

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 59/TT/2025

Coram:

**Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member
Shri Ravinder Singh Dhillon, Member**

Date of Order: 05.12.2025

In the matter of:

Approval under Section 62 read with Section 79 (1)(d) of Electricity Act, 2003 and under the 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 Condition of Tariff Regulations) 2019 for the determination of transmission tariff for the transmission assets (9 Nos.) from their respective COD to 31.3.2024 under the “Strengthening of OPGW network within ER Grid and Connectivity with Other regions” in the Eastern Region.

And in the matter of:

**Power Grid Corporation of India Limited,
SAUDAMINI, Plot No-2,
Sector-29, Gurgaon-122 001 (Haryana).**

.....Petitioner

Versus

1. Bihar State Power (Holding) Company Limited

Vidyut Bhawan, Bailey Road,
Patna - 800 001, Bihar

2. West Bengal State Electricity Distribution Company Limited

Bidyut Bhawan, Bidhan Nagar, Block DJ, Sector-II, Salt Lake City,
Kolkata - 700 091, West Bengal

3. Grid Corporation of Orissa Limited

Shahid Nagar, Bhubaneswar - 751 007, Odisha

4. Damodar Valley Corporation,

DVC Tower, Maniktala, Civic Centre,
VIP Road, Kolkata - 700 054, West Bengal



5. Power Department, Government of Sikkim,
Gangtok – 737 101, Sikkim

6. Jharkhand Bijli Vitran Nigam Limited,
Engineering Building, H.E.C., Dhurwa,
Ranchi – 834 004, Jharkhand

7. Jharkhand Urja Sancharan Nigam Limited,
2nd Floor, JUSNL SLDC Building, Kusai, Doranda,
Ranchi – 834 002, Jharkhand.

...Respondent(s)

Parties Present: Ms. Rohini Prasad, Advocate, BSPHCL
Ms. Ashika Ranjan, Advocate, BSPHCL
Shri Zafrul Hasan, PGCIL
Shri A. Naresh Kumar, PGCIL
Shri Vishal Sagar, PGCIL
Shri Piyush Awasthi, PGCIL
Ms. Supriya Singh, PGCIL
Shri Ashish Alankar, PGCIL
Shri Yatin Kalra, PGCIL
Shri Arjun Malhotra, PGCIL
Ms. Suchitra, PGCIL
Shri Amit Yadav, PGCIL

ORDER

The instant Petition has been filed by the Power Grid Corporation of India Limited (hereinafter referred to as “the Petitioner”), a deemed transmission licensee, for the determination of the transmission tariff under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”) from the Date of Commercial Operation (COD) to 31.3.2024 with respect to the following assets (hereinafter referred to as “the transmission assets”) under the “Strengthening of OPGW network within ER Grid and Connectivity with other regions” (hereinafter referred to as “the transmission project”) in the Eastern Region:



Particulars	Asset Name
Asset - I	Chandrapura Thermal Power Station, Gola OPGW link (67.639 km)
Asset- II	Chandrapura Thermal Power Station, Ramkanali OPGW link (72.074 km)
Asset-III	Purulia – Jamshedpur OPGW link (87.080 km)
Asset-IV	Jamuria – Ramkanali OPGW link (51.995 km)
Asset-V	Daltonganj {JUSNL} – Latehar {JUSNL} LILOed at Daltonganj {PG} OPGW link (69.395 km), Chandil {JH} – Ranchi {PG} (upto LILO point) OPGW link (86.087 km), And Joda {OPTCL} – Ramchhangrapur {JH} OPGW link (112.037 km)
Asset-VI	Patna – Balia Line-I OPGW link (180.45 km)
Asset-VII	Koderrma Thermal Power Station, Giridih OPGW link (105.00 km)
Asset-VIII	Gaya – Varanasi Ckt.-II OPGW link (310.186 km)
Asset-IX	Maithon – Durgapur OPGW link (74.125 km)

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

- “a) Admit the petition filed in compliance with the Regulation 9 of CERC Regulations.*
- b) Admit the capital cost as claimed in the Petition and approve the Additional Capitalization incurred / projected to be incurred.*
- c) Approve the Transmission Tariff for the tariff block 2019-24 block for the asset covered under this petition, as per para –29 above.*
- d) 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 Regulation 2019 as per para 31 above for respective block.*
- e) Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 70 (1) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019, and other expenditure (if any) in relation to the filing of petition.*
- f) Allow the petitioner to bill and recover Licensee fee and RLDC fees and charges, separately from the respondents in terms of Regulation 70 (3) and (4) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019.*
- g) Allow the petitioner to bill and adjust impact on Interest on Loan due to change in Interest rate on account of floating rate of interest applicable during 2019-24 period, if any, from the beneficiaries.*
- h) Allow the petitioner to claim the overall security expenses and consequential IOWC on that security expenses as mentioned at para 29 above.*



i) Allow the petitioner to claim the capital spares at the end of tariff block as per actual.

j) 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.

k) Allow interim tariff in accordance with Regulation 10 (3) of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for purpose of inclusion in the PoC charges.

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 under:

- a) The Investment Approval (IA) of the transmission project was accorded by the Chairman and Managing Director (CMD) of the Petitioner, vide Memorandum No. C/CP/PA2122-04-0J-IA009 dated 18.7.2021, with an estimated cost of ₹6547.00 lakh, including Interest During Construction (IDC) of ₹375.00 lakh based on the March 2021 price level. Further, the approval of the Revised Cost Estimate (RCE) for the project was accorded by the Committee on Investment of Projects (CoIP) of the Petitioner vide Memorandum No. C/CP/PA2223-03-0H-RCE001 dated 27.3.2022 with an estimated cost of ₹8791.00 lakh, including an IDC of ₹536.00 lakh based on the February 2022 price level.
- b) The scope of the transmission project was discussed and approved in the 23rd SCADA O&M meeting held on 6.3.2019. ERLDC requested the ERPC Secretariat to form a committee to ascertain the requirements for Optical Ground Wire (OPGW) and associated communication equipment, considering the route diversity to enhance reliability in Power System



Operation. Accordingly, a committee was formed and subsequently met on 14.8.2019 and 24.10.2019, where members discussed the need for additional inter-regional and intra-regional OPGW links to strengthen the Eastern Regional OPGW network. Thereafter, the transmission project was approved during the 42nd ERPC & TCC meeting held from 12.12.2019 to 13.12.2019.

c) The scope of work covered under the transmission project is as under:

Sub-Station:

- OPGW fibre optic cable - 1959 kms
- SDH Equipment - 25 Nos.
- DC Power Supply with Battery Bank - 22 Nos.

d) The entire scope of the transmission project as per the IA dated 18.7.2021, was scheduled to be commissioned progressively within the overall schedule of 36 months. The details of the commissioning status of the assets under the instant Transmission Project are as under:

Particulars	Name of Asset	COD	Petition Details
Asset-I	Chandrapura Thermal Power Station, DVC – Gola OPGW link (67.639 km)	23.3.2023	Covered in the instant Petition
Asset-II	- Chandrapura Thermal Power Station, DVC - Ramkanali OPGW link (72.074 km)	24.3.2023	
Asset-III	- Purulia – Jamshedpur OPGW link (87.080 km)	13.4.2023	
Asset-IV	- Jamuria – Ramkanali OPGW link (51.995 km)	6.6.2023	
Asset-V	- Daltonganj {JUSNL} – Latehar {JUSNL} LILOed at Daltonganj {PG} OPGW link (69.395 km), Chandil {JH} – Ranchi {PG} (upto LILO point) OPGW link (86.087 km), And Joda {OPTCL} – Ramchangrapur {JH} OPGW link (112.037 km)	14.10.2023	
Asset-VI	- Patna – Balia Line-I OPGW link (180.45 km)	18.11.2023	



Particulars	Name of Asset	COD	Petition Details
Asset-VII	- Koderrma Thermal Power Station, DVC - Giridih OPGW link (105.00 km)	13.1.2024	
Asset-VIII	- Gaya – Varanasi Ckt.-II OPGW link (310.186 km)	23.1.2024	
Asset-IX	- Maithon – Durgapur OPGW link (74.125 km)	25.1.2024	
*Balance Assets	Howrah (DVC)-Howrah (WB) OPGW link (1.022 km)	23.05.2025	Covered under Diary no-150 of 2025, COD in tariff period 2024-29)
	Durgapur-Sagardighi OPGW link (133.572 km) and Ferakka-Purnea OPGW link (179.643 km)	25.06.2024	
	Jharsuguda-Dharamjaygarh OPGW link (148.603 km)	31.08.2024	
	Farakka- Sagardighi-Subhasgram OPGW link (331.096 km)	19.12.2024	

**The Petitioner has submitted the aforementioned details of the balance asset vide affidavit dated.26.05.2025.*

- *The transmission project is a Multi Sector Scheme comprising of both Central Sector links and State/ Constituents (DVC & JUSNL) Sector links.*
- *Assets I to IV & VII are State/ Constituents sector links for DVC.*
- *Asset V is State/ Constituents sector links for JUSNL (Jharkhand Urja Sancharan Nigam Ltd.)*
- *Assets VI, VIII & IX are Central sector links.*

4. The Respondents, mainly beneficiaries of the Eastern Region, are Distribution Licensees and Power Departments, which are procuring transmission services from the Petitioner.

5. The Petitioner has served a copy of the Petition on the Respondents, and notice regarding the filing of this Petition has also been published in the newspaper in accordance with Section 64 of the Electricity Act, 2003 (hereinafter referred to as “the Act”). No comments or suggestions have been received from the general public in response to the aforesaid notice published in the newspapers by the Petitioner.

6. The final hearing in this matter was held on 26.8.2025, during which the order was reserved.



7. This order is being issued considering the submissions made by the Petitioner vide affidavits dated 7.8.2024, 26.5.2025, and 10.9.2025. None of the Respondents has filed any reply in the instant Petition.

8. Having heard the representatives of the Petitioner and perused the material on record, we proceed to dispose of the Petition in the succeeding paragraphs.

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

9. The Petitioner has claimed the following transmission charges with respect to the transmission assets for the 2019-24 tariff period are as under:

Asset-I

(₹ in lakh)		
Particulars	2022-23 (pro-rata 9 days)	2023-24
Depreciation	0.19	9.44
Interest on Loan	0.16	7.41
Return on Equity	0.17	8.40
Interest on Working Capital	0.01	0.33
O&M Expenses	0.00	0.00
Total	0.53	25.58

Asset-II

(₹ in lakh)		
Particulars	2022-23 (pro-rata 8 days)	2023-24
Depreciation	0.18	10.06
Interest on Loan	0.15	7.90
Return on Equity	0.16	8.95
Interest on Working Capital	0.01	0.35
O&M Expenses	0.00	0.00
Total	0.50	27.26

Asset-III

		(₹ in lakh)
		2023-24 (pro-rata 354 days)
Particulars		
Depreciation		11.45
Interest on Loan		9.00
Return on Equity		10.19
Interest on Working Capital		0.45
O&M Expenses		0.00
Total		31.09



Asset-IV

(₹ in lakh)

Particulars	2023-24 (pro-rata 300 days)
Depreciation	5.99
Interest on Loan	4.75
Return on Equity	5.33
Interest on Working Capital	0.24
O&M Expenses	0.00
Total	16.31

Asset-V

(₹ in lakh)

Particulars	2023-24 (pro-rata 170 days)
Depreciation	28.84
Interest on Loan	23.85
Return on Equity	25.68
Interest on Working Capital	1.18
O&M Expenses	0.00
Total	79.55

Asset-VI

(₹ in lakh)

Particulars	2023-24 (pro-rata 135 days)
Depreciation	9.53
Interest on Loan	7.92
Return on Equity	8.48
Interest on Working Capital	0.64
O&M Expenses	5.76
Total	32.33

Asset-VII

(₹ in lakh)

Particulars	2023-24 (pro-rata 79 days)
Depreciation	3.72
Interest on Loan	3.13
Return on Equity	3.31
Interest on Working Capital	0.15
O&M Expenses	0.00
Total	10.31

Asset-VIII

(₹ in lakh)

Particulars	2023-24 (pro-rata 69 days)
Depreciation	8.37



Particulars	2023-24 (pro-rata 69 days)
Interest on Loan	6.89
Return on Equity	7.45
Interest on Working Capital	0.56
O&M Expenses	4.99
Total	28.26

Asset-IX

(₹ in lakh)

Particulars	2023-24 (pro-rata 67 days)
Depreciation	1.76
Interest on Loan	1.49
Return on Equity	1.57
Interest on Working Capital	0.12
O&M Expenses	1.07
Total	6.01

10. The Petitioner has claimed the Interest on Working Capital (IWC) with respect to the transmission assets for the 2019-24 tariff period is as under:

Asset-I

(₹ in lakh)

Particulars	2022-23 (pro-rata 9 days)	2023-24
O&M Expenses	0.00	0.00
Maintenance Spares	0.00	0.00
Receivables	2.63	3.15
Total Working Capital	2.63	3.15
Rate of Interest (in %)	10.50	10.50
Interest on Working Capital	0.01	0.33

Asset-II

(₹ in lakh)

Particulars	2022-23 (pro-rata 8 days)	2023-24
O&M Expenses	0.00	0.00
Maintenance Spares	0.00	0.00
Receivables	2.79	3.35
Total Working Capital	2.79	3.35
Rate of Interest (in %)	10.50	10.50
Interest on Working Capital	0.01	0.35



Asset-III

(₹ in lakh)

Particulars	2023-24 (pro-rata 354 days)
O&M Expenses	0.00
Maintenance Spares	0.00
Receivables	3.95
Total Working Capital	3.95
Rate of Interest (in %)	12.00
Interest on Working Capital	0.45

Asset-IV

(₹ in lakh)

Particulars	2023-24 (pro-rata 300 days)
O&M Expenses	0.00
Maintenance Spares	0.00
Receivables	2.45
Total Working Capital	2.45
Rate of Interest (in %)	12.00
Interest on Working Capital	0.24

Asset-V

(₹ in lakh)

Particulars	2023-24 (pro-rata 170 days)
O&M Expenses	0.00
Maintenance Spares	0.00
Receivables	21.06
Total Working Capital	21.06
Rate of Interest (in %)	12.00
Interest on Working Capital	1.18

Asset-VI

(₹ in lakh)

Particulars	2023-24 (pro-rata 135 days)
O&M Expenses	1.30
Maintenance Spares	2.34
Receivables	10.77
Total Working Capital	14.41
Rate of Interest (in %)	12.00
Interest on Working Capital	0.64



Asset-VII

(₹ in lakh)

Particulars	2023-24 (pro-rata 79 days)
O&M Expenses	0.00
Maintenance Spares	0.00
Receivables	5.87
Total Working Capital	5.87
Rate of Interest (in %)	12.00
Interest on Working Capital	0.15

Asset-VIII

(₹ in lakh)

Particulars	2023-24 (pro-rata 69 days)
O&M Expenses	2.21
Maintenance Spares	3.97
Receivables	18.43
Total Working Capital	24.61
Rate of Interest (in %)	12.00
Interest on Working Capital	0.56

Asset-IX

(₹ in lakh)

Particulars	2023-24 (pro-rata 67 days)
O&M Expenses	0.49
Maintenance Spares	0.88
Receivables	4.04
Total Working Capital	5.41
Rate of Interest (in %)	12.00
Interest on Working Capital	0.12

Date of Commercial Operation (COD)

11. The Petitioner, vide affidavit dated 7.8.2024, has claimed the actual COD of the transmission assets covered in the instant transmission system under Regulation 5(2) of the 2019 Tariff Regulations, which is as under:

Particulars	COD
Asset-I	23.3.2023
Asset-II	24.3.2023
Asset-III	13.4.2023
Asset-IV	6.6.2023



Asset-V	14.10.2023
Asset-VI	18.11.2023
Asset-VII	13.1.2024
Asset-VIII	23.1.2024
Asset-IX	25.1.2024

12. Regulation 5 of the 2019 Tariff Regulations provides as under:

“5. Date of Commercial Operation: (1) *The date of commercial operation of a generating station or unit thereof or a transmission system or element thereof and associated communication system shall be determined in accordance with the provisions of the Grid Code.*

(2) *In case the transmission system or element thereof executed by a transmission licensee is ready for commercial operation but the interconnected generating station or the transmission system of other transmission licensee as per the agreed project implementation schedule is not ready for commercial operation, the transmission licensee may file petition before the Commission for approval of the date of commercial operation of such transmission system or element thereof:*

Provided that the transmission licensee seeking the approval of the date of commercial operation under this clause shall give prior notice of at least one month, to the generating company or the other transmission licensee and the long-term customers of its transmission system, as the case may be, regarding the date of commercial operation:

Provided further that the transmission licensee seeking the approval of the date of commercial operation of the transmission system under this clause shall be required to submit the following documents along with the petition:

- (a) Energization certificate issued by the Regional Electrical Inspector under Central Electricity Authority;*
- (b) Trial operation certificate issued by the concerned RLDC for charging element with or without electrical load;*
- (c) Implementation Agreement, if any, executed by the parties;*
- (d) Minutes of the coordination meetings or related correspondences regarding the monitoring of the progress of the generating station and transmission systems;*
- (e) Notice issued by the transmission licensee as per the first proviso under this clause and the response;*
- (f) Certificate of the CEO or MD of the company regarding the completion of the transmission system including associated communication system in all respects.*

(3) *The date of commercial operation in case of integrated mine(s), shall mean the earliest of —*

- a) the first date of the year succeeding the year in which 25% of the Peak Rated Capacity as per the Mining Plan is achieved; or*
- b) the first date of the year succeeding the year in which the value of production estimated in accordance with Regulation 7A of these regulations, exceeds total expenditure in that year; or*



c) the date of two years from the date of commencement of production:

Provided that on earliest occurrence of any of the events under sub-clauses (a) to (c) of Clause (3) of this Regulation, the generating company shall declare the date of commercial operation of the integrated mine(s) under the relevant sub-clause with one-week prior intimation to the beneficiaries of the end-use or associated generating station(s);

Provided further that in case the integrated mine(s) is ready for commercial operation but is prevented from declaration of the date of commercial operation for reasons not attributable to the generating company or its suppliers or contractors or the Mine Developer and Operator, the Commission, on an application made by the generating company, may approve such other date as the date of commercial operation as may be considered appropriate after considering the relevant reasons that prevented the declaration of the date of commercial operation under any of the sub-clauses of Clause (3) of this Regulation;

Provided also that the generating company seeking the approval of the date of commercial operation under the preceding proviso shall give prior notice of one month to the beneficiaries of the end-use or associated generating station(s) of the integrated mine(s) regarding the date of commercial operation.”

13. The Petitioner has submitted the RLDC/SLDC Trial Run Certificate, along with the Self-declaration of COD Certificate for Assets I to IX (as shown in the table below), to support the COD of the transmission assets, certifying that a successful trial operation was completed. The details are as under:

Asset	RLDC/ SLDC Certificate	Notification of COD
Asset-I	9.2.2024	28.2.2024
Asset-II	9.2.2024	28.2.2024
Asset-III	9.2.2024	28.2.2024
Asset-IV	9.2.2024	28.2.2024
Asset-V	2.11.2023	13.11.2023
Asset-VI	31.1.2024	5.2.2024
Asset-VII	30.5.2024	7.6.2024
Asset-VIII	4.3.2024	7.3.2024
Asset-IX	28.5.2024	7.6.2024

14. The Commission vide Technical Validation (TV) Letter dated 7.5.2025 directed the Petitioner to provide RLDC Certificates for Asset-I to Asset-V and Asset-VII and CMD Certificates for all the transmission assets. In response, the Petitioner vide TV reply dated 26.5.2025 has submitted that the instant transmission project is a combination of both Central Sector (Asset-VI, Asset-VIII and Asset-IX) for which the



Charging Certificates were issued by ERLDC and State/Constituent Sector links (Asset-I, Asset-II, Asset-III, Asset-IV, Asset-V and Asset-VII) for which the Charging Certificates were issued by the respective SLDCs; therefore, the ERLDC Certificate is not required. Further, regarding the CMD Certificates, the Petitioner has submitted that as per the relevant provisions of the Indian Electricity Grid Code 2023 (hereinafter referred to as “the 2023 IEGC”), notified by the Commission vide Notification dated 29.5.2023 and which came in effect from 1.10.2023, a CMD-Signed Certificate certifying the completion of an asset/element is not required for communication-based assets/elements. The Petitioner in this regard drew the Commission’s attention to the fact that since the enforcement of the above-mentioned 2023 IEGC Notification, the Petitioner has not submitted CMD Certificate(s) for the communication-based systems, i.e., OPGW, SCADA, EMS, RTU, SAS, URTDSM, NMS, etc. Furthermore, the Commission vide its recent tariff orders (viz., 1/TT/2022 dated 21.4.2025, 323/TT/2023 dated 18.12.2024, 194/TT/2023 dated 30.5.2024, etc.), has also approved the COD, based solely on RLDC/SLDC Certificates and COD letters, for such communication schemes/projects. Hence, the requirement of a CMD Certificate in the instant project becomes inapplicable.

15. The Regulation 26(3)(a) and 27(1)(d) of the 2023 IEGC provides as under:

“26. DECLARATION BY GENERATING COMPANY AND TRANSMISSION LICENSEE

(3) Transmission system

(a) The transmission licensee shall submit a certificate signed by the authorized signatory not below the rank of CMD or CEO or MD of the company to the concerned RLDC and to the Member Secretary of the concerned RPC before declaration of COD that the transmission line, sub-station and communication system conform to the CEA Technical Standards for Construction, CEA Technical Standards for Connectivity, CEA Technical Standards for Communication, Central Electricity Authority (Measures relating to Safety and Electricity Supply) Regulations, 2010 and these regulations and are capable of operation to their full capacity.



27. DECLARATION OF COMMERCIAL OPERATION (DOCO) AND COMMERCIAL OPERATION DATE (COD)

(1) A generating station or unit thereof or a transmission system or an element thereof or ESS may declare commercial operation as follows and inform CEA, the concerned RLDC, the concerned RPC and its beneficiaries:

(d) Communication System:

Date of commercial operation in relation to a communication system or an element thereof shall mean the date declared by the transmission licensee from 0000 hours of which a communication system or element thereof shall be put into service after completion of the site acceptance test including transfer of voice and data to the respective control centres as certified by the respective Regional Load Despatch Centre."

16. We have considered the Petitioner's submission. As per Regulation 26(3)(a) of the 2023 IEGC, the Petitioner needs to submit the CMD Certificate. Therefore, the Petitioner is directed to submit the CMD Certificates with respect to Asset-V to Asset-IX at the time of truing-up. Further, there is a mismatch between the COD mentioned in the Auditor's Certificate and the COD claimed by the Petitioner for Asset-IX. Hence, the Petitioner is directed to submit the Auditor's Certificate for Asset-IX with the correct COD at the time of truing-up. Taking into consideration the RLDC Charging Certificate for Asset-VI, Asset-VIII and Asset-IX, the SLDC Charging Certificates for Asset-I, Asset-II, Asset-III, Asset-IV, Asset-V, Asset-VII and the Self-declaration of COD Certificate, as per Regulation 5 of the 2019 Tariff Regulation and Regulation 26(3)(a) and 27(1)(d) of the 2023 IEGC, the CODs of the transmission assets are approved as given below:

Asset	COD
Asset-I	23.3.2023
Asset-II	24.3.2023
Asset-III	13.4.2023
Asset-IV	6.6.2023
Asset-V	14.10.2023
Asset-VI	18.11.2023
Asset-VII	13.1.2024
Asset-VIII	23.1.2024
Asset-IX	25.1.2024

Capital Cost

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



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

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

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

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

- (a) Capital cost admitted by the Commission prior to 1.4.2019 duly trued up by excluding liability, if any, as on 1.4.2019;
- (b) Additional capitalization and de-capitalization for the respective year of tariff as determined in accordance with these regulations;
- (c) Capital expenditure on account of renovation and modernisation as admitted



- by this Commission in accordance with these regulations;*
- (d) *Capital expenditure on account of ash disposal and utilization including handling and transportation facility;*
 - (e) *Capital expenditure incurred towards railway infrastructure and its augmentation for transportation of coal upto the receiving end of generating station but does not include the transportation cost and any other appurtenant cost paid to the railway; and*
 - (f) *Capital cost incurred or projected to be incurred by a thermal generating station, on account of implementation of the norms under Perform, Achieve and Trade (PAT) scheme of Government of India shall be considered by the Commission subject to sharing of benefits accrued under the PAT scheme with the beneficiaries.*
- (4) *The capital cost in case of existing or new hydro generating station shall also include:*
- (a) *cost of approved rehabilitation and resettlement (R&R) plan of the project in conformity with National R&R Policy and R&R package as approved; and*
 - (b) *cost of the developer's 10% contribution towards Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) and Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) project in the affected area.*
- (5) *The following shall be excluded from the capital cost of the existing and new projects:*
- (a) *The assets forming part of the project, but not in use, as declared in the tariff petition;*
 - (b) *De-capitalised Assets after the date of commercial operation on account of replacement or removal on account of obsolescence or shifting from one project to another project:*
- Provided that in case replacement of transmission asset is recommended by Regional Power Committee, such asset shall be de-capitalised only after its redeployment;*
- Provided further that unless shifting of an asset from one project to another is of permanent nature, there shall be no de-capitalization of the concerned assets.*
- (c) *In case of hydro generating stations, any expenditure incurred or committed to be incurred by a project developer for getting the project site allotted by the State Government by following a transparent process;*
 - (d) *Proportionate cost of land of the existing project which is being used for generating power from generating station based on renewable energy; and*
 - (e) *Any grant received from the Central or State Government or any statutory body or authority for the execution of the project which does not carry any liability of repayment."*

18. The Petitioner, vide the affidavit dated 7.8.2024, along with the Auditor's Certificates, has claimed the capital cost incurred as on the COD and Additional Capital Expenditure (ACE) projected to be incurred with respect to the transmission assets and the same are as under:



(₹ in lakh)

Particulars	Approved Cost as per FR	Apportioned Approved Cost as per RCE	Capital Cost claimed as on COD	Projected ACE			Estimated Completion Cost
				2023-24	2024-25	2025-26	
Asset-I	223.15	304.33	125.36	48.21	35.99	0.00	209.56
Asset-II	233.13	317.96	133.51	51.34	38.69	0.00	223.54
Asset-III	289.76	395.18	166.06	43.14	45.77	0.00	254.97
Asset-IV	176.52	240.74	99.25	32.68	28.89	0.00	160.82
Asset-V	1199.31	1264.75	890.67	108.66	150.06	0.00	1149.39
Asset-VI	608.96	794.35	380.76	33.21	305.28	48.66	767.91
Asset-VII	327.64	391.90	227.65	66.06	32.10	10.04	335.85
Asset-VIII	702.58	1329.34	671.08	55.28	497.96	91.35	1315.67
Asset-IX	233.57	315.01	146.75	0.00	102.00	36.16	284.91
Total	3994.62	5353.56	2841.09	438.58	1236.74	186.21	4702.62

19. However, the Petitioner vide affidavit dated 26.5.2025 has submitted that at the time of filing of this Petition, the RCE based apportionment of one of the instant transmission assets, i.e., Asset-V (COD: 14.10.2023), was wrongly submitted as ₹1481.92 lakh (whereas it was actually ₹1264.75 lakh) due to an inadvertent arithmetic error while apportioning the cost of individual elements at the RCE stage. Further, there remains no cost overrun with respect to this updated RCE apportioned cost of ₹1264.75 lakh. We have considered the correct RCE in the subsequent paragraphs.

Cost Overrun

20. The Petitioner has submitted that through an open competitive bidding process, the lowest possible market prices for required products/services are obtained based on a detailed design. Contracts are then awarded to the lowest evaluated eligible bidder on an overall basis. The final competitive bid prices obtained through tenders may vary from the cost estimate depending on prevailing market conditions, design and site requirements. While the Petitioner prepares estimates according to well-defined procedures, the Feasibility Report (FR) cost estimate is a broad, indicative cost,



generally worked out on the basis of average unit rates of recently awarded contracts as a general practice.

21. The cost estimate of the project is based on the March 2021 price level. Regarding variations in the cost of individual items within the OPGW/Communication/PLCC packages, the scope of work includes numerous items awarded through open competitive bidding. During this process, bids are received from multiple parties, each quoting different rates for various Bill of Quantities (BOQ) items within the package. As the lowest bidder is evaluated on an overall basis, item-wise unit prices and their variation from the FR estimates are beyond the Petitioner's control. Additionally, variation in the completion cost is also a result of variations between the actual executed length of the optic fibre links and the envisaged values.

22. The Petitioner has submitted the Revised Cost Estimate (RCE) at the February 2022 price level works out to ₹87.91 Crore as per the details given below:

“COMPARISON OF REVISED COST ESTIMATE WITH THE APPROVED COST:

The comparison of RCE cost of ₹87.91 crore is carried out against the approved cost of ₹65.47 crore. The details of the comparison are as under:

Sr. No.	Variation on account of:	Variation	
		(Rs. in crore)	(%)
(i)	DPR to LOA		
a	DPR to LOA for approved scope (on competitive bidding while awarding)	19.74	30.15%
	Sub-Total (i)	19.74	30.15%
(ii)	Other Reasons (IEDC and IDC)		
a	IEDC (incl. Contingencies)	1.09	1.66%
b	IDC	1.61	2.46%
	Sub- Total (IEDC & IDC)	2.70	4.12%
	GRAND TOTAL	22.44	34.28%

REASONS FOR VARIATION IN COST ESTIMATE:

It may be seen from the above table that there is a variation of ₹22.44 crore (i.e. 34.28 %) from the approved cost of ₹65.47 crore.”



23. The Petitioner has further submitted the following reasons for variation in cost as under:

a) DPR to LOA for approved cost (on competitive bidding while awarding):

There is an increase in the cost of the project by ₹1974.00 lakh on this account, which works out to 30.15% of the approved cost. In this regard, it has been submitted that the Contracts for various packages under this project were awarded after the approval of the Competent Authority (as per the Delegation of Powers (DoP) to the lowest evaluated and responsive bidder, on the basis of Competitive Bidding conducted by POWERGRID. The award prices represent the lowest prices offered at the time of bidding for the various packages.

b) Cost Variation in IDC/IEDC: The total Interest During Construction (IDC) and Incidental Expenditure During Construction (IEDC) under the transmission project have increased by ₹270 lakh in comparison to the approved cost, which works out to 4.12%, as per the following break-up:

- i. **Increase in IEDC:** As per the IA, the IEDC, including contingencies for the transmission project, was estimated at ₹746.00 lakh on a normative basis (i.e., IEDC @10.75% & contingency @3% on the total DCO cost). However, in the RCE, the calculation methodology has been considered at a combined rate of @13.75% (10.75%+3%) on individual, element-wise amounts up to commissioning (i.e., July 2024) and an additional @ 3% contingency is applied to the balance of the transmission project's envisaged expenditure for FY 2024-25 & FY 2025-26, which works out to ₹855.00 lakh, resulting in an increase of ₹109.00 lakh.



- ii. **Increase in IDC:** The IDC for the transmission project, initially estimated at ₹375.00 lakh in the approved DPR, has, based on the envisaged funds flow projections, risen to ₹536.00 in the RCE. Thus, an increase of ₹161.00 lakh in IDC is mainly attributable to the growth in the transmission project's estimated cost (excluding IDC) from ₹6172.00 lakh to ₹8255.00 lakh.

24. We have considered the Petitioner's submissions. The total estimated completion cost of the transmission project has varied by approximately ₹708.00 lakh from the original FR cost of ₹3994.62 lakh. Specifically, the estimated completion costs for Asset-VI, Asset-VII, Asset-VIII and Asset- IX have increased by ₹171.17 lakhs, ₹22.81 lakh, ₹620.61 lakh and ₹59.06 lakh, respectively, in comparison to their FR costs. In contrast, the estimated completion costs for Asset-I, Asset-II, Asset-III, Asset-IV, and Asset-V remain within their respective FR costs, indicating no cost overrun for these assets compared to the Feasibility Report. The Petitioner is directed to formally compare the awarded cost with the final completed cost and submit the necessary justification at the time of truing-up.

25. The Petitioner has submitted an RCE for the transmission project totalling ₹8791.00 lakh, which was accorded approval by the Committee on Investment on Projects at its 129th meeting held on 27.03.2022, wherein the Revised Cost Estimate (RCE) of the project is approved as ₹8791.00 lakh. The Petitioner has since re-apportioned the capital cost among individual assets based on this RCE, and the individual costs are confirmed to be within the total approved RCE cost.



Time overrun

26. The Petitioner has submitted that as per the IA dated 18.7.2021, the transmission project was scheduled to be commissioned within 36 months of the IA, i.e., 18.7.2024. However, the Petitioner has claimed that the instant transmission assets were commissioned on the following dates:

Particulars	SCOD	COD	Delay (in days)
Asset-I	18.7.2024	23.3.2023	NIL
Asset-II		24.3.2023	NIL
Asset-III		13.4.2023	NIL
Asset-IV		6.6.2023	NIL
Asset-V		14.10.2023	NIL
Asset-VI		18.11.2023	NIL
Asset-VII		13.1.2024	NIL
Asset-VIII		23.1.2024	NIL
Asset-IX		25.1.2024	NIL

27. We have considered the Petitioner's submissions. We have observed that, according to the IA, the SCOD was on 18.7.2024, and the instant transmission assets were commissioned well before that date. Therefore, there is no time overrun with regard to the transmission assets.

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

28. The Petitioner has claimed the IDC with respect to the transmission assets covered in the instant Petition and has submitted the statement showing computation of IDC, discharge of IDC liability as on COD and thereafter as under:

(₹ in lakh)					
Asset	IDC as per the Auditor Certificate	IDC Discharged up to COD	IDC Discharged during 2022-23	IDC discharged during 2023-24	IDC discharged during 2024-25
Asset-I	0.60	0.00	0.00	0.60	0.00
Asset-II	0.66	0.00	0.00	0.66	0.00
Asset-III	1.29	0.00	0.00	1.29	0.00
Asset-IV	1.52	1.25	0.00	0.27	0.00
Asset-V	2.27	0.00	0.00	0.00	2.27



Asset	IDC as per the Auditor Certificate	IDC Discharged up to COD	IDC Discharged during 2022-23	IDC discharged during 2023-24	IDC discharged during 2024-25
Asset-VI	5.53	4.03	0.00	0.01	1.48
Asset-VII	3.08	0.00	0.00	0.00	3.08
Asset-VIII	26.02	19.21	0.00	4.47	2.34
Asset-IX	2.23	0.00	0.00	0.00	2.23

29. The Commission vide ROP for the hearing dated 20.6.2025, sought reconciliation of the loan balance as on the COD for Form 9C, Notional IDC and the Cash IDC statements for Asset-VI, Asset-VIII and Asset-IX, along with the revised forms, if necessary. In response, the Petitioner, vide affidavit dated 10.9.2025, has submitted that the discrepancy between Form-9C and Cash IDC Statement occurs due to Form-9C including a loan from the COD as part of the ACE for Accrual IDC calculation. However, in the Cash IDC Statement for the COD, the loan has been treated according to the actual cash flow. To ensure consistency and an accurate reflection of the actual cost of debt, the Petitioner has requested that the Commission consider the COD loan Statement as reflected in the Cash IDC Statement for the purpose of computing IDC computation. Further, the Petitioner vide the affidavit dated 7.8.2024, has claimed a Notional IDC of ₹37.91 lakh, ₹12.78 lakh, ₹15.66 lakh, ₹8.34 lakh and ₹8.13 lakh for Asset-V, Asset-VI, Asset-VII, Asset-VIII and Asset-IX respectively. The same has been claimed in accordance with Regulation 19(2)(b) of the 2019 Tariff Regulations.

30. Vide TV letter dated 7.5.2025, the Petitioner was directed to submit the details of the computations for the Notional IDC claimed for Asset-V to Asset-IX. In response, the Petitioner, vide the affidavit dated 26.5.2025, has revised the Notional IDC and submitted detailed computations thereof. Further, the Petitioner has submitted that the change was necessary due to an inadvertent arithmetical error in the earlier



methodology used for the actual computation of Notional IDC. The revised Notional IDC is as under:

Particulars	Notional IDC	
	As submitted in the petition (affidavit dated 7.8.2024)	Revised submission vide affidavit dated 26.5.2025
Asset-V	37.91	38.34
Asset-VI	12.78	12.22
Asset-VII	15.66	14.60
Asset-VIII	8.34	7.52
Asset-IX	8.13	7.72

31. Further, the Petitioner vide ROP for the hearing dated 20.6.2025, was directed to furnish the supporting documents for the actual equity infused in cases where Notional IDC was claimed. The Petitioner, vide affidavit dated 10.9.2025, has submitted that the instant Petition covers the transmission assets (9 Nos. of assets, i.e., Asset-I to Asset-IX); however, the Notional IDC has been claimed only for Asset-V to Asset-IX. Further, in response to queries raised in the TV letter dated 7.5.2025, the cost details of Notional IDC pertaining to these subject assets were previously revised and submitted vide an affidavit dated 26.5.2025. The Petitioner has also submitted that the calculation for the Notional IDC has been computed in accordance with Regulation 19(2)(b) and 21(1) of the 2024 Tariff Regulations.

32. Regulation 19(2)(b) and 21 of the 2024 Tariff Regulations provide as under:

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

(a)

(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;”

.....

.....

.....

21. Interest During Construction (IDC) and Incidental Expenditure during Construction (IEDC):



(1) Interest during construction (IDC) shall be computed considering the actual loan and normative loan after taking into account the prudent phasing of funds up to actual COD:

Provided that IDC on a normative loan corresponding to excess equity over 30% of funds deployed shall be allowed only in cases where the actual infusion of equity on a pari-passu basis is more than 30% of total funds deployed and shall be computed on a quarterly basis.

.....”

33. Accordingly, notional IDC has been computed on a quarterly basis up to the COD for the assets where equity deployed exceeds 30%. In response to queries raised in the Commission’s TV letter dated 7.5.2025, the Petitioner submitted details regarding the expenditure incurred and loans deployed quarterly up to the asset’s COD in the revised Notional IDC calculation vide an affidavit dated 26.5.2025.

34. We have considered the Petitioner’s submissions. The IDC claimed and considered as on the COD, along with a summary of the discharge of IDC liability up to the COD and thereafter, for the purpose of tariff determination, subject to the revision at the time of truing up, is as follows:

(₹ in lakh)					
Particulars	IDC as per the Auditor Certificate (A)	IDC disallowed (B)	IDC Allowed (C)=(A)-(B)	Undischarged IDC (D)	IDC allowed on COD (E)=(C)-(D)
Asset-I	0.60	0.00	0.60	0.60	0.00
Asset-II	0.66	0.00	0.66	0.66	0.00
Asset-III	1.29	0.00	1.29	1.29	0.00
Asset-IV	1.52	0.00	1.52	0.27	1.25
Asset-V	2.27	0.00	2.27	2.27	0.00
Asset-VI	5.53	0.00	5.53	1.49	4.03
Asset-VII	3.08	0.00	3.08	3.08	0.00
Asset-VIII	26.02	0.00	26.02	6.81	19.21
Asset-IX	2.23	0.00	2.23	2.23	0.00

35. We have considered the submissions made by the Petitioner regarding the claim of Notional IDC. We have observed that the Petitioner has claimed the Notional IDC on normative debt funded through equity as per Regulation 19(2)(b) of the 2019 Tariff



Regulations. Therefore, the Notional IDC is computed and allowed as per the data provided by the Petitioner for the 2019-24 tariff period, subject to its true-up, and the same are as follows:

(₹ in lakh)

Particulars	Notional IDC		
	Claimed by the Petitioner	Notional IDC as per our calculation	Notional IDC allowed
Asset-V	38.34	35.28	35.28
Asset-VI	12.22	11.41	11.41
Asset-VII	14.60	14.60	14.60
Asset-VIII	7.52	7.30	7.30
Asset-IX	7.72	7.72	7.72

36. Further, the Petitioner has claimed IEDC for the transmission assets as stated in the table below, supported by the Auditor's Certificate and Form-12A. The Petitioner has submitted that the entire IEDC amount for the transmission assets was discharged up to the COD. Accordingly, the details of IEDC claimed as per the Auditor's Certificate, IEDC disallowed, and IEDC allowed proportionately are as under:

(₹ in lakh)

Particulars	IEDC as per Auditor Certificate (A)	IEDC disallowed due to time overrun, not condoned (B)	IEDC Allowed (C) = (A-B)
Asset-I	17.91	0.00	17.91
Asset-II	19.07	0.00	19.07
Asset-III	26.96	0.00	26.96
Asset-IV	15.50	0.00	15.50
Asset-V	118.16	0.00	118.16
Asset-VI	78.37	0.00	78.37
Asset-VII	32.91	0.00	32.91
Asset-VIII	150.80	0.00	150.80
Asset-IX	21.17	0.00	21.17

Initial Spares

37. Regulation 23(d) of the 2019 Tariff Regulations provides that Initial Spares shall be capitalised as a percentage of plant and machinery cost up to the cut-off date, subject to the following ceiling norms:



“(d) Transmission System

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

38. The Petitioner has submitted that since the instant transmission project is a communication / OPGW Scheme, Initial Spares have only been claimed under the PLCC / Communication Head. As per Regulation 23(d) of the 2019 Tariff Regulations, the applicable ceiling limit for the instant transmission assets is 3.50%. The Petitioner has not claimed any Initial Spares for Asset-I to Asset-IV. Further, the Initial Spares claimed for Asset-V to Asset-IX are within the permissible limits provided in the relevant Regulation. The Petitioner has submitted the Initial Spares discharge statement as follows:

(₹ in lakh)

Assets	Particulars	Total spares Claimed	Expenditure on initial Spares up to COD and included in the auditor certificate up to COD	Expenditure on Initial Spares in 2023-24 (ACE)	Expenditure on Initial Spares in 2024-25 (ACE)
Asset-V	Communication System	34.13	16.47	0.00	17.66
Asset-VI	Communication System	23.26	20.29	0.00	2.97
Asset-VII	Communication System	10.01	9.21	0.50	0.30
Asset-VIII	Communication System	37.58	32.13	0.00	5.45
Asset-IX	Communication System	8.81	8.30	0.00	0.51



39. Furthermore, the Petitioner, vide ROP for the hearing dated 20.6.2025, was directed to provide a reconciliation of the Initial Spares as claimed in the instant Petition, the Auditor's Certificate and Form 13 for Asset VIII. The Petitioner vide affidavit dated 10.9.2025 submitted that the Initial Spares details for Asset-VIII, provided in the Audited certificate (dated 16.5.2024) and in Form-13, are in consonance. However, we observe that these details have not been reconciled with the Initial Spares discharge details tabulated in the instant Petition, which the Petitioner attributed to an inadvertent typographical mistake. It is also observed that the Petitioner, vide an affidavit dated 10.09.2025, has submitted the same details as it submitted in the instant Petition for the Asset-VIII.

40. We have considered the submissions of the Petitioner and have gone through the documents placed on record. It is noted that the Plant and Machinery cost in the Auditor's Certificate does not match the cost in Form-13. Accordingly, the Petitioner is directed to submit a revised Initial Spare claim clearly mentioning the Plant and Machinery cost, excluding IDC, IEDC, land cost and cost of civil works, which also matches the figures in Form-13. Further, the Petitioner is directed to submit a reconciled Form-5 at the time of true-up.

41. We have provisionally considered the Plant and Machinery cost as per the Auditor's Certificate for the purpose of determining the Initial Spares for the instant transmission project. The Petitioner has not claimed any Initial Spares for Asset-I to Asset-IV, these were incorrectly incorporated in Form-5 for those assets. Accordingly, we have provisionally considered the capital costs claimed by the Petitioner for Assets I to IV. The Petitioner is directed to submit the correct Initial Spares details along with



the discharge details and a revised Auditor's Certificate, as required, at the time of truing-up.

42. The Initial Spares worked out as per Regulation 23(d) of the 2019 Tariff Regulations, and allowed with respect to instant transmission assets are as follows:

Assets	Particulars	Plant and Machinery cost (excluding IDC/IEDC, Land cost and Cost of Civil Works) (₹ in lakh)	Initial Spares claimed (₹ in lakh)	Norms as per 2019 Tariff Regulations (in %)	Initial Spares allowable (₹ in lakh)	Initial Spares disallowed (₹ in lakh)	Initial Spares Allowed (₹ in lakh)
		A	B	C	$D=(A-B)*C/(100-C)$	E=B-D	
Asset-V	Communication System	1028.96	34.13	3.50	36.08	0.00	34.13
Asset-VI		684.01	23.26	3.50	23.97	0.00	23.26
Asset-VII		299.86	10.01	3.50	10.51	0.00	10.01
Asset-VIII		1138.85	37.58	3.50	39.94	0.00	37.58
Asset-IX		261.51	8.81	3.50	9.17	0.00	8.81

43. In view of the above, the capital cost allowed as on COD with respect to the transmission assets is as follows:

(₹ in lakh)				
Assets	Capital Cost claimed as on COD (Auditor Certificate) (A)	Notional IDC (B)	Undischarged IDC as on COD (C)	Capital Cost as on COD (D)=(A+B-C)
Asset-I	125.36	0.00	0.60	124.76
Asset-II	133.51	0.00	0.66	132.85
Asset-III	166.06	0.00	1.29	164.77
Asset-IV	99.25	0.00	0.27	98.98
Asset-V	890.67	35.28	2.27	923.68
Asset-VI	380.76	11.41	1.50	390.67
Asset-VII	227.65	14.60	3.08	239.17
Asset-VIII	671.08	7.30	6.81	671.57
Asset-IX	146.75	7.72	2.23	152.24



Additional Capital Expenditure (ACE)

44. Regulation 24 of the 2019 Tariff Regulations provide as under:

“24. Additional Capitalisation within the original scope and up to the cut-off date

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

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

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

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

45. The Petitioner has claimed the following projected ACE with respect to the transmission assets:

(₹ in lakh)			
Asset	2023-24	2024-25	2025-26
	Projected ACE	Projected ACE	Projected ACE
Asset-I	48.21	35.99	0.00
Asset-II	51.34	38.69	0.00
Asset-III	43.14	45.77	0.00
Asset-IV	32.68	28.89	0.00
Asset-V	108.66	150.06	0.00
Asset-VI	33.21	305.28	48.66
Asset-VII	66.06	32.10	10.04
Asset-VIII	55.28	497.96	91.35
Asset-IX	0.00	102.00	36.16

46. It is observed that the Petitioner has also claimed the ACE for the FY 2024-25 and FY 2025-26, which shall be dealt with as per the relevant 2024 Tariff Regulations in the future Petition.



47. Further, the Petitioner has claimed that the ACE incurred/projected to be incurred is mainly on account of balance/retention payments, and hence the same is claimed under Regulations 24(1)(a) and 24(1)(b) of the 2019 Tariff Regulations.

48. In this regard, the Petitioner vide ROP for the hearing dated 20.6.2025, was directed to furnish package-wise and vendor-wise details of the Additional Capital Expenditure (ACE) claimed in the 2019-24 period for the transmission assets. The Petitioner, vide affidavit dated 10.9.2025, has submitted that the details of works for the ACE incurred/ projected during 2023-24 are as follows:

Asset-I

Party Name	Particulars	Outstanding Liability as on COD	Discharge		Outstanding Liability as on 31.3.2024
			2023-24	Total (19-24)	
M/S Sterlite Power Transmission Limited & etc.	Fibre Optic cable and accessories	68.51	48.21	48.21	20.30

Asset-II

Party Name	Particulars	Outstanding Liability as on COD	Discharge		Outstanding Liability as on 31.3.2024
			2023-24	Total (19-24)	
M/S Sterlite Power Transmission Limited & etc.	Fibre optic cable and accessories	72.46	51.34	51.34	21.12



Asset-III

(₹ in lakh)

Party Name	Particulars	Outstanding Liability as on COD	Discharge		Outstanding Liability as on 31.3.2024
			2023-24	Total (19-24)	
M/S Sterlite Power Transmission Limited & etc.	Fibre optic cable and accessories	68.71	43.14	43.14	25.57

Asset-IV

(₹ in lakh)

Party Name	Particulars	Outstanding Liability as on COD	Discharge		Outstanding Liability as on 31.3.2024
			2023-24	Total (19-24)	
M/S Sterlite Power Transmission Limited & etc.	Fibre optic cable and accessories	47.96	32.68	32.68	15.28

Asset-V

(₹ in lakh)

Party Name	Particulars	Outstanding Liability as on COD	Discharge		Outstanding Liability as on 31.3.2024
			2023-24	Total (19-24)	
M/S Sterlite Power Transmission Limited & etc.	Fibre optic cable and accessories & Communication Equipment along with auxiliary power supply	258.72	108.66	108.66	150.06



Asset-VI

(₹ in lakh)

Party Name	Particulars	Outstanding Liability as on COD	Discharge		Outstanding Liability as on 31.3.2024
			2023-24	Total (19-24)	
M/S Sterlite Power Transmission Limited	Fibre optic cable and accessories	324.11	27.80	27.80	296.31
	Communication Equipment, along with an auxiliary power supply	63.04	5.41	5.41	57.63

Asset-VII

(₹ in lakh)

Party Name	Particulars	Outstanding Liability as on COD	Discharge		Outstanding Liability as on 31.3.2024
			2023-24	Total (19-24)	
M/S Sterlite Power Transmission Limited & etc.	Fibre optic cable and accessories	108.20	66.06	66.06	42.14

Asset-VIII

(₹ in lakh)

Party Name	Particulars	Outstanding Liability as on COD	Discharge		Outstanding Liability as on 31.3.2024
			2023-24	Total (19-24)	
M/S Sterlite Power Transmission Limited	fibre optic cable and accessories	551.96	47.34	47.34	504.62
	Communication Equipment along with an auxiliary power supply	92.63	7.94	7.94	84.69



Asset-IX

Party Name	Particulars	Outstanding Liability as on COD	Discharge		Outstanding Liability as on 31.3.2024
			2023-24	Total (19-24)	
M/S Sterlite Power Transmission Limited & etc.	Fibre optic cable and accessories	104.10	0.00	0.00	104.10
	Communication system excl. OPGW	34.06	0.00	0.00	34.06

49. The Petitioner has further submitted that the ACE claimed for Asset-I to Asset-IX is within the respective cut-off dates.

50. We have considered the Petitioner's submissions. The ACE claimed by the Petitioner has been allowed under Regulation 24(1)(a) and 24(1)(b) of the 2019 Tariff Regulations on account of the undischarged liabilities recognised to be payable at a future date and works deferred for execution. Accordingly, the ACE allowed for the 2019-24 period is as follows:

Asset-I

Particulars	(₹ in lakh) 2023-24
ACE as per Auditor's Certificate allowed under Regulation 24 (1) (a) towards undischarged liabilities recognized to be payable at a future date	48.21
IDC Discharged after COD	0.60
ACE allowed in the instant order	48.81

Asset-II

Particulars	(₹ in lakh) 2023-24
ACE as per Auditor's Certificate allowed under Regulation 24 (1) (a) towards undischarged liabilities recognised to be payable at a future date	51.34
IDC Discharged after COD	0.66
ACE allowed in the instant order	52.00

Asset-III

Particulars	(₹ in lakh) 2023-24
ACE as per Auditor's Certificate allowed under Regulation 24 (1) (a) towards undischarged liabilities recognised to be payable at a future date	43.14
IDC Discharged after COD	1.29



Particulars	2023-24
ACE allowed in the instant order	44.43

Asset-IV

	(₹ in lakh)
Particulars	2023-24
ACE as per Auditor's Certificate allowed under Regulation 24 (1) (a) towards undischarged liabilities recognised to be payable at a future date	32.68
IDC Discharged after COD	0.27
ACE allowed in the instant order	32.95

Asset-V

	(₹ in lakh)
Particulars	2023-24
ACE as per Auditor's Certificate allowed under Regulation 24 (1) (a) towards undischarged liabilities recognised to be payable at a future date	108.66
IDC Discharged after COD	0.00
ACE allowed in the instant order	108.66

Asset-VI

	(₹ in lakh)
Particulars	2023-24
ACE as per Auditor's Certificate allowed under Regulation 24 (1) (a) towards undischarged liabilities recognised to be payable at a future date	33.21
IDC Discharged after COD	0.01
ACE allowed in the instant order	33.22

Asset-VII

	(₹ in lakh)
Particulars	2023-24
ACE as per Auditor's Certificate allowed under Regulation 24 (1) (a) towards undischarged liabilities recognised to be payable at a future date	66.06
IDC Discharged after COD	0.00
ACE allowed in the instant order	66.06

Asset-VIII

	(₹ in lakh)
Particulars	2023-24
ACE as per Auditor's Certificate allowed under Regulation 24 (1) (a) towards undischarged liabilities recognised to be payable at a future date	55.28
IDC Discharged after COD	4.47
ACE allowed in the instant order	59.75

51. No ACE has been claimed/allowed for Asset-IX. Accordingly, the ACE allowed with respect to the transmission assets for the 2019- 24 tariff period is as follows:



(₹ in lakh)

Particulars	Capital Cost as on COD	ACE allowed	Capital Cost as on 31.3.2024
		2023-24	
Asset-I	124.76	48.81	173.57
Asset-II	132.85	52.00	184.85
Asset-III	164.77	44.43	209.20
Asset-IV	98.98	32.95	131.93
Asset-V	923.68	108.66	1032.34
Asset-VI	390.67	33.22	423.89
Asset-VII	239.17	66.06	305.23
Asset-VIII	671.57	59.75	731.32
Asset-IX	152.24	0.00	152.24

Debt-Equity Ratio

52. Regulation 18 of the 2019 Tariff Regulations provides as under:

“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 31.3.2019 shall be considered:

Provided that in case of a generating station or a transmission system including communication system which has completed its useful life as on or after



1.4.2019, if the equity actually deployed as on 1.4.2019 is more than 30% of the capital cost, equity in excess of 30% shall not be taken into account for tariff computation;

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

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

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

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

53. The debt-equity ratio for the 2019-24 tariff period is dealt with in line with Regulation 18 of the 2019 Tariff Regulations. Accordingly, the debt-equity ratio considered for the 2019-24 tariff period with respect to the transmission assets is as follows:

Asset-I

(₹ in lakh)						
Funding	Capital Cost as on COD (₹ in lakh)	In %	ACE during 2019-24 (₹ in lakh)	In %	Capital Cost as on 31.3.2024 (₹ in lakh)	In %
Debt	87.33	70.00	34.17	70.00	121.50	70.00
Equity	37.43	30.00	14.64	30.00	52.07	30.00
Total	124.76	100.00	48.81	100.00	173.57	100.00

Asset-II

(₹ in lakh)						
Funding	Capital Cost as on COD (₹ in lakh)	In %	ACE during 2019-24 (₹ in lakh)	In %	Capital Cost as on 31.3.2024 (₹ in lakh)	In %
Debt	93.00	70.00	36.40	70.00	129.40	70.00



Funding	Capital Cost as on COD (₹ in lakh)	In %	ACE during 2019-24 (₹ in lakh)	In %	Capital Cost as on 31.3.2024 (₹ in lakh)	In %
Equity	39.86	30.00	15.60	30.00	55.46	30.00
Total	132.85	100.00	52.00	100.00	184.85	100.00

Asset-III

(₹ in lakh)

Funding	Capital Cost as on COD (₹ in lakh)	In %	ACE during 2019-24 (₹ in lakh)	In %	Capital Cost as on 31.3.2024 (₹ in lakh)	In %
Debt	115.34	70.00	31.10	70.00	146.44	70.00
Equity	49.43	30.00	13.33	30.00	62.76	30.00
Total	164.77	100.00	44.43	100.00	209.20	100.00

Asset-IV

(₹ in lakh)

Funding	Capital Cost as on COD (₹ in lakh)	In %	ACE during 2019-24 (₹ in lakh)	In %	Capital Cost as on 31.3.2024 (₹ in lakh)	In %
Debt	69.29	70.00	23.07	70.00	92.35	70.00
Equity	29.69	30.00	9.89	30.00	39.58	30.00
Total	98.98	100.00	32.95	100.00	131.93	100.00

Asset-V

(₹ in lakh)

Funding	Capital Cost as on COD (₹ in lakh)	In %	ACE during 2019-24 (₹ in lakh)	In %	Capital Cost as on 31.3.2024 (₹ in lakh)	In %
Debt	646.58	70.00	76.06	70.00	722.64	70.00
Equity	277.10	30.00	32.60	30.00	309.70	30.00
Total	923.68	100.00	108.66	100.00	1032.34	100.00

Asset-VI

(₹ in lakh)

Funding	Capital Cost as on COD (₹ in lakh)	In %	ACE during 2019-24 (₹ in lakh)	In %	Capital Cost as on 31.3.2024 (₹ in lakh)	In %
Debt	273.47	70.00	23.25	70.00	296.72	70.00
Equity	117.20	30.00	9.97	30.00	127.17	30.00
Total	390.67	100.00	33.22	100.00	423.89	100.00



Asset-VII

(₹ in lakh)

Funding	Capital Cost as on COD (₹ in lakh)	In %	ACE during 2019-24 (₹ in lakh)	In %	Capital Cost as on 31.3.2024 (₹ in lakh)	In %
Debt	167.42	70.00	46.24	70.00	213.66	70.00
Equity	71.75	30.00	19.82	30.00	91.57	30.00
Total	239.17	100.00	66.06	100.00	305.23	100.00

Asset-VIII

(₹ in lakh)

Funding	Capital Cost as on COD (₹ in lakh)	In %	ACE during 2019-24 (₹ in lakh)	In %	Capital Cost as on 31.3.2024 (₹ in lakh)	In %
Debt	470.10	70.00	41.83	70.00	511.92	70.00
Equity	201.47	30.00	17.93	30.00	219.40	30.00
Total	671.57	100.00	59.75	100.00	731.32	100.00

Asset-IX

(₹ in lakh)

Funding	Capital Cost as on COD (₹ in lakh)	In %	ACE during 2019-24 (₹ in lakh)	In %	Capital Cost as on 31.3.2024 (₹ in lakh)	In %
Debt	106.57	70.00	0.00	70.00	106.57	70.00
Equity	45.67	30.00	0.00	30.00	45.67	30.00
Total	152.24	100.00	0.00	100.00	152.24	100.00

Depreciation

54. Regulation 33 of the 2019 Tariff Regulations provides as under:

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

Provided that effective date of commercial operation shall be worked out by considering the actual date of commercial operation and installed capacity of all the units of the generating station or capital cost of all elements of the transmission system, for which single tariff needs to be determined.



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

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

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

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

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

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

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

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

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

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

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

(8) In case of de-capitalization of assets in respect of generating station or unit thereof or transmission system or element thereof, the cumulative depreciation shall



be adjusted by taking into account the depreciation recovered in tariff by the de-capitalized asset during its useful services.

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

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

a) twenty five years, in case the generating station or unit thereof is in operation for fifteen years or less as on the date of operation of the emission control system; or

b) balance useful life of the generating station or unit thereof plus fifteen years, in case the generating station or unit thereof is in operation for more than fifteen years as on the date of operation of the emission control system; or

c) ten years or a period mutually agreed by the generating company and the beneficiaries, whichever is higher, in case the generating station or unit thereof has completed its useful life.”

55. The depreciation has been worked out considering the admitted capital cost as on the COD. The weighted average rate of depreciation (WAROD) in Annexure has been calculated in accordance with the depreciation rates specified in the 2019 Tariff Regulations. The depreciation allowed for the transmission assets under Regulation 33 of the 2019 Tariff Regulations for the 2019-24 tariff period is as follows:

Asset-I

(₹ in lakh)			
Sl. No.	Particulars	2022-23 (Pro-rata 9 days)	2023-24
A	Opening Capital Cost	124.76	124.76
B	Addition during the year 2019-24 due to ACE	0.00	48.81
C	Closing Capital Cost (A+B)	124.76	173.57
D	Average Capital Cost (A+C)/2	124.76	149.17
E	Average Capital Cost (90% depreciable assets)	124.76	149.17
F	Average Capital Cost (100% depreciable assets)	0.00	0.00



Sl. No.	Particulars	2022-23 (Pro-rata 9 days)	2023-24
G	Depreciable value (excluding IT equipment and software) (E*90%)	112.28	134.25
H	Depreciable value of IT equipment and software (F*100%)	0.00	0.00
I	Total Depreciable Value (G+H)	112.28	134.25
J	Weighted average rate of Depreciation (WAROD) (in %)	6.33	6.33
K	Balance useful life at the beginning of the year (Year)	15	15
L	Elapsed useful life at the beginning of the year (Year)	0	0
M	Depreciation during the year (D*J)	0.19	9.44
N	Cumulative Depreciation at the end of the year	0.19	9.63
O	Remaining Aggregate Depreciable Value at the end of the year (I-N)	112.09	124.61

Asset-II

(₹ in lakh)

Sl. No.	Particulars	2022-23 (Pro-rata 8 days)	2023-24
A	Opening Capital Cost	132.85	132.85
B	Addition during the year 2019-24 due to ACE	0.00	52.00
C	Closing Capital Cost (A+B)	132.85	184.85
D	Average Capital Cost (A+C)/2	132.85	158.85
E	Average Capital Cost (90% depreciable assets)	132.85	158.85
F	Average Capital Cost (100% depreciable assets)	0.00	0.00
G	Depreciable value (excluding IT equipment and software) (E*90%)	119.57	142.97
H	Depreciable value of IT equipment and software (F*100%)	0.00	0.00
I	Total Depreciable Value (G+H)	119.57	142.97
J	Weighted average rate of Depreciation (WAROD) (in %)	6.33	6.33
K	Balance useful life at the beginning of the year (Year)	15	15
L	Elapsed useful life at the beginning of the year (Year)	0	0
M	Depreciation during the year (D*J)	0.18	10.06
N	Cumulative Depreciation at the end of the year	0.18	10.24
O	Remaining Aggregate Depreciable Value at the end of the year (I-N)	119.38	132.72



Asset-III

(₹ in lakh)		
Sl. No.	Particulars	2023-24 (Pro-rata 354 days)
A	Opening Capital Cost	164.77
B	Addition during the year 2019-24 due to ACE	44.43
C	Closing Capital Cost (A+B)	209.20
D	Average Capital Cost (A+C)/2	186.99
E	Average Capital Cost (90% depreciable assets)	186.99
F	Average Capital Cost (100% depreciable assets)	0.00
G	Depreciable value (excluding IT equipment and software) (E*90%)	168.29
H	Depreciable value of IT equipment and software (F*100%)	0.00
I	Total Depreciable Value (G+H)	168.29
J	Weighted average rate of Depreciation (WAROD) (in %)	6.33
K	Balance useful life at the beginning of the year (Year)	15
L	Elapsed useful life at the beginning of the year (Year)	0
M	Depreciation during the year (D*J)	11.45
N	Cumulative Depreciation at the end of the year	11.45
O	Remaining Aggregate Depreciable Value at the end of the year (I-N)	156.83

Asset-IV

(₹ in lakh)		
Sl. No.	Particulars	2023-24 (Pro-rata 300 days)
A	Opening Capital Cost	98.98
B	Addition during the year 2019-24 due to ACE	32.95
C	Closing Capital Cost (A+B)	131.93
D	Average Capital Cost (A+C)/2	115.46
E	Average Capital Cost (90% depreciable assets)	115.46
F	Average Capital Cost (100% depreciable assets)	0.00
G	Depreciable value (excluding IT equipment and software) (E*90%)	103.91
H	Depreciable value of IT equipment and software (F*100%)	0.00
I	Total Depreciable Value (G+H)	103.91
J	Weighted average rate of Depreciation (WAROD) (in %)	6.33
K	Balance useful life at the beginning of the year (Year)	15
L	Elapsed useful life at the beginning of the year (Year)	0
M	Depreciation during the year (D*J)	5.99
N	Cumulative Depreciation at the end of the year	5.99
O	Remaining Aggregate Depreciable Value at the end of the year (I-N)	97.92



Asset-V

(₹ in lakh)		
Sl. No.	Particulars	2023-24 (Pro-rata 170 days)
A	Opening Capital Cost	923.68
B	Addition during the year 2019-24 due to ACE	108.66
C	Closing Capital Cost (A+B)	1032.34
D	Average Capital Cost (A+C)/2	978.01
E	Average Capital Cost (90% depreciable assets)	978.01
F	Average Capital Cost (100% depreciable assets)	0.00
G	Depreciable value (excluding IT equipment and software) (E*90%)	880.21
H	Depreciable value of IT equipment and software (F*100%)	0.00
I	Total Depreciable Value (G+H)	880.21
J	Weighted average rate of Depreciation (WAROD) (in %)	6.33
K	Balance useful life at the beginning of the year (Year)	15
L	Elapsed useful life at the beginning of the year (Year)	0
M	Depreciation during the year (D*J)	28.76
N	Cumulative Depreciation at the end of the year	28.76
O	Remaining Aggregate Depreciable Value at the end of the year (I-N)	851.46

Asset-VI

(₹ in lakh)		
Sl. No.	Particulars	2023-24 (Pro-rata 135 days)
A	Opening Capital Cost	390.67
B	Addition during the year 2019-24 due to ACE	33.22
C	Closing Capital Cost (A+B)	423.89
D	Average Capital Cost (A+C)/2	407.28
E	Average Capital Cost (90% depreciable assets)	407.28
F	Average Capital Cost (100% depreciable assets)	0.00
G	Depreciable value (excluding IT equipment and software) (E*90%)	366.56
H	Depreciable value of IT equipment and software (F*100%)	0.00
I	Total Depreciable Value (G+H)	366.56
J	Weighted average rate of Depreciation (WAROD) (in %)	6.33
K	Balance useful life at the beginning of the year (Year)	15
L	Elapsed useful life at the beginning of the year (Year)	0
M	Depreciation during the year (D*J)	9.51
N	Cumulative Depreciation at the end of the year	9.51
O	Remaining Aggregate Depreciable Value at the end of the year (I-N)	357.05



Asset-VII

(₹ in lakh)		
Sl. No.	Particulars	2023-24 (Pro-rata 79 days)
A	Opening Capital Cost	239.17
B	Addition during the year 2019-24 due to ACE	66.06
C	Closing Capital Cost (A+B)	305.23
D	Average Capital Cost (A+C)/2	272.20
E	Average Capital Cost (90% depreciable assets)	272.20
F	Average Capital Cost (100% depreciable assets)	0.00
G	Depreciable value (excluding IT equipment and software) (E*90%)	244.98
H	Depreciable value of IT equipment and software (F*100%)	0.00
I	Total Depreciable Value (G+H)	244.98
J	Weighted average rate of Depreciation (WAROD) (in %)	6.33
K	Balance useful life at the beginning of the year (Year)	15
L	Elapsed useful life at the beginning of the year (Year)	0
M	Depreciation during the year (D*J)	3.72
N	Cumulative Depreciation at the end of the year	3.72
O	Remaining Aggregate Depreciable Value at the end of the year (I-N)	241.26

Asset-VIII

(₹ in lakh)		
Sl. No.	Particulars	2023-24 (Pro-rata 69 days)
A	Opening Capital Cost	671.57
B	Addition during the year 2019-24 due to ACE	59.75
C	Closing Capital Cost (A+B)	731.32
D	Average Capital Cost (A+C)/2	701.44
E	Average Capital Cost (90% depreciable assets)	701.44
F	Average Capital Cost (100% depreciable assets)	0.00
G	Depreciable value (excluding IT equipment and software) (E*90%)	631.30
H	Depreciable value of IT equipment and software (F*100%)	0.00
I	Total Depreciable Value (G+H)	631.30
J	Weighted average rate of Depreciation (WAROD) (in %)	6.33
K	Balance useful life at the beginning of the year (Year)	15
L	Elapsed useful life at the beginning of the year (Year)	0
M	Depreciation during the year (D*J)	8.37
N	Cumulative Depreciation at the end of the year	8.37
O	Remaining Aggregate Depreciable Value at the end of the year (I-N)	622.93



Asset-IX

		(₹ in lakh)
Sl. No.	Particulars	2023-24 (Pro-rata 67 days)
A	Opening Capital Cost	152.24
B	Addition during the year 2019-24 due to ACE	0.00
C	Closing Capital Cost (A+B)	152.24
D	Average Capital Cost (A+C)/2	152.24
E	Average Capital Cost (90% depreciable assets)	152.24
F	Average Capital Cost (100% depreciable assets)	0.00
G	Depreciable value (excluding IT equipment and software) (E*90%)	137.02
H	Depreciable value of IT equipment and software (F*100%)	0.00
I	Total Depreciable Value (G+H)	137.02
J	Weighted average rate of Depreciation (WAROD) (in %)	6.33
K	Balance useful life at the beginning of the year (Year)	15
L	Elapsed useful life at the beginning of the year (Year)	0
M	Depreciation during the year (D*J)	1.76
N	Cumulative Depreciation at the end of the year	1.76
O	Remaining Aggregate Depreciable Value at the end of the year (I-N)	135.25

Interest on Loan (IoL)

56. Regulation 32 of the 2019 Tariff Regulations provides as under:

“32. Interest on loan capital: (1) The loans arrived at in the manner indicated in regulation 18 of these regulations shall be considered as gross normative loan for calculation of interest on loan.

(2) The normative loan outstanding as on 1.4.2019 shall be worked out by deducting the cumulative repayment as admitted by the Commission up to 31.3.2019 from the gross normative loan.

(3) The repayment for each of the year of the tariff period 2019-24 shall be deemed to be equal to the depreciation allowed for the corresponding year/period. In case of de-capitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on a pro rata basis and the adjustment should not exceed cumulative depreciation recovered upto the date of de-capitalisation of such asset.

(4) Notwithstanding any moratorium period availed by the generating company or the transmission licensee, as the case may be, the repayment of loan shall be considered from the first year of commercial operation of the project and shall be equal to the depreciation allowed for the year or part of the year.

(5) The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio after providing appropriate accounting adjustment for interest capitalized:



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

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

(5a) The rate of interest on loan for installation of emission control system shall be the weighted average rate of interest of actual loan portfolio of the emission control system or in the absence of actual loan portfolio, the weighted average rate of interest of the generating company as a whole shall be considered.

(6) The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.

(7) The changes to the terms and conditions of the loans shall be reflected from the date of such re-financing.”

57. The Petitioner has claimed the weighted average rate of IoL, based on its actual loan portfolio and rate of interest. Accordingly, 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 IoL allowed for the transmission assets is as follows:

Asset-I

(₹ in lakh)

	Particulars	2022-23 (Pro-rata 9 days)	2023-24
	Interest on Loan		
A	Gross Normative Loan	87.33	87.33
B	Cumulative Repayments up to the Previous Year	0.00	0.19
C	Net Loan-Opening (A-B)	87.33	87.14
D	Additions	0.00	34.17
E	Repayment during the year	0.19	9.44
F	Net Loan-Closing (C+D-E)	87.14	111.86
G	Average Loan (C+F)/2	87.23	99.50
H	Weighted Average Rate of Interest on Loan (in %)	7.4000	7.4512
I	Interest on Loan (G*H)	0.16	7.41



Asset-II

(₹ in lakh)

	Particulars	2022-23 (Pro-rata 8 days)	2023-24
	Interest on Loan		
A	Gross Normative Loan	93.00	93.00
B	Cumulative Repayments up to the Previous Year	0.00	0.18
C	Net Loan-Opening (A-B)	93.00	92.81
D	Additions	0.00	36.40
E	Repayment during the year	0.18	10.06
F	Net Loan-Closing (C+D-E)	92.81	119.15
G	Average Loan (C+F)/2	92.90	105.98
H	Weighted Average Rate of Interest on Loan (in %)	7.4000	7.4512
I	Interest on Loan (G*H)	0.15	7.90

Asset-III

(₹ in lakh)

	Particulars	2023-24 (Pro-rata 354 days)
	Interest on Loan	
A	Gross Normative Loan	115.34
B	Cumulative Repayments up to the Previous Year	0.00
C	Net Loan-Opening (A-B)	115.34
D	Additions	31.10
E	Repayment during the year	11.45
F	Net Loan-Closing (C+D-E)	134.99
G	Average Loan (C+F)/2	125.16
H	Weighted Average Rate of Interest on Loan (in %)	7.4373
I	Interest on Loan (G*H)	9.00

Asset-IV

(₹ in lakh)

	Particulars	2023-24 (Pro-rata 300 days)
	Interest on Loan	
A	Gross Normative Loan	69.29
B	Cumulative Repayments up to the Previous Year	0.00
C	Net Loan-Opening (A-B)	69.29
D	Additions	23.07
E	Repayment during the year	5.99
F	Net Loan-Closing (C+D-E)	86.36
G	Average Loan (C+F)/2	77.82
H	Weighted Average Rate of Interest on Loan (in %)	7.4452
I	Interest on Loan (G*H)	4.75



Asset-V

		(₹ in lakh)
	Particulars	2023-24 (Pro-rata 170 days)
	Interest on Loan	
A	Gross Normative Loan	646.58
B	Cumulative Repayments up to the Previous Year	0.00
C	Net Loan-Opening (A-B)	646.58
D	Additions	76.06
E	Repayment during the year	28.76
F	Net Loan-Closing (C+D-E)	693.88
G	Average Loan (C+F)/2	670.23
H	Weighted Average Rate of Interest on Loan (in %)	7.6357
I	Interest on Loan (G*H)	23.77

Asset-VI

		(₹ in lakh)
	Particulars	2023-24 (Pro-rata 135 days)
	Interest on Loan	
A	Gross Normative Loan	273.47
B	Cumulative Repayments up to the Previous Year	0.00
C	Net Loan-Opening (A-B)	273.47
D	Additions	23.25
E	Repayment during the year	9.51
F	Net Loan-Closing (C+D-E)	287.21
G	Average Loan (C+F)/2	280.34
H	Weighted Average Rate of Interest on Loan (in %)	7.6426
I	Interest on Loan (G*H)	7.90

Asset-VII

		(₹ in lakh)
	Particulars	2023-24 (Pro-rata 79 days)
	Interest on Loan	
A	Gross Normative Loan	167.42
B	Cumulative Repayments up to the Previous Year	0.00
C	Net Loan-Opening (A-B)	167.42
D	Additions	46.24
E	Repayment during the year	3.72
F	Net Loan-Closing (C+D-E)	209.94
G	Average Loan (C+F)/2	188.68
H	Weighted Average Rate of Interest on Loan (in %)	7.6731
I	Interest on Loan (G*H)	3.12



Asset-VIII

		(₹ in lakh)
	Particulars	2023-24 (Pro-rata 69 days)
	Interest on Loan	
A	Gross Normative Loan	470.10
B	Cumulative Repayments up to the Previous Year	0.00
C	Net Loan-Opening (A-B)	470.10
D	Additions	41.83
E	Repayment during the year	8.37
F	Net Loan-Closing (C+D-E)	503.55
G	Average Loan (C+F)/2	486.83
H	Weighted Average Rate of Interest on Loan (in %)	7.5058
I	Interest on Loan (G*H)	6.89

Asset-IX

		(₹ in lakh)
	Particulars	2023-24 (Pro-rata 67 days)
	Interest on Loan	
A	Gross Normative Loan	106.57
B	Cumulative Repayments up to the Previous Year	0.00
C	Net Loan-Opening (A-B)	106.57
D	Additions	0.00
E	Repayment during the year	1.76
F	Net Loan-Closing (C+D-E)	104.80
G	Average Loan (C+F)/2	105.69
H	Weighted Average Rate of Interest on Loan (in %)	7.7000
I	Interest on Loan (G*H)	1.49

Return on Equity (RoE)

58. Regulations 30 and 31 of the 2019 Tariff Regulations provide as under:

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

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

Provided that return on equity in respect of additional capitalization after cut-off date beyond the original scope shall be computed at the weighted average rate of interest on actual loan portfolio of the generating station or the transmission system

Provided further that:

i. In case of a new project, the rate of return on equity shall be reduced by



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

- ii. in case of existing generating station, as and when any of the requirements under (i) above of this Regulation are found lacking based on the report submitted by the concerned RLDC, rate of return on equity shall be reduced by 1.00% for the period for which the deficiency continues;
- iii. in case of a thermal generating station, with effect from 1.4.2020:
 - a) rate of return on equity shall be reduced by 0.25% in case of failure to achieve the ramp rate of 1% per minute;
 - b) an additional rate of return on equity of 0.25% shall be allowed for every incremental ramp rate of 1% per minute achieved over and above the ramp rate of 1% per minute, subject to ceiling of additional rate of return on equity of 1.00%:

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

“31. Tax on Return on Equity. (1) The base rate of return on equity as allowed by the Commission under Regulation 30 of these regulations shall be grossed up with the effective tax rate of the respective financial year. For this purpose, the effective tax rate shall be considered on the basis of actual tax paid in respect of the financial year in line with the provisions of the relevant Finance Acts by the concerned generating company or the transmission licensee, as the case may be. The actual tax paid on income from other businesses including deferred tax liability (i.e. income from business other than business of generation or transmission, as the case may be) shall be excluded for the calculation of effective tax rate.

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

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

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

Illustration-

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

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



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

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

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

59. The Petitioner has submitted that the MAT rate is applicable to the Petitioner's Company. Accordingly, the applicable MAT rate has been considered for RoE purposes, which shall be trued-up with the actual tax rate in accordance with Regulation 31(3) of the 2019 Tariff Regulations. The RoE has been worked out and allowed with respect to the transmission assets for the 2019-24 tariff period is as follows:

Asset-I

(₹ in lakh)			
	Particulars	2022-23 (Pro-rata 9 days)	2023-24
	Return on Equity		
A	Opening Equity	37.43	37.43
B	Additions	0.00	14.64
C	Closing Equity (A+B)	37.43	52.07
D	Average Equity (A+C)/2	37.43	44.75
E	Return on Equity (Base Rate) (in %)	15.500	15.500
F	MAT Rate for respective year (in %)	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782
H	Return on Equity (D*G)	0.17	8.40



Asset-II

(₹ in lakh)

	Particulars	2022-23 (Pro-rata 8 days)	2023-24
	Return on Equity		
A	Opening Equity	39.86	39.86
B	Additions	0.00	15.60
C	Closing Equity (A+B)	39.86	55.46
D	Average Equity (A+C)/2	39.86	47.66
E	Return on Equity (Base Rate) (in %)	15.500	15.500
F	MAT Rate for respective year (in %)	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782
H	Return on Equity (D*G)	0.16	8.95

Asset-III

(₹ in lakh)

	Particulars	2023-24 (Pro-rata 354 days)
	Return on Equity	
A	Opening Equity	49.43
B	Additions	13.33
C	Closing Equity (A+B)	62.76
D	Average Equity (A+C)/2	56.10
E	Return on Equity (Base Rate) (in %)	15.500
F	MAT Rate for respective year (in %)	17.472
G	Rate of Return on Equity (in %)	18.782
H	Return on Equity (D*G)	10.19

Asset-IV

(₹ in lakh)

	Particulars	2023-24 (Pro-rata 300 days)
	Return on Equity	
A	Opening Equity	29.69
B	Additions	9.89
C	Closing Equity (A+B)	39.58
D	Average Equity (A+C)/2	34.64
E	Return on Equity (Base Rate) (in %)	15.500
F	MAT Rate for respective year (in %)	17.472
G	Rate of Return on Equity (in %)	18.782
H	Return on Equity (D*G)	5.33



Asset-V

(₹ in lakh)

	Particulars	2023-24 (Pro-rata 170 days)
	Return on Equity	
A	Opening Equity	277.10
B	Additions	32.60
C	Closing Equity (A+B)	309.70
D	Average Equity (A+C)/2	293.40
E	Return on Equity (Base Rate) (in %)	15.500
F	MAT Rate for respective year (in %)	17.472
G	Rate of Return on Equity (in %)	18.782
H	Return on Equity (D*G)	25.60

Asset-VI

(₹ in lakh)

	Particulars	2023-24 (Pro-rata 135 days)
	Return on Equity	
A	Opening Equity	117.20
B	Additions	9.97
C	Closing Equity (A+B)	127.17
D	Average Equity (A+C)/2	122.18
E	Return on Equity (Base Rate) (in %)	15.500
F	MAT Rate for respective year (in %)	17.472
G	Rate of Return on Equity (in %)	18.782
H	Return on Equity (D*G)	8.46

Asset-VII

(₹ in lakh)

	Particulars	2023-24 (Pro-rata 79 days)
	Return on Equity	
A	Opening Equity	71.75
B	Additions	19.82
C	Closing Equity (A+B)	91.57
D	Average Equity (A+C)/2	81.66
E	Return on Equity (Base Rate) (in %)	15.500
F	MAT Rate for respective year (in %)	17.472
G	Rate of Return on Equity (in %)	18.782
H	Return on Equity (D*G)	3.31



Asset-VIII

		(₹ in lakh)
	Particulars	2023-24 (Pro-rata 69 days)
	Return on Equity	
A	Opening Equity	201.47
B	Additions	17.93
C	Closing Equity (A+B)	219.40
D	Average Equity (A+C)/2	210.43
E	Return on Equity (Base Rate) (in %)	15.500
F	MAT Rate for respective year (in %)	17.472
G	Rate of Return on Equity (in %)	18.782
H	Return on Equity (D*G)	7.45

Asset-IX

		(₹ in lakh)
	Particulars	2023-24 (Pro-rata 67 days)
	Return on Equity	
A	Opening Equity	45.67
B	Additions	0.00
C	Closing Equity (A+B)	45.67
D	Average Equity (A+C)/2	45.67
E	Return on Equity (Base Rate) (in %)	15.500
F	MAT Rate for respective year (in %)	17.472
G	Rate of Return on Equity (in %)	18.782
H	Return on Equity (D*G)	1.57

Operation & Maintenance Expenses (O&M Expenses)

60. The Petitioner has not claimed O&M Expenses for Asset-I, Asset-II, Asset-III, Asset-IV, Asset-V, Asset-VII. The Petitioner has claimed O&M Expenses for Asset-VI, Asset-VIII and Asset-IX. Accordingly, the O&M Expenses claimed by the Petitioner for the transmission assets for the 2019-24 period are as under:

		(₹ in lakh)
Particulars	2023-24	
Asset-VI (Pro-rata 135 days)		5.76
Asset-VIII (Pro-rata 69 days)		4.99
Asset-IX (Pro-rata 67 days)		1.07

61. Regulation 35(3)(a) of the 2019 Tariff Regulations provides as under:



“35. Operation and Maintenance Expenses:

...

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

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Norms for sub-station Bays (₹ Lakh per bay)					
765 kV	45.01	46.60	48.23	49.93	51.68
400 kV	32.15	33.28	34.45	35.66	36.91
220 kV	22.51	23.30	24.12	24.96	25.84
132 kV and below	16.08	16.64	17.23	17.83	18.46
Norms for Transformers (₹ Lakh per MVA)					
765 kV	0.491	0.508	0.526	0.545	0.564
400 kV	0.358	0.371	0.384	0.398	0.411
220 kV	0.245	0.254	0.263	0.272	0.282
132 kV and below	0.245	0.254	0.263	0.272	0.282
Norms for AC and HVDC lines (₹ Lakh per km)					
Single Circuit (Bundled Conductor with six or more sub-conductors)	0.881	0.912	0.944	0.977	1.011
Single Circuit (Bundled conductor with four sub-conductors)	0.755	0.781	0.809	0.837	0.867
Single Circuit (Twin & Triple Conductor)	0.503	0.521	0.539	0.558	0.578
Single Circuit (Single Conductor)	0.252	0.260	0.270	0.279	0.289
Double Circuit (Bundled conductor with four or more sub-conductors)	1.322	1.368	1.416	1.466	1.517
Double Circuit (Twin & Triple Conductor)	0.881	0.912	0.944	0.977	1.011
Double Circuit (Single Conductor)	0.377	0.391	0.404	0.419	0.433
Multi Circuit (Bundled Conductor with four or more sub-conductor)	2.319	2.401	2.485	2.572	2.662
Multi Circuit (Twin & Triple Conductor)	1.544	1.598	1.654	1.713	1.773
Norms for HVDC stations					
HVDC Back-to-Back stations (Rs Lakh per 500 MW) (Except Gazuwaka BTB)	834	864	894	925	958
Gazuwaka HVDC Back-to-Back station (₹ Lakh per 500 MW)	1,666	1,725	1,785	1,848	1,913
500 kV Rihand-Dadri HVDC bipole scheme (Rs Lakh) (1500 MW)	2,252	2,331	2,413	2,498	2,586
±500 kV Talcher- Kolar HVDC bipole scheme (Rs Lakh) (2000 MW)	2,468	2,555	2,645	2,738	2,834



Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
<i>±500 kV Bhiwadi-Balia HVDC bipole scheme (Rs Lakh) (2500 MW)</i>	1,696	1,756	1,817	1,881	1,947
<i>±800 kV, Bishwanath-Agra HVDC bipole scheme (Rs Lakh) (3000 MW)</i>	2,563	2,653	2,746	2,842	2,942

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

Provided further that:

- i. the operation and maintenance expenses for new HVDC bi-pole schemes commissioned after 1.4.2019 for a particular year shall be allowed pro-rata on the basis of normative rate of operation and maintenance expenses of similar HVDC bi-pole scheme for the corresponding year of the tariff period;*
 - ii. the O&M expenses norms for HVDC bi-pole line shall be considered as Double Circuit quad AC line;*
 - iii. the O&M expenses of ±500 kV Mundra-Mohindergarh HVDC bipole scheme (2000 MW) shall be allowed as worked out by multiplying 0.80 of the normative O&M expenses for ±500 kV Talchar-Kolar HVDC bi-pole scheme (2000 MW);*
 - iv. the O&M expenses of ±800 kV Champa-Kurukshetra HVDC bi-pole scheme (3000 MW) shall be on the basis of the normative O&M expenses for ±800 kV, Bishwanath-Agra HVDC bi-pole scheme;*
 - v. the O&M expenses of ±800 kV, Alipurduar-Agra HVDC bi-pole scheme (3000 MW) shall be allowed as worked out by multiplying 0.80 of the normative O&M expenses for ±800 kV, Bishwanath-Agra HVDC bi-pole scheme; and*
 - vi. the O&M expenses of Static Synchronous Compensator and Static Var Compensator shall be worked at 1.5% of original project cost as on commercial operation which shall be escalated at the rate of 3.51% to work out the O&M expenses during the tariff period. The O&M expenses of Static Synchronous Compensator and Static Var Compensator, if required, may be reviewed after three years.*
- (b) The total allowable operation and maintenance expenses for the transmission system shall be calculated by multiplying the number of sub-station bays, transformer capacity of the transformer (in MVA) and km of line length with the applicable norms for the operation and maintenance expenses per bay, per MVA and per km respectively.*
- (c) The Security Expenses and Capital Spares for transmission system shall be allowed separately after prudence check:*



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

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

62. We have considered the Petitioner’s submissions. The O&M Expenses, considering the total project cost as per the Auditor’s Certificate and allowable notional IDC with respect to asset VI, Asset-VIII and Asset-IX have been worked out as per Regulation 35(3)(a) of the 2019 Tariff Regulations and are as follows:

Asset-VI

(₹ in lakh)	
Particulars	2023-24 (Pro-rata 135 days)
Communication System	
Project cost as on 31.03.2024	777.83
Norms (in %)	2
Total O&M Expenses	5.74

Asset-VIII

(₹ in lakh)	
Particulars	2023-24 (Pro-rata 69 days)
Communication System	
Project cost as on 31.03.2024	1320.63
Norms (in %)	2
Total O&M Expenses	4.98

Asset-IX

(₹ in lakh)	
Particulars	2023-24 (Pro-rata 67 days)
Communication System	
Project Cost as on 31.03.2024	292.63
Norms (in %)	2
Total O&M Expenses	1.07



63. The Petitioner is directed to submit the actual O&M expenses duly certified by the auditor at the time of truing-up.

Interest on Working Capital (IWC)

64. Regulations 34(1)(c), 34(3), 34(4), and 3(7) of the 2019 Tariff Regulations provides as under:

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

.....

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

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

.....

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

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

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

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

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

65. The Petitioner has submitted that it has computed IWC for the 2019-24 period, considering the SBI Base Rate plus 350 basis points as on 1.4.2019. The Petitioner has considered the rate of IWC as 10.50% for Assets I and II and as 12.00% for Assets III to IX based on the COD of the transmission assets.



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

67. The components of the working capital and interest allowed thereon under the 2019 Tariff Regulations for the 2024-29 tariff period with respect to the transmission assets are as follows:

Asset-I

(₹ in lakh)			
	Particulars	2023-24 (Pro-rata 9 days)	2023-24
	Interest on Working Capital		
A	Working Capital for O&M Expenses (O&M expenses for one month)	0.00	0.00
B	Working Capital for Maintenance Spares (15% of O&M expenses)	0.00	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost / annual transmission charges)	2.67	3.15
D	Total Working Capital (A+B+C)	2.67	3.15
E	Rate of Interest (in %)	10.50	12.00
F	Interest on working capital (D*E)	0.01	0.38

Asset-II

(₹ in lakh)			
	Particulars	2023-24 (Pro-rata 8 days)	2023-24
	Interest on Working Capital		
A	Working Capital for O&M Expenses (O&M expenses for one month)	0.00	0.00
B	Working Capital for Maintenance Spares (15% of O&M expenses)	0.00	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost / annual transmission charges)	2.84	3.36
D	Total Working Capital (A+B+C)	2.84	3.36
E	Rate of Interest (in %)	10.50	12.00
F	Interest on working capital (D*E)	0.01	0.40



Asset-III

		(₹ in lakh)
	Particulars	2023-24 (Pro-rata 354 days)
	Interest on Working Capital	
A	Working Capital for O&M Expenses (O&M expenses for one month)	0.00
B	Working Capital for Maintenance Spares (15% of O&M expenses)	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost / annual transmission charges)	3.95
D	Total Working Capital (A+B+C)	3.95
E	Rate of Interest (in %)	12.00
F	Interest on working capital (D*E)	0.46

Asset-IV

		(₹ in lakh)
	Particulars	2023-24 (Pro-rata 300 days)
	Interest on Working Capital	
A	Working Capital for O&M Expenses (O&M expenses for one month)	0.00
B	Working Capital for Maintenance Spares (15% of O&M expenses)	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost / annual transmission charges)	2.45
D	Total Working Capital (A+B+C)	2.45
E	Rate of Interest (in %)	12.00
F	Interest on working capital (D*E)	0.24

Asset-V

		(₹ in lakh)
	Particulars	2023-24 (Pro-rata 170 days)
	Interest on Working Capital	
A	Working Capital for O&M Expenses (O&M expenses for one month)	0.00
B	Working Capital for Maintenance Spares (15% of O&M expenses)	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost / annual transmission charges)	20.99
D	Total Working Capital (A+B+C)	20.99
E	Rate of Interest (in %)	12.00
F	Interest on working capital (D*E)	1.17



Asset-VI

		(₹ in lakh)
	Particulars	2023-24 (Pro-rata 135 days)
	Interest on Working Capital	
A	Working Capital for O&M Expenses (O&M expenses for one month)	1.30
B	Working Capital for Maintenance Spares (15% of O&M expenses)	2.33
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost / annual transmission charges)	10.75
D	Total Working Capital (A+B+C)	14.38
E	Rate of Interest (in %)	12.00
F	Interest on working capital (D*E)	0.64

Asset-VII

		(₹ in lakh)
	Particulars	2023-24 (Pro-rata 79 days)
	Interest on Working Capital	
A	Working Capital for O&M Expenses (O&M expenses for one month)	0.00
B	Working Capital for Maintenance Spares (15% of O&M expenses)	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost / annual transmission charges)	5.87
D	Total Working Capital (A+B+C)	5.87
E	Rate of Interest (in %)	12.00
F	Interest on working capital (D*E)	0.15

Asset-VIII

		(₹ in lakh)
	Particulars	2023-24 (Pro-rata 69 days)
	Interest on Working Capital	
A	Working Capital for O&M Expenses (O&M expenses for one month)	2.20
B	Working Capital for Maintenance Spares (15% of O&M expenses)	3.96
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost / annual transmission charges)	18.42
D	Total Working Capital (A+B+C)	24.58
E	Rate of Interest (in %)	12.00
F	Interest on working capital (D*E)	0.56



Asset-IX

		(₹ in lakh)
	Particulars	2023-24 (Pro-rata 67 days)
	Interest on Working Capital	
A	Working Capital for O&M Expenses (O&M expenses for one month)	0.49
B	Working Capital for Maintenance Spares (15% of O&M expenses)	0.88
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost / annual transmission charges)	4.04
D	Total Working Capital (A+B+C)	5.41
E	Rate of Interest (in %)	12.00
F	Interest on working capital (D*E)	0.12

Annual Fixed Charges for the 2019-24 Tariff Period

68. The transmission charges allowed with respect to transmission assets for the 2019-24 tariff period are as follows:

Asset-I

		(₹ in lakh)
Particulars	2022-23 (Pro-rata 9 days)	2023-24
Annual Transmission Charges		
Depreciation	0.19	9.44
Interest on Loan	0.16	7.41
Return on Equity	0.17	8.40
O & M Expenses	0.00	0.00
Interest on Working Capital	0.01	0.38
Total	0.53	25.63

Asset-II

		(₹ in lakh)
Particulars	2022-23 (Pro-rata 8 days)	2023-24
Annual Transmission Charges		
Depreciation	0.18	10.06
Interest on Loan	0.15	7.90
Return on Equity	0.16	8.95
O & M Expenses	0.00	0.00
Interest on Working Capital	0.01	0.40
Total	0.50	27.31



Asset-III

(₹ in lakh)

Particulars	2023-24 (Pro-rata 354 days)
Annual Transmission Charges	
Depreciation	11.45
Interest on Loan	9.00
Return on Equity	10.19
O & M Expenses	0.00
Interest on Working Capital	0.46
Total	31.10

Asset-IV

(₹ in lakh)

Particulars	2023-24 (Pro-rata 300 days)
Annual Transmission Charges	
Depreciation	5.99
Interest on Loan	4.75
Return on Equity	5.33
O & M Expenses	0.00
Interest on Working Capital	0.24
Total	16.31

Asset-V

(₹ in lakh)

Particulars	2023-24 (Pro-rata 170 days)
Annual Transmission Charges	
Depreciation	28.76
Interest on Loan	23.77
Return on Equity	25.60
O & M Expenses	0.00
Interest on Working Capital	1.17
Total	79.30



Asset-VI

(₹ in lakh)

Particulars	2023-24 (Pro-rata 135 days)
Annual Transmission Charges	
Depreciation	9.51
Interest on Loan	7.90
Return on Equity	8.46
O & M Expenses	5.74
Interest on Working Capital	0.64
Total	32.25

Asset-VII

(₹ in lakh)

Particulars	2023-24 (Pro-rata 79 days)
Annual Transmission Charges	
Depreciation	3.72
Interest on Loan	3.12
Return on Equity	3.31
O & M Expenses	0.00
Interest on Working Capital	0.15
Total	10.30

Asset-VIII

(₹ in lakh)

Particulars	2023-24 (Pro-rata 69 days)
Annual Transmission Charges	
Depreciation	8.37
Interest on Loan	6.89
Return on Equity	7.45
O & M Expenses	4.98
Interest on Working Capital	0.56
Total	28.25



Asset-IX**(₹ in lakh)**

Particulars	2023-24 (Pro-rata 67 days)
Annual Transmission Charges	
Depreciation	1.76
Interest on Loan	1.49
Return on Equity	1.57
O & M Expenses	1.07
Interest on Working Capital	0.12
Total	6.01

Filing Fee and the Publication Expenses

69. The Petitioner has sought reimbursement of the fee paid by it for filing the Petition and publication expenses.

70. We have considered the Petitioner's submissions. The Petitioner shall be entitled to reimbursement of the filing fees and publication expenses in connection with the instant Petition, directly from the beneficiaries on a pro-rata basis in accordance with Regulation 70(1) of the 2019 Tariff Regulations.

Licence Fee & RLDC Fees and Charges

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



Goods and Services Tax

72. The Petitioner has submitted that if GST is levied at any rate in the future, on charges of the transmission of electricity, the same will be borne and additionally paid by the Respondent(s) to the Petitioner and be charged and billed separately by the Petitioner. Further, regarding additional taxes, if any, to be paid by the Petitioner on account of the demands from the Government / Statutory Authorities, the Commission may allow the same to be recovered from the beneficiaries.

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

Security Expenses

74. The Petitioner has submitted that security expenses with respect to transmission assets are not claimed in the instant Petition. It will file a separate Petition to claim the overall security expenses and the consequential IWC as per Regulation 35(3)(c) of the 2019 Tariff Regulations.

75. We have considered the Petitioner's submissions. The Petitioner has claimed consolidated security expenses for the transmission assets owned by it on a projected basis for the 2019-24 tariff period, based on actual security expenses incurred in FY 2018-19 in Petition No. 260/MP/2020. The Commission, vide order dated 3.8.2021 in Petition No. 260/MP/2020, has already disposed of the said Petition and approved security expenses from 1.4.2019 to 31.3.2024. Therefore, the Petitioner's prayer in the instant Petition to allow it to file a separate Petition to claim the overall security expenses and consequential IWC has become infructuous.



Capital Spares

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

Sharing of Transmission Charges

77. The Petitioner has claimed that for Assets I to V & VII (State/ Constituent Sector) and for Asset-VI, Asset-VIII & Asset-IX (Central Sector), the tariff for transmission of electricity (AFC) for the 2019-24 will be recovered on a monthly basis in accordance with Regulation 57 of the 2019 Tariff Regulations, and will be shared by the beneficiaries and long-term transmission customers in the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020 as amended from time to time.

78. The COD of the transmission assets is approved as per paragraph 16 above. Furthermore, for Asset-I to Asset-IV & Asset-VII, the transmission charges will be borne by the Constituent DVC, and for Asset-V, the transmission charges will be borne by the Constituent JUSNL / JBVNL, in terms of the 2020 Sharing Regulations.

Interim Tariff

79. The Petitioner has prayed to allow the interim tariff, in accordance with Regulation 10(3) of the 2019 Tariff Regulations, to be included in the point-of-connection charges.

80. We have considered the Petitioner's submissions. Since we have determined the transmission tariff with respect to the transmission assets in this order, the prayer for an interim tariff becomes redundant.



81. To summarise:

- a. The details of AFC claimed by the Petitioner in the instant Petition and allowed for the 2019-24 tariff period for the transmission assets in this order are as follows:

Asset-I

(₹ in lakh)

Particulars	2022-23 (Pro-rata 9 days)	2023-24
AFC claimed	0.53	25.58
AFC allowed	0.53	25.63

Asset-II

(₹ in lakh)

Particulars	2022-23 (Pro-rata 8 days)	2023-24
AFC claimed	0.50	27.26
AFC allowed	0.50	27.31

Asset-III

(₹ in lakh)

Particulars	2023-24 (Pro-rata 354 days)
AFC claimed	31.09
AFC allowed	31.10

Asset-IV

(₹ in lakh)

Particulars	2023-24 (Pro-rata 300 days)
AFC claimed	16.31
AFC allowed	16.31

Asset-V

(₹ in lakh)

Particulars	2023-24 (Pro-rata 170 days)
AFC claimed	79.55
AFC allowed	79.30



Asset-VI

(₹ in lakh)

Particulars	2023-24 (Pro-rata 135 days)
AFC claimed	32.33
AFC allowed	32.25

Asset-VII

(₹ in lakh)

Particulars	2023-24 (Pro-rata 79 days)
AFC claimed	10.31
AFC allowed	10.30

Asset-VIII

(₹ in lakh)

Particulars	2023-24 (Pro-rata 69 days)
AFC claimed	28.26
AFC allowed	28.25

Asset-IX

(₹ in lakh)

Particulars	2023-24 (Pro-rata 67 days)
AFC claimed	6.01
AFC allowed	6.01

82. The Annexure(s) to this order form part of the order.

83. This order disposes of Petition No. 59/TT/2025 in terms of the above findings and discussions.

sd/-
(Ravinder Singh Dhillon)
Member

sd/-
(Harish Dudani)
Member

sd/-
(Ramesh Babu V.)
Member

sd/-
(Jishnu Barua)
Chairperson



ANNEXURE-I**Asset – I**

2019-24	Admitted Capital Cost as on COD (₹ in lakh)	ACE (in lakh)		Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)	
Capital Expenditure		2023-24	Total			2022-23	2023-24
PLCC	124.76	48.81	48.81	173.57	6.33%	7.90	9.44
Total	124.76	48.81	48.81	173.57		7.90	9.44
Average Gross Block (₹ in lakh)						124.76	149.17
Weighted Average Rate of Depreciation						6.33%	6.33%

Asset – II

2019-24	Admitted Capital Cost as on COD (₹ in lakh)	ACE (in lakh)		Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)	
Capital Expenditure		2023-24	Total			2022-23	2023-24
PLCC	132.85	52.00	52.00	184.85	6.33%	8.41	10.06
Total	132.85	52.00	52.00	184.85		8.41	10.06
Average Gross Block (₹ in lakh)						132.85	158.85
Weighted Average Rate of Depreciation						6.33%	6.33%



Asset – III

2019-24	Admitted Capital Cost as on COD (₹ in lakh)	ACE (in lakh)		Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)
Capital Expenditure		2023-24	Total			2023-24
PLCC	164.77	44.43	44.43	209.20	6.33%	11.84
Total	164.77	44.43	44.43	209.20		11.84
Average Gross Block (₹ in lakh)						186.99
Weighted Average Rate of Depreciation						6.33%

Asset – IV

2019-24	Admitted Capital Cost as on COD (₹ in lakh)	ACE (in lakh)		Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)
Capital Expenditure		2023-24	Total			2023-24
PLCC	98.98	32.95	32.95	131.93	6.33%	7.31
Total	98.98	32.95	32.95	131.93		7.31
Average Gross Block (₹ in lakh)						115.46
Weighted Average Rate of Depreciation						6.33%



Asset – V

2019-24	Admitted Capital Cost as on COD (₹ in lakh)	ACE (in lakh)		Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)
Capital Expenditure		2023-24	Total			2023-24
PLCC	184.90	21.75	21.75	206.65	6.33%	12.39
Fibre Optic/ OPGW	738.79	86.91	86.91	825.70	6.33%	49.52
Total	923.68	108.66	108.66	1032.34		61.91
				Average Gross Block (₹ in lakh)		978.01
				Weighted Average Rate of Depreciation		6.33%

Asset – VI

2019-24	Admitted Capital Cost as on COD (₹ in lakh)	ACE (in lakh)		Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)
Capital Expenditure		2023-24	Total			2023-24
PLCC	63.60	5.41	5.41	69.02	6.33%	4.20
Fibre Optic/ OPGW	327.07	27.81	27.81	354.88	6.33%	21.58
Total	390.67	33.22	33.22	423.89		25.78
				Average Gross Block (₹ in lakh)		407.28
				Weighted Average Rate of Depreciation		6.33%



Asset – VII

2019-24	Admitted Capital Cost as on COD (₹ in lakh)	ACE (in lakh)		Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)
Capital Expenditure		2023-24	Total			2023-24
Fibre Optic/ OPGW	239.17	66.06	66.06	305.23	6.33%	17.23
Total	239.17	66.06	66.06	305.23		17.23
Average Gross Block (₹ in lakh)						272.20
Weighted Average Rate of Depreciation						6.33%

Asset – VIII

2019-24	Admitted Capital Cost as on COD (₹ in lakh)	ACE (in lakh)		Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)
Capital Expenditure		2023-24	Total			2023-24
PLCC	96.50	8.58	8.58	105.08	6.33%	6.38
Fibre Optic/ OPGW	575.07	51.17	51.17	626.23	6.33%	38.02
Total	671.57	59.75	59.75	731.32		44.40
Average Gross Block (₹ in lakh)						701.44
Weighted Average Rate of Depreciation						6.33%



Asset – IX

2019-24	Admitted Capital Cost as on COD (₹ in lakh)	ACE (in lakh)	Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)
Capital Expenditure		Total			2023-24
Fibre Optic/ OPGW	152.24	0.00	152.24	6.33%	9.64
Total	152.24	-	152.24		9.64
Average Gross Block (₹ in lakh)					152.24
Weighted Average Rate of Depreciation					6.33%

