

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 391/TT/2025

Coram:

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

Date of Order: 29.05.2025

In the matter of:

Approval 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 the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 and the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 for truing up of Transmission Tariff for 2019-24 and determination of Transmission Tariff for 2024-29 tariff block for **Combined Asset under “System Strengthening - XII”** in the Southern Region.

And in the matter of:

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

...Petitioner

Versus

- 1. Tamil Nadu Generation and Distribution Corporation Limited**
NPKRR Maaligai, 800, Anna Salai,
Chennai – 600002
- 2. Kerala State Electricity Board Limited,**
Vaidyuthi Bhavanam,
Pattom, Thiruvananthapuram – 695004
- 3. Electricity Department**
Government of Goa,
Vidyuti Bhawan, Panaji, Goa – 403001
- 4. Electricity Department,**
Govt of Pondicherry,
137, Netaji Subash Chandra Bose Salai
Pondicherry – 605001



- 5. Eastern Power Distribution Company of Andhra Pradesh Limited,**
APEPDCL, P&T Colony,
Seethmmadhara, Vishakhapatnam, Andhra Pradesh
 - 6. Southern Power Distribution Company of Andhra Pradesh Limited,**
#19-13-65/A, Srinivasapuram, Tiruchanoor Road
Tirupati – 517503, Andhra Pradesh
 - 7. Andhra Pradesh Central Power Distribution Company Limited,**
Corporate Office, Beside Polytechnic College, ITI Road
Vijayawada – 520008, Krishna District, Andhra Pradesh
 - 8. Southern Power Distribution Company of Telangana Limited,**
6-1-50, Corporate Office, Mint Compound,
Hyderabad – 500063, Telangana
 - 9. Northern Power Distribution Company of Telangana Limited,**
H.No 2-5-3 1/2, Vidyut Bhawan, Corporate Office,
Nakkal Gutta, Hanamkonda, WARANGAL – 506001, Telangana
 - 10. Bangalore Electricity Supply Company Limited,**
Corporate Office, K.R.Circle
Bangalore – 560001, Karanataka
 - 11. Gulbarga Electricity Supply Company Limited,**
Corporate Office, Station Main Road, Opp. Parivar Hotel,
Gulbarga (Kalburgi), Karnataka – 585102
 - 12. Hubli Electricity Supply Company Limited,**
Navanagar, PB Road, HUBLI,
Karnataka – 580025
 - 13. Mangalore Electricity Supply Company Limited,**
Corporate Office, 1st Floor, MESCOM Bhavan,
Kavoor Cross Road, Bejai, Mangalore – 575004, Karnataka
 - 14. Chamundeswari Electricity Supply Corporation Limited,**
Corporate Office, #29, Vijayanagara 2nd Stage,
Hinkal, Mysuru – 570017, Karnataka
 - 15. Karnataka Power Transmission Corporation Limited,**
Kaveri Bhavan,
Bangalore, 560009.
- ...Respondent(s)**



Parties Present:

Shri Sachin Dubey, Advocate, BPRL & BYPL
Shri Mohit Jain, Advocate, BPRL & BYPL
Shri Mohd. Mohsin, PGCIL
Shri V.C. Shekhar, PGCIL
Shri Naresh Kumar Angaru, PGCIL
Shri G. Vijay, PGCIL
Shri Vivek Kumar Singh, PGCIL
Shri Nitish Kumar, PGCIL
Ms. Ashita Chauhan, PGCIL
Shri Ashish Alankar, PGCIL
Shri Arjun Malhotra, PGCIL

ORDER

The instant Petition has been filed by Power Grid Corporation of India Limited, a deemed transmission licensee, for truing-up of the transmission tariff for the 2019-24 tariff period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”) and determination of the transmission tariff under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 (hereinafter referred to as “the 2024 Tariff Regulations”) for the 2024-29 tariff period in respect for the following transmission assets (hereinafter referred to as transmission assets) under “System Strengthening - XII” in Southern Region.

Asset-1&2: LILO of 400 kV S/C Neelmangla-Hoody Transmission Line at new 400/220 kV GIS Sub-station at Yelahanka with 1X63 MVAR 420 kV Bus Reactor along with associated bays and equipment and 2X500 MVA, 400/220 kV ICT's along with associated bays and 02 Numbers 220 kV bays at 400/220 kV Yelahanka Sub-station Number Spare 201 MVA, 1ph 3 winding Converter Transformer; and

Asset-3: 04 Numbers 220 kV bays at 400/220 kV Yelahanka Sub-station



The Petitioner has claimed the combined tariff in respect of Asset- 1&2 and Asset-3 for the 2024-29 tariff period. Accordingly, the transmission assets have been termed as “Combined Asset” for the 2024-29 tariff period.

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 14 and 15 above.*
- b) *Admit the capital cost claimed, and additional capitalization incurred during 2019-24 and also allow the projected additional capitalization 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 14 and 15 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 the Commission for claiming the overall security expenses and consequential IOWC on that security expenses as mentioned at para 21 above.*
- h) *Allow the petitioner to file a separate petition before the Commission for claiming the overall insurance expenses and consequential IOWC on that insurance expenses as mentioned at para 21 above.*
- i) *Allow the petitioner to file a separate petition before the Commission for claiming the overall capital spares at the end of tariff block as per actual as mentioned at Para 21 above.*
- j) *Allow the petitioner to claim expenses of CTUIL borne by POWERGRID through a separate petition as mentioned at para 22 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 the 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) for the transmission project was accorded by the Board of Directors of the Petitioner in its meeting held on 25.2.2010 vide Memorandum Ref. No. C/CP/SR-XII dated 26.2.2010 with an estimated cost of ₹23234 lakh including IDC of ₹1847 lakh based on 3rd Quarter 2009 price level.
- b. The administrative approval and expenditure sanction of Revised Cost Estimate (RCE) for the transmission project was accorded by the Board of Directors of Petitioner in its 349th meeting held on 1.2.2018 vide Memorandum No. C/CP/SRSS-XII/PA171811-OG-RC007 dated 21.2.2018 at revised cost estimate of ₹34077 lakh including IDC of ₹9816 lakh based on April, 2017 price level.
- c. The Petitioner has submitted that scope of the transmission project was discussed and agreed in the 26th, 27th and 28th Standing Committee Meeting (SCM) on Power System Planning of Southern Region held on 13.6.2008, 3.3.2009 and 15.6.2009 respectively. The Transmission Project was also discussed and approved in 9th and 10th Southern Regional Power Committee (SRPC) meeting held on 6.3.2009 and 2.7.2009 respectively.
- d. The broad scope of work covered under the transmission project is as follows:

Transmission Line:

- i. LILO of 400 kV S/C Neelmangla - Hoody Line at Yelahanka 400/220 kV Yelahanka Sub-station: 8.27 km



- ii. LILO of 400 kV S/C Somanhally - Hoody Line at 400/220 kV
Yelahanka Sub-station: 7.87 km

Sub-station

- i. Establishment of new 400/220 kV GIS Sub-station at Yelahanka with 2X500 MVA 400/220 kV transformers [400 kV portion as Gas Insulated Sub-Station (GIS) and 220 kV portion as Air Insulated Sub-Station (AIS)].
- e. The Petitioner has submitted that subsequent to IA, due to RoW constraints around Yelahanka Sub-station, it was decided in the 35th meeting of Standing Committee on Power System Planning of Southern Region held on 4.1.2013 that the transmission project needs to be modified. The modified scope of works for the transmission project as per RCE is as follows:

Transmission Line:

LILO of one circuit on multi circuit tower in Bengaluru area of Neelamangla-Hoody 400 kV D/C line at Yelahanka (including multi-circuit portion to be shared with 400 kV D/C Madhugiri-Yelahanka line being implemented under SRSS XIII).

Sub-station

Establishment of new 400/220 kV GIS Sub-station at Yelahanka with 2x500 MVA transformers (400 kV portion as Gas Insulated Sub-Station (GIS) and 220 kV portion as Air Insulated Sub-Station (AIS)).

Reactive Compensation

1X63 MVAR Bus Reactor at 400/220 kV GIS Sub-station at Yelahanka.

2 numbers 400 kV GIS bays which became surplus at Yelahanka Sub-station due to scope change shall be utilized for 2X63 MV AR Bus Reactors at Yelahanka envisaged under SRSS XXIII which was agreed in 36th meeting of Standing Committee on Power System Planning of Southern Region held on 4.9.2013.

- f. The entire scope of work under the transmission project has been completed and is covered under the instant petition.
- g. The Commission vide order dated 8.11.2019 in Petition No. 361/TT/2018 determined the transmission tariff of Asset-1, Asset-2 and Asset-3 from COD to 31.3.2019. Further, the Commission vide order dated 31.10.2022 in Petition No. 93/TT/2020 trued-up the transmission tariff of the 2014-19 tariff period and determined the transmission tariff for the 2019-24 tariff period.
- h. As per the IA dated 25.2.2010, the scheduled COD of transmission assets were 25.6.2012 against which the assets were put into commercial operation on 1.4.2018.
- i. The Petitioner has filed the present Petition for truing-up of the transmission tariff for the 2019-24 tariff period and the determination of the transmission tariff for the 2024-29 tariff period for the following transmission assets implemented in the Southern Region:

Asset No.	Asset Name	COD
Asset-1&2	LILO of 400 kV S/C Neelmangla-Hoody Transmission Line at new 400/220 kV GIS Sub-station at Yelahanka with 1X63 MVAR 420 kV Bus Reactor along with associated bays and equipment and 2X500 MVA, 400/220 kV ICT's along with associated bays and 02 Numbers 220 kV bays at 400/220 kV Yelahanka Sub-station	1.4.2018
Asset-3	04 Numbers 220 kV bays at 400/220 kV Yelahanka Sub-station	1.4.2018



4. The details of the transmission assets including scheduled commercial operation date (SCOD), date of commercial operation (COD) and time over-run are as follows:

Assets	SCOD	COD	Time over-run	Time over-run condoned
Asset-1&2	25.6.2012	1.4.2018	2106 days	2106 days
Asset-3	25.6.2012	1.4.2018		

5. The Commission vide order dated 8.11.2019 in Petition No. 361/TT/2018 had condoned the entire time over-run of 2106 days in case of Assets-1, Asset-2 and Asset-3.

6. The Respondents are distribution licensees, transmission licensees and power utilities and transmission licensees, who are procuring transmission services from the Petitioner, mainly beneficiaries of the Southern Region.

7. The Petitioner has served the Petition on the Respondents and notice regarding filing of this Petition has been published in the newspapers in accordance with Section 64 of the Electricity Act, 2003. No comments or suggestions have been received from the general public in response to the aforesaid notices published in the newspapers by the Petitioner. None of the Respondents file reply in the matter.

8. The hearing in this matter was held on 22.4.2025 and the order was reserved.

9. This order is issued considering the submissions made by the Petitioner vide affidavit dated 19.10.2024. 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 the 2019-24 tariff period

10. The details of the trued-up transmission charges claimed by the Petitioner in respect of the transmission assets are as follows:



Asset-1&2

	(₹ in lakh)				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	1339.56	1352.42	1355.60	1355.60	1355.60
Interest on Loan	1654.84	1522.75	1407.35	1305.10	1203.97
Return on Equity	1695.52	1709.56	1713.27	1713.27	1713.27
Interest on Working Capital	95.32	88.46	81.85	81.33	92.33
O&M Expenses	568.88	589.29	609.97	631.84	653.08
Total	5354.12	5262.48	5168.04	5087.14	5018.25

Asset-3

	(₹ in lakh)				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	45.63	45.63	45.63	45.63	45.63
Interest on Loan	43.24	36.63	32.46	30.04	27.94
Return on Equity	47.00	47.00	47.00	47.00	47.00
Interest on Working Capital	5.97	5.61	5.30	5.40	6.29
O&M Expenses	90.04	93.20	96.48	99.84	103.36
Total	231.88	228.07	226.87	227.91	230.22

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

Asset-1&2

	(₹ in lakh)				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	47.41	49.11	50.83	52.65	54.42
Maintenance Spares	85.33	88.39	91.50	94.78	97.96
Receivables	658.29	648.80	637.15	627.18	617.00
Total Working Capital	791.03	786.30	779.48	774.61	769.38
Rate of Interest (in %)	12.05	11.25	10.50	10.50	12.00
Interest on Working Capital	95.32	88.46	81.85	81.33	92.33

Asset-3

	(₹ in lakh)				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	7.50	7.77	8.04	8.32	8.61
Maintenance Spares	13.51	13.98	14.47	14.98	15.50
Receivables	28.51	28.12	27.97	28.10	28.31
Total Working Capital	49.52	49.87	50.48	51.40	52.42
Rate of Interest (in %)	12.05	11.25	10.50	10.50	12.00
Interest on Working Capital	5.97	5.61	5.30	5.40	6.29



Capital Cost for the 2019-24 Tariff Period

12. The Commission, vide order dated 31.10.2022 in Petition No. 93/TT/2020, had determined the transmission tariff for the 2019-24 tariff period.

13. The Commission, vide order dated 31.10.2022 in Petition No. 93/TT/2020, allowed capital cost incurred as on 1.4.2019 and Additional Capital Expenditure (ACE) projected to be incurred for the 2019-24 tariff period. The details of the capital cost allowed by the Commission in the aforesaid order are as follows:

(₹ in lakh)

Assets	Capital Cost allowed as on 1.4.2019	Projected ACE	Capital Cost allowed as on 31.3.2024
		2019-20	
Asset-1&2	29907.88	956.76	30864.64
Asset-3	834.23	0.00	834.23
Total	30742.11	956.76	31698.87

14. The Petitioner in the instant true-up Petition has claimed the following capital cost in respect of Asset-1&2 and Asset-3 as per Auditor's Certificate dated 28.9.2024 for the 2019-24 tariff period:

(₹ in lakh)

Assets	Apportioned Approved Cost as per FR	Apportioned Approved Cost as per RCE	Capital cost claimed as on 1.4.2019	ACE claimed		Capital Cost claimed as on 31.3.2024
				2019-20	2020-21	
Asset-1&2	21104.06	31780.94	29907.88	366.73	131.62	30406.23
Asset-3	805.95	920.61	834.23	0.00	0.00	834.23
Total	21910.01	32701.55	30742.11	366.73	131.62	31240.46

Capital Cost allowed as on 1.4.2019

15. The capital cost of the Asset-1&2 and Asset-3 has been calculated in accordance with Regulation 19 of the 2019 Tariff Regulations. The details of the capital cost approved and allowed as on 1.4.2019 in the instant Petition are as under:



(₹ in lakh)

Assets	Capital Cost approved as on 1.4.2019 vide order dated 31.10.2022 in Petition No. 93/TT/2020	Capital Cost allowed as on 1.4.2019
Asset-1&2	29907.88	29907.88
Asset-3	834.23	834.23
Total	30742.11	30742.11

Additional Capital Expenditure (ACE)

16. The Commission, vide order dated 31.10.2022 in Petition No. 93/TT/2020, allowed ACE in respect of the transmission assets for the 2019-24 tariff period for Asset-1&2 and Asset-3 under Regulation 24(1)(a) (undischarged liabilities) of the 2019 Tariff Regulations. The approved ACE in respect of Asset-1&2 and Asset-3 for the 2019-24 tariff period was as follows:

(₹ in lakh)

Asset	Approved ACE
	2019-24
Asset-1&2	956.76
Asset-3	0.00
Total	956.76

17. In the instant Petition, the Petitioner has claimed the following ACE in respect of Asset-1&2 based on the actual expenditure in accordance with Regulation 24(1)(a).

Asset-1&2

(₹ in lakh)

Particulars	Regulations	Actual ACE				
		2019-20	2020-21	2021-22	2022-23	2023-24
Balance and retention payments for liabilities other than IDC	24(1)(a) of the 2019 Tariff Regulations	366.73	131.62	0.00	0.00	0.00
Total		498.35				

18. The Petitioner has not claimed any ACE for Asset-3. The Petitioner vide affidavit dated 19.10.2024 has submitted that this ACE is claimed under Regulation 24(1)(a) of the 2019 Tariff Regulations. The liability flow statement containing head-wise and party-



wise details of actual ACE incurred during the 2019-24 tariff period for Asset-1&2 is as follows:

Asset 1&2:

(₹ in lakh)									
Party Wise	Particulars	Year of Actual Capitalisation	Outstanding Liability as on 31.3.19	Discharge during 2019-24			Outstanding Liability as on 31.03.2024	Discharge during 2024-29	
				2019-20	2020-21	Total		2024-25	Total
Pasala Veerraju	Building and Civil Works	1.4.2018	30.28		30.28	30.28	-	-	-
BHEL	Sub-station	1.4.2019	132.28		62.38	62.38	69.90	69.90	69.90
Bindu Projects	Sub-station	1.4.2020	9.18	7.94	1.24	9.18	-	-	-
KBR Infratech Ltd	Sub-station	1.4.2021	4.64	4.64	-	4.64	-	-	-
M/S Siemens Ltd	Sub-station	1.4.2022	105.79	99.66	6.13	105.79	-	-	-
Modern Insulators Ltd.	Sub-station	1.4.2023	-	-	-	-	-	-	-
Pasala Veerraju	Sub-station	1.4.2024	29.91	-	29.91	29.91	-	-	-
Perfect Controls	Sub-station	1.4.2025	1.69	-	1.69	1.69	-	-	-
Power Engineering Association	Sub-station	1.4.2026	16.38	16.38	-	16.38	-	-	-
Power System	Sub-station	1.4.2027	0.27	0.27	-	0.27	-	-	-
SNS Constructions	Sub-station	1.4.2028	0.46	0.46	-	0.46	-	-	-
WIKI Instruments India Pvt	Sub-station	1.4.2029	10.15	10.15	-	10.15	-	-	-
Compensation	Transmission Line	1.4.2030	227.24	227.24	-	227.24	-	-	-
Sub-total	Sub-station		341.03	139.50	131.63	271.13	69.90	69.90	69.90
Sub-total	Transmission Line		227.24	227.24	-	227.24			
Total			568.27	366.74	131.63	498.37	69.90	69.90	69.90



19. The Petitioner, vide Auditor's Certificate submitted that LDs, were recovered from the contractor amounting to ₹18.61 lakh in FY 2023-24 in case of Assets-1&2 and accordingly, on its recovery, the amount of LD recovered was reduced from the gross ACE for the accounting purpose . As such, after accounting for the recovered LD, the net ACE reflected in the Auditor's Certificate is 'Nil'.

20. The Petitioner is directed to submit the details of LD recovered during FY 2023-24 along with supporting documents in the true-up Petition for the 2024-29 tariff period. In the event of non-compliance, the corresponding amount will be deducted from the opening capital cost as on 1.4.2024.

21. We have considered the submissions made by the Petitioner. The ACE claimed by the Petitioner is allowed under Regulation 24(1)(a) of the 2019 Tariff Regulations on account of balance and retention payments for works already executed. The allowed ACE is as follows:

Asset-1&2

(₹ in lakh)			
Particulars	Regulation	Year	ACE allowed
Balance and retention payments for liabilities	24(1)(a) of the 2019 Tariff Regulations	2019-20	366.73
Balance and retention payments for liabilities	24(1)(a) of the 2019 Tariff Regulations	2020-21	131.62

22. The capital cost and ACE allowed in respect of the transmission assets for the 2019-24 tariff period is as follows:

(₹ in lakh)						
Assets	Apportioned Approved Cost as per FR	Apportioned Approved Cost as per RCE	Capital Cost up to 1.4.2019	ACE allowed		Total Capital Cost as on 31.3.2024
				2019-20	2020-21	
Asset-1&2	21104.06	31780.94	29907.88	366.73	131.62	30406.23



Assets	Apportioned Approved Cost as per FR	Apportioned Approved Cost as per RCE	Capital Cost up to 1.4.2019	ACE allowed		Total Capital Cost as on 31.3.2024
				2019-20	2020-21	
Asset-3	805.95	920.61	834.23	0.00	0.00	834.23
Total	21910.01	32701.55	30742.11	366.73	131.62	31240.46

Debt-Equity ratio

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

Asset-1&2

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	20935.52	70.00	348.85	70.00	21284.36	70.00
Equity	8972.36	30.00	149.51	30.00	9121.87	30.00
Total	29907.88	100.00	498.35	100.00	30406.23	100.00

Asset-3

Funding	Capital Cost as on 1.4.2019 (₹ in lakh)	(in %)	Capital Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	583.98	70.00	583.98	70.00
Equity	250.25	30.00	250.25	30.00
Total	834.23	100.00	834.23	100.00

Depreciation

24. The Depreciation has been worked out considering the admitted capital expenditure as on 1.4.2019 and thereafter, up to 31.3.2024. The Weighted Average Rate of Depreciation (WAROD) has been worked out for the transmission assets as per the rates of depreciation specified in Regulation 33 of the 2019 Tariff Regulations.

25. The depreciation allowed for the transmission assets for the 2019-24 tariff period is as follows:



(₹ in lakh)

Asset-1 & 2						
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	Opening Gross Block	29907.88	30274.61	30406.23	30406.23	30406.23
B	Addition during 2019-24 due to ACE	366.73	131.62	0.00	0.00	0.00
C	Closing Gross Block (A+B)	30274.61	30406.23	30406.23	30406.23	30406.23
D	Average Gross Block (A+C)/2	30091.25	30340.42	30406.23	30406.23	30406.23
E	Average Capital Cost (90% depreciable assets)	30001.93	30251.10	30316.91	30316.91	30316.91
F	Average Capital Cost (100% depreciable assets)	89.32	89.32	89.32	89.32	89.32
G	Depreciable Value (excluding IT equipment and software) (E*90%)	24016.25	24240.51	24299.74	24299.74	24299.74
H	Depreciable Value of IT equipment and software (F*100%)	89.32	89.32	89.32	89.32	89.32
I	Total Depreciable Value (G+H)	24105.57	24329.83	24389.06	24389.06	24389.06
J	Freehold Land	3317.20	3317.20	3317.20	3317.20	3317.20
K	Weighted average rate of Depreciation (WAROD) (in %)	4.45	4.46	4.46	4.46	4.46
L	Balance useful life of the asset	27	26	25	24	23
M	Elapsed life at the beginning of the year	1	2	3	4	5
N	Aggregate Depreciable Value	24105.57	24329.83	24389.06	24389.06	24389.06
O	Combined Depreciation during the year (D*J)	1339.56	1352.42	1355.60	1355.60	1355.60
P	Cumulative Depreciation at the end of the year	2623.10	3975.52	5331.11	6686.71	8042.31
Q	Remaining Aggregate Depreciable Value at the end of the year (N-P)	21482.47	20354.31	19057.95	17702.35	16346.75

(₹ in lakh)

Asset-3						
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	Opening Gross Block	834.23	834.23	834.23	834.23	834.23
B	Addition during 2019-24 due to ACE	0.00	0.00	0.00	0.00	0.00
C	Closing Gross Block (A+B)	834.23	834.23	834.23	834.23	834.23
D	Average Gross Block (A+C)/2	834.23	834.23	834.23	834.23	834.23
E	Average Capital Cost (90% depreciable assets)	817.87	817.87	817.87	817.87	817.87



Asset-3						
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
F	Average Capital Cost (100% depreciable assets)	16.36	16.36	16.36	16.36	16.36
G	Depreciable Value (excluding IT equipment and software) (E*90%)	736.08	736.08	736.08	736.08	736.08
H	Depreciable Value of IT equipment and software (F*100%)	16.36	16.36	16.36	16.36	16.36
I	Total Depreciable Value (G+H)	752.44	752.44	752.44	752.44	752.44
J	Freehold Land	0.00	0.00	0.00	0.00	0.00
K	Weighted average rate of Depreciation (WAROD) (in %)	5.47	5.47	5.47	5.47	5.47
L	Balance useful life of the asset	24	23	22	21	20
M	Elapsed life at the beginning of the year	1	2	3	4	5
N	Aggregate Depreciable Value	752.44	752.44	752.44	752.44	752.44
O	Combined Depreciation during the year (D*J)	45.63	45.63	45.63	45.63	45.63
P	Cumulative Depreciation at the end of the year	86.04	131.68	177.31	222.95	268.58
Q	Remaining Aggregate Depreciable Value at the end of the year (N-P)	666.40	620.77	575.13	529.50	483.86

26. The details of depreciation approved vide order dated 31.10.2022 in Petition No. 93/TT/2020 in respect of the transmission assets, claimed by the Petitioner in the instant Petition, and trued-up depreciation allowed in the instant order are as follows:

(₹ in lakh)					
Asset-1&2	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 31.10.2022 in Petition No. 93/TT/2020	1353.06	1376.24	1376.24	1376.24	1376.24
Claimed by the Petitioner in the instant Petition	1339.56	1352.42	1355.60	1355.60	1355.60
Approved after true-up in this order	1339.56	1352.42	1355.60	1355.60	1355.60

(₹ in lakh)					
Asset-3	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 31.10.2022 in Petition No. 93/TT/2020	45.64	45.64	45.64	45.64	45.64
Claimed by the Petitioner in the instant Petition	45.63	45.63	45.63	45.63	45.63
Approved after true-up in this order	45.63	45.63	45.63	45.63	45.63

Interest on Loan (IoL)

27. The Petitioner has claimed the Weighted Average Rate of IoL based on its actual loan portfolio and rate of interest prevailed. We have considered the submissions of the



Petitioner. IoL has been calculated based on the actual interest rate submitted by the Petitioner in accordance with Regulation 32 of the 2019 Tariff Regulations. The trued-up IoL allowed in respect of the transmission assets is as follows:

		(₹ in lakh)				
Particulars		Asset-1&2				
		2019-20	2020-21	2021-22	2022-23	2023-24
A	Gross Normative Loan	20935.52	21192.23	21284.36	21284.36	21284.36
B	Cumulative Repayments upto Previous Year	1283.54	2623.10	3975.52	5331.11	6686.71
C	Net Loan-Opening (A-B)	19651.98	18569.13	17308.85	15953.25	14597.65
D	Additions	256.71	92.13	0.00	0.00	0.00
E	Repayment during the year	1339.56	1352.42	1355.60	1355.60	1355.60
F	Net Loan-Closing (C+D-E)	18569.13	17308.85	15953.25	14597.65	13242.05
G	Average Loan (C+F)/2	19110.55	17938.99	16631.05	15275.45	13919.85
H	Weighted Average Rate of Interest on Loan (in %)	8.6593	8.4885	8.4622	8.5438	8.6493
I	Interest on Loan (G*H)	1654.83	1522.75	1407.35	1305.10	1203.97

		(₹ in lakh)				
Particulars		Asset-3				
		2019-20	2020-21	2021-22	2022-23	2023-24
A	Gross Normative Loan	583.98	583.98	583.98	583.98	583.98
B	Cumulative Repayments upto Previous Year	40.41	86.04	131.68	177.31	222.95
C	Net Loan-Opening (A-B)	543.57	497.94	452.30	406.67	361.03
D	Additions	0.00	0.00	0.00	0.00	0.00
E	Repayment during the year	45.63	45.63	45.63	45.63	45.63
F	Net Loan-Closing (C+D-E)	497.94	452.30	406.67	361.03	315.40
G	Average Loan (C+F)/2	520.75	475.12	429.49	383.85	338.22
H	Weighted Average Rate of Interest on Loan (in %)	8.3025	7.7099	7.5582	7.8248	8.2616
I	Interest on Loan (G*H)	43.24	36.63	32.46	30.04	27.94

28. The details of IoL allowed vide order dated 31.10.2022 in Petition No. 93/TT/2020 for the transmission assets, claimed by the Petitioner in the instant Petition, and trued-up IoL allowed in the instant order are as follows:



(₹ in lakh)					
Asset-1&2	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 31.10.2022 in Petition No. 93/TT/2020	1679.61	1588.34	1469.41	1350.31	1228.51
Claimed by the Petitioner in the instant Petition	1654.84	1522.75	1407.35	1305.10	1203.97
Approved after true-up in this order	1654.83	1522.75	1407.35	1305.10	1203.97

(₹ in lakh)					
Asset-3	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 31.10.2022 in Petition No. 93/TT/2020	44.00	40.06	36.12	32.19	28.24
Claimed by the Petitioner in the instant Petition	43.24	36.63	32.46	30.04	27.94
Approved after true-up in this order	43.24	36.63	32.46	30.04	27.94

Return on Equity (RoE)

29. The Petitioner has submitted that its Income Tax Assessment has been completed, and 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). The Petitioner has further submitted that the Income Tax Returns (ITR) have been filed for the FY 2021-22 and FY 2022-23 and FY 2023-24 (submitted in Petition No. 401/TT/2024).

30. The Petitioner has further submitted that it is liable to pay the income tax at the MAT rates (17.472%, i.e., 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 [(Base Rate)/(1-t)] (in %)
2019-20	17.472	18.782
2020-21	17.472	18.782
2021-22	17.472	18.782
2022-23	17.472	18.782
2023-24	17.472	18.782



31. We have considered the Petitioner's submissions and have also gone through the record. We have noted 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) 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 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 considered for the purpose of grossing up of 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 are considered for the purpose of grossing up the rate of RoE:

Year	Notified MAT rates (in %) (inclusive of surcharge & cess)	Effective Tax (in %)	Base rate of RoE (in %)	Grossed-up RoE [(Base Rate)/(1-t)] (in %)
2019-20	17.472	17.472	15.500	18.782
2020-21	17.472	17.472	15.500	18.782
2021-22	17.472	17.472	15.500	18.782
2022-23	17.472	17.472	15.500	18.782
2023-24	17.472	17.472	15.500	18.782

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

(₹ in lakh)

	Particulars	Asset-1&2				
		2019-20	2020-21	2021-22	2022-23	2023-24
A	Opening Equity	8972.36	9082.38	9121.87	9121.87	9121.87
B	Additions	110.02	39.49	0.00	0.00	0.00
C	Closing Equity (A+B)	9082.38	9121.87	9121.87	9121.87	9121.87
D	Average Equity (A+C)/2	9027.37	9102.13	9121.87	9121.87	9121.87
E	Return on Equity (Base Rate) (in %)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (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)	1695.52	1709.56	1713.27	1713.27	1713.27

(₹ in lakh)

Particulars		Asset-3				
		2019-20	2020-21	2021-22	2022-23	2023-24
A	Opening Equity	250.25	250.25	250.25	250.25	250.25
B	Additions	0.00	0.00	0.00	0.00	0.00
C	Closing Equity (A+B)	250.25	250.25	250.25	250.25	250.25
D	Average Equity (A+C)/2	250.25	250.25	250.25	250.25	250.25
E	Return on Equity (Base Rate) (in %)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (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)	47.00	47.00	47.00	47.00	47.00

33. The details of RoE approved vide order dated 31.10.2022 in Petition No. 93/TT/2020 for the transmission assets, claimed by the Petitioner in the instant Petition, and trued-up RoE allowed in the instant order are as follows:

(₹ in lakh)

Asset-1&2	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 31.10.2022 in Petition No. 93/TT/2020	1712.14	1739.10	1739.10	1739.10	1739.10
Claimed by the Petitioner in the instant Petition	1695.52	1709.56	1713.27	1713.27	1713.27
Approved after true-up in this order	1695.52	1709.56	1713.27	1713.27	1713.27



(₹ in lakh)					
Asset-3	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 31.10.2022 in Petition No. 93/TT/2020	47.00	47.00	47.00	47.00	47.00
Claimed by the Petitioner in the instant Petition	47.00	47.00	47.00	47.00	47.00
Approved after true-up in this order	47.00	47.00	47.00	47.00	47.00

Operation & Maintenance Expenses (O&M Expenses)

34. The Commission vide order dated 31.10.2022 in Petition No. 93/TT/2020 allowed the following O&M Expenses:

(₹ in lakh)					
Particulars	Asset-1 & 2				
O&M Expenses	2019-20	2020-21	2021-22	2022-23	2023-24
	568.86	589.27	609.94	631.85	653.06

(₹ in lakh)					
Particulars	Asset-3				
O&M Expenses	2019-20	2020-21	2021-22	2022-23	2023-24
	90.04	93.20	96.48	99.84	103.36

35. The Petitioner, in the instant true-up Petition, has claimed the following O&M Expenses:

(₹ in lakh)					
Particulars	Asset-1 & 2				
O&M Expenses	2019-20	2020-21	2021-22	2022-23	2023-24
	568.88	589.29	609.97	631.84	653.08

(₹ in lakh)					
Particulars	Asset-3				
O&M Expenses	2019-20	2020-21	2021-22	2022-23	2023-24
	90.04	93.20	96.48	99.84	103.36

36. 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 O&M Expenses have been worked out as follows:



(₹ in lakh)

Particulars	Asset-1&2				
	2019-20	2020-21	2021-22	2022-23	2023-24
400 kV Bays at Gas Insulated Sub-station					
No. of bays	5	5	5	5	5
Norms (₹ Lakh/Bay)	22.505	23.296	24.115	24.962	25.837
220 kV bays at Sub-station					
No. of bays	4	4	4	4	4
Norms (₹ Lakh/km)	22.51	23.3	24.12	24.96	25.84
400 kV Sub-station ICT					
No. of Units	2	2	2	2	2
Norms (₹ Lakh per MVA)	0.358	0.371	0.384	0.398	0.411
Transmission Line					
Double Circuit (Twin Conductor)					
Km of line	9.415	9.415	9.415	9.415	9.415
Norms (₹ Lakh per km)	0.881	0.912	0.944	0.977	1.011
Total O&M Expenses (₹ in Lakh)	568.86	589.27	609.94	631.85	653.06

(₹ in lakh)

Particulars	Asset-3				
	2019-20	2020-21	2021-22	2022-23	2023-24
220 kV bays at Sub-station					
No. of bays	4	4	4	4	4
Norms (₹ Lakh/Bay)	22.51	23.3	24.12	24.96	25.84
Total O&M Expenses (₹ in Lakh)	90.04	93.20	96.48	99.84	103.36

37. The details of O&M expenses approved vide order dated 31.10.2022 in Petition No. 93/TT/2020, O&M expenses claimed by the Petitioner in the instant Petition and trued-up O&M expenses allowed for the Combined Asset in the instant order are as follows:

(₹ in lakh)

Particulars	Asset 1&2				
	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 31.10.2022 in Petition No. 93/TT/2020	568.86	589.27	609.94	631.85	653.06
Claimed by the Petitioner in the instant Petition	568.88	589.29	609.97	631.84	653.08
Approved after true-up in this order	568.86	589.27	609.94	631.85	653.06



(₹ in lakh)

Particulars	Asset 3				
	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 31.10.2022 in Petition No. 93/TT/2020	90.04	93.20	96.48	99.84	103.36
Claimed by the Petitioner in the instant Petition	90.04	93.20	96.48	99.84	103.36
Approved after true-up in this order	90.04	93.20	96.48	99.84	103.36

Interest on Working Capital (IWC)

38. 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 the FY 2019-20, 11.25% (SBI 1-year MCLR applicable as on 1.4.2020 of 7.75% plus 350 basis points) for the FY 2020-21, 10.50% (SBI 1-year MCLR applicable as on 1.4.2021 of 7.00% plus 350 basis points) for the FY 2021-22 & 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.

39. The components of the trued-up working capital and interest allowed thereon for the transmission assets for the 2019-24 are as follows:

(₹ in lakh)

Particulars		Asset-1&2				
		2019-20	2020-21	2021-22	2022-23	2023-24
A	Working Capital for O&M Expenses (O&M Expenses for one month)	47.40	49.11	50.83	52.65	54.42
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	85.33	88.39	91.49	94.78	97.96
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	658.29	648.80	637.15	627.18	617.00
D	Total Working Capital (A+B+C)	791.02	786.29	779.47	774.61	769.38
E	Rate of Interest for working capital (in %)	12.05	11.25	10.50	10.50	12.00
F	Interest on working capital (D*E)	95.32	88.46	81.84	81.33	92.33



(₹ in lakh)

Particulars		Asset-3				
		2019-20	2020-21	2021-22	2022-23	2023-24
A	Working Capital for O&M Expenses (O&M Expenses for one month)	7.50	7.77	8.04	8.32	8.61
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	13.51	13.98	14.47	14.98	15.50
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	28.51	28.12	27.97	28.10	28.31
D	Total Working Capital (A+B+C)	49.52	49.87	50.48	51.39	52.42
E	Rate of Interest for working capital (in %)	12.05	11.25	10.50	10.50	12.00
F	Interest on working capital (D*E)	5.97	5.61	5.30	5.40	6.29

40. The details of IWC allowed vide order dated 31.10.2022 in Petition No. 93/TT/2020 for transmission assets, IWC claimed by the Petitioner in the instant Petition and trued-up IWC allowed in the instant order are as follows:

(₹ in lakh)

Asset-1&2	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 31.10.2022 in Petition No. 93/TT/2020	96.14	90.13	83.27	82.54	81.56
Claimed by the Petitioner in the instant Petition	95.32	88.46	81.85	81.33	92.33
Approved after true-up in this order	95.32	88.46	81.84	81.33	92.33

(₹ in lakh)

Asset-3	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 31.10.2022 in Petition No. 93/TT/2020	5.98	5.66	5.35	5.42	5.50
Claimed by the Petitioner in the instant Petition	5.97	5.61	5.30	5.40	6.29
Approved after true-up in this order	5.97	5.61	5.30	5.40	6.29

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

41. Accordingly, the Annual Fixed Charges allowed after the truing-up for the 2019-24 tariff period in respect of the transmission assets are as follows:



(₹ in lakh)

Particulars		Asset-1&2				
		2019-20	2020-21	2021-22	2022-23	2023-24
A	Depreciation	1339.56	1352.42	1355.60	1355.60	1355.60
B	Interest on Loan	1654.83	1522.75	1407.35	1305.10	1203.97
C	Return on Equity	1695.52	1709.56	1713.27	1713.27	1713.27
D	O & M Expenses	568.86	589.27	609.94	631.85	653.06
E	Interest on Working Capital	95.32	88.46	81.84	81.33	92.33
F	Total (A+B+C+D+E)	5354.09	5262.46	5168.00	5087.15	5018.23

(₹ in lakh)

Particulars		Asset-3				
		2019-20	2020-21	2021-22	2022-23	2023-24
A	Depreciation	45.63	45.63	45.63	45.63	45.63
B	Interest on Loan	43.24	36.63	32.46	30.04	27.94
C	Return on Equity	47.00	47.00	47.00	47.00	47.00
D	O & M Expenses	90.04	93.20	96.48	99.84	103.36
E	Interest on Working Capital	5.97	5.61	5.30	5.40	6.29
F	Total (A+B+C+D+E)	231.88	228.07	226.87	227.91	230.22

42. The details of AFC allowed vide order dated 31.10.2022 in Petition No. 93/TT/2020 for the transmission assets, AFC claimed by the Petitioner in the instant Petition and trued-up AFC allowed in the instant order are as follows:

(₹ in lakh)

Particulars		Asset-1 & 2				
		2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 31.10.2022 in Petition No. 93/TT/2020		5409.81	5383.08	5277.96	5180.04	5078.47
Claimed by the Petitioner in the instant Petition		5354.12	5262.48	5168.04	5087.14	5018.25
Approved after true-up in this order		5354.09	5262.46	5168.00	5087.15	5018.23

(₹ in lakh)

Particulars		Asset-3				
		2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 31.10.2022 in Petition No. 93/TT/2020		232.66	231.56	230.59	230.09	229.74
Claimed by the Petitioner in the instant Petition		231.88	228.07	226.87	227.91	230.22
Approved after true-up in this order		231.88	228.07	226.87	227.91	230.22



Determination of Annual Fixed Charges for the 2024-29 Tariff Period

43. The Petitioner has claimed the following transmission charges in respect of the Combined Asset for the 2024-29 tariff period:

Particulars	Combined Asset				
	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	1416.57	1407.78	1402.56	1390.33	1379.23
Interest on Loan	1112.54	992.20	857.33	700.34	581.62
Return on Equity	1762.24	1764.21	1764.21	1764.21	1764.21
Interest on Working Capital	87.81	87.19	86.40	85.07	84.84
O&M Expenses	555.33	584.72	614.94	646.96	681.91
Total	4934.49	4836.10	4725.44	4586.91	4491.81

44. The details of IWC claimed by the Petitioner for the 2024-29 tariff period for the Combined Asset are as under:

Particulars	Combined Asset				
	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses	46.28	48.73	51.25	53.91	56.83
Maintenance Spares	83.30	87.71	92.24	97.04	102.29
Receivables	608.36	596.23	582.59	563.96	553.78
Total Working Capital	737.94	732.67	726.08	714.91	712.90
Rate of Interest (in %)	11.90	11.90	11.90	11.90	11.90
Interest on Working Capital	87.81	87.19	86.40	85.07	84.84

Effective Date of Commercial Operation (E-COD)

45. The Commission vide order dated 8.11.2019 in Petition No. 361/TT/2018 approved the COD of the transmission assets as 1.4.2018 in accordance with proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations. The E-COD for Asset-1&2 is 1.4.2018 and for Asset-3 is also 1.4.2018. As the COD for all assets is 1.4.2018, the E-COD has been considered as 1.4.2018.



46. E-COD is used to determine the lapsed life of the project as a whole, which is 6 years as on 31.3.2024 (i.e., the number of completed years as on 1.4.2024 from E-COD).

Weighted Average Life (“WAL”) of the Project

47. The life as defined in Regulation 33 of the 2024 Tariff Regulations has been considered for the determination of WAL. 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 transmission system as a whole.

48. WAL has been determined based on the admitted capital cost of individual elements under the transmission project as on 31.3.2024 and their respective life as stipulated in the 2024 Tariff Regulations. Accordingly, WAL in respect of the Combined Asset has been worked out as 28 years as follows:

Particulars	Combined Asset Cost (₹ in lakh) (1)	Life as per the 2024 Tariff Regulations (Years) (2)	Weighted Cost (3)=(1)x(2)	Weighted Average Life of Asset (in years) (4)=(3)/(1)
Land - Freehold	3317.20	0	0.00	27.94 years, rounded off to 28 years
Land - Leasehold	0.00	0	0.00	
Building Civil Works & Colony	4382.18	25	109554.50	
Transmission Line	8666.20	35	303317.00	
Sub Station	14613.68	25	365342.00	
PLCC	155.52	7	1088.64	
IT Equipment incl. software	105.68	7	739.76	
Total (Excluding Freehold Land)	27923.26		780041.90	28

49. Accordingly, WAL has been used to determine the remaining useful life as on 31.3.2024 to be 28 years.



Capital Cost

50. 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 decapitalised 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.”

51. The Petitioner has claimed the following capital cost of the Combined Assets during the 2024-29 tariff period:

Asset	Capital Cost claimed as on 1.4.2024	ACE Claimed	Estimated Completion Cost
		2024-25	
Combined Asset (Asset-1&2 and Asset-3)	31240.46	69.90	31310.36

52. We have considered the submissions of the Petitioner. The capital cost has been dealt in line with Regulation 19(3) of the 2024 Tariff Regulations. The trued-up capital



cost of ₹31240.46 lakh for the Combined Asset as on 31.3.2024 is considered as opening capital cost as on 1.4.2024 for working out the tariff for the 2024-29 tariff period.

Additional Capital Expenditure (ACE)

53. Regulations 24 and 25 of the 2024 Tariff Regulations provides 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 which is not provided for in the original scope of work;*
- (f) *For uninterrupted and timely development of Hydro projects, expenditure incurred towards developing local infrastructure in the vicinity of the power plant not exceeding Rs. 10 lakh/MW shall be considered as part of capital cost and in case the same work is covered under budgetary support provided by Government of India, the funding of such works shall be adjusted on receipt of such funds;*
Provided that such expenditure shall be allowed only if the expenditure is incurred through Indian Governmental Instrumentality; and
- (g) *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) *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) *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.*

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”

54. The Petitioner has claimed ACE of ₹69.90 lakh for Asset for the 2024-29 tariff period under Regulations 25(1)(d) of the 2024 Tariff Regulations on account of undischarged liabilities recognized to be payable at a future date for work executed prior to the cut-off date. The same has been summarised as follows:

Asset	(₹ in lakh)	
	Claimed ACE	
	2024-25	
Combined Asset	69.90	

55. We have considered the submissions of the Petitioner. The claimed ACE towards compensation during the year 2024-25 is beyond the cut-off date but the same is for the works of original scope executed within the cut-off date. As such, the expenditure is permissible for the purpose of tariff in terms of Regulation 25(1)(d). Accordingly, the allowed ACE is summarized as follows:

Particulars	Regulation	(₹ in lakh)	
		ACE allowed	
		2024-25	
Balance and retention	25(1)(d)	69.90	



Particulars	Regulation	ACE allowed
		2024-25
payments for liabilities		

56. Accordingly, ACE for the 2024-29 tariff period and the capital cost as on 31.3.2029 for the Combined Asset allowed are as follows:

(₹ in lakh)			
Asset	Capital Cost admitted as on 1.4.2024 (A)	ACE allowed for 2024-29 (B)	Capital Cost allowed as on 31.3.2029 (C=A+B)
		2024-25	
Combined Asset	31240.46	69.90	31310.36

(₹ in lakh)

Debt-Equity ratio

57. 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 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 31.3.2024 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 1.4.2024, if the equity actually deployed as on 1.4.2024 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 1.4.2024, 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.”

58. The debt-equity considered for the purpose of computation of tariff for the 2024-29 tariff period is allowed as per Regulation 18(3) of the 2024 Tariff Regulations. The debt-equity considered for the purpose of computation of tariff for the Combined Asset for the 2024-29 tariff period is as follows:

Funding	Capital Cost as on 1.4.2024 (₹ in lakh)	(In %)	ACE in 2024-29 (₹ in lakh)	(In %)	Capital Cost as on 31.3.2029 (₹ in lakh)	(In %)
Debt	21868.32	70.00	48.93	70.00	21917.25	70.00
Equity	9372.14	30.00	20.97	30.00	9393.11	30.00
Total	31240.46	100.00	69.90	100.00	31310.36	100.00

Depreciation

59. 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-capitalised asset during its useful service.....

(10) Xxxxx

(11) Xxxx

(12) Xxxx”

60. The depreciation has been worked out considering the admitted capital expenditure as on 1.4.2024 and thereafter up to 31.3.2029. The WAROD has been worked out for the Combined Asset as per the rates of depreciation specified in the 2024 Tariff Regulations.

61. The depreciation allowed for the Combined Asset under Regulation 33 of the 2024 Tariff Regulations for the 2024-29 tariff period is as under:

(₹ in lakh)						
Combined Asset						
Sl no	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Opening Gross Block	31240.46	31310.36	31310.36	31310.36	31310.36
B	Addition during 2024-29 due to ACE	69.90	0.00	0.00	0.00	0.00
C	Closing Gross Block (A+B)	31310.36	31310.36	31310.36	31310.36	31310.36
D	Average Gross Block (A+C)/2	31275.41	31310.36	31310.36	31310.36	31310.36
E	Average Capital Cost (90% depreciable assets)	31169.73	31204.68	31204.68	31204.68	31204.68
F	Average Capital Cost (100% depreciable assets)	105.68	105.68	105.68	105.68	105.68
G	Depreciable Value (excluding IT equipment and software) (E*90%)	25067.28	25098.73	25098.73	25098.73	25098.73
H	Depreciable Value of IT equipment and software (F*100%)	105.68	105.68	105.68	105.68	105.68



Combined Asset						
Sl no	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
I	Total Depreciable Value (G+H)	25172.96	25204.41	25204.41	25204.41	25204.41
J	Freehold Land	3317.20	3317.20	3317.20	3317.20	3317.20
K	Weighted average rate of Depreciation (WAROD) (in %)	4.53	4.50	4.48	4.44	4.41
L	Elapsed useful life of the asset	22	21	20	19	18
M	Balance life at the beginning of the year	6	7	8	9	10
N	Aggregate Depreciable Value	25172.96	25204.41	25204.41	25204.41	25204.41
O	Combined Depreciation during the year (D*K)	1416.57	1407.76	1402.56	1390.32	1379.23
P	Cumulative Depreciation at the end of the year	9727.46	11135.22	12537.78	13928.10	15307.33
Q	Remaining Aggregate Depreciable Value at the end of the year (N-P)	15445.50	14069.19	12666.63	11276.31	9897.08

Interest on Loan (IoL)

62. 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 decapitalization 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.”

63. The Weighted Average Rate of IoL has been considered on the basis of the rate prevailing as on 1.4.2024. The Petitioner has prayed that the change in interest rate due to the floating rate of interest applicable, if any, during the 2024-29 tariff period may be adjusted. Accordingly, the floating rate of interest, if any, will be considered at the time of true up. The 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 Combined Asset is as follows:

(₹ in lakh)						
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Gross Normative Loan	21868.32	21917.25	21917.25	21917.25	21917.25
B	Cumulative Repayments upto Previous Year	8310.89	9727.46	11135.22	12537.78	13928.10
C	Net Loan-Opening (A-B)	13557.43	12189.79	10782.03	9379.47	7989.15
D	Additions	48.93	0.00	0.00	0.00	0.00
E	Repayment during the year	1416.57	1407.76	1402.56	1390.32	1379.23
F	Net Loan-Closing	12189.79	10782.03	9379.47	7989.15	6609.92



	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	(C+D-E)					
G	Average Loan (C+F)/2	12873.61	11485.91	10080.75	8684.31	7299.53
H	Weighted Average Rate of Interest on Loan (in %)	8.6420	8.6384	8.5046	8.0643	7.9678
I	Interest on Loan (G*H)	1112.54	992.20	857.33	700.33	581.61

Return on Equity (RoE)

64. Regulation 30 and Regulation 31 of the 2024 Tariff Regulations provides 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 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;

(3) 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:

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

(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."

65. The Petitioner has submitted that the MAT rate applies to it. We have considered the Petitioner's submissions and have gone through the record.

66. 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 Combined Asset for the 2024-29 tariff period is as follows:



(₹ in lakh)						
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Opening Equity	9372.14	9393.11	9393.11	9393.11	9393.11
B	Additions	20.97	0.00	0.00	0.00	0.00
C	Closing Equity (A+B)	9393.11	9393.11	9393.11	9393.11	9393.11
D	Average Equity (A+C)/2	9382.62	9393.11	9393.11	9393.11	9393.11
E	Return on Equity (Base Rate) (in %)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (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)	1762.24	1764.21	1764.21	1764.21	1764.21

Operation & Maintenance Expenses (O&M Expenses)

67. The O&M Expenses have not been claimed by the Petitioner for the Combined Asset for the 2024-29 tariff period.

68. The O&M Expenses claimed by the Petitioner for the Combined Asset for the 2024-29 period are as follows:

(₹ in lakh)					
O&M Expenses	2024-25	2020-21	2021-22	2022-23	2023-24
	555.33	584.72	614.94	646.96	681.91

69. The norms specified under Regulation 36(3)(a) of the 2024 Tariff Regulations provide 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 (₹ 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 (₹ Lakh per MVA or MVAR)					
O&M expenditure per MVA or per MVAR (₹ Lakh per MVA or MVAR)	0.262	0.276	0.290	0.305	0.322
Norms for AC and HVDC lines (₹ Lakh per km)					



Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
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 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)	0.346	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 (₹ Lakh per MW) (Except Gazuwaka BTB)	2.07	2.18	2.30	2.42	2.55
Gazuwaka HVDC Back-to-Back station (₹ Lakh per MW)	1.83	1.92	2.03	2.13	2.24
HVDC bipole scheme (₹ Lakh per 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.
.....”



70. We have considered the Petitioner's submission. The O&M Expenses have been worked out in accordance with Regulation 36 of the 2024 Tariff Regulations and the same are as follows:

Particulars	Combined Asset				
	2024-25	2025-26	2026-27	2027-28	2028-29
400 kV Bays at Gas Insulated Sub-station					
No. of bays	5	5	5	5	5
Norms (₹ lakh/Bay)	20.671	21.756	22.897	24.101	25.361
220 kV bays at Sub-station					
No. of bays	8	8	8	8	8
Norms (₹ lakh/km)	20.670	21.750	22.900	24.100	25.360
400kV Sub-station Reactor					
No. of Units	1000	1000	1000	1000	1000
Norms (₹ Lakh per MVA)	0.262	0.276	0.290	0.305	0.322
400 kV Sub-station ICT					
No. of Units	63	63	63	63	63
Norms (₹ Lakh per MVA)	0.262	0.276	0.290	0.305	0.322
Transmission Line					
Double Circuit (Twin Conductor)					
Km of line	9.415	9.415	9.415	9.415	9.415
Norms (₹ Lakh per km)	0.861	0.906	0.953	1.003	1.056
Total O&M Expenses (₹ in Lakh)	555.33	584.70	614.93	646.96	681.91

Interest on Working Capital (IWC)

71. Regulation 34(1)(d), 34(3) and 34(4) of the 2024 Tariff Regulations specify 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.

(2)

(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.”

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

73. 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 Combined Asset are as under:

(₹ in lakh)						
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Working Capital for O&M Expenses (O&M Expenses for one month)	46.28	48.72	51.24	53.91	56.83
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	83.30	87.70	92.24	97.04	102.29
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	608.36	596.23	582.59	563.96	553.78
D	Total Working Capital (A+B+C)	737.94	732.66	726.07	714.92	712.90
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)	87.81	87.19	86.40	85.08	84.83

Annual Fixed Charges of the 2024-29 Tariff Period

74. The Annual Fixed Charges allowed for the 2024-29 tariff period in respect of the Combined Asset are summarized as follows:



(₹ in lakh)					
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	1416.57	1407.76	1402.56	1390.32	1379.23
Interest on Loan	1112.54	992.20	857.33	700.33	581.61
Return on Equity	1762.24	1764.21	1764.21	1764.21	1764.21
O & M Expenses	555.33	584.70	614.93	646.96	681.91
Interest on Working Capital	87.81	87.19	86.40	85.08	84.83
Total	4934.49	4836.06	4725.43	4586.90	4491.79

Filing Fee and Publication Expenses

75. The Petitioner has claimed reimbursement of the fee paid by it for filing the Petition and publication expenses. The Petitioner has further submitted that it is entitled to the reimbursement of the filing fee and the expenses incurred on publication of notices in the application for approval of tariff directly from the beneficiaries or the long-term customers, as the case may be, in accordance with Regulation 94(1) of the 2024 Tariff Regulations.

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

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

77. 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.

78. 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.”

79. 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.

License Fee and RLDC Fees and Charges

80. The Petitioner has claimed reimbursement of the license fee, RLDC Fees and Charges. The Petitioner is allowed the reimbursement of the license 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

81. 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.



82. We have considered the submissions of the Petitioner submissions. 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

83. The Petitioner has submitted that a separate Petition shall be filed for 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 Combined Asset are not claimed in the instant Petition.

84. The Petitioner has also submitted that it has not claimed Insurance Expenses in the instant Petition and has submitted that it shall 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 the FY 2024-25, FY 2025-26, FY 2026-27, FY 2027-28, and FY 2028-29.

85. The Petitioner has not claimed Capital Spares for the Combined Asset in the instant Petition for the 2024-29 tariff period. Accordingly, the Petitioner has submitted that it shall 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.



86. We have considered the Petitioner's submissions and have perused the record. We deem it proper here to refer to 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."

87. 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 security expenses, capital spares individually costing more than ₹10 lakh and insurance expenses on the estimated basis as per the 2024 Tariff Regulations for the 2024-29 tariff period.

Sharing of Transmission Charges

88. The Petitioner has submitted that M/s Karnataka Power Transmission Corporation Limited (KPTCL) has filed appeals limited to issue of sharing of transmission charges 4 Nos. of 220 kV Line bays at Yelahanka (Asset-3) in Appeal No. 658 of 2023 and 495 of 2023, challenging the orders dated 31.10.2022 and 8.11.2019, passed in Petition Nos. 93/TT/2020 and 361/TT/2018 respectively.

89. The Appellate Tribunal for Electricity (The APTEL), vide its order dated 4.3.2024, remanded the matter to the Commission on the limited issue of the sharing methodology. The relevant extracts of the APTEL's order are as under:



“After hearing both the parties, and going through the affidavit filed by the appellant /KPTCL, we find it appropriate to remand the matter to Central Electricity Regulatory Commission (CERC) for reconsideration on the aspect whether transmission charges shall be borne completely for the mis-match period by KPTCL (the appellant). The said proposition has not been objected to by the respondent. However, we make it clear that the remand shall be subject to the following conditions:

i) The capital cost and tariff determined by the CERC for the instant asset is not liable to be revisited as the same is not the subject matter of the challenge raised in the present appeal.

ii) The amounts already paid by the appellant / KPTCL to respondent No.1/PGCIL would be subject to the outcome of the remand proceedings before the Ld. CERC.

iii) The bill dated 01.11.2023 is the last Bilateral Bill raised upon KPTCL whereafter there would be no Bilateral Bill upon KPTCL in terms of the Sharing Regulations, 2020. Therefore, the bills for transmission charges of the instant assets in question are being / will be raised in terms of the CERC (Sharing of Inter-State Transmission Charges and Losses) (Second Amendment) Regulations, 2023, and in terms of any further amendment.

CERC, shall hear the matter after affording reasonable opportunity to the parties, in accordance with law.”

90. The Commission, in compliance of the APTEL’s order dated 4.3.2024, reconsidered the matters and passed order on 21.3.2025 on the issue of sharing of transmission charges. The relevant extracts of the order dated 21.3.2025 are as under:

“38. Therefore, the Commission is of the view that the asset already commissioned by KPTCL needs to be put to use by implementing the downstream network. From submissions in para 26 and 27, it is seen that out of a total of 10 nos. of 220 kV bays already implemented at the Yelhanka 400/220 kV substation, only two nos. of 220 kV bays have been put to use. In view of this, the Commission directs the Petitioner, KPTCL, and CTUIL to discuss the matter jointly for alternative effective utilization of balance 220 kV bays, which are not put under use, at Yelahanka Substation.

39. As far as bilateral billing is concerned, the respondent KPTCL has not contested the approval of the COD of Asset-1, Asset-2A, and Asset-2B as 1.4.2018 under provision (ii) of clause 3 of Regulation 4 of the 2014 Tariff Regulations. Therefore, the billing period between 01.04.2018 and 30.09.2023 can be divided into two periods, namely, period one from 01.04.2018 to 12.10.2018 and period two from 13.10.2018 to 30.09.2023. As per KPTCL submission, it has paid transmission charges for an amount of Rs. 275333722/- for period one, i.e., 1.4.2018 to 12.10.2018, and Rs 170342633/- for period two, i.e., 13.10.2018 to 30.09.2023. APTEL has remanded back the matter to CERC for reconsideration on the aspect of whether transmission charges shall be borne completely for the mismatch period by KPTCL.

40. The mismatch details of the transmission assets covered under the instant transmission project is as follows:



Nomenclature of the assets in order dated 8.11.2019 in Petition No. 361/TT/2018	Nomenclature of the assets in the instant petition	Asset Name	COD	COD of the downstream system of KPTCL
Asset-1	Asset- 1	LILO of 400 kV S/C Neelmangla-Hoody Transmission Line at new 400/220 kV GIS Sub-station at Yelahanka with 1X63 MVAR 420 kV Bus Reactor along with associated bays and equipment	1.04.2018	12.10.2018
Asset-2A	Asset- 2	2X500 MVA, 400/220 kV ICT's along with associated bays and 02 Numbers 220 kV bays at 400/220 kV Yelahanka Sub-station	1.04.2018	12.10.2018
Asset- 2B	Asset- 3	04 Numbers 220 kV bays at 400/220 kV Yelahanka Sub-station	1.04.2018	Not commissioned yet.

As can be seen from the above table, the transmission charges for Assets 1,2 and 3 were raised on a bilateral basis to KPTCL for the period 1.4.2018 to 12.10.2018 as its COD was approved under provision (ii) of regulation 4(3) of the 2014 Tariff Regulations. On commissioning of the downstream transmission system by KPTCL, i.e., 2 No's of 2000 Sqmm UG cables of capacity 1261 Amp /Cable in the downstream system, only Asset 1 and Asset 2 were put into use. Accordingly, transmission charges for Assets 1 and 2 were not raised on a bilateral basis to KPTCL but were included under PoC charges from 13.10.2018 onwards. Asset3, including 4 nos. of 220 kV bays, was not put to use as no further downstream systems were commissioned by KPTCL for utilisation of the 4 nos. of 220 kV bays. Therefore, bilateral billing has been done by CTUIL to KPTCL for the 4 nos. of 220 kV bays during the period 13.10.2018 to 30.09.2023. Beyond 30.09.2023, no bilateral billing has been done for the 4 nos. of 220 kV bays.

In view of the fact that the four nos. of 220 kV bays would be put to use on implementation of the downstream network by KPTCL and during the bilateral billing period, the bays have remained unutilised; the Commission is of the view that transmission charges for the 4 nos. of 220 kV bays for the mismatch period shall be borne completely by KPTCL.

Sharing of transmission charges w.e.f. 1.10.2023:

41. CTUIL, vide affidavit dated 24.7.2024, has submitted that as per CERC order dated 08.11.2019 & 31.10.2022 under Petition No. 361/TT/2018 & 93/TT/2020 respectively, total bilateral billing of ₹ 4263.18 Lakh has been raised to KPTCL from April 2018 to December 2023. CTUIL submitted that, at present, there are no outstanding payable pending dues from KPTCL against the said bilateral bills.

42. The Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (First Amendment) Regulations, 2022 (First Amendment Regulations) has been notified on 07.02.2023 the provisions of the said amendment have been brought into force from 1.10.2023. The relevant extracts of the First Amendment of Sharing Regulations,2020 are as under:

“(d) paid by the respective drawee DIC(s) of the State whose intra-state transmission system is delayed, till such intra-State transmission system achieves COD”



43. Therefore, we have approved the COD of the transmission assets covered in the instant petition as 1.4.2018 under provision (ii) of Regulation 4(3) of 2014 Tariff Regulations due to non-commissioning of the associated downstream system, w.e.f. 1.10.2023, the billing collection and disbursement of the transmission charges shall be governed as per the aforementioned CERC (Sharing of Inter-State Transmission Charges and Losses) (Second Amendment) regulation, 2023.

91. The Petitioner in this regard has submitted that the Commission may proceed to true-up the transmission charges for the tariff block 2019-2024 and determine the transmission tariff for the period 2024-29, as the current tariff proceedings are independent of the remand proceedings initiated pursuant to the Appellate Tribunal's above order.

92. The Petitioner has further submitted that due to non-commissioning of the associated transmission system covered under the scope of KPTCL, the transmission charges for 04 Nos. of bays (Asset-3) from COD to actual commissioning of downstream transmission system shall be borne by KPTCL.

93. Further, the Petitioner has submitted that the trueing-up of the tariff for the 2019-24 tariff period shall be recovered on a monthly basis in accordance with Regulation 57 of the 2019 Tariff Regulations and shall be shared by the beneficiaries and long-term transmission customers. Further, the tariff for the 2024-29 tariff period shall be recovered on a monthly basis 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.

94. KPTCL has not filed any reply in the matter. We have considered the submissions of the Petitioner. The transmission charges from the COD of the transmission assets till execution of the downstream transmission system shall be borne by KPTCL as approved vide orders dated 31.10.2022, 8.11.2019, and 21.3.2025 passed in Petition Nos. 93/TT/2020 and 361/TT/2018 respectively. Thereafter, the



billing, collection, and disbursement of the transmission charges for the Combined Asset shall be recovered in terms of provisions of the 2020 Sharing Regulations as provided in 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.

95. To summarise:

a. The trued-up Annual Transmission Charges approved for the 2019-24 tariff period in respect of the transmission asset are as follows:

(₹ in lakh)

Asset-1&2					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
AFC Claimed	5354.12	5262.48	5168.04	5087.14	5018.25
AFC Allowed	5354.09	5262.46	5168.00	5087.15	5018.23

(₹ in lakh)

Asset-3					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
AFC Claimed	231.88	228.07	226.87	227.91	230.22
AFC Allowed	231.88	228.07	226.87	227.91	230.22

b. The Annual Transmission Charges approved in respect of the Combined Asset for the 2024-29 tariff period in this order is as follows:

(₹ in lakh)

Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
AFC Claimed	4934.49	4836.10	4725.44	4586.91	4491.81
AFC Allowed	4934.49	4836.06	4725.43	4586.90	4491.79

96. This order disposes of the Petition no. 391/TT/2025, in terms of the above discussions and findings.

sd/-
(Harish Dudani)
Member

sd/-
(Ramesh Babu V.)
Member

