

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 466/TT/2024

Coram:

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

Date of Order: 06.02.2026

In the matter of:

Approval under Section 62 read with Section 79(1)(d) of the Electricity Act, 2003 and under Regulation 15(1)(a) and Regulation 23 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023 read with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 and the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 for truing up of the transmission tariff for the 2019-24 tariff period and the determination of the transmission tariff for the 2024-29 tariff period for the transmission assets under "Expansion / Upgradation of SCADA / EMS System of SLDCs" in the North 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. Assam Power Distribution Company Limited,**
4th Floor, Bijulee Bhawan, Paltan Bazar,
Guwahati – 781 001, Assam.
- 2. Meghalaya Energy Corporation Limited,**
Short Round Road, Lumjingshai,
Shillong – 793 001, Meghalaya.
- 3. Government of Arunachal Pradesh**
Itanagar, Arunachal Pradesh.
- 4. Power and Electricity Department**
Government of Mizoram,
Aizawl, Mizoram



5. **Manipur State Power Distribution Corporation Limited,**
Keishampat, Imphal.
6. **Department of Power,**
Government of Nagaland,
Kohima, Nagaland.
7. **Tripura State Electricity Corporation Limited,**
Vidyut Bhawan, North Banamalipur, Agartala,
Tripura (W) – 799 001, Tripura.

...Respondent(s)

Parties Present : Shri Zafrul Hasan, PGCIL
Ms. Supriya Singh, PGCIL

ORDER

The instant Petition has been filed by Power Grid Corporation of India Limited (hereinafter referred to as “the Petitioner / PGCIL”), a deemed transmission licensee, for truing up of the transmission tariff for the 2019-24 tariff period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”) and the determination of the transmission tariff under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 (hereinafter referred to as “the 2024 Tariff Regulations”) of the 2024-29 tariff period with respect to the following assets (hereinafter referred to as “the transmission assets”) under “Expansion / Upgradation of SCADA/EMS System of SLDCs” (hereinafter referred to as “the transmission project”) in the North Eastern Region:

Asset-I: Main SCADA EMS System of SLDCs of Assam;

Asset-II: Main SCADA EMS System of SLDCs of Meghalaya;

Asset-III: Main SCADA EMS System of SLDCs of Tripura;

Asset-IV: Main SCADA EMS System of SLDCs of Manipur;



Asset-V: Main SCADA EMS System of SLDCs of Mizoram;

Asset-VI: Main SCADA EMS System of SLDCs of Arunachal Pradesh;

Asset-VII: Main SCADA EMS System of SLDCs of Nagaland.

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

"a) Approve the trued-up Transmission Tariff for 2019-24 block and transmission tariff for 2024-29 block for the assets covered under this petition, as per para 14 and 15 above.

b) Admit the capital cost claimed and additional capitalization incurred during 2019-24 and also allow the projected additional capitalization during 2024-29.

c) Allow the petitioner to recover the shortfall or refund the excess Annual Fixed Charges, on account of Return on Equity due to change in applicable Minimum Alternate/Corporate Income Tax rate as per the Income Tax Act, 1961 (as amended from time to time) of the respective financial year directly without making any application before the Commission as provided in Tariff Regulations 2019 and Tariff Regulations, 2024 as per para 14 and 15 above for respective block.

d) Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 94 (1) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024, and other expenditure (if any) in relation to the filing of petition.

e) Allow the petitioner to bill and recover RLDC fees & charges and Licensee fee separately from the respondents in terms of Regulation 94 (3) and (4) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024.

f) Allow the petitioner to bill and adjust impact on Interest on Loan due to change in Interest rate on account of floating rate of interest applicable during 2024-29 period, if any, from the respondents.

g) Allow the petitioner to file a separate petition before the Commission for claiming the overall security expenses and consequential IOWC on that security expenses as mentioned at para 21 above.

h) Allow the petitioner to file a separate petition before the Commission for claiming the overall insurance expenses and consequential IOWC on that insurance expenses as mentioned at para 21 above.

i) Allow the petitioner to file a separate petition before the Commission for claiming the overall capital spares at the end of tariff block as per actual as mentioned at Para 21 above.

j) Allow the petitioner to claim expenses of CTUIL borne by POWERGRID through a separate petition as mentioned at para 22 above.

k) Allow the Petitioner to bill and recover GST on Transmission Charges separately from the respondents, if GST on transmission is levied at any rate in future. Further, any taxes including GST and duties including cess etc. imposed by any statutory/Govt./municipal authorities shall be allowed to be recovered from the beneficiaries.



and pass such other relief as the Commission deems fit and appropriate under the circumstances of the case and in the interest of justice.”

Background

3. The brief facts of the case are as under:

- a) The Investment Approval (the IA) for the implementation of the transmission project was accorded by the Board of Directors (BoD) of the Petitioner Company in its 298th meeting held on 5.2.2014, and communicated vide Memorandum Ref: C/CP/NERSCADA dated 17.2.2014, at an estimated cost of ₹5618.00 lakh including IDC of ₹317.00 lakh, based on the December 2013 price level.
- b) The approval for the transmission project of the North- Eastern Region was discussed and approved in the 12th TCC and NERPC meeting held on 14th and 15.11.2011 at Amritsar, 13th TCC and NERPC meeting held on 9.7.2013 at Faridabad, Special TCC held on 9.2.2013 at Shillong, and 14th TCC and NERPC held on 4.9.2013 at Agartala.
- c) The scope of work covered under the transmission system is broadly as under:
 - i. Installation of new EMS/SCADA platform equipped with Hardware & Software at existing SLDCs of Assam, Tripura establishment of SLDCs at Arunachal Pradesh, Mizoram, and Manipur and Nagaland;
 - ii. Installation of RTUs and Integration of RTUs/ SAS to Control Centre on IEC 60870-5-101/104 protocol;
 - iii. Integration of Control Centers of SLDCs with Main and Backup NERLDC on ICCP protocol;
 - iv. Installation of New Video Projection System (VPS) for SLDCs of Assam, Tripura, Meghalaya, Mizoram, Manipur, Arunachal Pradesh & Nagaland;



- v. Installation of Video Conferencing System (VCS) at SLDCs for online meeting among SLDCs and NERLDC;
 - vi. Installation of Auxiliary Power Supply (APS) System for Control Centers;
 - vii. Construction of Control Room Building on top of existing SLDC building for Meghalaya.
- d) The Commission, vide its order dated 29.11.2017 in Petition No. 113/TT/2016, had allowed the transmission tariff with respect to Asset-I, Asset-II and Asset-III and vide order dated 3.12.2018 in Petition No. 8/TT/2018, had allowed the transmission tariff with respect to Asset-IV, Asset-V, Asset-VI and Asset-VII from COD to 31.3.2019. Furthermore, the Commission vide its order dated 29.6.2022 in Petition No. 423/TT/2019, had trued-up the transmission tariff from its COD to 31.3.2019 and determined the transmission tariff for the 2019-24 tariff period with respect to the instant transmission assets.
- e) The Petitioner has filed the instant Petition for truing up of the transmission tariff for the 2019-24 tariff period and the determination of the transmission tariff for the 2024-29 tariff period for the following transmission assets implemented under the North Eastern Region.

Particulars	Description of Assets	COD
Asset-I	Main SCADA EMS System of SLDCs of Assam	1.4.2016
Asset-II	Main SCADA EMS System of SLDCs of Meghalaya	1.4.2016
Asset-III	Main SCADA EMS System of SLDCs of Tripura	1.4.2016
Asset-IV	Main SCADA EMS System of SLDCs of Manipur	9.11.2016
Asset-V	Main SCADA EMS System of SLDCs of Mizoram	10.4.2017
Asset-VI	Main SCADA EMS System of SLDCs of Arunachal Pradesh	15.1.2018
Asset-VII	Main SCADA EMS System of SLDCs of Nagaland	15.1.2018



4. The Respondents are the distribution licensees and power departments, mainly beneficiaries of the North-Eastern Region, 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 newspapers, 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 notices published in the newspapers by the Petitioner.

6. The hearing in this matter was held on 6.11.2025, and the order was reserved.

7. This order is being issued considering the submissions made by the Petitioner vide affidavits dated 14.9.2024, 3.9.2025 and 11.11.2025. None of the Respondents has filed any reply or raised any issues pertaining to 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.

True-up of Annual Fixed Charges for the 2019-24 Tariff Period

9. The details of the trued-up transmission charges claimed by the Petitioner with respect to the transmission assets are as under:

Asset-I

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	68.23	68.48	68.67	68.76	12.79
Interest on Loan	9.09	3.55	0.46	0.00	0.00
Return on Equity	25.63	25.72	25.80	25.83	25.83
Interest on Working Capital	1.55	1.37	1.25	1.24	0.58
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	104.50	99.12	96.18	95.83	39.20



Asset-II

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	86.96	89.04	89.26	89.38	49.09
Interest on Loan	16.93	10.00	3.28	0.00	0.00
Return on Equity	36.03	36.81	36.89	36.94	36.94
Interest on Working Capital	2.10	1.91	1.70	1.66	1.29
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	142.02	137.76	131.13	127.98	87.32

Asset-III

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	127.60	128.98	129.31	129.46	28.58
Interest on Loan	16.83	6.95	1.04	0.00	0.00
Return on Equity	47.93	48.45	48.57	48.63	48.63
Interest on Working Capital	2.89	2.59	2.35	2.34	1.16
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	195.25	186.97	181.27	180.43	78.37

Asset-IV

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	98.40	98.98	99.16	99.27	58.17
Interest on Loan	16.16	8.36	2.25	0.00	0.00
Return on Equity	36.96	37.18	37.25	37.29	37.29
Interest on Working Capital	2.28	2.03	1.82	1.79	1.43
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	153.80	146.55	140.48	138.35	96.89

Asset-V

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	84.83	86.41	87.59	87.74	87.74
Interest on Loan	16.38	9.71	3.65	0.26	0.00
Return on Equity	31.87	32.46	32.90	32.96	32.96
Interest on Working Capital	2.00	1.81	1.63	1.59	1.81
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	135.08	130.39	125.77	122.55	122.51

Asset-VI

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	99.57	101.56	101.92	102.08	102.08
Interest on Loan	24.14	16.07	8.46	2.43	0.00
Return on Equity	37.40	38.15	38.29	38.35	38.35
Interest on Working Capital	2.42	2.19	1.95	1.87	2.10
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	163.53	157.97	150.62	144.73	142.53



Asset-VII

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	111.27	114.38	115.24	115.43	115.43
Interest on Loan	26.68	18.34	10.07	3.06	0.00
Return on Equity	41.80	42.97	43.29	43.36	43.36
Interest on Working Capital	2.70	2.47	2.21	2.12	2.38
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	182.45	178.16	170.81	163.97	161.17

10. The details of the trued-up Interest on Working Capital (IWC) claimed by the Petitioner with respect to the transmission assets are as under:

Asset-I

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Spares	0.00	0.00	0.00	0.00	0.00
Receivables	12.85	12.22	11.86	11.81	4.82
Total Working Capital	12.85	12.22	11.86	11.81	4.82
Rate of Interest (%)	12.05	11.25	10.50	10.50	12.00
Interest on Working Capital	1.55	1.37	1.25	1.24	0.58

Asset-II

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Spares	0.00	0.00	0.00	0.00	0.00
Receivables	17.46	16.98	16.17	15.78	10.74
Total Working Capital	17.46	16.98	16.17	15.78	10.74
Rate of Interest (%)	12.05	11.25	10.50	10.50	12.00
Interest on Working Capital	2.10	1.91	1.70	1.66	1.29

Asset-III

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Spares	0.00	0.00	0.00	0.00	0.00
Receivables	24.01	23.05	22.35	22.24	9.64
Total Working Capital	24.01	23.05	22.35	22.24	9.64
Rate of Interest (%)	12.05	11.25	10.50	10.50	12.00
Interest on Working Capital	2.89	2.59	2.35	2.34	1.16

Asset-IV

(₹ in lakh)

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



Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Receivables	18.91	18.07	17.32	17.06	11.91
Total Working Capital	18.91	18.07	17.32	17.06	11.91
Rate of Interest (%)	12.05	11.25	10.50	10.50	12.00
Interest on Working Capital	2.28	2.03	1.82	1.79	1.43

Asset-V

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Spares	0.00	0.00	0.00	0.00	0.00
Receivables	16.61	16.08	15.51	15.11	15.06
Total Working Capital	16.61	16.08	15.51	15.11	15.06
Rate of Interest (%)	12.05	11.25	10.50	10.50	12.00
Interest on Working Capital	2.00	1.81	1.63	1.59	1.81

Asset-VI

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Spares	0.00	0.00	0.00	0.00	0.00
Receivables	20.11	19.48	18.57	17.84	17.52
Total Working Capital	20.11	19.48	18.57	17.84	17.52
Rate of Interest (%)	12.05	11.25	10.50	10.50	12.00
Interest on Working Capital	2.42	2.19	1.95	1.87	2.10

Asset-VII

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Spares	0.00	0.00	0.00	0.00	0.00
Receivables	22.43	21.96	21.06	20.22	19.82
Total Working Capital	22.43	21.96	21.06	20.22	19.82
Rate of Interest (%)	12.05	11.25	10.50	10.50	12.00
Interest on Working Capital	2.70	2.47	2.21	2.12	2.38

Capital Cost for the 2019-24 Tariff Period

11. The capital cost of the transmission project has been calculated in accordance with Regulation 19(1) and 19(2) of the 2019 Tariff Regulations.

12. The Commission, vide its order dated 29.6.2022 in Petition No. 423/TT/2019, had allowed the following capital cost as on 31.3.2019 and the projected Additional



Capital Expenditure (ACE) with respect to the transmission assets for the 2019-24 tariff period.:

Particulars	COD	Capital Cost allowed up to 31.3.2019	Allowed ACE (based on estimates)			(₹ in lakh) Capital Cost allowed as on 31.3.2024
			2019-20	2020-21	2021-22	
Asset-I	1.4.2016	453.84	2.08	1.26	2.80	459.98
Asset-II	1.4.2016	626.31	26.52	1.32	7.57	661.72
Asset-III	1.4.2016	842.75	15.86	2.50	50.47	911.58
Asset-IV	9.11.2016	652.63	6.75	1.01	44.76	705.15
Asset-V	10.4.2017	561.90	7.31	13.70	31.18	614.09
Asset-VI	15.1.2018	651.96	23.72	2.74	42.20	720.62
Asset-VII	15.1.2018	725.52	32.58	8.85	39.24	806.19

13. The Petitioner has claimed the following capital cost and the ACE incurred with respect to the transmission assets for the 2019-24 tariff period:

Particulars	Approved Cost as per FR	Capital Cost Claimed as on 31.3.2019	ACE Claimed			(₹ in lakh) Capital Cost claimed as on 31.3.2024
			2019-20	2020-21	2021-22	
Asset-I	548.37	453.84	2.08	1.26	1.23	458.41
Asset-II	709.72	626.31	26.52	1.32	1.55	655.70
Asset-III	1069.21	842.75	15.86	2.50	1.93	863.04
Asset-IV	745.26	652.63	6.75	1.01	1.40	661.79
Asset-V	642.45	561.90	7.31	13.70	2.02	584.93
Asset-VI	992.28	651.96	23.72	2.74	2.14	680.56
Asset-VII	910.28	725.52	32.58	8.85	2.58	769.53

Initial Spares

14. The Petitioner has not claimed Initial Spares in the instant Petition for the transmission assets.



Additional Capital Expenditure (ACE)

15. The Petitioner has claimed the following ACE with respect to the transmission assets during the 2019-24 tariff period, based on the actual expenditure in accordance with Regulation 25(1)(d) of the 2019 Tariff Regulations:

(₹ in lakh)

Asset-I				
Particulars	Regulations	Actual ACE		
		2019-20	2020-21	2021-22
Undischarged Liability for works executed prior to cut-off date	25(1)(d) of the 2019 Tariff Regulations	2.08	1.26	1.23
Total		2.08	1.26	1.23

(₹ in lakh)

Asset-II				
Particulars	Regulations	Actual ACE		
		2019-20	2020-21	2021-22
Undischarged Liability for works executed prior to cut-off date	25(1)(d) of the 2019 Tariff Regulations	26.52	1.32	1.55
Total		26.52	1.32	1.55

(₹ in lakh)

Asset-III				
Particulars	Regulations	Actual ACE		
		2019-20	2020-21	2021-22
Undischarged Liability for works executed prior to cut-off date	25(1)(d) of the 2019 Tariff Regulations	15.86	2.50	1.93
Total		15.86	2.50	1.93

(₹ in lakh)

Asset-IV				
Particulars	Regulations	Actual ACE		
		2019-20	2020-21	2021-22
Undischarged Liability for works executed prior to cut-off date	25(1)(d) of the 2019 Tariff Regulations	6.75	1.01	1.40
Total		6.75	1.01	1.40

(₹ in lakh)

Asset-V				
Particulars	Regulations	Actual ACE		
		2019-20	2020-21	2021-22
Undischarged Liability for works executed prior to cut-off date	25(1)(d) of the 2019 Tariff Regulations	7.31	13.70	2.02
Total		7.31	13.70	2.02



(₹ in lakh)

Asset-VI				
Particulars	Regulations	Actual ACE		
		2019-20	2020-21	2021-22
Undischarged Liability for works executed prior to cut-off date	25(1)(d) of the 2019 Tariff Regulations	23.72	2.74	2.14
Total		23.72	2.74	2.14

(₹ in lakh)

Asset-VII				
Particulars	Regulations	Actual ACE		
		2019-20	2020-21	2021-22
Undischarged Liability for works executed prior to cut-off date	25(1)(d) of the 2019 Tariff Regulations	32.58	8.85	2.58
Total		32.58	8.85	2.58

16. The Petitioner has also submitted the following Liability Flow Statement for claiming the discharge of liabilities during the 2019-24 tariff period under Regulation 25(1)(d) of the 2019 Tariff Regulations:

(₹ in lakh)

Asset-I								
Head-wise/Party-wise	Particulars	Year of Actual Capitalisation	Outstanding Liability as on 31.3.2019	Discharge				Outstanding Liability as on 31.3.2024
				2019-20	2020-21	2021-22	Total (19-24)	
M/s GE T&D India	IT Equipment Including Software	1.4.2016	6.14	2.08	1.26	1.23	4.57	1.57
Total			6.14	2.08	1.26	1.23	4.57	1.57

(₹ in lakh)

Asset-II								
Head-wise/Party-wise	Particulars	Year of Actual Capitalisation	Outstanding Liability as on COD	Discharge				Outstanding Liability as on 31.3.2024
				2019-20	2020-21	2021-22	Total (19-24)	
M/s GE T&D India	IT Equipment	1.4.2016	35.41	26.52	1.32	1.55	29.39	6.02



	Including Software							
Total			35.41	26.52	1.32	1.55	29.39	6.02

(₹ in lakh)

Asset-III								
Head-wise/Party-wise	Particulars	Year of Actual Capitalisation	Outstanding Liability as on COD	Discharge				Outstanding Liability as on 31.3.2024
				2019-20	2020-21	2021-22	Total (19-24)	
M/s GE T&D India	IT Equipment Including Software	1.4.2016	65.08	15.86	0.00	0.68	16.54	48.54
Process Machines and Automation		1.4.2016	3.75	0.00	2.50	1.25	3.75	
Total			68.83	15.86	2.50	1.93	20.29	48.54

(₹ in lakh)

Asset-IV								
Head-wise/Party-wise	Particulars	Year of Actual Capitalisation	Outstanding Liability as on COD	Discharge				Outstanding Liability as on 31.3.2024
				2019-20	2020-21	2021-22	Total (19-24)	
M/s GE T&D India	IT Equipment Including Software	9.11.2016	49.59	4.73	1.01	0.49	6.23	43.36
Process Machines and Automation		9.11.2016	2.93	2.02	0.00	0.91	2.93	
Total			68.83	15.86	2.50	1.93	20.29	43.46

(₹ in lakh)

Asset-V								
Head-wise/Party-wise	Particulars	Year of Actual Capitalisation	Outstanding Liability as on COD	Discharge				Outstanding Liability as on 31.3.2024
				2019-20	2020-21	2021-22	Total (19-24)	
M/s GE T&D India	IT Equipment Including Software	10.4.2017	52.19	7.31	13.70	2.02	23.03	29.16
Total			52.19	7.31	13.70	2.02	23.03	29.16



(₹ in lakh)

Asset-VI								
Head-wise/Party-wise	Particulars	Year of Actual Capitalisation	Outstanding Liability as on COD	Discharge				Outstanding Liability as on 31.3.2024
				2019-20	2020-21	2021-22	Total (19-24)	
M/s GE T&D India	IT Equipment Including Software	15.1.2018	54.63	15.01	2.74	0.00	6.23	36.88
Process Machines and Automation		15.1.2018	14.03	8.71	0.00	2.14	2.93	3.18
Total			68.66	23.72	2.74	2.14	28.60	40.06

(₹ in lakh)

Asset-VII								
Head-wise/Party-wise	Particulars	Year of Actual Capitalisation	Outstanding Liability as on COD	Discharge				Outstanding Liability as on 31.3.2024
				2019-20	2020-21	2021-22	Total (19-24)	
M/s GE T&D India	IT Equipment Including Software	15.1.2018	76.01	32.58	5.44	1.33	39.35	36.66
Process Machines and Automation		15.1.2018	4.66	0.00	3.41	1.25	4.66	0.00
Total			80.67	32.58	8.85	2.58	44.01	36.66

17. We have considered the Petitioner's submissions. We observe that the ACE claimed during the FY 2019-20, 2020-21 and 2021-22, is on account of undischarged liabilities towards final / withheld payments due to contractual exigencies for works executed prior to the cut-off date, i.e., 31.3.2019. Accordingly, the ACE allowed for the purpose of tariff under Regulation 25(1)(d) of the 2019 Tariff Regulations is as follows:

(₹ in lakh)

Asset-I			
Particulars	Regulation	Year	ACE allowed
Undischarged Liability for works	25(1)(d) of the 2019 Tariff	2019-20	2.08
		2020-21	1.26



Asset-I			
Particulars	Regulation	Year	ACE allowed
executed prior to cut-off date	Regulations	2021-22	1.23
Total ACE			4.57

(₹ in lakh)

Asset-II			
Particulars	Regulation	Year	ACE allowed
Undischarged Liability for works executed prior to cut-off date	25(1)(d) of the 2019 Tariff Regulations	2019-20	26.52
		2020-21	1.32
		2021-22	1.55
Total ACE			29.39

(₹ in lakh)

Asset-III			
Particulars	Regulation	Year	ACE allowed
Undischarged Liability for works executed prior to cut-off date	25(1)(d) of the 2019 Tariff Regulations	2019-20	15.86
		2020-21	2.5
		2021-22	1.93
Total ACE			20.29

(₹ in lakh)

Asset-IV			
Particulars	Regulation	Year	ACE allowed
Undischarged Liability for works executed prior to cut-off date	25(1)(d) of the 2019 Tariff Regulations	2019-20	6.75
		2020-21	1.01
		2021-22	1.4
Total ACE			9.16

(₹ in lakh)

Asset-V			
Particulars	Regulation	Year	ACE allowed
Undischarged Liability for works executed prior to cut-off date	25(1)(d) of the 2019 Tariff Regulations	2019-20	7.31
		2020-21	13.7
		2021-22	2.02
Total ACE			23.03



(₹ in lakh)

Asset-VI			
Particulars	Regulation	Year	ACE allowed
Undischarged Liability for works executed prior to cut-off date	25(1)(d) of the 2019 Tariff Regulations	2019-20	23.72
		2020-21	2.74
		2021-22	2.14
Total ACE			28.60

(₹ in lakh)

Asset-VII			
Particulars	Regulation	Year	ACE allowed
Undischarged Liability for works executed prior to cut-off date	25(1)(d) of the 2019 Tariff Regulations	2019-20	32.58
		2020-21	8.85
		2021-22	2.58
Total ACE			44.01

18. Accordingly, the capital cost and ACE allowed with respect to the transmission assets for the 2019-24 period is as follows:

(₹ in lakh)

Assets	Apportioned Approved Cost	Capital Cost allowed as on 1.4.2019	Actual ACE			Total Capital Cost as on 31.3.2024
			2019-20	2020-21	2021-22	
Asset-I	548.37	453.84	2.08	1.26	1.23	458.41
Asset-II	709.72	626.30	26.52	1.32	1.55	655.69
Asset-III	1069.21	842.75	15.86	2.50	1.93	863.04
Asset-IV	745.26	652.63	6.75	1.01	1.40	661.79
Asset-V	642.45	561.90	7.31	13.70	2.02	584.93
Asset-VI	992.28	651.96	23.72	2.74	2.14	680.56
Asset-VII	910.28	725.52	32.58	8.85	2.58	769.53

Debt-Equity Ratio

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



Asset-I						
Funding	Capital Cost as on 1.4.2019 (₹ in lakh)	(in %)	ACE in 2019-24 (₹ in lakh)	(in %)	Capital Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	317.69	70.00%	3.20	70.00%	320.89	70.00%
Equity	136.15	30.00%	1.37	30.00%	137.52	30.00%
Total	453.84	100.00%	4.57	100.00%	458.41	100.00%

Asset-II						
Funding	Capital Cost as on 1.4.2019 (₹ in lakh)	(in %)	ACE in 2019-24 (₹ in lakh)	(in %)	Capital Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	438.41	70.00%	20.57	70.00%	458.98	70.00%
Equity	187.89	30.00%	8.82	30.00%	196.71	30.00%
Total	626.30	100.00%	29.39	100.00%	655.69	100.00%

Asset-III						
Funding	Capital Cost as on 1.4.2019 (₹ in lakh)	(in %)	ACE in 2019-24 (₹ in lakh)	(in %)	Capital Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	589.93	70.00%	14.20	70.00%	604.13	70.00%
Equity	252.83	30.00%	6.09	30.00%	258.91	30.00%
Total	842.75	100.00%	20.29	100.00%	863.04	100.00%

Asset-IV						
Funding	Capital Cost as on 1.4.2019 (₹ in lakh)	(in %)	ACE in 2019-24 (₹ in lakh)	(in %)	Capital Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	456.84	70.00%	6.41	70.00%	463.25	70.00%
Equity	195.79	30.00%	2.75	30.00%	198.54	30.00%
Total	652.63	100.00%	9.16	100.00%	661.79	100.00%

Asset-V						
Funding	Capital Cost as on 1.4.2019 (₹ in lakh)	(in %)	ACE in 2019-24 (₹ in lakh)	(in %)	Capital Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	393.33	70.00%	16.12	70.00%	409.45	70.00%
Equity	168.57	30.00%	6.91	30.00%	175.48	30.00%
Total	561.90	100.00%	23.03	100.00%	584.93	100.00%



Asset-VI						
Funding	Capital Cost as on 1.4.2019 (₹ in lakh)	(in %)	ACE in 2019-24 (₹ in lakh)	(in %)	Capital Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	456.38	70.00%	20.02	70.00%	476.40	70.00%
Equity	195.59	30.00%	8.58	30.00%	204.17	30.00%
Total	651.97	100.00%	28.60	100.00%	680.57	100.00%

Asset-VII						
Funding	Capital Cost as on 1.4.2019 (₹ in lakh)	(in %)	ACE in 2019-24 (₹ in lakh)	(in %)	Capital Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	507.86	70.00%	30.81	70.00%	538.67	70.00%
Equity	217.66	30.00%	13.20	30.00%	230.86	30.00%
Total	725.52	100.00%	44.01	100.00%	769.53	100.00%

Depreciation

20. The depreciation has been worked out considering the admitted capital expenditure as on COD and, thereafter, up to 31.3.2024. The Weighted Average Rate of Depreciation (WAROD) has been worked out for the transmission assets as per the depreciation rates specified in Regulation 33 of the 2019 Tariff Regulations. The depreciation allowed with respect to the transmission assets for the 2019-24 tariff period are as follows:

Asset-I						
Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	Opening Capital Cost	453.84	455.92	457.18	458.41	458.41
B	Addition during the year 2019-24 due to ACE	2.08	1.26	1.23	0.00	0.00
C	Closing Capital Cost (A+B)	455.92	457.18	458.41	458.41	458.41
D	Average Capital Cost (A+C)/2	454.88	456.55	457.80	458.41	458.41
E	Average Capital Cost (90% depreciable assets)	0.00	0.00	0.00	0.00	0.00
F	Average Capital Cost (100% depreciable assets)	454.88	456.55	457.80	458.41	458.41



Asset-I						
Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
G	Depreciable value (excluding IT equipment and software) (E*90%)	0.00	0.00	0.00	0.00	0.00
H	Depreciable value of IT equipment and software (F*100%)	454.88	456.55	457.80	458.41	458.41
I	Total Depreciable Value (G+H)	454.88	456.55	457.80	458.41	458.41
J	Weighted average rate of Depreciation (WAROD) (in %)	15.0000	15.0000	15.0000	15.0000	2.7889
K	Balance useful life at the beginning of the year (Year)	4	3	2	1	0
L	Lapsed useful life at the beginning of the year (Year)	3	4	5	6	7
M	Depreciation during the year (D*J)	68.23	68.48	68.67	68.76	12.78
N	Cumulative Depreciation at the end of the year	239.71	308.19	376.86	445.63	458.41
O	Remaining Aggregate Depreciable Value at the end of the year	215.17	148.36	80.93	12.78	0.00

(₹ in lakh)

Asset-II						
Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	Opening Capital Cost	626.30	652.82	654.14	655.69	655.69
B	Addition during the year 2019-24 due to ACE	26.52	1.32	1.55	0.00	0.00
C	Closing Capital Cost (A+B)	652.82	654.14	655.69	655.69	655.69
D	Average Capital Cost (A+C)/2	639.56	653.48	654.92	655.69	655.69
E	Average Capital Cost (90% depreciable assets)	76.99	76.99	76.99	76.99	76.99
F	Average Capital Cost (100% depreciable assets)	562.57	576.49	577.93	578.70	578.70
G	Depreciable value (excluding IT equipment and software) (E*90%)	69.29	69.29	69.29	69.29	69.29
H	Depreciable value of IT equipment and software (F*100%)	562.57	576.49	577.93	578.70	578.70
I	Total Depreciable Value (G+H)	631.86	645.78	647.22	647.99	647.99
J	Weighted average rate of Depreciation (WAROD) (in %)	13.5964	13.6263	13.6293	13.6309	7.4886



Asset-II						
Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
K	Balance useful life at the beginning of the year (Year)	4	3	2	1	0
L	Lapsed useful life at the beginning of the year (Year)	3	4	5	6	7
M	Depreciation during the year (D*J)	86.96	89.04	89.26	89.38	49.10
N	Cumulative Depreciation at the end of the year	280.98	370.02	459.28	548.66	597.76
O	Remaining Aggregate Depreciable Value at the end of the year	350.88	275.76	187.93	99.33	50.23

(₹ in lakh)

Asset-III						
Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	Opening Capital Cost	842.75	858.61	861.11	863.04	863.04
B	Addition during the year 2019-24 due to ACE	15.86	2.50	1.93	0.00	0.00
C	Closing Capital Cost (A+B)	858.61	861.11	863.04	863.04	863.04
D	Average Capital Cost (A+C)/2	850.68	859.86	862.08	863.04	863.04
E	Average Capital Cost (90% depreciable assets)	0.00	0.00	0.00	0.00	0.00
F	Average Capital Cost (100% depreciable assets)	850.68	859.86	862.08	863.04	863.04
G	Depreciable value (excluding IT equipment and software) (E*90%)	0.00	0.00	0.00	0.00	0.00
H	Depreciable value of IT equipment and software (F*100%)	850.68	859.86	862.08	863.04	863.04
I	Total Depreciable Value (G+H)	850.68	859.86	862.08	863.04	863.04
J	Weighted average rate of Depreciation (WAROD) (in %)	15.0000	15.0000	15.0000	15.0000	3.3118
K	Balance useful life at the beginning of the year (Year)	4	3	2	1	0
L	Lapsed useful life at the beginning of the year (Year)	3	4	5	6	7
M	Depreciation during the year (D*J)	127.60	128.98	129.31	129.46	28.58
N	Cumulative Depreciation at the end of the year	446.71	575.69	705.00	834.46	863.04
O	Remaining Aggregate Depreciable Value at the end of the year	403.97	284.17	157.07	28.58	0.00



(₹ in lakh)

Asset-IV						
Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	Opening Capital Cost	652.63	659.38	660.39	661.79	661.79
B	Addition during the year 2019-24 due to ACE	6.75	1.01	1.40	0.00	0.00
C	Closing Capital Cost (A+B)	659.38	660.39	661.79	661.79	661.79
D	Average Capital Cost (A+C)/2	656.01	659.89	661.09	661.79	661.79
E	Average Capital Cost (90% depreciable assets)	0.00	0.00	0.00	0.00	0.00
F	Average Capital Cost (100% depreciable assets)	656.01	659.89	661.09	661.79	661.79
G	Depreciable value (excluding IT equipment and software) (E*90%)	0.00	0.00	0.00	0.00	0.00
H	Depreciable value of IT equipment and software (F*100%)	656.01	659.89	661.09	661.79	661.79
I	Total Depreciable Value (G+H)	656.01	659.89	661.09	661.79	661.79
J	Weighted average rate of Depreciation (WAROD) (in %)	15.0000	15.0000	15.0000	15.0000	8.7890
K	Balance useful life at the beginning of the year (Year)	5	4	3	2	1
L	Lapsed useful life at the beginning of the year (Year)	2	3	4	5	6
M	Depreciation during the year (D*J)	98.40	98.98	99.16	99.27	58.16
N	Cumulative Depreciation at the end of the year	306.21	405.19	504.36	603.63	661.79
O	Remaining Aggregate Depreciable Value at the end of the year	349.79	254.69	156.73	58.16	0.00

(₹ in lakh)

Asset-V						
Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	Opening Capital Cost	561.90	569.21	582.91	584.93	584.93
B	Addition during the year 2019-24 due to ACE	7.31	13.70	2.02	0.00	0.00
C	Closing Capital Cost (A+B)	569.21	582.91	584.93	584.93	584.93
D	Average Capital Cost (A+C)/2	565.56	576.06	583.92	584.93	584.93
E	Average Capital Cost (90% depreciable assets)	0.00	0.00	0.00	0.00	0.00



Asset-V						
Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
F	Average Capital Cost (100% depreciable assets)	565.56	576.06	583.92	584.93	584.93
G	Depreciable value (excluding IT equipment and software) (E*90%)	0.00	0.00	0.00	0.00	0.00
H	Depreciable value of IT equipment and software (F*100%)	565.56	576.06	583.92	584.93	584.93
I	Total Depreciable Value (G+H)	565.56	576.06	583.92	584.93	584.93
J	Weighted average rate of Depreciation (WAROD) (in %)	15.0000	15.0000	15.0000	15.0000	15.0000
K	Balance useful life at the beginning of the year (Year)	6	5	4	3	2
L	Lapsed useful life at the beginning of the year (Year)	1	2	3	4	5
M	Depreciation during the year (D*J)	84.83	86.41	87.59	87.74	87.74
N	Cumulative Depreciation at the end of the year	228.56	314.97	402.56	490.30	578.04
O	Remaining Aggregate Depreciable Value at the end of the year	336.99	261.09	181.36	94.63	6.89

(₹ in lakh)

Asset-VI						
Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	Opening Capital Cost	651.97	675.69	678.43	680.57	680.57
B	Addition during the year 2019-24 due to ACE	23.72	2.74	2.14	0.00	0.00
C	Closing Capital Cost (A+B)	675.69	678.43	680.57	680.57	680.57
D	Average Capital Cost (A+C)/2	663.83	677.06	679.50	680.57	680.57
E	Average Capital Cost (90% depreciable assets)	0.00	0.00	0.00	0.00	0.00
F	Average Capital Cost (100% depreciable assets)	663.83	677.06	679.50	680.57	680.57
G	Depreciable value (excluding IT equipment and software) (E*90%)	0.00	0.00	0.00	0.00	0.00
H	Depreciable value of IT equipment and software (F*100%)	663.83	677.06	679.50	680.57	680.57
I	Total Depreciable Value (G+H)	663.83	677.06	679.50	680.57	680.57



Asset-VI						
Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
J	Weighted average rate of Depreciation (WAROD) (in %)	15.0000	15.0000	15.0000	15.0000	15.0000
K	Balance useful life at the beginning of the year (Year)	6	5	4	3	2
L	Lapsed useful life at the beginning of the year (Year)	1	2	3	4	5
M	Depreciation during the year (D*J)	99.57	101.56	101.93	102.09	102.09
N	Cumulative Depreciation at the end of the year	208.88	310.44	412.37	514.45	616.54
O	Remaining Aggregate Depreciable Value at the end of the year	454.95	366.62	267.13	166.12	64.03

(₹ in lakh)

Asset-VII						
Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	Opening Capital Cost	725.52	758.10	766.95	769.53	769.53
B	Addition during the year 2019-24 due to ACE	32.58	8.85	2.58	0.00	0.00
C	Closing Capital Cost (A+B)	758.10	766.95	769.53	769.53	769.53
D	Average Capital Cost (A+C)/2	741.81	762.53	768.24	769.53	769.53
E	Average Capital Cost (90% depreciable assets)	0.00	0.00	0.00	0.00	0.00
F	Average Capital Cost (100% depreciable assets)	741.81	762.53	768.24	769.53	769.53
G	Depreciable value (excluding IT equipment and software) (E*90%)	0.00	0.00	0.00	0.00	0.00
H	Depreciable value of IT equipment and software (F*100%)	741.81	762.53	768.24	769.53	769.53
I	Total Depreciable Value (G+H)	741.81	762.53	768.24	769.53	769.53
J	Weighted average rate of Depreciation (WAROD) (in %)	15.0000	15.0000	15.0000	15.0000	15.0000
K	Balance useful life at the beginning of the year (Year)	6	5	4	3	2
L	Lapsed useful life at the beginning of the year (Year)	1	2	3	4	5
M	Depreciation during the year (D*J)	111.27	114.38	115.24	115.43	115.43
N	Cumulative Depreciation at the end of the year	229.15	343.53	458.77	574.20	689.63



Asset-VII						
Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O	Remaining Aggregate Depreciable Value at the end of the year	512.66	418.99	309.47	195.33	79.90

21. The details of depreciation allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019 with respect to the transmission assets, depreciation claimed in the instant Petition, and trued-up depreciation approved in the instant order are as follows:

(₹ in lakh)					
Asset-I	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	68.23	68.48	68.79	69.00	14.01
Claimed by the Petitioner in the instant Petition	68.23	68.48	68.67	68.76	12.79
Approved after trued-up in this order	68.23	68.48	68.67	68.76	12.78

(₹ in lakh)					
Asset-II	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	86.96	89.05	89.71	90.28	90.28
Claimed by the Petitioner in the instant Petition	86.96	89.04	89.26	89.38	49.09
Approved after trued-up in this order	86.96	89.04	89.26	89.38	49.10

(₹ in lakh)					
Asset-III	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	127.60	128.98	132.95	136.74	66.20
Claimed by the Petitioner in the instant Petition	127.60	128.98	129.31	129.46	28.58
Approved after trued-up in this order	127.60	128.98	129.31	129.46	28.58

(₹ in lakh)					
Asset-IV	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	98.40	98.98	102.42	105.77	91.77
Claimed by the Petitioner in the instant Petition	98.40	98.98	99.16	99.27	58.17
Approved after trued-up in this order	98.40	98.98	99.16	99.27	58.16



(₹ in lakh)					
Asset-V	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	84.83	86.41	89.77	92.11	92.11
Claimed by the Petitioner in the instant Petition	84.83	86.41	87.59	87.74	87.74
Approved after trued-up in this order	84.83	86.41	87.59	87.74	87.74

(₹ in lakh)					
Asset-VI	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	99.57	101.56	104.93	108.09	108.09
Claimed by the Petitioner in the instant Petition	99.57	101.56	101.92	102.08	102.08
Approved after trued-up in this order	99.57	101.56	101.93	102.09	102.09

(₹ in lakh)					
Asset-VII	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	111.27	114.38	117.99	120.93	120.93
Claimed by the Petitioner in the instant Petition	111.27	114.38	115.24	115.43	115.43
Approved after trued-up in this order	111.27	114.38	115.24	115.43	115.43

Interest on Loan (IoL)

22. The Petitioner has claimed the Weighted Average Rate of Interest (WAROI) on loans based on its actual loan portfolio as per the prevailing Rate of Interest (RoI). The IoL has been calculated based on the actual interest rate submitted by the Petitioner in accordance with Regulation 32 of the 2019 Tariff Regulations. The trued-up IoL allowed with respect to the transmission assets are as follows:

(₹ in lakh)						
	Asset-I					
	Particular	2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Loan					
A	Gross Normative Loan	317.69	319.14	320.03	320.89	320.89
B	Cumulative Repayments up to Previous Year	171.48	239.71	308.19	320.89	320.89
C	Net Loan-Opening (A-B)	146.21	79.43	11.83	0.00	0.00
D	Additions	1.46	0.88	0.86	0.00	0.00
E	Repayment during the year	68.23	68.48	12.69	0.00	0.00



	Asset-I					
	Particular	2019-20	2020-21	2021-22	2022-23	2023-24
F	Net Loan-Closing (C+D-E)	79.43	11.83	0.00	0.00	0.00
G	Average Loan (C+F)/2	112.82	45.63	5.92	0.00	0.00
H	Weighted Average Rate of Interest on Loan (%)	8.0562	7.7726	7.7085	7.8423	8.0238
I	Interest on Loan (G*H)	9.09	3.55	0.46	0.00	0.00

(₹ in lakh)

	Asset-II					
	Particular	2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Loan					
A	Gross Normative Loan	438.41	456.97	457.90	458.98	458.98
B	Cumulative Repayments upto Previous Year	194.02	280.98	370.02	458.98	458.98
C	Net Loan-Opening (A-B)	244.39	176.00	87.88	0.00	0.00
D	Additions	18.56	0.92	1.09	0.00	0.00
E	Repayment during the year	86.96	89.04	88.96	0.00	0.00
F	Net Loan-Closing (C+D-E)	176.00	87.88	0.00	0.00	0.00
G	Average Loan (C+F)/2	210.19	131.94	43.94	0.00	0.00
H	Weighted Average Rate of Interest on Loan (%)	8.0548	7.5776	7.4722	7.7013	8.0472
I	Interest on Loan (G*H)	16.93	10.00	3.28	0.00	0.00

(₹ in lakh)

	Asset-III					
	Particular	2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Loan					
A	Gross Normative Loan	589.93	601.03	602.78	604.13	604.13
B	Cumulative Repayments up to Previous Year	319.11	446.71	575.69	604.13	604.13
C	Net Loan-Opening (A-B)	270.82	154.32	27.09	0.00	0.00
D	Additions	11.10	1.75	1.35	0.00	0.00
E	Repayment during the year	127.60	128.98	28.44	0.00	0.00
F	Net Loan-Closing (C+D-E)	154.32	27.09	0.00	0.00	0.00
G	Average Loan (C+F)/2	212.57	90.70	13.54	0.00	0.00
H	Weighted Average Rate of Interest on Loan (%)	7.9176	7.6651	7.6468	7.8443	8.0511
I	Interest on Loan (G*H)	16.83	6.95	1.04	0.00	0.00

(₹ in lakh)

	Asset-IV					
	Particular	2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Loan					
A	Gross Normative Loan	456.84	461.57	462.27	463.25	463.25
B	Cumulative Repayments up to Previous Year	207.81	306.21	405.19	463.25	463.25
C	Net Loan-Opening (A-B)	249.03	155.36	57.08	0.00	0.00
D	Additions	4.73	0.71	0.98	0.00	0.00
E	Repayment during the year	98.40	98.98	58.06	0.00	0.00



Asset-IV						
	Particular	2019-20	2020-21	2021-22	2022-23	2023-24
F	Net Loan-Closing (C+D-E)	155.36	57.08	0.00	0.00	0.00
G	Average Loan (C+F)/2	202.19	106.22	28.54	0.00	0.00
H	Weighted Average Rate of Interest on Loan (%)	7.9919	7.8688	7.8950	8.0375	8.1355
I	Interest on Loan (G*H)	16.16	8.36	2.25	0.00	0.00

(₹ in lakh)

Asset-V						
	Particular	2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Loan					
A	Gross Normative Loan	393.33	398.45	408.04	409.45	409.45
B	Cumulative Repayments up to Previous Year	143.73	228.56	314.97	402.56	409.45
C	Net Loan-Opening (A-B)	249.60	169.88	93.06	6.89	0.00
D	Additions	5.12	9.59	1.41	0.00	0.00
E	Repayment during the year	84.83	86.41	87.59	6.89	0.00
F	Net Loan-Closing (C+D-E)	169.88	93.06	6.89	0.00	0.00
G	Average Loan (C+F)/2	209.74	131.47	49.98	3.45	0.00
H	Weighted Average Rate of Interest on Loan (%)	7.8076	7.3843	7.2952	7.5093	7.8076
I	Interest on Loan (G*H)	16.38	9.71	3.65	0.26	0.00

(₹ in lakh)

Asset-VI						
	Particular	2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Loan					
A	Gross Normative Loan	456.38	472.98	474.90	476.40	476.40
B	Cumulative Repayments up to Previous Year	109.31	208.88	310.44	412.37	476.40
C	Net Loan-Opening (A-B)	347.07	264.10	164.46	64.03	0.00
D	Additions	16.60	1.92	1.50	0.00	0.00
E	Repayment during the year	99.57	101.56	101.93	64.03	0.00
F	Net Loan-Closing (C+D-E)	264.10	164.46	64.03	0.00	0.00
G	Average Loan (C+F)/2	305.58	214.28	114.24	32.02	0.00
H	Weighted Average Rate of Interest on Loan (%)	7.8993	7.4975	7.4085	7.6037	7.8881
I	Interest on Loan (G*H)	24.14	16.07	8.46	2.43	0.00

(₹ in lakh)

Asset-VII						
	Particular	2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Loan					
A	Gross Normative Loan	507.86	530.67	536.87	538.67	538.67
B	Cumulative Repayments up to Previous Year	117.88	229.15	343.53	458.77	538.67
C	Net Loan-Opening (A-B)	389.98	301.52	193.33	79.90	0.00
D	Additions	22.81	6.20	1.81	0.00	0.00
E	Repayment during the year	111.27	114.38	115.24	79.90	0.00



	Asset-VII					
	Particular	2019-20	2020-21	2021-22	2022-23	2023-24
F	Net Loan-Closing (C+D-E)	301.52	193.33	79.90	0.00	0.00
G	Average Loan (C+F)/2	345.75	247.43	136.62	39.95	0.00
H	Weighted Average Rate of Interest on Loan (%)	7.7167	7.4126	7.3711	7.6530	8.0111
I	Interest on Loan (G*H)	26.68	18.34	10.07	3.06	0.00

23. The details of the IoL allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019 for the transmission assets, IoL claimed in the instant Petition, and trued-up IoL approved in the instant order are as follows:

(₹ in lakh)					
Asset-I	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	9.17	3.70	0.48	0.00	0.00
Claimed by the Petitioner in the instant Petition	9.09	3.55	0.46	0.00	0.00
Approved after trued-up in this order	9.09	3.55	0.46	0.00	0.00

(₹ in lakh)					
Asset-II	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	17.18	10.77	3.72	0.14	0.00
Claimed by the Petitioner in the instant Petition	16.93	10.00	3.28	0.00	0.00
Approved after trued-up in this order	16.93	10.00	3.28	0.00	0.00

(₹ in lakh)					
Asset-III	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	16.95	7.22	1.09	0.00	0.00
Claimed by the Petitioner in the instant Petition	16.83	6.95	1.04	0.00	0.00
Approved after trued-up in this order	16.83	6.95	1.04	0.00	0.00

(₹ in lakh)					
Asset-IV	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	16.21	8.50	2.30	0.00	0.00
Claimed by the Petitioner in the instant Petition	16.16	8.36	2.25	0.00	0.00
Approved after trued-up in this order	16.16	8.36	2.25	0.00	0.00



(₹ in lakh)

Asset-V	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	16.60	10.37	4.65	0.99	0.00
Claimed by the Petitioner in the instant Petition	16.38	9.71	3.65	0.26	0.00
Approved after trued-up in this order	16.38	9.71	3.65	0.26	0.00

(₹ in lakh)

Asset-VI	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	24.44	17.12	10.11	3.54	0.00
Claimed by the Petitioner in the instant Petition	24.14	16.07	8.46	2.43	0.00
Approved after trued-up in this order	24.14	16.07	8.46	2.43	0.00

(₹ in lakh)

Asset-VII	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	26.95	19.26	11.69	4.16	0.00
Claimed by the Petitioner in the instant Petition	26.68	18.34	10.07	3.06	0.00
Approved after trued-up in this order	26.68	18.34	10.07	3.06	0.00

Return on Equity (RoE)

24. The Petitioner has submitted that its Income Tax Assessment has been completed, and assessment orders have been issued by the Income Tax Department for the FY 2019- 20 and FY 2020-21, and the income has been assessed under MAT [115JB of the Income Tax Act, 1961, (IT Act, 161)]. The Petitioner has further submitted that the Income Tax Returns (ITRs) have been filed for the FY 2021-22, FY 2022-23 and FY 2023-24.

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



Year	Claimed effective tax rate (in %)	Grossed-up RoE [(Base Rate)/(1-t)] (in %)
2019-20	17.472	18.782
2020-21	17.472	18.782
2021-22	17.472	18.782
2022-23	17.472	18.782
2023-24	17.472	18.782

26. We have considered the Petitioner's submissions and have also gone through the record. We observe that the entities covered under the MAT regime are paying Income Tax as per the MAT rates notified for the respective financial year under the IT Act, 1961, which is levied on the book profit of the entity, computed as per Section 115 JB of the IT Act, 1961. Section 115 JB (2) defines book profit as net profit in the statement of Profit and Loss prepared in accordance with Schedule-III of the Companies Act, 2013, subject to some additions and deductions as mentioned in the IT Act, 1961. Since the Petitioner has been paying the MAT rates of the respective financial year, the notified MAT rates for the respective financial year shall be considered as an effective tax rate for the purpose of grossing up the RoE for truing up the 2019-24 tariff period in terms of the provisions of the 2019 Tariff Regulations. Interest imposed on any additional income tax demand as per the Assessment Order of the Income Tax Authorities shall be considered on the actual payment. However, the penalty (for default on the part of the Assessee), if any, imposed shall not be taken into account for the purpose of grossing up of the rate of RoE. Any under recovery or over-recovery of the grossed-up rates on the RoE after truing up shall be recovered or refunded to the beneficiaries or the long-term customers, as the case may be on a year-to-year basis. Therefore, the following effective tax rate based on the notified MAT rates are considered for the purpose of grossing up the rate of RoE:



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

27. Accordingly, the trued-up RoE allowed with respect to the transmission assets for the 2019-24 tariff period are as follows:

(₹ in lakh)

	Particulars	Asset-I				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Return on Equity					
A	Opening Equity	136.15	136.78	137.15	137.52	137.52
B	Additions	0.62	0.38	0.37	0.00	0.00
C	Closing Equity (A+B)	136.78	137.15	137.52	137.52	137.52
D	Average Equity (A+C)/2	136.46	136.97	137.34	137.52	137.52
E	Return on Equity (Base Rate) (in %)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (in %)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	25.63	25.72	25.79	25.83	25.83

(₹ in lakh)

	Particulars	Asset-II				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Return on Equity					
A	Opening Equity	187.89	195.85	196.24	196.71	196.71
B	Additions	7.96	0.40	0.47	0.00	0.00
C	Closing Equity (A+B)	195.85	196.24	196.71	196.71	196.71
D	Average Equity (A+C)/2	191.87	196.04	196.47	196.71	196.71
E	Return on Equity (Base Rate) (in %)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (in %)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	36.04	36.82	36.90	36.95	36.95



(₹ in lakh)

	Particulars	Asset-III				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Return on Equity					
A	Opening Equity	252.83	257.58	258.33	258.91	258.91
B	Additions	4.76	0.75	0.58	0.00	0.00
C	Closing Equity (A+B)	257.58	258.33	258.91	258.91	258.91
D	Average Equity (A+C)/2	255.20	257.96	258.62	258.91	258.91
E	Return on Equity (Base Rate) (in %)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (in %)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	47.93	48.45	48.57	48.63	48.63

(₹ in lakh)

	Particulars	Asset-IV				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Return on Equity					
A	Opening Equity	195.79	197.81	198.12	198.54	198.54
B	Additions	2.03	0.30	0.42	0.00	0.00
C	Closing Equity (A+B)	197.81	198.12	198.54	198.54	198.54
D	Average Equity (A+C)/2	196.80	197.97	198.33	198.54	198.54
E	Return on Equity (Base Rate) (in %)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (in %)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	36.96	37.18	37.25	37.29	37.29

(₹ in lakh)

	Particulars	Asset-V				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Return on Equity					
A	Opening Equity	168.57	170.76	174.87	175.48	175.48
B	Additions	2.19	4.11	0.61	0.00	0.00
C	Closing Equity (A+B)	170.76	174.87	175.48	175.48	175.48
D	Average Equity (A+C)/2	169.67	172.82	175.18	175.48	175.48
E	Return on Equity (Base Rate) (in %)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (in %)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	31.87	32.46	32.90	32.96	32.96



(₹ in lakh)

	Particulars	Asset-VI				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Return on Equity					
A	Opening Equity	195.59	202.71	203.53	204.17	204.17
B	Additions	7.12	0.82	0.64	0.00	0.00
C	Closing Equity (A+B)	202.71	203.53	204.17	204.17	204.17
D	Average Equity (A+C)/2	199.15	203.12	203.85	204.17	204.17
E	Return on Equity (Base Rate) (in %)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (in %)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	37.40	38.15	38.29	38.35	38.35

(₹ in lakh)

	Particulars	Asset-VII				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Return on Equity					
A	Opening Equity	217.66	227.43	230.09	230.86	230.86
B	Additions	9.77	2.66	0.77	0.00	0.00
C	Closing Equity (A+B)	227.43	230.09	230.86	230.86	230.86
D	Average Equity (A+C)/2	222.54	228.76	230.47	230.86	230.86
E	Return on Equity (Base Rate) (in %)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (in %)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	41.80	42.97	43.29	43.36	43.36

28. The details of RoE allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019 for the transmission assets, RoE claimed in the instant Petition, and trued-up RoE approved in the instant order are as follows:

(₹ in lakh)

Asset-I	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	25.63	25.72	25.84	25.92	25.92
Claimed by the Petitioner in the instant Petition	25.63	25.72	25.80	25.83	25.83
Approved after trued-up in this order	25.63	25.72	25.79	25.83	25.83



(₹ in lakh)

Asset-II	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	36.03	36.81	37.06	37.28	37.28
Claimed by the Petitioner in the instant Petition	36.03	36.81	36.89	36.94	36.94
Approved after trued-up in this order	36.04	36.82	36.90	36.95	36.95

(₹ in lakh)

Asset-III	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	47.93	48.45	49.94	51.36	51.36
Claimed by the Petitioner in the instant Petition	47.93	48.45	48.57	48.63	48.63
Approved after trued-up in this order	47.93	48.45	48.57	48.63	48.63

(₹ in lakh)

Asset-IV	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	36.96	37.18	38.47	39.73	39.73
Claimed by the Petitioner in the instant Petition	36.96	37.18	37.25	37.29	37.29
Approved after trued-up in this order	36.96	37.18	37.25	37.29	37.29

(₹ in lakh)

Asset-V	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	31.87	32.46	33.72	34.60	34.60
Claimed by the Petitioner in the instant Petition	31.87	32.46	32.90	32.96	32.96
Approved after trued-up in this order	31.87	32.46	32.90	32.96	32.96

(₹ in lakh)

Asset-VI	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	37.40	38.15	39.41	40.60	40.60
Claimed by the Petitioner in the instant Petition	37.40	38.15	38.29	38.35	38.35
Approved after trued-up in this order	37.40	38.15	38.29	38.35	38.35

(₹ in lakh)

Asset-VII	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	41.80	42.96	44.32	45.42	45.42



Asset-VII	2019-20	2020-21	2021-22	2022-23	2023-24
Claimed by the Petitioner in the instant Petition	41.80	42.97	43.29	43.36	43.36
Approved after trued-up in this order	41.80	42.97	43.29	43.36	43.36

Operation & Maintenance Expenses (O&M Expenses)

29. The Petitioner has not claimed any O&M Expenses in the instant Petition with respect to the transmission assets for the 2019-24 tariff period.

Interest on Working Capital (IWC)

30. IWC has been worked out in accordance with Regulation 34 of the 2019 Tariff Regulations. The Rate of Interest (ROI) considered is 12.05% (SBI 1-year MCLR applicable as on 1.4.2019 of 8.55% plus 350 basis points) for the FY 2019-20, 11.25% (SBI 1-year MCLR applicable as on 1.4.2020 of 7.75% plus 350 basis points) for the FY 2020-21, 10.50% (SBI 1-year MCLR applicable as on 1.4.2021 of 7.00% plus 350 basis points) for the FY 2021-22 & FY 2011-23 and 12.00% (SBI 1-year MCLR applicable as on 1.4.2023 of 8.50% plus 350 basis points) for the FY 2023-24. The components of the working capital and interest allowed thereon with respect to the transmission assets for the 2019-24 tariff period are as follows:

(₹ in lakh)						
	Particulars	Asset-I				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Working Capital					
A	Working Capital for O&M Expenses (O&M Expenses for one month)	0.00	0.00	0.00	0.00	0.00
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	0.00	0.00	0.00	0.00	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	12.85	12.22	11.86	11.81	4.82
D	Total Working Capital (A+B+C)	12.85	12.22	11.86	11.81	4.82



	Particulars	Asset-I				
		2019-20	2020-21	2021-22	2022-23	2023-24
E	Rate of Interest for working capital (in %)	12.05	11.25	10.50	10.50	12.00
F	Interest on Working Capital (D*E)	1.55	1.37	1.24	1.24	0.58

(₹ in lakh)

	Particulars	Asset-II				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Working Capital					
A	Working Capital for O&M Expenses (O&M Expenses for one month)	0.00	0.00	0.00	0.00	0.00
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	0.00	0.00	0.00	0.00	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	17.46	16.99	16.17	15.78	10.74
D	Total Working Capital (A+B+C)	17.46	16.99	16.17	15.78	10.74
E	Rate of Interest for working capital (in %)	12.05	11.25	10.50	10.50	12.00
F	Interest on Working Capital (D*E)	2.10	1.91	1.70	1.66	1.29

(₹ in lakh)

	Particulars	Asset-III				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Working Capital					
A	Working Capital for O&M Expenses (O&M Expenses for one month)	0.00	0.00	0.00	0.00	0.00
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	0.00	0.00	0.00	0.00	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	24.01	23.05	22.35	22.24	9.64
D	Total Working Capital (A+B+C)	24.01	23.05	22.35	22.24	9.64
E	Rate of Interest for working capital (in %)	12.05	11.25	10.50	10.50	12.00
F	Interest on Working Capital (D*E)	2.89	2.59	2.35	2.34	1.16



(₹ in lakh)

	Particulars	Asset-IV				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Working Capital					
A	Working Capital for O&M Expenses (O&M Expenses for one month)	0.00	0.00	0.00	0.00	0.00
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	0.00	0.00	0.00	0.00	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	18.91	18.07	17.32	17.06	11.91
D	Total Working Capital (A+B+C)	18.91	18.07	17.32	17.06	11.91
E	Rate of Interest for working capital (in %)	12.05	11.25	10.50	10.50	12.00
F	Interest on Working Capital (D*E)	2.28	2.03	1.82	1.79	1.43

(₹ in lakh)

	Particulars	Asset-V				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Working Capital					
A	Working Capital for O&M Expenses (O&M Expenses for one month)	0.00	0.00	0.00	0.00	0.00
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	0.00	0.00	0.00	0.00	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	16.61	16.07	15.50	15.11	15.06
D	Total Working Capital (A+B+C)	16.61	16.07	15.50	15.11	15.06
E	Rate of Interest for working capital (in %)	12.05	11.25	10.50	10.50	12.00
F	Interest on Working Capital (D*E)	2.00	1.81	1.63	1.59	1.81

(₹ in lakh)

	Particulars	Asset-VI				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Working Capital					
A	Working Capital for O&M Expenses (O&M Expenses for one month)	0.00	0.00	0.00	0.00	0.00
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	0.00	0.00	0.00	0.00	0.00



	Particulars	Asset-VI				
		2019-20	2020-21	2021-22	2022-23	2023-24
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	20.11	19.48	18.57	17.85	17.53
D	Total Working Capital (A+B+C)	20.11	19.48	18.57	17.85	17.53
E	Rate of Interest for working capital (in %)	12.05	11.25	10.50	10.50	12.00
F	Interest on Working Capital (D*E)	2.42	2.19	1.95	1.87	2.10

(₹ in lakh)

	Particulars	Asset-VII				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Working Capital					
A	Working Capital for O&M Expenses (O&M Expenses for one month)	0.00	0.00	0.00	0.00	0.00
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	0.00	0.00	0.00	0.00	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	22.43	21.96	21.06	20.22	19.82
D	Total Working Capital (A+B+C)	22.43	21.96	21.06	20.22	19.82
E	Rate of Interest for working capital (in %)	12.05	11.25	10.50	10.50	12.00
F	Interest on Working Capital (D*E)	2.70	2.47	2.21	2.12	2.38

31. The details of IWC allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019 for transmission assets, claimed in the instant Petition, and trued-up IWC approved in the instant order are as follows:

(₹ in lakh)

Asset-I	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	1.55	1.38	1.25	1.24	0.52
Claimed by the Petitioner in the instant Petition	1.55	1.37	1.25	1.24	0.58
Approved after trued-up in this order	1.55	1.37	1.24	1.24	0.58



(₹ in lakh)

Asset-II	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	2.11	1.92	1.71	1.67	1.67
Claimed by the Petitioner in the instant Petition	2.10	1.91	1.70	1.66	1.29
Approved after trued-up in this order	2.10	1.91	1.70	1.66	1.29

(₹ in lakh)

Asset-III	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	2.89	2.60	2.41	2.47	1.54
Claimed by the Petitioner in the instant Petition	2.89	2.59	2.35	2.34	1.16
Approved after trued-up in this order	2.89	2.59	2.35	2.34	1.16

(₹ in lakh)

Asset-IV	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	2.28	2.03	1.88	1.91	1.72
Claimed by the Petitioner in the instant Petition	2.28	2.03	1.82	1.79	1.43
Approved after trued-up in this order	2.28	2.03	1.82	1.79	1.43

(₹ in lakh)

Asset-V	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	2.00	1.82	1.68	1.67	1.66
Claimed by the Petitioner in the instant Petition	2.00	1.81	1.63	1.59	1.81
Approved after trued-up in this order	2.00	1.81	1.63	1.59	1.81

(₹ in lakh)

Asset-VI	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	2.43	2.21	2.03	2.00	1.94
Claimed by the Petitioner in the instant Petition	2.42	2.19	1.95	1.87	2.10
Approved after trued-up in this order	2.42	2.19	1.95	1.87	2.10

(₹ in lakh)

Asset-VII	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	2.71	2.48	2.28	2.24	2.18



Asset-VII	2019-20	2020-21	2021-22	2022-23	2023-24
Claimed by the Petitioner in the instant Petition	2.70	2.47	2.21	2.12	2.38
Approved after trued-up in this order	2.70	2.47	2.21	2.12	2.38

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

32. Accordingly, the Annual Fixed Charges (AFC) approved after the truing-up for the 2019-24 tariff period with respect to the transmission assets are as follows:

(₹ in lakh)

	Particulars	Asset-I				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Annual Transmission Charges					
A	Depreciation	68.23	68.48	68.67	68.76	12.78
B	Interest on Loan	9.09	3.55	0.46	0.00	0.00
C	Return on Equity	25.63	25.72	25.79	25.83	25.83
D	O&M Expenses	0.00	0.00	0.00	0.00	0.00
E	Interest on Working Capital	1.55	1.37	1.24	1.24	0.58
F	Total (A+B+C+D+E)	104.50	99.12	96.16	95.83	39.19

(₹ in lakh)

	Particulars	Asset-II				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Annual Transmission Charges					
A	Depreciation	86.96	89.04	89.26	89.38	49.10
B	Interest on Loan	16.93	10.00	3.28	0.00	0.00
C	Return on Equity	36.04	36.82	36.90	36.95	36.95
D	O&M Expenses	0.00	0.00	0.00	0.00	0.00
E	Interest on Working Capital	2.10	1.91	1.70	1.66	1.29
F	Total (A+B+C+D+E)	142.03	137.77	131.14	127.98	87.34

(₹ in lakh)

	Particulars	Asset-III				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Annual Transmission Charges					
A	Depreciation	127.60	128.98	129.31	129.46	28.58
B	Interest on Loan	16.83	6.95	1.04	0.00	0.00
C	Return on Equity	47.93	48.45	48.57	48.63	48.63
D	O&M Expenses	0.00	0.00	0.00	0.00	0.00
E	Interest on Working Capital	2.89	2.59	2.35	2.34	1.16
F	Total (A+B+C+D+E)	195.25	186.97	181.26	180.42	78.37



(₹ in lakh)

	Particulars	Asset-IV				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Annual Transmission Charges					
A	Depreciation	98.40	98.98	99.16	99.27	58.16
B	Interest on Loan	16.16	8.36	2.25	0.00	0.00
C	Return on Equity	36.96	37.18	37.25	37.29	37.29
D	O&M Expenses	0.00	0.00	0.00	0.00	0.00
E	Interest on Working Capital	2.28	2.03	1.82	1.79	1.43
F	Total (A+B+C+D+E)	153.80	146.55	140.49	138.35	96.88

(₹ in lakh)

	Particulars	Asset-V				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Annual Transmission Charges					
A	Depreciation	84.83	86.41	87.59	87.74	87.74
B	Interest on Loan	16.38	9.71	3.65	0.26	0.00
C	Return on Equity	31.87	32.46	32.90	32.96	32.96
D	O&M Expenses	0.00	0.00	0.00	0.00	0.00
E	Interest on Working Capital	2.00	1.81	1.63	1.59	1.81
F	Total (A+B+C+D+E)	135.08	130.39	125.76	122.54	122.51

(₹ in lakh)

	Particulars	Asset-VI				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Annual Transmission Charges					
A	Depreciation	99.57	101.56	101.93	102.09	102.09
B	Interest on Loan	24.14	16.07	8.46	2.43	0.00
C	Return on Equity	37.40	38.15	38.29	38.35	38.35
D	O&M Expenses	0.00	0.00	0.00	0.00	0.00
E	Interest on Working Capital	2.42	2.19	1.95	1.87	2.10
F	Total (A+B+C+D+E)	163.54	157.97	150.63	144.74	142.54

(₹ in lakh)

	Particulars	Asset-VII				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Annual Transmission Charges					
A	Depreciation	111.27	114.38	115.24	115.43	115.43
B	Interest on Loan	26.68	18.34	10.07	3.06	0.00
C	Return on Equity	41.80	42.97	43.29	43.36	43.36
D	O&M Expenses	0.00	0.00	0.00	0.00	0.00
E	Interest on Working Capital	2.70	2.47	2.21	2.12	2.38
F	Total (A+B+C+D+E)	182.45	178.16	170.81	163.97	161.17



33. The details of AFC allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019 for transmission assets, AFC claimed in the instant Petition, and trued-up AFC approved in the instant order are as follows:

(₹ in lakh)

Asset-I	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	104.58	99.28	96.35	96.16	40.44
Claimed by the Petitioner in the instant Petition	104.50	99.12	96.18	95.83	39.20
Approved after trued-up in this order	104.50	99.12	96.16	95.83	39.19

(₹ in lakh)

Asset-II	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	142.27	138.55	132.21	129.37	129.23
Claimed by the Petitioner in the instant Petition	142.02	137.76	131.13	127.98	87.32
Approved after trued-up in this order	142.03	137.77	131.14	127.98	87.34

(₹ in lakh)

Asset-III	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	195.38	187.24	186.39	190.57	119.10
Claimed by the Petitioner in the instant Petition	195.25	186.97	181.27	180.43	78.37
Approved after trued-up in this order	195.25	186.97	181.26	180.42	78.37

(₹ in lakh)

Asset-IV	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	153.86	146.70	145.07	147.41	133.22
Claimed by the Petitioner in the instant Petition	153.80	146.55	140.48	138.35	96.89
Approved after trued-up in this order	153.80	146.55	140.49	138.35	96.88

(₹ in lakh)

Asset-V	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	135.30	131.05	129.83	129.38	128.37
Claimed by the Petitioner in the instant Petition	135.08	130.39	125.77	122.55	122.51



Asset-V	2019-20	2020-21	2021-22	2022-23	2023-24
Approved after trued-up in this order	135.08	130.39	125.76	122.54	122.51

(₹ in lakh)					
Asset-VI	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	163.85	159.03	156.48	154.24	150.64
Claimed by the Petitioner in the instant Petition	163.53	157.97	150.62	144.73	142.53
Approved after trued-up in this order	163.54	157.97	150.63	144.74	142.54

(₹ in lakh)					
Asset-VII	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 29.6.2022 in Petition No. 423/TT/2019	182.73	179.09	176.27	172.75	168.53
Claimed by the Petitioner in the instant Petition	182.45	178.16	170.81	163.97	161.17
Approved after trued-up in this order	182.45	178.16	170.81	163.97	161.17

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

34. The Petitioner has claimed the following transmission charges with respect to the transmission assets for the 2024-29 tariff period:

(₹ in lakh)					
	Asset-I				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	0.79	0.78	0.00	0.00	0.00
Interest on Loan	0.01	0.01	0.00	0.00	0.00
Return on Equity	25.87	25.92	25.92	25.92	25.92
Interest on Working Capital	0.40	0.40	0.39	0.38	0.39
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	27.07	27.11	26.31	26.30	26.31

(₹ in lakh)					
	Asset-II				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	5.58	5.58	2.57	2.57	39.96
Interest on Loan	0.00	0.00	0.00	0.00	0.00
Return on Equity	37.11	37.28	37.28	37.28	37.28
Interest on Working Capital	0.64	0.64	0.59	0.59	1.15



	Asset-II				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	43.33	43.50	40.44	40.44	78.39

(₹ in lakh)

	Asset-III				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	24.27	24.27	0.00	0.00	0.00
Interest on Loan	0.39	0.39	0.00	0.00	0.00
Return on Equity	50.00	51.36	51.36	51.36	51.36
Interest on Working Capital	1.11	1.13	0.77	0.76	0.77
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	75.77	77.15	52.13	52.12	52.13

(₹ in lakh)

	Asset-IV				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	21.68	21.68	0.00	0.00	0.00
Interest on Loan	0.35	0.35	0.00	0.00	0.00
Return on Equity	38.51	39.73	39.73	39.73	39.73
Interest on Working Capital	0.90	0.92	0.59	0.59	0.59
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	61.44	62.68	40.32	40.32	40.32

(₹ in lakh)

	Asset-V				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	21.46	14.58	0.00	0.00	0.00
Interest on Loan	0.00	0.00	0.00	0.00	0.00
Return on Equity	33.78	34.60	34.60	34.60	34.60
Interest on Working Capital	0.82	0.73	0.52	0.51	0.52
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	56.06	49.91	35.12	35.11	35.12

(₹ in lakh)

	Asset-VI				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	84.07	20.03	0.00	0.00	0.00
Interest on Loan	0.00	0.00	0.00	0.00	0.00
Return on Equity	39.48	40.60	40.60	40.60	40.60
Interest on Working Capital	1.84	0.90	0.60	0.60	0.60
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	125.39	61.53	41.20	41.20	41.20



(₹ in lakh)

	Asset-VII				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	98.23	18.33	0.00	0.00	0.00
Interest on Loan	0.00	0.00	0.00	0.00	0.00
Return on Equity	44.39	45.42	45.42	45.42	45.42
Interest on Working Capital	2.12	0.95	0.68	0.67	0.68
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Total	144.74	64.70	46.10	46.09	46.10

35. The Petitioner has claimed the following IWC with respect to the transmission assets for the 2024-29 tariff period:

(₹ in lakh)

	Asset-I				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Spares	0.00	0.00	0.00	0.00	0.00
Receivables	3.34	3.34	3.24	3.23	3.24
Total Working Capital	3.34	3.34	3.24	3.23	3.24
Rate of Interest (%)	11.90	11.90	11.90	11.90	11.90
Interest on Working Capital	0.40	0.40	0.39	0.38	0.39

(₹ in lakh)

	Asset-II				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Spares	0.00	0.00	0.00	0.00	0.00
Receivables	5.34	5.36	4.99	4.97	9.66
Total Working Capital	5.34	5.36	4.99	4.97	9.66
Rate of Interest (%)	11.90	11.90	11.90	11.90	11.90
Interest on Working Capital	0.64	0.64	0.59	0.59	1.15

(₹ in lakh)

	Asset-III				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Spares	0.00	0.00	0.00	0.00	0.00
Receivables	9.34	9.51	6.43	6.41	6.43
Total Working Capital	9.34	9.51	6.43	6.41	6.43
Rate of Interest (%)	11.90	11.90	11.90	11.90	11.90
Interest on Working Capital	1.11	1.13	0.77	0.76	0.77



(₹ in lakh)

	Asset-IV				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Spares	0.00	0.00	0.00	0.00	0.00
Receivables	7.57	7.73	4.97	4.96	4.97
Total Working Capital	7.57	7.73	4.97	4.96	4.97
Rate of Interest (%)	11.90	11.90	11.90	11.90	11.90
Interest on Working Capital	0.90	0.92	0.59	0.59	0.59

(₹ in lakh)

	Asset-V				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Spares	0.00	0.00	0.00	0.00	0.00
Receivables	6.91	6.15	4.33	4.32	4.33
Total Working Capital	6.91	6.15	4.33	4.32	4.33
Rate of Interest (%)	11.90	11.90	11.90	11.90	11.90
Interest on Working Capital	0.82	0.73	0.52	0.51	0.52

(₹ in lakh)

	Asset-VI				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Spares	0.00	0.00	0.00	0.00	0.00
Receivables	15.46	7.59	5.08	5.07	5.08
Total Working Capital	15.46	7.59	5.08	5.07	5.08
Rate of Interest (%)	11.90	11.90	11.90	11.90	11.90
Interest on Working Capital	1.84	0.90	0.60	0.60	0.60

(₹ in lakh)

	Asset-VII				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Spares	0.00	0.00	0.00	0.00	0.00
Receivables	17.84	7.98	5.68	5.67	5.68
Total Working Capital	17.84	7.98	5.68	5.67	5.68
Rate of Interest (%)	11.90	11.90	11.90	11.90	11.90
Interest on Working Capital	2.12	0.95	0.68	0.67	0.68

Capital Cost

36. Regulation 19 of the 2024 Tariff Regulations provides as under:

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



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

- (a) The expenditure incurred or projected to be incurred up to the date of commercial operation of the project;*
- (b) Interest during construction and financing charges, on the loans (i) being equal to 70% of the funds deployed and, in the event actual equity is in excess of 30% on a pari-passu basis, by treating the excess equity over and above 30% of the funds deployed as a normative loan, or (ii) being equal to the actual amount of the loan in the event of actual equity being less than 30% of the funds deployed;*
- (c) Any gain or loss on account of foreign exchange risk variation pertaining to the loan amount availed during the construction period;*
- (d) Interest during construction and incidental expenditure during construction as computed in accordance with these regulations;*
- (e) Capitalised initial spares subject to the ceiling rates in accordance with these regulations;*
- (f) Expenditure on account of additional capitalization and de-capitalisation determined in accordance with these regulations;*
- (g) Adjustment of revenue due to the sale of infirm power in excess of fuel cost prior to the date of commercial operation as specified under Regulation 6 of these regulations;*
- (h) Adjustment of revenue earned by the transmission licensee by using the assets before the date of commercial operation;*
- (i) Capital expenditure on account of ash disposal and utilization including handling and transportation facility;*
- (j) Capital expenditure incurred towards railway infrastructure and its augmentation for transportation of coal up to the receiving end of the generating station but does not include the transportation cost and any other appurtenant cost paid to the railway;*
- (k) Capital expenditure on account of biomass handling equipment and facilities, for co-firing;*
- (l) Capital expenditure on account of emission control system necessary to meet the revised emission standards and sewage treatment plant;*
- (m) Expenditure on account of the fulfilment of any conditions for obtaining environment clearance for the project;*
- (n) Expenditure on account of change in law and force majeure events; and*
- (o).....*
- (p).....*

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

- (a) Capital cost admitted by the Commission prior to 1.4.2024 duly trued up by excluding liability, if any, as on 1.4.2024;*
- (b) Additional capitalization and de-capitalization for the respective year of tariff as determined in accordance with these regulations;*
- (c) Capital expenditure on account of renovation and modernisation as admitted by this Commission in accordance with these regulations;*
- (d) to (h).....*



(i) Expenditure on account of change in law and force majeure events;

(4) & (5)

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

(a) The assets forming part of the project but not in use, as declared in the tariff petition;

(b) De-capitalised Assets after the date of commercial operation on account of obsolescence;

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

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

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

(d).....

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

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

37. The Petitioner has claimed the following capital cost of the transmission assets during the 2024-29 tariff period:

(₹ in lakh)								
Particulars	Apportioned cost as per FR/RCE	Expenditure as on 1.4.2024	Estimated expenditure during 2024-29 tariff period					Estimated completion cost as on 31.3.2029
			2024-25	2025-26	2025-27	2027-28	2028-29	
Asset-I	548.37	458.41	1.57	0.00	0.00	0.00	0.00	459.98
Asset-II	709.72	655.7	6.02	0.00	0.00	0.00	0.00	661.72
Asset-III	1069.21	863.04	48.54	0.00	0.00	0.00	0.00	911.58
Asset-IV	745.26	661.79	43.36	0.00	0.00	0.00	0.00	705.15
Asset-V	642.45	584.93	29.16	0.00	0.00	0.00	0.00	614.09
Asset-VI	992.28	680.56	40.06	0.00	0.00	0.00	0.00	720.62
Asset-VII	910.28	769.53	36.66	0.00	0.00	0.00	0.00	806.19

38. We have considered the Petitioner's submissions. The trued-up capital cost for the transmission assets as on 31.3.2024, has been approved by the Commission in the



instant order, and thus, the same is being considered as the opening capital cost as on 1.4.2024 with respect to the transmission assets for the 2024-29 tariff period in accordance with Regulation 19(3)(a) of the 2024 Tariff Regulations.

Additional Capital Expenditure (ACE)

39. Regulations 24 and 25 of the 2024 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) Payment made towards admitted liabilities for works executed up to the cut-off 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) Payment against the award of arbitration or for compliance with the directions or order of any statutory authority or order or decree of any court of law;*
- (e) Change in law or compliance with any existing law which is not provided for in the original scope of work;*
- (f) For uninterrupted and timely development of Hydro projects, expenditure incurred towards developing local infrastructure in the vicinity of the power plant not exceeding Rs. 10 lakh/MW shall be considered as part of capital cost and in case the same work is covered under budgetary support provided by Government of India, the funding of such works shall be adjusted on receipt of such funds; Provided that such expenditure shall be allowed only if the expenditure is incurred through Indian Governmental Instrumentality; and*
- (g) Force Majeure events.*

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

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

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

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



- (a) *Payment made against award of arbitration or for compliance with the directions or order of any statutory authority, or order or decree of any court of law;*
- (b) *Change in law or compliance with any existing law which is not provided for in the original scope of work;*
- (c) *Deferred works relating to ash pond or ash handling system or raising of ash dyke in the original scope of work;*
- (d) *Payment made towards liability admitted for works within the original scope executed prior to the cut-off date;*
- (e) *Force Majeure events;*
- (f) *Works within original scope executed after the cut-off date and admitted by the Commission, to the extent of actual payments made; and*
- (2) *In case of replacement of assets deployed under the original scope of the existing project after the cut-off date, the additional capitalization may be admitted by the Commission after making necessary adjustments in the gross fixed assets and the cumulative depreciation, subject to prudence check on the following grounds:*
- (a) *Assets whose useful life is not commensurate with the useful life of the project and such assets have been fully depreciated in accordance with the provisions of these regulations;*
- (b) *The replacement of the asset or equipment is necessary on account of a change in law or Force Majeure conditions;*
- (c) *The replacement of such asset or equipment is necessary on account of obsolescence of technology; and*
- (d) *The replacement of such asset or equipment has otherwise been allowed by the Commission.*
- Provided that any claim of additional capitalization with respect to the replacement of assets under the original scope and on account of obsolescence of technology, less than Rs. 20 lakhs shall not be considered as part of Capital cost and shall be met through normative O&M expenses."*

40. The Petitioner has claimed the following total ACE of ₹205.37 lakh with respect to the transmission assets for the 2024-29 tariff period under Regulation 25(1)(d) of the 2024 Tariff Regulations:

(₹ in lakh)		
Asset-I		
Particulars	Regulation	ACE claimed
		2024-25
Payment made towards liability admitted for works within the original scope executed prior to the cut-off date	25(1)(d) of the 2024 Tariff Regulations	1.57



Asset-I		
Particulars	Regulation	ACE claimed
		2024-25
Total		1.57

(₹ in lakh)

Asset-II		
Particulars	Regulation	ACE claimed
		2024-25
Payment made towards liability admitted for works within the original scope executed prior to the cut-off date	25(1)(d) of the 2024 Tariff Regulations	6.02
Total		6.02

(₹ in lakh)

Asset-III		
Particulars	Regulation	ACE claimed
		2024-25
Payment made towards liability admitted for works within the original scope executed prior to the cut-off date	25(1)(d) of the 2024 Tariff Regulations	48.54
Total		48.54

(₹ in lakh)

Asset-IV		
Particulars	Regulation	ACE claimed
		2024-25
Payment made towards liability admitted for works within the original scope executed prior to the cut-off date	25(1)(d) of the 2024 Tariff Regulations	43.36
Total		43.36

(₹ in lakh)

Asset-V		
Particulars	Regulation	ACE claimed
		2024-25
Payment made towards liability admitted for works within the original scope executed prior to the cut-off date	25(1)(d) of the 2024 Tariff Regulations	29.16
Total		29.16

(₹ in lakh)

Asset-VI		
Particulars	Regulation	ACE claimed
		2024-25
Payment made towards liability admitted for works within the original scope executed prior to the cut-off date	25(1)(d) of the 2024 Tariff Regulations	40.06
Total		40.06



(₹ in lakh)

Asset-VIII		
Particulars	Regulation	ACE claimed
		2024-25
Payment made towards liability admitted for works within the original scope executed prior to the cut-off dates	25(1)(d) of the 2024 Tariff Regulations	36.66
Total		36.66

41. The Petitioner has also submitted the details of the Liability Flow Statement as under:

(₹ in lakh)

Asset-I					
Head-wise/Party-wise	Particulars	Year of Actual Capitalisation	Outstanding Liability as on 31.3.2024	Discharge	Outstanding Liability as on 31.3.2029
				2024-25	
M/s GE T&D India	IT Equipment Including Software	1.4.2016	1.57	1.57	0.00
Total			1.57	1.57	0.00

(₹ in lakh)

Asset-II					
Head-wise/Party-wise	Particulars	Year of Actual Capitalisation	Outstanding Liability as on 31.3.2024	Discharge	Outstanding Liability as on 31.3.2029
				2024-25	
M/s GE T&D India	IT Equipment Including Software	1.4.2016	6.02	6.02	0.00
Total			6.02	6.02	0.00

(₹ in lakh)

Asset-III					
Head-wise/Party-wise	Particulars	Year of Actual Capitalisation	Outstanding Liability as on 31.3.2024	Discharge	Outstanding Liability as on 31.3.2029
				2024-25	
M/s GE T&D India	IT Equipment Including Software	1.4.2016	48.54	48.54	0.00
Total			48.54	48.54	0.00



(₹ in lakh)

Asset-IV					
Head-wise/Party-wise	Particulars	Year of Actual Capitalisation	Outstanding Liability as on 31.3.2024	Discharge	Outstanding Liability as on 31.3.2029
				2024-25	
M/s GE T&D India	IT Equipment Including Software	9.11.2016	43.36	43.36	0.00
Total			43.36	43.36	0.00

(₹ in lakh)

Asset-V					
Head-wise/Party-wise	Particulars	Year of Actual Capitalisation	Outstanding Liability as on 31.3.2024	Discharge	Outstanding Liability as on 31.3.2029
				2024-25	
M/s GE T&D India	IT Equipment Including Software	10.4.2017	29.16	29.16	0.00
Total			29.16	29.16	0.00

(₹ in lakh)

Asset-VI					
Head-wise/Party-wise	Particulars	Year of Actual Capitalisation	Outstanding Liability as on 31.3.2024	Discharge	Outstanding Liability as on 31.3.2029
				2024-25	
M/s GE T&D India	IT Equipment Including Software	15.1.2018	36.88	36.88	0.00
Process Machines and Automation		15.1.2018	3.18	3.18	0.00
Total			40.06	40.06	0.00

(₹ in lakh)

Asset-VII					
Head-wise/Party-wise	Particulars	Year of Actual Capitalisation	Outstanding Liability as on 31.3.2024	Discharge	Outstanding Liability as on 31.3.2029
				2024-25	
M/s GE T&D India	IT Equipment Including Software	15.1.2018	36.66	36.66	0.00
Total			36.66	36.66	0.00



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

(₹ in lakh)

Asset-I		
Particulars	Regulation	ACE allowed
		2024-25
Payment made towards liability admitted for works within the original scope executed prior to the cut-off date	25(1)(d) of the 2024 Tariff Regulations	1.57
Total		1.57

(₹ in lakh)

Asset-II		
Particulars	Regulation	ACE allowed
		2024-25
Payment made towards liability admitted for works within the original scope executed prior to the cut-off date	25(1)(d) of the 2024 Tariff Regulations	6.02
Total		6.02

(₹ in lakh)

Asset-III		
Particulars	Regulation	ACE allowed
		2024-25
Payment made towards liability admitted for works within the original scope executed prior to the cut-off date	25(1)(d) of the 2024 Tariff Regulations	48.54
Total		48.54

(₹ in lakh)

Asset-IV		
Particulars	Regulation	ACE allowed
		2024-25
Payment made towards liability admitted for works within the original scope executed prior to the cut-off date	25(1)(d) of the 2024 Tariff Regulations	43.36
Total		43.36

(₹ in lakh)

Asset-V		
Particulars	Regulation	ACE allowed
		2024-25
Payment made towards liability admitted for works within the original	25(1)(d) of the 2024 Tariff Regulations	29.16



Asset-V		
Particulars	Regulation	ACE allowed
		2024-25
scope executed prior to the cut-off date		
Total		29.16

(₹ in lakh)

Asset-VI		
Particulars	Regulation	ACE allowed
		2024-25
Payment made towards liability admitted for works within the original scope executed prior to the cut-off date	25(1)(d) of the 2024 Tariff Regulations	40.06
Total		40.06

(₹ in lakh)

Asset-VIII		
Particulars	Regulation	ACE allowed
		2024-25
Payment made towards liability admitted for works within the original scope executed prior to the cut-off date	25(1)(d) of the 2024 Tariff Regulations	36.66
Total		36.66

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

(₹ in lakh)

Asset	Capital Cost admitted as on 1.4.2024	ACE Allowed	Capital Cost allowed as on 31.3.2029
		2024-25	
Asset-I	458.41	1.57	459.98
Asset-II	655.69	6.02	661.71
Asset-III	863.04	48.54	911.58
Asset-IV	661.79	43.36	705.15
Asset-V	584.93	29.16	614.09
Asset-VI	680.57	40.06	720.63
Asset-VII	769.53	36.66	806.19

Debt-Equity Ratio

44. Regulation 18 of the 2024 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:

- i. where equity actually deployed is less than 30% of the capital cost, actual equity shall be considered for determination of tariff:
- ii. the equity invested in foreign currency shall be designated in Indian rupees on the date of each investment:
- iii. any grant obtained for the execution of the project shall not be considered as a part of capital structure for the purpose of debt: equity ratio.

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

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

(3) In case of the generating station and the transmission system including communication system declared under commercial operation prior to 1.4.2019, debt: equity ratio allowed by the Commission for determination of tariff for the period ending 31.3.2024 shall be considered:

Provided that in case of a generating station or a transmission system including communication, system which has completed its useful life as on or after 1.4.2024, if the equity actually deployed as on 1.4.2024 is more than 30% of the capital cost, equity in excess of 30% shall not be taken into account for tariff computation;

Provided further that in case of projects owned by Damodar Valley Corporation, the debt: equity ratio shall be governed as per sub-clause (ii) of clause (2) of Regulation 96 of these regulations.

(4) In case of the generating station and the transmission system including communication system declared under commercial operation prior to 1.4.2024, but where debt: equity ratio has not been determined by the Commission for determination of tariff for the period ending 31.3.2024, the Commission shall approve the debt: equity ratio in accordance with clause (1) of this Regulation.

(5) Any expenditure incurred or projected to be incurred on or after 1.4.2024 as may be admitted by the Commission as additional capital expenditure for determination of tariff, and renovation and modernisation expenditure for life extension shall be serviced in the manner specified in clause (1) of this Regulation.

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

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

Asset-I						
Funding	Capital Cost as on 1.4.2024 (₹ in lakh)	(In %)	ACE in 2024-29 (₹ in lakh)	(In %)	Capital Cost as on 31.3.2029 (₹ in lakh)	(In %)
Debt	320.89	70.00%	1.10	70.00%	321.99	70.00%
Equity	137.52	30.00%	0.47	30.00%	137.99	30.00%
Total	458.41	100.00%	1.57	100.00%	459.98	100.00%

Asset-II						
Funding	Capital Cost as on 1.4.2024 (₹ in lakh)	(In %)	ACE in 2024-29 (₹ in lakh)	(In %)	Capital Cost as on 31.3.2029 (₹ in lakh)	(In %)
Debt	458.98	70.00%	4.21	70.00%	463.20	70.00%
Equity	196.71	30.00%	1.81	30.00%	198.51	30.00%
Total	655.69	100.00%	6.02	100.00%	661.71	100.00%

Asset-III						
Funding	Capital Cost as on 1.4.2024 (₹ in lakh)	(In %)	ACE in 2024-29 (₹ in lakh)	(In %)	Capital Cost as on 31.3.2029 (₹ in lakh)	(In %)
Debt	604.13	70.00%	33.98	70.00%	638.11	70.00%
Equity	258.91	30.00%	14.56	30.00%	273.47	30.00%
Total	863.04	100.00%	48.54	100.00%	911.58	100.00%

Asset-IV						
Funding	Capital Cost as on 1.4.2024 (₹ in lakh)	(In %)	ACE in 2024-29 (₹ in lakh)	(In %)	Capital Cost as on 31.3.2029 (₹ in lakh)	(In %)
Debt	463.25	70.00%	30.35	70.00%	493.61	70.00%
Equity	198.54	30.00%	13.01	30.00%	211.55	30.00%



Asset-IV						
Funding	Capital Cost as on 1.4.2024 (₹ in lakh)	(In %)	ACE in 2024-29 (₹ in lakh)	(In %)	Capital Cost as on 31.3.2029 (₹ in lakh)	(In %)
Total	661.79	100.00%	43.36	100.00 %	705.15	100.00%

Asset-V						
Funding	Capital Cost as on 1.4.2024 (₹ in lakh)	(In %)	ACE in 2024-29 (₹ in lakh)	(In %)	Capital Cost as on 31.3.2029 (₹ in lakh)	(In %)
Debt	409.45	70.00%	20.41	70.00%	429.86	70.00%
Equity	175.48	30.00%	8.75	30.00%	184.23	30.00%
Total	584.93	100.00%	29.16	100.00 %	614.09	100.00%

Asset-VI						
Funding	Capital Cost as on 1.4.2024 (₹ in lakh)	(In %)	ACE in 2024-29 (₹ in lakh)	(In %)	Capital Cost as on 31.3.2029 (₹ in lakh)	(In %)
Debt	476.40	70.00%	28.04	70.00%	504.44	70.00%
Equity	204.17	30.00%	12.02	30.00%	216.19	30.00%
Total	680.57	100.00%	40.06	100.00 %	720.63	100.00%

Asset-VII						
Funding	Capital Cost as on 1.4.2024 (₹ in lakh)	(In %)	ACE in 2024-29 (₹ in lakh)	(In %)	Capital Cost as on 31.3.2029 (₹ in lakh)	(In %)
Debt	538.67	70.00%	25.66	70.00%	564.33	70.00%
Equity	230.86	30.00%	11.00	30.00%	241.86	30.00%
Total	769.53	100.00%	36.66	100.00 %	806.19	100.00%

Depreciation

46. Regulation 33 of the 2024 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 the case of the tariff of all the units of a generating station or all elements of a transmission system including the communication system for which a single tariff needs to be determined, the depreciation shall be computed from the effective date of commercial operation of the generating station or the transmission system taking into consideration the depreciation of individual units:



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

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

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

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

.....

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

(4)

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

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

.....

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

Provided that the remaining depreciable value as on 31st March of the year closing after a period of 15 years from the effective date of commercial operation of the generating station or the transmission system, as the case may be, shall be spread over the balance useful life of the assets.

.....

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

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



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

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

(10) XXXXXX

(11) XXXXXX

(12) XXXXXX”

47. The Petitioner, vide technical validation letter and ROP for the hearing dated 25.8.2025 and 6.11.2025, was directed to submit justification for life extension. The Petitioner, vide affidavit dated 11.11.2025, has submitted that it has not opted for life extension and that depreciation would, therefore, be revisited at the time of true-up of the transmission tariff. The Petitioner was further directed to provide the rationale for computation of depreciation of IT equipment at a rate of 50% for the transmission assets during the 2024-29 tariff period. In response, the Petitioner has submitted that depreciation has been calculated on the basis of the Straight-Line Method, at the rates specified under the 2024 Tariff Regulations.

48. We have considered the Petitioner's submissions. The WAROD has been worked out for the transmission assets at the depreciation rates specified in the 2024 Tariff Regulations. The depreciation has been worked out considering the admitted capital expenditure as on 1.4.2024 and thereafter up to 31.3.2029. The Petitioner has claimed Depreciation with respect to the transmission assets on the basis of the outstanding liability as on 31.3.2024, post completion of the useful life, and the same is being allowed. The Petitioner is directed to submit justification for the same at the time of true-up of tariff for the 2024-29 tariff period.



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

(₹ in lakh)

Sl. No.	Particulars	Asset-I				
		2024-25	2025-26	2026-27	2027-28	2028-29
A	Opening Capital Cost	458.41	459.98	459.98	459.98	459.98
B	Addition during the year 2024-29 due to ACE	1.57	0.00	0.00	0.00	0.00
C	Closing Capital Cost (A+B)	459.98	459.98	459.98	459.98	459.98
D	Average Capital Cost (A+C)/2	459.20	459.98	459.98	459.98	459.98
E	Average Capital Cost (90% depreciable assets)	0.00	0.00	0.00	0.00	0.00
F	Average Capital Cost (100% depreciable assets)	459.20	459.98	459.98	459.98	459.98
G	Depreciable value (excluding IT equipment and software) (E*90%)	0.00	0.00	0.00	0.00	0.00
H	Depreciable value of IT equipment and software (F*100%)	459.20	459.98	459.98	459.98	459.98
I	Total Depreciable Value (G+H)	459.20	459.98	459.98	459.98	459.98
J	Weighted average rate of Depreciation (WAROD) (in %)	0.1710	0.1707	0.0000	0.0000	0.0000
K	Balance useful life at the beginning of the year (Year)	Completion of Useful Life				
L	Lapsed useful life at the beginning of the year (Year)					
M	Depreciation during the year (D*J)	0.79	0.78	0.00	0.00	0.00
N	Cumulative Depreciation at the end of the year	459.20	459.98	459.98	459.98	459.98
O	Remaining Aggregate Depreciable Value at the end of the year	0.00	0.00	0.00	0.00	0.00

(₹ in lakh)

Sl. No.	Particulars	Asset-II				
		2024-25	2025-26	2026-27	2027-28	2028-29
A	Opening Capital Cost	655.69	661.71	661.71	661.71	661.71



Sl. No.	Particulars	Asset-II				
		2024-25	2025-26	2026-27	2027-28	2028-29
B	Addition during the year 2024-29 due to ACE	6.02	0.00	0.00	0.00	0.00
C	Closing Capital Cost (A+B)	661.71	661.71	661.71	661.71	661.71
D	Average Capital Cost (A+C)/2	658.70	661.71	661.71	661.71	661.71
E	Average Capital Cost (90% depreciable assets)	76.99	76.99	76.99	76.99	76.99
F	Average Capital Cost (100% depreciable assets)	581.71	584.72	584.72	584.72	584.72
G	Depreciable value (excluding IT equipment and software) (E*90%)	69.29	69.29	69.29	69.29	69.29
H	Depreciable value of IT equipment and software (F*100%)	581.71	584.72	584.72	584.72	584.72
I	Total Depreciable Value (G+H)	651.00	654.01	654.01	654.01	654.01
J	Weighted average rate of Depreciation (WAROD) (in %)	0.8473	0.8435	0.3886	0.3886	6.0359
K	Balance useful life at the beginning of the year (Year)	1	0	Completion of Useful Life		
L	Lapsed useful life at the beginning of the year (Year)	8	9			
M	Depreciation during the year (D*J)	5.58	5.58	2.57	2.57	39.96
N	Cumulative Depreciation at the end of the year	603.34	608.92	611.50	614.07	654.01
O	Remaining Aggregate Depreciable Value at the end of the year	47.66	45.09	42.52	39.96	0

(₹ in lakh)

Sl. No.	Particulars	Asset-III				
		2024-25	2025-26	2026-27	2027-28	2028-29
A	Opening Capital Cost	863.04	911.58	911.58	911.58	911.58
B	Addition during the year 2024-29 due to ACE	48.54	0.00	0.00	0.00	0.00
C	Closing Capital Cost (A+B)	911.58	911.58	911.58	911.58	911.58
D	Average Capital Cost (A+C)/2	887.31	911.58	911.58	911.58	911.58



Sl. No.	Particulars	Asset-III				
		2024-25	2025-26	2026-27	2027-28	2028-29
E	Average Capital Cost (90% depreciable assets)	0.00	0.00	0.00	0.00	0.00
F	Average Capital Cost (100% depreciable assets)	887.31	911.58	911.58	911.58	911.58
G	Depreciable value (excluding IT equipment and software) (E*90%)	0.00	0.00	0.00	0.00	0.00
H	Depreciable value of IT equipment and software (F*100%)	887.31	911.58	911.58	911.58	911.58
I	Total Depreciable Value (G+H)	887.31	911.58	911.58	911.58	911.58
J	Weighted average rate of Depreciation (WAROD) (in %)	2.7352	2.6624	0.0000	0.0000	0.0000
K	Balance useful life at the beginning of the year (Year)	Completion of Useful Life				
L	Lapsed useful life at the beginning of the year (Year)					
M	Depreciation during the year (D*J)	24.27	24.27	0.00	0.00	0.00
N	Cumulative Depreciation at the end of the year	887.31	911.58	911.58	911.58	911.58
O	Remaining Aggregate Depreciable Value at the end of the year	0.00	0.00	0.00	0.00	0.00

(₹ in lakh)

Sl. No.	Particulars	Asset-IV				
		2024-25	2025-26	2026-27	2027-28	2028-29
A	Opening Capital Cost	661.79	705.15	705.15	705.15	705.15
B	Addition during the year 2024-29 due to ACE	43.36	0.00	0.00	0.00	0.00
C	Closing Capital Cost (A+B)	705.15	705.15	705.15	705.15	705.15
D	Average Capital Cost (A+C)/2	683.47	705.15	705.15	705.15	705.15
E	Average Capital Cost (90% depreciable assets)	0.00	0.00	0.00	0.00	0.00
F	Average Capital Cost (100% depreciable assets)	683.47	705.15	705.15	705.15	705.15
G	Depreciable value (excluding IT equipment and software) (E*90%)	0.00	0.00	0.00	0.00	0.00



Sl. No.	Particulars	Asset-IV				
		2024-25	2025-26	2026-27	2027-28	2028-29
H	Depreciable value of IT equipment and software (F*100%)	683.47	705.15	705.15	705.15	705.15
I	Total Depreciable Value (G+H)	683.47	705.15	705.15	705.15	705.15
J	Weighted average rate of Depreciation (WAROD) (in %)	3.1720	3.0745	0.0000	0.0000	0.0000
K	Balance useful life at the beginning of the year (Year)	Completion of Useful Life				
L	Lapsed useful life at the beginning of the year (Year)					
M	Depreciation during the year (D*J)	21.68	21.68	0.00	0.00	0.00
N	Cumulative Depreciation at the end of the year	683.47	705.15	705.15	705.15	705.15
O	Remaining Aggregate Depreciable Value at the end of the year	0.00	0.00	0.00	0.00	0.00

(₹ in lakh)

Sl. No.	Particulars	Asset-V				
		2024-25	2025-26	2026-27	2027-28	2028-29
A	Opening Capital Cost	584.93	614.09	614.09	614.09	614.09
B	Addition during the year 2024-29 due to ACE	29.16	0.00	0.00	0.00	0.00
C	Closing Capital Cost (A+B)	614.09	614.09	614.09	614.09	614.09
D	Average Capital Cost (A+C)/2	599.51	614.09	614.09	614.09	614.09
E	Average Capital Cost (90% depreciable assets)	0.00	0.00	0.00	0.00	0.00
F	Average Capital Cost (100% depreciable assets)	599.51	614.09	614.09	614.09	614.09
G	Depreciable value (excluding IT equipment and software) (E*90%)	0.00	0.00	0.00	0.00	0.00
H	Depreciable value of IT equipment and software (F*100%)	599.51	614.09	614.09	614.09	614.09
I	Total Depreciable Value (G+H)	599.51	614.09	614.09	614.09	614.09
J	Weighted average rate of Depreciation (WAROD) (in %)	3.5797%	2.3742%	0.0000%	0.0000%	0.0000%



		Asset-V				
Sl. No.	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
K	Balance useful life at the beginning of the year (Year)	1	0	0	0	0
L	Lapsed useful life at the beginning of the year (Year)	6	7	8	9	10
M	Depreciation during the year (D*J)	21.46	14.58	0.00	0.00	0.00
N	Cumulative Depreciation at the end of the year	599.50	614.08	614.08	614.08	614.08
O	Remaining Aggregate Depreciable Value at the end of the year	0.01	0.01	0.01	0.01	0.01

(₹ in lakh)

		Asset-VI				
Sl. No.	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Opening Capital Cost	680.57	720.63	720.63	720.63	720.63
B	Addition during the year 2024-29 due to ACE	40.06	0.00	0.00	0.00	0.00
C	Closing Capital Cost (A+B)	720.63	720.63	720.63	720.63	720.63
D	Average Capital Cost (A+C)/2	700.60	720.63	720.63	720.63	720.63
E	Average Capital Cost (90% depreciable assets)	0.00	0.00	0.00	0.00	0.00
F	Average Capital Cost (100% depreciable assets)	700.60	720.63	720.63	720.63	720.63
G	Depreciable value (excluding IT equipment and software) (E*90%)	0.00	0.00	0.00	0.00	0.00
H	Depreciable value of IT equipment and software (F*100%)	700.60	720.63	720.63	720.63	720.63
I	Total Depreciable Value (G+H)	700.60	720.63	720.63	720.63	720.63
J	Weighted average rate of Depreciation (WAROD) (in %)	11.9984%	2.7795%	0.0000%	0.0000%	0.0000%
K	Balance useful life at the beginning of the year (Year)	1	0	0	0	0
L	Lapsed useful life at the beginning of the year (Year)	6	7	8	9	10



Sl. No.	Particulars	Asset-VI				
		2024-25	2025-26	2026-27	2027-28	2028-29
M	Depreciation during the year (D*J)	84.06	20.03	0.00	0.00	0.00
N	Cumulative Depreciation at the end of the year	700.60	720.63	720.63	720.63	720.63
O	Remaining Aggregate Depreciable Value at the end of the year	0.00	0.00	0.00	0.00	0.00

(₹ in lakh)

Sl. No.	Particulars	Asset-VII				
		2024-25	2025-26	2026-27	2027-28	2028-29
A	Opening Capital Cost	769.53	806.19	806.19	806.19	806.19
B	Addition during the year 2024-29 due to ACE	36.66	0.00	0.00	0.00	0.00
C	Closing Capital Cost (A+B)	806.19	806.19	806.19	806.19	806.19
D	Average Capital Cost (A+C)/2	787.86	806.19	806.19	806.19	806.19
E	Average Capital Cost (90% depreciable assets)	0.00	0.00	0.00	0.00	0.00
F	Average Capital Cost (100% depreciable assets)	787.86	806.19	806.19	806.19	806.19
G	Depreciable value (excluding IT equipment and software) (E*90%)	0.00	0.00	0.00	0.00	0.00
H	Depreciable value of IT equipment and software (F*100%)	787.86	806.19	806.19	806.19	806.19
I	Total Depreciable Value (G+H)	787.86	806.19	806.19	806.19	806.19
J	Weighted average rate of Depreciation (WAROD) (in %)	12.4686%	2.2737%	0.0000%	0.0000%	0.0000%
K	Balance useful life at the beginning of the year (Year)	1	0	0	0	0
L	Lapsed useful life at the beginning of the year (Year)	6	7	8	9	10
M	Depreciation during the year (D*J)	98.23	18.33	0.00	0.00	0.00
N	Cumulative Depreciation at the end of the year	787.86	806.19	806.19	806.19	806.19
O	Remaining Aggregate Depreciable Value at the end of the year	0.00	0.00	0.00	0.00	0.00



Interest on Loan (IoL)

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

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

(3) The repayment for each of the years of the tariff period 2024-29 shall be deemed to be equal to the depreciation allowed for the corresponding year or period. In case of decapitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on a pro rata basis, and the adjustment should not exceed cumulative depreciation recovered up to the date of de-capitalisation of such asset.

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

(5) The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio or allocated loan portfolio;

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

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

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

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

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

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



51. Since the Petitioner has not claimed Interest on Loan with respect to Asset-II, Asset-V, Asset-VI and Asset-VII due to repayment of the entire loan in 2024-25, the same is allowed.

52. The Weighted Average Rate of IoL has been considered on the basis of the rate prevailing as on 1.4.2024. The Petitioner has prayed that the change in interest rate due to the floating rate of interest applicable, if any, during the 2024-29 tariff period may be adjusted. Accordingly, the floating rate of interest, if any, will be considered at the time of true-up. IoL has been allowed in accordance with Regulation 32 of the 2024 Tariff Regulations. IoL allowed for the 2024-29 tariff period with respect to the transmission assets is as follows:

(₹ in lakh)

		Asset-I				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	Interest on Loan					
A	Gross Normative Loan	320.89	321.99	321.99	321.99	321.99
B	Cumulative Repayments up to Previous Year	320.89	321.67	321.99	321.99	321.99
C	Net Loan-Opening (A-B)	0.00	0.31	0.00	0.00	0.00
D	Additions	1.10	0.00	0.00	0.00	0.00
E	Repayment during the year	0.79	0.31	0.00	0.00	0.00
F	Net Loan-Closing (C+D-E)	0.31	0.00	0.00	0.00	0.00
G	Average Loan (C+F)/2	0.16	0.16	0.00	0.00	0.00
H	Weighted Average Rate of Interest on Loan (%)	8.0087	7.9699	7.9180	8.0034	8.2830
I	Interest on Loan (G*H)	0.01	0.01	0.00	0.00	0.00

(₹ in lakh)

		Asset-III				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	Interest on Loan					
A	Gross Normative Loan	604.13	638.11	638.11	638.11	638.11
B	Cumulative Repayments up to Previous Year	604.13	628.40	638.11	638.11	638.11
C	Net Loan-Opening (A-B)	0.00	9.71	0.00	0.00	0.00
D	Additions	33.98	0.00	0.00	0.00	0.00



		Asset-III				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
E	Repayment during the year	24.27	9.71	0.00	0.00	0.00
F	Net Loan-Closing (C+D-E)	9.71	0.00	0.00	0.00	0.00
G	Average Loan (C+F)/2	4.85	4.85	0.00	0.00	0.00
H	Weighted Average Rate of Interest on Loan (%)	8.0389	8.0052	7.9604	8.0529	8.3260
I	Interest on Loan (G*H)	0.39	0.39	0.00	0.00	0.00

(₹ in lakh)

		Asset-IV				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	Interest on Loan					
A	Gross Normative Loan	463.25	493.61	493.61	493.61	493.61
B	Cumulative Repayments up to Previous Year	463.25	484.93	493.61	493.61	493.61
C	Net Loan-Opening (A-B)	0.00	8.67	0.00	0.00	0.00
D	Additions	30.35	0.00	0.00	0.00	0.00
E	Repayment during the year	21.68	8.67	0.00	0.00	0.00
F	Net Loan-Closing (C+D-E)	8.67	0.00	0.00	0.00	0.00
G	Average Loan (C+F)/2	4.34	4.34	0.00	0.00	0.00
H	Weighted Average Rate of Interest on Loan (%)	8.1272	8.1052	8.0758	8.1322	8.2541
I	Interest on Loan (G*H)	0.35	0.35	0.00	0.00	0.00

Return on Equity (RoE)

53. Regulations 30 and 31 of the 2024 Tariff Regulations provides 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 for existing project shall be computed at the base rate of 15.50% for thermal generating station, transmission system including communication system and run-of river hydro generating station and at the base rate of 16.50% for storage type hydro generating stations, pumped storage hydro generating stations and run-of- river generating station with pondage;

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



Provided that return on equity in respect of additional capitalization beyond the original scope, including additional capitalization on account of the emission control system, Change in Law, and Force Majeure shall be computed at the base rate of one-year marginal cost of lending rate (MCLR) of the State Bank of India plus 350 basis points as on 1st April of the year, subject to a ceiling of 14%;

Provided further that:

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

.....”

“31. Tax on Return on Equity. (1) *The rate of return on equity as allowed by the Commission under Regulation 30 of these regulations shall be grossed up with the effective tax rate of the respective financial year. The effective tax rate shall be calculated at the beginning of every financial year based on the estimated profit and tax to be paid estimated in line with the provisions of the relevant Finance Act applicable for that financial year to the concerned generating company or the transmission licensee by excluding the income of non-generation or non-transmission business, as the case may be, and the corresponding tax thereon.*

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

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

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

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

(3) The generating company or the transmission licensee, as the case may be, shall true up the effective tax rate for every financial year based on actual tax paid together with any additional tax demand, including interest thereon, duly adjusted for any refund of tax including interest received from the income tax authorities pertaining to the tariff period 2024-29 on actual gross income of any financial year. Further, any penalty arising on account of delay in deposit or short deposit of tax amount shall not be considered while computing the actual tax paid for the generating company or the transmission licensee, as the case may be.

Provided that in case a generating company or transmission licensee is paying Minimum Alternate Tax (MAT) under Section 115JB, the generating company or the transmission licensee, as the case may be, shall true up the grossed up rate of return on equity at the end of every financial year with the applicable MAT rate including surcharge and cess.



Provided that in case a generating company or transmission licensee is paying tax under Section 115BAA, the generating company or the transmission licensee, as the case may be, shall true up the grossed-up rate of return on equity at the end of every financial year with the tax rate including surcharge and cess as specified under Section 115BAA.

Provided that any under-recovery or over recovery of grossed up rate on return on equity after truing up, shall be recovered or refunded to beneficiaries or the long-term customers, as the case may be, on a year to year basis."

54. The Petitioner has submitted that MAT rate applies to it. Accordingly, we have considered the applicable MAT rate for the RoE, which will be trued-up in accordance with the 2024 Tariff Regulations. The RoE allowed with respect to the transmission assets for the 2024-29 tariff period is as follows:

(₹ in lakh)

		Asset-I				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	Return on Equity					
A	Opening Equity	137.52	137.99	137.99	137.99	137.99
B	Additions	0.47	0.00	0.00	0.00	0.00
C	Closing Equity (A+B)	137.99	137.99	137.99	137.99	137.99
D	Average Equity (A+C)/2	137.76	137.99	137.99	137.99	137.99
E	Return on Equity (Base Rate) (%)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (%)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (%)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	25.87	25.92	25.92	25.92	25.92

(₹ in lakh)

		Asset-II				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	Return on Equity					
A	Opening Equity	196.71	198.51	198.51	198.51	198.51
B	Additions	1.81	0.00	0.00	0.00	0.00
C	Closing Equity (A+B)	198.51	198.51	198.51	198.51	198.51
D	Average Equity (A+C)/2	197.61	198.51	198.51	198.51	198.51
E	Return on Equity (Base Rate) (%)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (%)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (%)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	37.12	37.28	37.28	37.28	37.28



(₹ in lakh)

		Asset-III				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	Return on Equity					
A	Opening Equity	258.91	273.47	273.47	273.47	273.47
B	Additions	14.56	0.00	0.00	0.00	0.00
C	Closing Equity (A+B)	273.47	273.47	273.47	273.47	273.47
D	Average Equity (A+C)/2	266.19	273.47	273.47	273.47	273.47
E	Return on Equity (Base Rate) (%)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (%)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (%)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	50.00	51.36	51.36	51.36	51.36

(₹ in lakh)

		Asset-IV				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	Return on Equity					
A	Opening Equity	198.54	211.55	211.55	211.55	211.55
B	Additions	13.01	0.00	0.00	0.00	0.00
C	Closing Equity (A+B)	211.55	211.55	211.55	211.55	211.55
D	Average Equity (A+C)/2	205.04	211.55	211.55	211.55	211.55
E	Return on Equity (Base Rate) (%)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (%)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (%)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	38.51	39.73	39.73	39.73	39.73

(₹ in lakh)

		Asset-V				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	Return on Equity					
A	Opening Equity	175.48	184.23	184.23	184.23	184.23
B	Additions	8.75	0.00	0.00	0.00	0.00
C	Closing Equity (A+B)	184.23	184.23	184.23	184.23	184.23
D	Average Equity (A+C)/2	179.85	184.23	184.23	184.23	184.23
E	Return on Equity (Base Rate) (%)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (%)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (%)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	33.78	34.60	34.60	34.60	34.60



(₹ in lakh)

		Asset-VI				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	Return on Equity					
A	Opening Equity	204.17	216.19	216.19	216.19	216.19
B	Additions	12.02	0.00	0.00	0.00	0.00
C	Closing Equity (A+B)	216.19	216.19	216.19	216.19	216.19
D	Average Equity (A+C)/2	210.18	216.19	216.19	216.19	216.19
E	Return on Equity (Base Rate) (%)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (%)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (%)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	39.48	40.60	40.60	40.60	40.60

(₹ in lakh)

		Asset-VII				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	Return on Equity					
A	Opening Equity	230.86	241.86	241.86	241.86	241.86
B	Additions	11.00	0.00	0.00	0.00	0.00
C	Closing Equity (A+B)	241.86	241.86	241.86	241.86	241.86
D	Average Equity (A+C)/2	236.36	241.86	241.86	241.86	241.86
E	Return on Equity (Base Rate) (%)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (%)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (%)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	44.39	45.43	45.43	45.43	45.43

Operation & Maintenance Expenses (O&M Expenses)

55. The Petitioner has not claimed O&M Expenses with respect to the transmission assets for the 2024-29 tariff period.

Interest on Working Capital (IWC)

56. Regulation 34(1)(d), 34(3) and 34(4) of the 2024 Tariff Regulations provides as under:

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

.....



(d) For Hydro generating station (including Pumped Storage Hydro generating station) and Transmission System:

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

(2)

(3) Rate of interest on working capital shall be on a normative basis and shall be considered at the Reference Rate of Interest as on 1.4.2024 or as on 1st April of the year during the tariff period 2024- 29 in which the generating station or a unit thereof or the transmission system including communication system or element thereof, as the case may be, is declared under commercial operation, whichever is later:

Provided that in case of truing-up, the rate of interest on working capital shall be considered at Reference Rate of Interest as on 1st April of each of the financial year during the tariff period 2024-29.

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

57. The Petitioner has considered the rate of IWC as 11.90% as on 1.4.2024. IWC is worked out in accordance with Regulation 34 of the 2024 Tariff Regulations. The ROI considered is 11.90% (SBI 1-year MCLR applicable as on 1.4.2024 of 8.65% plus 325 basis points) for the FY 2024-25 to FY 2028-29. The components of the working capital and interest allowed thereon under Regulation 34 of the 2024 Tariff Regulations for the 2024-29 tariff period with respect to the transmission assets are as follows:

(₹ in lakh)						
	Particulars	Asset-I				
		2024-25	2025-26	2026-27	2027-28	2028-29
A	Working Capital for O&M Expenses (O&M Expenses for one month)	0.00	0.00	0.00	0.00	0.00
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	0.00	0.00	0.00	0.00	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	3.34	3.34	3.24	3.23	3.24
D	Total Working Capital (A+B+C)	3.34	3.34	3.24	3.23	3.24
E	Rate of Interest for working capital (in %)	11.90	11.90	11.90	11.90	11.90
F	Interest on working capital (D*E)	0.40	0.40	0.39	0.38	0.39



(₹ in lakh)

		Asset-II				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Working Capital for O&M Expenses (O&M Expenses for one month)	0.00	0.00	0.00	0.00	0.00
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	0.00	0.00	0.00	0.00	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	5.34	5.36	4.99	4.97	9.66
D	Total Working Capital (A+B+C)	5.34	5.36	4.99	4.97	9.66
E	Rate of Interest for working capital (in %)	11.90	11.90	11.90	11.90	11.90
F	Interest on working capital (D*E)	0.64	0.64	0.59	0.59	1.15

(₹ in lakh)

		Asset-III				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Working Capital for O&M Expenses (O&M Expenses for one month)	0.00	0.00	0.00	0.00	0.00
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	0.00	0.00	0.00	0.00	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	9.34	9.51	6.43	6.41	6.43
D	Total Working Capital (A+B+C)	9.34	9.51	6.43	6.41	6.43
E	Rate of Interest for working capital (in %)	11.90	11.90	11.90	11.90	11.90
F	Interest on working capital (D*E)	1.11	1.13	0.76	0.76	0.76

(₹ in lakh)

		Asset-IV				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Working Capital for O&M Expenses (O&M Expenses for one month)	0.00	0.00	0.00	0.00	0.00
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	0.00	0.00	0.00	0.00	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	7.57	7.73	4.97	4.96	4.97
D	Total Working Capital (A+B+C)	7.57	7.73	4.97	4.96	4.97
E	Rate of Interest for working capital (in %)	11.90	11.90	11.90	11.90	11.90
F	Interest on working capital (D*E)	0.90	0.92	0.59	0.59	0.59



(₹ in lakh)

		Asset-V				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Working Capital for O&M Expenses (O&M Expenses for one month)	0.00	0.00	0.00	0.00	0.00
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	0.00	0.00	0.00	0.00	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	6.91	6.15	4.33	4.32	4.33
D	Total Working Capital (A+B+C)	6.91	6.15	4.33	4.32	4.33
E	Rate of Interest for working capital (in %)	11.90	11.90	11.90	11.90	11.90
F	Interest on working capital (D*E)	0.82	0.73	0.52	0.51	0.52

(₹ in lakh)

		Asset-VI				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Working Capital for O&M Expenses (O&M Expenses for one month)	0.00	0.00	0.00	0.00	0.00
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	0.00	0.00	0.00	0.00	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	15.46	7.59	5.08	5.07	5.08
D	Total Working Capital (A+B+C)	15.46	7.59	5.08	5.07	5.08
E	Rate of Interest for working capital (in %)	11.90	11.90	11.90	11.90	11.90
F	Interest on working capital (D*E)	1.84	0.90	0.60	0.60	0.60

(₹ in lakh)

		Asset-VII				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Working Capital for O&M Expenses (O&M Expenses for one month)	0.00	0.00	0.00	0.00	0.00
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	0.00	0.00	0.00	0.00	0.00
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	17.85	7.98	5.68	5.67	5.68
D	Total Working Capital (A+B+C)	17.85	7.98	5.68	5.67	5.68
E	Rate of Interest for working capital (in %)	11.90	11.90	11.90	11.90	11.90
F	Interest on working capital (D*E)	2.12	0.95	0.68	0.67	0.68



Annual Fixed Charges for the 2024-29 Tariff Period

58. The AFC allowed with respect to the transmission assets for the 2024-29 tariff period are as follows:

(₹ in lakh)

	Asset-I				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	0.79	0.78	0.00	0.00	0.00
Interest on Loan	0.01	0.01	0.00	0.00	0.00
Return on Equity	25.87	25.92	25.92	25.92	25.92
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Interest on working Capital	0.40	0.40	0.39	0.38	0.39
Total	27.06	27.11	26.31	26.30	26.31

(₹ in lakh)

	Asset-II				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	5.58	5.58	2.57	2.57	39.96
Interest on Loan	0.00	0.00	0.00	0.00	0.00
Return on Equity	37.12	37.28	37.28	37.28	37.28
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Interest on working Capital	0.64	0.64	0.59	0.59	1.15
Total	43.34	43.50	40.44	40.44	78.39

(₹ in lakh)

	Asset-III				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	24.27	24.27	0.00	0.00	0.00
Interest on Loan	0.39	0.39	0.00	0.00	0.00
Return on Equity	50.00	51.36	51.36	51.36	51.36
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Interest on Working Capital	1.11	1.13	0.76	0.76	0.76
Total	75.77	77.15	52.12	52.12	52.12

(₹ in lakh)

	Asset-IV				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	21.68	21.68	0.00	0.00	0.00
Interest on Loan	0.35	0.35	0.00	0.00	0.00
Return on Equity	38.51	39.73	39.73	39.73	39.73
O&M Expenses	0.00	0.00	0.00	0.00	0.00



	Asset-IV				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Interest on Working Capital	0.90	0.92	0.59	0.59	0.59
Total	61.44	62.68	40.32	40.32	40.32

(₹ in lakh)

	Asset-V				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	21.46	14.58	0.00	0.00	0.00
Interest on Loan	0.00	0.00	0.00	0.00	0.00
Return on Equity	33.78	34.60	34.60	34.60	34.60
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Interest on working Capital	0.82	0.73	0.52	0.51	0.52
Total	56.06	49.91	35.12	35.11	35.12

(₹ in lakh)

	Asset-VI				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	84.06	20.03	0.00	0.00	0.00
Interest on Loan	0.00	0.00	0.00	0.00	0.00
Return on Equity	39.48	40.60	40.60	40.60	40.60
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Interest on Working Capital	1.84	0.90	0.60	0.60	0.60
Total	125.38	61.53	41.20	41.20	41.20

(₹ in lakh)

	Asset-VII				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	98.23	18.33	0.00	0.00	0.00
Interest on Loan	0.00	0.00	0.00	0.00	0.00
Return on Equity	44.39	45.43	45.43	45.43	45.43
O&M Expenses	0.00	0.00	0.00	0.00	0.00
Interest on Working Capital	2.12	0.95	0.68	0.67	0.68
Total	144.74	64.71	46.11	46.10	46.11



Filing Fee and Publication Expenses

59. The Petitioner has claimed reimbursement of the fee paid by it for filing the Petition and publication expenses in accordance with Regulation 94(1) of the 2024 Tariff Regulations.

60. We have considered the Petitioner's submissions. The Petitioner is entitled to reimbursement of the fee paid for filing the Petition and publication expenses incurred on this count directly from the beneficiaries or long-term customers, as the case may be, as per Regulation 94(1) of the 2024 Tariff Regulations.

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

61. The Petitioner has submitted that as per Regulation 99 of the 2024 Tariff Regulations, the fees and charges of the Central Transmission Utility of India Limited (CTUIL) may be allowed separately through a separate Regulation. The Petitioner has further submitted that in the absence of such Regulation, the expenses of CTUIL will be borne by the Petitioner, which will be recovered by the Petitioner as additional O&M Expenses through a separate Petition at the end of the tariff period.

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

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

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

63. We have considered the Petitioner's submissions and perused Regulation 99 of the 2024 Tariff Regulations. In view of the explicit provision made under Regulation 99 of the 2024 Tariff Regulations, we permit the Petitioner, i.e., PGCIL, to bear the fees



and charges expenses of CTUIL and recover the same as additional O&M Expenses through a separate Petition until such regulation is notified and issued by the Commission.

Licence Fee and RLDC Fees and Charges

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

Goods and Services Tax

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

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

Security Expenses, Insurance and Capital Spares

67. The Petitioner has submitted that as per Regulation 36(3)(d) of the 2024 Tariff Regulations, the security expenses and capital spares of more than ₹10 lakh and insurance expenses arrived through the competitive bidding for the transmission system



and associated communication system will be allowed separately after a prudence check.

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

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

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

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



“36(3)

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

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

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

72. On perusal of Regulation 36(3)(d) of the 2024 Tariff Regulations and considering the Petitioner’s submissions, the Petitioner is allowed to file a Petition for approval for capital spares individually costing more than ₹10 lakh on the estimated basis as per the 2024 Tariff Regulations for the 2024-29 tariff period. It is noted that the Petitioner has filed the Petition Nos. 330/MP/2025 and 3/MP/2026 for approval and recovery of security and insurance expenses for tariff block 2024-29 respectively as per Regulation 36(3)(d) of the 2024 Tariff Regulations pursuant to the liberty granted by the Commission, which shall be dealt with in accordance with law.

Sharing of Transmission Charges

73. The Petitioner has submitted that the truing up of the tariff with respect to the transmission assets for the 2019-24 tariff period will be recovered on a monthly basis in accordance with Regulation 57 of the 2019 Tariff Regulations. Further, the tariff for the 2024-29 tariff period will be recovered on a monthly basis in accordance with Regulation 78 of the 2024 Tariff Regulations and will be shared by the beneficiaries and long-term transmission customers as per the 2020 Sharing Regulations.

74. We have considered the Petitioner’s submissions. The billing, collection, and disbursement of the transmission charges for the transmission assets shall be



recovered in accordance with the provisions of the Sharing Regulations as provided in Regulation 57 of the 2019 Tariff Regulations for the 2019-24 tariff period and Regulation 78 of the 2024 Tariff Regulations for the 2024-29 tariff period.

75. To Summarise:

- a) The details of AFC claimed by the Petitioner in the instant Petition and trued-up AFC approved in the instant order with respect to the transmission assets for the 2019-24 tariff period are as follows:

		(₹ in lakh)				
Particulars	AFC	2019-20	2020-21	2021-22	2022-23	2023-24
Asset-I	Claimed	104.50	99.12	96.18	95.83	39.20
	Approved	104.50	99.12	96.16	95.83	39.19
Asset-II	Claimed	142.02	137.76	131.13	127.98	87.32
	Approved	142.03	137.77	131.14	127.98	87.34
Asset-III	Claimed	195.25	186.97	181.27	180.43	78.37
	Approved	195.25	186.97	181.26	180.42	78.37
Asset-IV	Claimed	153.80	146.55	140.48	138.35	96.89
	Approved	153.80	146.55	140.49	138.35	96.88
Asset-V	Claimed	135.08	130.39	125.77	122.55	122.51
	Approved	135.08	130.39	125.76	122.54	122.51
Asset-VI	Claimed	163.53	157.97	150.62	144.73	142.53
	Approved	163.54	157.97	150.63	144.74	142.54
Asset-VII	Claimed	182.45	178.16	170.81	163.97	161.17
	Approved	182.45	178.16	170.81	163.97	161.17

- b) The details of AFC claimed by the Petitioner in the instant Petition and AFC allowed in the instant order with respect to the transmission assets for the 2024-29 tariff period are as follows:

		(₹ in lakh)				
Particulars	AFC	2024-25	2025-26	2026-27	2027-28	2028-29
Asset-I	Claimed	27.07	27.11	26.31	26.30	26.31
	Allowed	27.06	27.11	26.31	26.30	26.31
Asset-II	Claimed	43.33	43.50	40.44	40.44	78.39
	Allowed	43.34	43.50	40.44	40.44	78.39
Asset-III	Claimed	75.77	77.15	52.13	52.12	52.13
	Allowed	75.77	77.15	52.12	52.12	52.12
Asset-IV	Claimed	61.44	62.68	40.32	40.32	40.32
	Allowed	61.44	62.68	40.32	40.32	40.32
Asset-V	Claimed	56.06	49.91	35.12	35.11	35.12



Particulars	AFC	2024-25	2025-26	2026-27	2027-28	2028-29
	Allowed	56.06	49.91	35.12	35.11	35.12
Asset-VI	Claimed	125.39	61.53	41.20	41.20	41.20
	Allowed	125.38	61.53	41.21	41.20	41.20
Asset-VII	Claimed	144.74	64.70	46.10	46.09	46.10
	Allowed	144.74	64.71	46.11	46.10	46.11

76. This order disposes of the Petition No. 466/TT/2024, in terms of the above discussions and findings.

sd/-
(Harish Dudani)
Member

sd/-
(Ramesh Babu V.)
Member

