
				Actual Capital Cost as on 31.3.2029 (C=A+B)
Transmission Asset	804.00	751.20	3.37	754.57

Debt Equity Ratio

61. Regulation 18 of the 2024 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;
- 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 utilized 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 the approval of the competent authority in other cases regarding the 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 the case of the generating station and the transmission system, including the communication system declared under commercial operation prior to 1.4.2024, the

debt-equity ratio allowed by the Commission for the determination of tariff for the period ending 31.3.2024 shall be considered:

Provided that in the case of a generating station or a transmission system, including a communication system which has completed its useful life as on 1.4.2024 or is completing its useful life during the 2024-29 tariff period, if the equity actually deployed 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 96 of these regulations.

(4) In the case of the generating station and the transmission system, including communication system declared under commercial operation prior to 1.4.2024, but where debt: equity ratio has not been determined by the Commission for determination of tariff for the period ending 31.3.2024, 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 1.4.2024 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.”

62. The debt-equity ratio for the 2024-29 tariff period is addressed in accordance with Regulation 18 of the 2024 Tariff Regulations. Consequently, the debt-equity ratio used for calculating the tariff for the 2024-29 period in relation to the transmission asset is as follows:

Funding	Capital Cost as on 1.4.2024		ACE in 2024-29		Capital Cost as on 31.3.2029	
	(₹ in lakh)	(in %)	(₹ in lakh)	(in %)	(₹ in lakh)	(in %)
Debt	525.84	70.00	2.36	70.00	528.20	70.00
Equity	225.36	30.00	1.01	30.00	226.37	30.00
Total	751.20	100.00	3.37	100.00	754.57	100.00

Depreciation

63. Regulation 33 of the 2024 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 the case of the tariff of all the units of a generating station or all elements of a transmission system including the 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 the 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 a 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, the weighted average life for the generating station or the transmission system shall be applied. Depreciation shall be chargeable from the first year of commercial operation. In the case of commercial operation of the asset for a part of the year, depreciation shall be charged on a pro rata basis.

(3) The salvage value of the asset shall be considered as 10%, and depreciation shall be allowed up to the 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 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)

(5) Depreciation for Existing Projects shall be calculated annually based on the 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 generating station or transmission system, as the case may be, shall be spread over the balance useful life of the assets.

.....

(6) Depreciation for New Projects shall be calculated annually based on the Straight Line Method and at rates specified in Appendix-II 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 15 years from the effective date of commercial operation of the generating station or the transmission system, as the case may be, shall be spread over the balance useful life of the assets.

.....

(7) In the case of the existing projects, the balance depreciable value as on 1.4.2024 shall be worked out by deducting the cumulative depreciation as admitted to by the Commission up to 31.3.2024 from the gross depreciable value of the assets.

(8) The generating company or the transmission licensee, as the case may be, shall submit the details of capital expenditure proposed to be incurred during five years before the completion of useful life along with proper justification and proposed life extension. The Commission, based on prudence check of such submissions, shall approve the depreciation by equally spreading the depreciable value over the balance

Operational Life of the generating station or unit thereof or fifteen years, whichever is lower, and in case of the transmission system shall equally spread the depreciable value over the balance useful life of the Asset or 10 years whichever is higher.

(9) 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 service”

64. The depreciation has been worked out considering the admitted capital expenditure as on 1.4.2024 and, thereafter, up to 31.3.2029. The Weighted Average Rate of Depreciation (WAROD) has been worked out for the transmission asset as per the rates of depreciation specified in the 2024 Tariff Regulations.

65. The depreciation allowed for the transmission asset under Regulation 33 of the 2024 Tariff Regulations for the 2024-29 tariff period is as under:

(₹ in lakh)						
Sl. No.	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Opening Gross Block	751.20	754.57	754.57	754.57	754.57
B	Addition during the year 2024-29 due to projected ACE	3.37	0.00	0.00	0.00	0.00
C	Closing Gross Block (A+B)	754.57	754.57	754.57	754.57	754.57
D	Average Gross Block (A+C)/2	752.89	754.57	754.57	754.57	754.57
E	Average Gross Block (90% depreciable assets)	681.48	683.16	683.16	683.16	683.16
F	Average Gross Block (100% depreciable assets)	71.41	71.41	71.41	71.41	71.41
G	Depreciable value (excluding IT equipment and software) (E*90%)	613.33	614.84	614.84	614.84	614.84
H	Depreciable value of IT equipment and software (F*100%)	71.41	71.41	71.41	71.41	71.41
I	Total Depreciable Value (G+H)	684.74	686.25	686.25	686.25	686.25
J	Weighted average rate of Depreciation (WAROD) (in %)	6.20	6.20	6.20	6.20	4.98
K	Elapsed useful life at the beginning of the year (Year)	2	3	4	5	6
L	Balance useful life at the beginning of the year (Year)	21	20	19	18	17
M	Depreciation during the year (D*J)	46.69	46.78	46.78	46.78	37.59
N	Cumulative Depreciation at the end of the year	164.60	211.38	258.17	304.95	342.54
O	Remaining Aggregate Depreciable Value at the end of the year	520.14	474.87	428.09	381.31	343.71

Interest on Loan (IoL)

66. Regulation 32 of the 2024 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 gross normative loans for the calculation of interest on loans.



(2) The normative loan outstanding as on 1.4.2024 shall be worked out by deducting the cumulative repayment as admitted by the Commission up to 31.3.2024 from the gross normative loan.

(3) The repayment for each of the years of the tariff period 2024-29 shall be deemed to be equal to the depreciation allowed for the corresponding year or 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 up to the date of de-capitalisation of such asset.

(4) Notwithstanding any moratorium period availed of by the generating company or the transmission licensee, as the case may be, the repayment of the 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 or allocated loan portfolio;

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

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

Provided that the rate of interest on the loan for the installation of the emission control system commissioned subsequent to date of commercial operation of the generating station or unit thereof, shall be the weighted average rate of interest of the actual loan portfolio of the emission control system, and in the absence of the actual loan portfolio, the weighted average rate of interest of the generating company as a whole shall be considered, subject to a ceiling of 14%;

Provided further that if the generating company or the transmission licensee, as the case may be, does not have any actual loan, then the rate of interest for a loan shall be considered as 1-year MCLR of the State Bank of India as applicable as on April 01, of the relevant financial year.

(6) The interest on the 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.”

67. The Weighted Average Rate of IoL has been considered based on the rate prevailing as on 1.4.2024. The Petitioner has prayed that any change in interest rate due to the floating rate applicable during the 2024-29 tariff period may be adjusted. Accordingly, the floating rate of interest, if any, will be taken into account at the time of true-up. IoL has been allowed in accordance with Regulation 32 of the 2024 Tariff

Regulations. The IoL allowed for the 2024-29 tariff period in respect of the transmission asset is as follows:

(₹ in lakh)						
Sl. No.	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Gross Normative Loan	525.84	528.20	528.20	528.20	528.20
B	Cumulative Repayments up to Previous Year	117.91	164.60	211.38	258.17	304.95
C	Net Loan-Opening (A-B)	407.93	363.60	316.82	270.03	223.25
D	Addition due to ACE	2.36	0.00	0.00	0.00	0.00
E	Repayment during the year	46.69	46.78	46.78	46.78	37.59
F	Net Loan-Closing (C+D-E)	363.60	316.82	270.03	223.25	185.66
G	Average Loan (C+F)/2	385.77	340.21	293.42	246.64	204.45
H	Weighted Average Rate of Interest on Loan (in %)	7.31	7.29	7.57	8.10	8.10
I	Interest on Loan (G*H)	28.19	24.82	22.21	19.97	16.56

Return on Equity (RoE)

68. Regulations 30 and 31 of the 2024 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.

Return on equity for existing project 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 storage type hydro generating stations, pumped storage hydro generating stations and run-of- river generating station with pondage;

(2) Return on equity for new project achieving COD on or after 01.04.2024 shall be computed at the base rate of 15.00% for the transmission system, including the communication system, at the base rate of 15.50% for Thermal generating station and run-of-river hydro generating station and at the base rate of 17.00% for storage type hydro generating stations, pumped storage hydro generating stations and run-of-river generating station with pondage;

Provided that return on equity in respect of additional capitalization beyond the original scope, including additional capitalization on account of the emission control system, Change in Law, and Force Majeure shall be computed at the base rate of one-year marginal cost of lending rate (MCLR) of the State Bank of India plus 350 basis points as on 1st April of the year, subject to a 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 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;

.....”



“31. Tax on Return on Equity. (1) The 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. The effective tax rate 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 concerned generating company or the transmission licensee by excluding the income of non-generation or non-transmission business, as the case may be, and the corresponding tax thereon.

Provided that in case a generating company or transmission licensee is paying Minimum Alternate Tax (MAT) under Section 115JB of the Income Tax Act, 1961, the effective tax rate shall be the MAT rate, including surcharge and cess;

Provided further that in case a generating company or transmission licensee has opted for Section 115BAA, the effective tax rate shall be tax rate including surcharge and cess as specified under Section 115BAA of the Income Tax Act, 1961.

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

Rate of pre-tax return on equity = Base rate / (1-t)

(3) The generating company or the transmission licensee, as the case may be, shall true up the effective tax rate for 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 2024-29 on actual gross income of any financial year. Further, any penalty arising on account of delay in deposit or short deposit of tax amount shall not be considered while computing the actual tax paid for the generating company or the transmission licensee, as the case may be.

Provided that in case a generating company or transmission licensee is paying Minimum Alternate Tax (MAT) under Section 115JB, 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 with the applicable MAT rate including surcharge and cess.

Provided that in case a generating company or transmission licensee is paying tax under Section 115BAA, 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 with the tax rate including surcharge and cess as specified under Section 115BAA.

Provided that 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 a year to year basis.”

69. The Petitioner has submitted that the MAT rate applies to it. We have considered the Petitioner’s submission and have gone through the record.

70. We have considered the applicable MAT rate for the RoE, which will be trued-up in accordance with the 2024 Tariff Regulations. The RoE allowed for the transmission asset for the 2024-29 tariff period is as follows:

(₹ in lakh)						
Sl. No.	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Opening Equity	225.36	226.37	226.37	226.37	226.37
B	Addition due to ACE	1.01	0.00	0.00	0.00	0.00
C	Closing Equity (A+B)	226.37	226.37	226.37	226.37	226.37
D	Average Equity (A+C)/2	225.87	226.37	226.37	226.37	226.37
E	Return on Equity (Base Rate) (in %)	15.50	15.50	15.50	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	42.42	42.52	42.52	42.52	42.52

Operation and Maintenance Expenses (O&M Expenses)

71. The O&M Expenses claimed by the Petitioner in respect of the transmission asset for the 2024-29 tariff period are as follows:

(₹ in lakh)					
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses	41.34	43.50	45.80	48.20	50.72

72. Regulation 36(3) of the 2024 Tariff Regulations provides as follows:

“36. Operation and Maintenance Expenses:

.....

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

Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Norms for sub-station Bays (Rs Lakh per bay)					
765 kV	41.34	43.51	45.79	48.20	50.73
400 kV	29.53	31.08	32.71	34.43	36.23
220 kV	20.67	21.75	22.90	24.10	25.36
132 kV and below	15.78	16.61	17.48	18.40	19.35
Norms for Transformers/Reactors (Rs Lakh per MVA or MVAR)					
O&M expenditure per MVA or per MVAR (Rs Lakh per MVA or per MVAR)	0.262	0.276	0.290	0.305	0.322
Norms for AC and HVDC lines (Rs Lakh per km)					
Single Circuit (Bundled Conductor with six or more sub-conductors)	0.861	0.906	0.953	1.003	1.056
Single Circuit (Bundled conductor with four or more sub-conductors)	0.738	0.776	0.817	0.860	0.905
Single Circuit (Twin & Triple Conductor)	0.492	0.518	0.545	0.573	0.603
Single Circuit (Single Conductor)	0.246	0.259	0.272	0.287	0.302
Double Circuit (Bundled conductor with four or more sub-conductors)	1.291	1.359	1.430	1.506	1.585



Double Circuit (Twin & Triple Conductor)	0.861	0.906	0.953	1.003	1.056
Double Circuit (Single Conductor)	0.369	0.388	0.409	0.430	0.453
Multi Circuit (Bundled Conductor with four or more sub-conductor)	2.266	2.385	2.510	2.642	2.781
Multi Circuit (Twin & Triple Conductor)	1.509	1.588	1.671	1.759	1.851
Norms for HVDC stations					
HVDC Back-to-Back stations (Rs Lakh per MW)	2.07	2.18	2.30	2.42	2.55
Gazuwaka BTB (Rs Lakh/MW)	1.83	1.92	2.03	2.13	2.24
HVDC bipole scheme (Rs Lakh/MW)	1.04	1.10	1.16	1.22	1.28

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 that the O&M expense norms of Double Circuit quad AC line shall be applicable to for HVDC bi-pole line:

Provided that the O&M expenses of ± 500 kV Mundra-Mohindergarh HVDC bipole scheme (2500 MW) shall be allowed as worked out by multiplying 0.80 of the normative O&M expenses for HVDC bipole scheme:

Provided further that the O&M expenses for Transmission Licensees whose transmission assets are located solely in NE Region (including Sikkim), States of Uttarakhand, Himachal Pradesh, the Union Territories of Jammu and Kashmir and Ladakh, district of Darjeeling of West Bengal shall be worked out by multiplying 1.50 to the normative O&M expenses prescribed above.

(b) The total allowable operation and maintenance expenses for the transmission system shall be calculated by multiplying the number of substation bays, transformer capacity of the transformer/reactor/Static Var Compensator/Static Synchronous Compensator (in MVA/MVAR) and km of line length with the applicable norms for the operation and maintenance expenses per bay, per MVA/MVAR and per km respectively."

73. We have considered the Petitioner's submissions. The O&M Expenses for the 2024-29 tariff period have been calculated in accordance with the norms specified in the 2024 Tariff Regulations. The O&M Expenses approved for the transmission asset for the 2024-29 tariff period, as per Regulation 36 of the 2024 Tariff Regulations, are as follows:

(₹ in lakh)					
O&M Expenses	2024-25	2025-26	2026-27	2027-28	2028-29
Sub-station: 220 kV Bays (2 Nos.)					
Norms as per Regulation (₹ per Bay)	20.67	21.75	22.90	24.10	25.36
O&M Expenses					
Sub-Station	41.34	43.50	45.80	48.20	50.72
Total O&M Expenses	41.34	43.50	45.80	48.20	50.72



Interest on Working Capital (IWC)

74. Regulations 34(1)(d), 34(3) and 34(4) of the 2024 Tariff Regulations provide as follows:

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

.....

(d) 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 a normative basis and shall be considered at the Reference Rate of Interest as on 1.4.2024 or as on 1st April of the year during the tariff period 2024- 29 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 Reference Rate of Interest as on 1st April of each of the financial year during the tariff period 2024-29.

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

75. The Petitioner has considered the rate of IWC as 11.90% as on 1.4.2024. IWC has been worked out in accordance with Regulation 34 of the 2024 Tariff Regulations. The Rate of Interest (RoI) considered is 11.90% (SBI 1-year MCLR applicable as on 1.4.2024 of 8.65% plus 325 basis points) for financial years 2024-25 to 2028-29.

76. The components of the working capital and interest allowed thereon under Regulation 34 of the 2024 Tariff Regulations for the 2024-29 tariff period in respect of the transmission asset are as under:

(₹ in lakh)						
Sl. No.	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Working Capital for O&M Expenses (O&M Expenses for one month)	3.45	3.63	3.82	4.02	4.23
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	6.20	6.53	6.87	7.23	7.61



C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	19.99	19.87	19.84	19.82	18.62
D	Total Working Capital (A+B+C)	29.64	30.02	30.53	31.06	30.45
E	Rate of Interest for working capital (in %)	11.90	11.90	11.90	11.90	11.90
F	Interest on Working Capital (D*E)	3.53	3.57	3.63	3.70	3.62

Annual Fixed Charges for the 2024-29 Tariff Period

77. The transmission charges allowed in respect of the transmission asset for the 2024-29 tariff period are as follows:

(₹ in lakh)					
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	46.69	46.78	46.78	46.78	37.59
Interest on Loan	28.19	24.82	22.21	19.97	16.56
Return on Equity	42.42	42.52	42.52	42.52	42.52
O&M Expenses	41.34	43.50	45.80	48.20	50.72
Interest on Working Capital	3.53	3.57	3.63	3.70	3.62
Total	162.17	161.19	160.94	161.17	151.01

Filing Fee and Publication Expenses

78. The Petitioner has claimed reimbursement of the fee paid for filing the Petition and publication expenses. Furthermore, the Petitioner has submitted that it shall be entitled to recover the filing fee and costs for publishing notices in the application for tariff approval directly from the beneficiaries or long-term customers, as applicable, in accordance with Regulation 94(1) of the 2024 Tariff Regulations.

79. We have considered the Petitioner's submissions. The Petitioner is entitled to reimbursement of the fees paid for filing the Petition and publication expenses incurred on this account directly from the beneficiaries or long-term customers, as the case may be.

Fees and Charges of Central Transmission Utility of India Limited (CTUIL)

80. The Petitioner has submitted that, as per Regulation 99 of the 2024 Tariff Regulations, the fees and charges of the CTUIL may be allowed separately through a separate regulation. The Petitioner has further submitted that in the absence of such regulation, the expenses of CTUIL will be borne by the Petitioner, which will be



recovered by the Petitioner as additional O&M Expenses through a separate Petition at the end of the tariff period.

81. It is apt here to refer to Regulation 99 of the 2024 Tariff Regulations which provides as under:

“99. Special Provisions relating to Central Transmission Utility of India Ltd. (CTUIL): The fee and charges of CTUIL shall be allowed separately by the Commission through a separate regulation:

Provided that until such regulation is issued by the Commission, the expenses of CTUIL shall be borne by Power Grid Corporation of India Ltd. (PGCIL) which shall be recovered by PGCIL as additional O&M expenses through a separate petition.”

82. We have considered the Petitioner’s submissions and perused Regulation 99 of the 2024 Tariff Regulations. In view of the explicit provision made under Regulation 99 of the 2024 Tariff Regulations, we permit the Petitioner, i.e., PGCIL, to bear the fees and charges expenses of CTUIL and recover the same as additional O&M Expenses through a separate Petition until such regulation is notified and issued by the Commission.

Licence Fee and RLDC Fees and Charges

83. The Petitioner has claimed reimbursement of the licence fee, RLDC Fees and Charges. The Petitioner is allowed the reimbursement of the licence fee in accordance with Regulation 94(4) of the 2024 Tariff Regulations for the 2024-29 tariff period. The Petitioner is also allowed to recover the RLDC fee and charges from the beneficiaries in terms of Regulation 94(3) of the 2024 Tariff Regulations for the 2024-29 tariff period.

Goods and Services Tax

84. The Petitioner has submitted that the transmission charges claimed herein are exclusive of GST, and in case GST is levied in the future, the same shall be additionally paid by the Respondents and be charged and billed separately by the Petitioner. It is also prayed that additional taxes, if any, are paid by the Petitioner on account of the demand from the Government/ statutory authorities, and the Commission may allow the same to be recovered from the beneficiaries.



85. We have considered the submission of the Petitioner. Since GST is not levied on the transmission service at present, we are of the view that the Petitioner's prayer on this count is premature.

Security Expenses, Insurance and Capital Spares

86. The Petitioner has submitted that as per Regulation 36(3)(d) of the 2024 Tariff Regulations, the security expenses and capital spares of more than ₹10 lakh for the transmission system shall be allowed separately after a prudence check.

87. As regards the security expenses of the transmission asset, the Petitioner has submitted that it will file a separate Petition for the truing up of security expenses from 1.4.2019 to 31.3.2024 under Regulation 35(3)(c) of the 2019 Tariff Regulations and recovery of security expenses from 1.4.2024 to 31.3.2029 under Regulation 36(3)(d) of the 2024 Tariff Regulations. According to the Petitioner, the security expenses regarding the transmission asset are not claimed in the instant Petition.

88. The Petitioner has also submitted that it has not claimed insurance expenses in the instant Petition and it will file a separate Petition for claiming the overall insurance expenses and consequential IWC on the same, considering the actual insurance expenses incurred by it for the FY 2023-24 after escalating the same at 5.25% per annum to arrive at the estimated insurance expense for FY 2024-25, FY 2025-26, FY 2026-27, FY 2027-28, and FY 2028-29.

89. The Petitioner has not claimed capital spares for the transmission asset in the instant Petition for the 2024-29 tariff period. According to the Petitioner, it will file a separate Petition for the capital spares consumed and consequential IWC thereon on an actual basis for the 2024-29 tariff period as per the 2024 Tariff Regulations. The Petitioner has also submitted that it has filed Petition No. 45/MP/2024, claiming therein capital spares for the 2019-24 tariff period as per the 2019 Tariff Regulations.

90. We have considered the Petitioner's submissions and have perused the record. We deem it proper here to refer Regulation 36(3)(d) of the 2024 Tariff Regulations which provides as follows:

"36(3) (d) The Security Expenses, Capital Spares individually costing more than Rs. 10 lakh and Insurance expenses arrived through competitive bidding for the transmission system and associated communication system shall be allowed separately after prudence check:

Provided that in case of self insurance, the premium shall not exceed 0.12% of the GFA of the assets insured;

Provided that the transmission licensee shall submit the along with estimated security expenses based on assessment of the security requirement, capital spares and insurance expenses, which shall be trued up based on details of the year-wise actuals along with appropriate justification for incurring the same and along with confirmation that the same is not claimed as a part of additional capitalisation or consumption of stores and spares and renovation and modernization."

91. On perusal of Regulation 36(3)(d) of the 2024 Tariff Regulations and considering the Petitioner's submissions, the Petitioner is allowed to file a single consolidated Petition comprising of security expenses, capital spares individually costing more than ₹10 lakh and insurance expenses on an estimated basis in terms of the 2024 Tariff Regulations for the 2024-29 tariff period.

Sharing of Transmission Charges

92. The Petitioner has stated that from 19.5.2021 to 25.7.2021, the transmission tariff shall be borne by JKPTCL as per the directions of the Commission in its order in Petition No. 32/TT/2023. The Petitioner has further submitted that the trued-up tariff for the 2019-24 period shall be recovered monthly in accordance with Regulation 57 of the 2019 Tariff Regulations and shall be shared by the beneficiaries and long-term transmission customers in line with the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020 (2020 Sharing Regulations), as amended from time to time. Additionally, the tariff for the 2024-29 period shall be recovered monthly in accordance with Regulation 78 of the

2024 Tariff Regulations and shall be shared by the beneficiaries and long-term transmission customers as per the 2020 Sharing Regulations.

93. We have considered the submissions of the Petitioner. In accordance with our directions in the order dated 30.3.2024 in Petition No. 32/TT/202, the tariff from 19.5.2021 to 25.7.2021 shall be borne by JKPTCL. The tariff from 26.7.2021 onwards shall be recovered monthly in line with Regulation 57 of the 2019 Tariff Regulations for the 2019-24 tariff period and Regulation 78 of the 2024 Tariff Regulations for the 2024-29 tariff period.

94. To summarize:

- a) The trued-up Annual Fixed Charges (AFC) allowed in respect of the transmission asset for the 2019-24 tariff period are as follows:

(₹ in lakh)			
Particulars	2021-22 (Pro-rata 317 days)	2022-23	2023-24
AFC Allowed	121.25	163.01	173.27

- b) The AFC allowed in respect of the transmission asset for the 2024-29 tariff period are as follows:

(₹ in lakh)					
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
AFC Allowed	162.17	161.19	160.94	161.17	151.01

95. This order disposes of Petition No. 210/TT/2025 in terms of the above discussions and findings.

sd/-
(Harish Dudani)
Member

sd/-
(Ramesh Babu V.)
Member

