

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 499/TT/2025

Coram:

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

Date of Order: 12.01.2026

In the matter of:

Approval under Section 62 read with Section 79(1)(d) of the Electricity Act, 2003, read with Regulations 15(1)(a) and 23 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023, for truing up of the transmission tariff for the 2019-24 period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 and determination of the transmission tariff for the 2024-29 period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 for the Combined Assets under "Transmission System associated with SEWA-II HEP" in the Northern 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. Uttar Pradesh Power Corporation Limited,**
Shakti Bhawan, 14, Ashok Marg,
Lucknow – 226 001.
(Uttar Pradesh)
- 2. Ajmer Vidyut Vitran Nigam Limited,**
Corporate Office, Vidyut Bhawan,
Panchsheel Nagar, Makarwali Road,
Ajmer – 300 504.
(Rajasthan)
- 3. Jaipur Vidyut Vitran Nigam Limited,**
132 kV, GSS RVPNL Sub-station building,
Caligiri Road, Malviya Nagar, Jaipur – 302
017. (Rajasthan)



- 4. Jodhpur Vidyut Vitran Nigam Limited,**
New Power House, Industrial Area,
Jodhpur – 342 003.
(Rajasthan)
- 5. Himachal Pradesh State Electricity Board Limited,**
Vidyut Bhawan, Kumar House Complex Building II,
Shimla – 171 004.
(Himachal Pradesh)
- 6. Punjab State Power Corporation Limited,**
The Mall, PSEB Head Office, Patiala - 147 001.
(Punjab)
- 7. Haryana Power Purchase Centre,**
Shakti Bhawan, Sector-6, Panchkula - 134 109,
(Haryana)
- 8. Jammu Kashmir Power Corporation Limited,**
220/66/33 kV Gladni S/S SLDC Building, Narwal,
Jammu.
(Jammu)
- 9. BSES Yamuna Power Limited,**
B-Block, Shakti Kiran, Building,
(Near Karkadooma Court),
Karkadooma 2nd Floor, New Delhi-110 092.
(New Delhi)
- 10. BSES Rajdhani Power Limited,**
BSES Bhawan, Nehru Place, New Delhi.
(New Delhi)
- 11. Tata Power Delhi Distribution Limited,**
33 kV Sub-station, Building, Hudson Lane,
Kingsway Camp, North Delhi – 110 009.
(Delhi)
- 12. Chandigarh Electricity Department,**
Chandigarh Administration, Sector-9, Chandigarh.
(Chandigarh)



13. Uttarakhand Power Corporation Limited,
Urja Bhawan, Kanwali Road, Dehradun.
(Uttarakhand)

14. North Central Railway,
Allahabad.

15. New Delhi Municipal Council,
Palika Kendra, Sansad Marg,
New Delhi - 110 002.

..Respondents

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

ORDER

The instant Petition has been filed by Power Grid Corporation of India Limited (PGCIL), for truing up of the transmission tariff for the 2019-24 period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”) and for the determination of the transmission tariff for the 2024-29 period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 (hereinafter referred to as “the 2024 Tariff Regulations”) with respect to the following transmission assets (hereinafter referred to as the “Combined Assets”) under “Transmission System associated with SEWA-II HEP” in the Northern Region (hereinafter referred to as the “transmission project”).

Asset	Particulars	COD	Remarks
Combined Assets	Asset-I: One circuit of 132 kV D/C SEWA-II Hiranagar line along with associated bays at Hiranagar Sub-station and one circuit of 132 kV D/C SEWA-II Mahanpur line and associated bays at Mahanpur.	1.9.2009	Notional COD: 1.9.2011
	Asset-II: Second circuit of 132 kV D/C SEWA-II Hiranagar line along with associated bays at Hiranagar Sub-station.	1.7.2010	
	Asset-III: 132 kV S/C SEWA-II Mahanpur-Kathua transmission line along with associated bays at	1.9.2011	



	Kathua and 132 kV S/C Mahanpur-Kathua transmission line along with bays at Mahanpur and Kathua.		
--	---	--	--

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. 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.*
- c) 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.*
- d) 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.*
- e) 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.*
- f) Allow the petitioner to file a separate petition before Hon’ble Commission for claiming the overall security expenses and consequential IOWC on that security expenses as mentioned at para 21 above.*
- g) Allow the petitioner to file a separate petition before Hon’ble Commission for claiming the overall insurance expenses and consequential IOWC on that insurance expenses as mentioned at para 21 above.*
- h) Allow the petitioner to file a separate petition before Hon’ble Commission for claiming the overall capital spares at the end of tariff block as per actual as mentioned at Para 21 above.*
- i) Allow the petitioner to claim expenses of CTUIL borne by POWERGRID through a separate petition as mentioned at para 22 above.*
- j) Allow the Petitioner to bill and recover GST on Transmission Charges separately from the respondents, if GST on transmission is levied at any rate in future. Further, any taxes including GST and duties including cess etc. imposed by any statutory/Govt./municipal authorities shall be allowed to be recovered from the beneficiaries.*
- and pass such other relief as Hon’ble Commission deems fit and appropriate under the circumstances of the case and in the interest of justice.”*



Background

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

- a. The Investment Approval (IA) for the transmission project was accorded by the Board of Directors of the Petitioner vide Letter No. C/CP/SEWA-II dated 18.7.2005 with an estimated cost of ₹9847 lakh including an Interest During Construction (IDC) of ₹473 lakh based on the 4th Quarter 2004 price levels.
- b. The tariff for Asset-I from COD (i.e. 1.9.2009) to 31.3.2014, was allowed vide order dated 15.2.2011 in Petition No. 73/2010 in accordance with the 2009 Tariff Regulations. Thereafter, the combined tariff for Asset-I and Asset-II was allowed from 1.7.2010 (COD of Asset-II) to 31.3.2014 vide order dated 10.8.2011 in Petition No. 325/2010 and as such the tariff approved in this order superseded the tariff awarded in Petition No.73/2010 for the period from 1.7.2010 to 31.3.20214. Further, the tariff from 1.9.2011 (COD of Asset-III and the Combined Assets) to 31.3.2014 was allowed vide order dated 25.4.2012 in Petition No. 95/TT/2011 in accordance with the 2009 Tariff Regulations. The tariff of Assets-I, II and III ("Combined Assets") for the 2009-14 period was trued-up vide order dated 14.3.2016 in Petition No. 1/TT/2015.
- c. The Commission, vide its order dated 15.7.2020 in Petition No.139/TT/2020, trued-up the transmission tariff with respect to the Combined Assets for the 2014-19 tariff period and determined the tariff for the Combined Assets for the 2019-24 tariff period.
- d. The entire scope of the transmission project is covered in the instant Petition.



- e. The Respondents are distribution licensees, transmission licensees, and power departments, which are procuring transmission services from the Petitioner, mainly beneficiaries of the Northern Region.
- f. The Petitioner has served a copy of the Petition on the Respondents, and notice regarding the filing of this Petition was 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.
- g. The hearing in this matter was held on 6.11.2025, and the order was reserved.
- h. This order is passed after considering the submissions made by the Petitioner vide affidavits dated 17.11.2024 and 3.12.2025. In response to the Commission’s letter dated 25.8.2025, the Petitioner has furnished the information dated 12.9.2025. None of the Respondents has filed a reply in this Petition.
- i. Having heard the representatives of the Petitioner and perused the material on record, we proceed to dispose of the Petition.

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

4. The details of the trued-up transmission charges claimed by the Petitioner with respect to the Combined Assets are as follows:

	(₹ in lakh)				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	454.00	454.25	454.25	454.98	455.65
Interest on Loan	166.59	124.10	81.47	40.95	10.99
Return on Equity	484.54	484.81	484.81	486.22	487.62



Interest on Working Capital	22.96	21.10	19.32	19.02	21.56
O&M Expenses	145.93	151.13	156.38	161.93	167.55
Total	1274.02	1235.39	1196.23	1163.10	1143.37

5. The details of the trued-up Interest on Working Capital (IWC) claimed by the Petitioner with respect to the Combined Assets are as follows:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	12.16	12.59	13.03	13.49	13.96
Maintenance Spares	21.89	22.67	23.6	24.29	25.13
Receivables	156.54	152.31	157.48	143.40	140.58
Total Working Capital	190.69	157.57	183.97	181.18	179.67
Rate of Interest (in %)	12.05	11.25	10.50	10.50	12.00
Interest on Working Capital	22.98	21.10	19.2	19.02	21.59

Capital Cost

6. The capital cost of the transmission project has been calculated in accordance with Regulations 19(1) and 19(3) of the 2019 Tariff Regulations.

7. The Commission, vide its order dated 15.7.2020 in Petition No. 139/TT/2020, allowed the capital cost as on 31.3.2019 with respect to the Combined Assets, and Additional Capital Expenditure (ACE) for the 2019-24 tariff period. The details of the same are as follows:

(₹ in lakh)				
Particulars	Apportioned Approved Capital Cost as per FR	Capital Cost allowed as on 1.4.2019	ACE admitted	Capital Cost allowed as on 31.3.2024
			2019-20	
Combined Assets	9847	8594.61	9.49	8604.10

8. The Petitioner in the instant true-up petition has claimed the following capital cost as on 31.3.2019 with respect to the Combined Assets, and the actual ACE incurred for the 2019-24 tariff period, vide the Auditor's Certificate dated 15.7.2024:



FR Apportioned Cost	Capital cost claimed as on 31.3.2019	ACE claimed					(₹ in lakh)
		2019-20	2020-21	2021-22	2022-23	2023-24	Capital cost claimed as on 31.3.2024
9847	8594.61	9.49	0.00	0.00	50.00	0.00	8654.10

9. We have considered the submissions of the Petitioner. The capital cost of ₹8594.61 lakh has been approved by the Commission vide its order dated 15.7.2020 in Petition No. 139/TT/2020, and thus, the same is being considered as the opening capital cost as on 1.4.2019 for truing up of the transmission tariff for the 2019-24 tariff period.

Additional Capital Expenditure (ACE)

10. The Commission, vide its order dated 15.7.2020 in Petition No. 139/TT/2020, allowed ACE for the 2019-24 tariff period concerning the Combined Assets under Regulation 25(1)(d) of the 2019 Tariff Regulations and the details are as follows:

Capital Cost as on 31.3.2019	ACE allowed	Regulations
	2019-24	
8594.61	9.49	Regulation 25(1)(d) of the 2019 Tariff Regulation.

11. The Petitioner has claimed the ACE in the instant Petition with respect to the Combined Assets for the 2019-24 tariff period, based on the actual expenditure in accordance with Regulation 25(1)(d) of the 2019 Tariff Regulations, and the details are as follows:

Particulars	Regulations	Actual ACE incurred				
		2019-20	2020-21	2021-22	2022-23	2023-24
Balance and Retention Payment	Regulation 25(1)(d) of the 2019 Tariff Regulations.	9.49	0.00	0.00	50.00	0.00
Total		9.49	0.00	0.00	50.00	0.00



12. The Commission, vide its Technical Validation letter dated 25.8.2025, directed the Petitioner to provide reasons for variation in ACE claimed in the instant Petition for the 2019-24 tariff period and ACE allowed vide order dated 15.7.2020 in Petition No. 139/TT/2020 for the 2019-24 tariff period. The Petitioner in its reply dated 12.9.2025, has submitted that while projecting an estimated ACE, contracts were not closed and liabilities not finalised. Further, the ACE claimed in the instant Petition is based on the actual payments made to the vendors after the receipt of final invoices, necessary amendments and reconciliation in accordance with the contractual provisions.

13. The Petitioner has also furnished the details concerning actual ACE of ₹50.00 lakh in FY 2022-23 and submitted that it is on account of undischarged liability towards balance land acquisition payment in terms of the orders of concerned Revenue Authorities concerning Asset-III (i.e., 132 kV Mahanpur- Kathua Transmission Line). Further, the acquisition of land remained under process since 20.8.2009 owing to the non-receipt of the necessary revenue documents from the concerned revenue officials. The Petitioner has further submitted that Dy. Secretary to the Government of Jammu and Kashmir vide its letter dated 11.3.2019 informed the Divisional Commissioner of Jammu that all the cases of land acquisition including those pertaining to the Petitioner shall be dealt with by the concerned Collectors, namely, ADCs, ACRs and SDMs within whose jurisdiction the land is being acquired. It was further informed that there is no requirement to appoint a separate Collector for acquiring land for construction of towers/transmission lines by the Petitioner. The issue remained pending for long with the District Administration due to revenue documents from the Revenue Department. In 2021, a meeting was convened between the District Land Rate Determination Committee of Collectors, Kathua, and the Private Negotiation Committee. The Minutes of the Meeting (MoM), was issued on 6.10.2021.



14. The chronology of events pertaining to the land acquisition is given below:

S. No.	Particulars	Date
1.	Power Grid Corporation of India Limited submitted the request for land acquisition to the State Authorities, vide letter No. N2PK/SEWA-II/09 -7486-88 dated 20.8.2009 for 132 KV Sewa II – Manahpur – Kathua TL.	20.8.2009
2.	The Land Acquisition Process through Land Acquisition Collector, Narwal, started for the land falling under the Transmission Line. Timely land acquisition and payment done for the majority of towers except for a few number of towers for which the necessary documents were not provided by the concerned Revenue Department Officials.	
3.	Asset Commissioned	1.9.2011
4.	Letter to Collector Land Acquisition Narwal cum Assistant Commissioner, Kathua for processing pending land acquisition cases vide Letter No. N2PK/SEWA-IITS/2012/623.	23.3.2012
5.	Letter to Collector Land Acquisition Narwal cum Assistant Commissioner, Revenue, Kathua for processing pending land acquisition cases vide Letter No. N2PK/LAC 132KV SEWA-IITS/2013/08.	16.4.2013
6.	Letter to Collector Land Acquisition Narwal cum Assistant Commissioner, Revenue, Kathua for processing pending land acquisition cases vide Letter No. N2PK/LAC/132KV SEWATS/2013-14/259.	13.1.2014
7.	Notification under Section 4(i) of the Land Acquisition on 30.1.2014 for land acquisition pertaining to instant case.	30.1.2014
8.	Land acquisition case remained under process with Collector Land Acquisition, Narwal owing to non-receipt of necessary revenue documents from the concerned revenue officials.	
9.	Collector, Land Acquisition, Power Grid Corporation of India Limited Narwal vide Letter No. Rev/LB/28/2004 dated 11.3.2019 by J&K Govt. Further acquisition to be done by the concerned ADC, SDM.	11.3.2019
10.	Land acquisition case remained under process with ADC, Kathua and Basholi pending receipt of revenue documents from concerned revenue officials.	
11.	Meeting of District Land Rate Determination Committee of	27.9.2021



	Collectors and Private Negotiation Committee, Kathua took place.	
12.	MoM of District Land Rate Determination Committee of Collectors and Private Negotiation Committee meeting released by Deputy Commissioner, Kathua.	6.10.2021
13.	Letter written by POWERGRID to ADC Basholi and Kathua for providing account details and compensation amount.	23.11.2021
14.	Intimation of amount and account details by ACR, Kathua	25.11.2021
15.	Intimation of amount and account details by ADC, Basholi.	20.1.2022

15. The Petitioner has furnished the Liability Flow Statement claiming the discharge of liabilities for the 2019-24 tariff period under Regulation 25(1)(d) of the 2019 Tariff Regulations. The details of the same are as under:

(₹ in lakh)											
Asset	Party-Wise	Particulars	Outstanding Liability as on 31.3.2019	Liability Discharge						Additional liability (Unexecuted work) 2019-24	Outstanding Liability as on 31.3.2024
				2019-20	2020-21	2021-22	2022-23	2023-24	Total (19-24)		
Asset-1	M/s BPL	Transmission Work	9.49	9.49	0.00	0.00	0.00	0.00	9.49	0.00	0.00
	Land Compensation	Land	50.00	0.00	0.00	0.00	50.00	0.00	50.00	0.00	0.00
Total			59.49	9.49	0.00	0.00	50.00	0.00	59.49	0.00	0.00

16. We have considered the Petitioner's submission and have gone through the record. We observe that the Petitioner has claimed the ACE towards discharge of liability and payment against acquisition of land under the corridor of 132 kV Mahanpur-Kathua transmission line. The Petitioner has also submitted the utilization certificates amounting to ₹33.835 lakh and ₹16.16 lakh issued by the concerned authority against the land compensation paid by the Petitioner. Accordingly, the ACE claimed by the Petitioner is allowed as per Regulations 25(1)(d) and 25(1)(a) of the



2019 Tariff Regulations for Combined Assets for the 2019-24 tariff period, and the details are as follows:

Asset	Particulars	Allowed ACE					(₹ in lakh)
		2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)
Asset-1	Transmission Work	9.49	0.00	0.00	0.00	0.00	9.49
Asset-1	Land	0.00	0.00	0.00	50.00	0.00	50.00
Total		9.49	0.00	0.00	50.00	0.00	59.49

17. Accordingly, the details of the capital cost and trued-up ACE allowed as on 31.3.2024 with respect to the Combined Assets for the 2019-24 tariff period is as under:

Capital Cost allowed as on 1.4.2019	Allowed ACE					(₹ in lakh)
	2019-20	2020-21	2021-22	2022-23	2023-24	Capital Cost as on 31.3.2024
8594.61	9.49	0.00	0.00	50.00	0.00	8654.10

Debt-Equity Ratio

18. 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 Combined Assets during the 2019-24 tariff period are as follows:

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	6016.23	70.00	41.64	70.00	6057.87	70.00
Equity	2578.38	30.00	17.85	30.00	2596.23	30.00
Total	8594.61	100.00	59.49	100.00	8654.10	100.00

Depreciation

19. The depreciation has been worked out considering the admitted capital expenditure as on 1.4.2019 and, thereafter, up to 31.3.2024. The Weighted Average



Rate of Depreciation (WAROD) has been worked out for the Combined Assets as per the rates of depreciation specified in Regulation 33 of the 2019 Tariff Regulations.

20. The depreciation allowed for the Combined Assets for the 2019-24 tariff period is as follows:

(₹ in lakh)						
	Combined Assets					
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
	Depreciation					
A	Opening Gross Block	8594.61	8604.10	8604.10	8604.10	8654.10
B	Addition during 2019-24 due to ACE	9.49	0.00	0.00	50.00	0.00
C	Closing Gross Block (A+B)	8604.10	8604.10	8604.10	8654.10	8654.10
D	Average Gross Block (A+C)/2	8599.36	8604.10	8604.10	8629.10	8654.10
E	Average Capital Cost (90% depreciable assets) (D-F)	8597.58	8602.32	8602.32	8627.32	8652.32
F	Average Capital Cost (100% depreciable assets)	1.78	1.78	1.78	1.78	1.78
G	Depreciable Value (excluding IT equipment and software) (E*90%)	7737.82	7742.09	7742.09	7764.59	7787.09
H	Depreciable Value of IT equipment and software (F*100%)	1.78	1.78	1.78	1.78	1.78
I	Total Depreciable Value (H+G)	7739.60	7743.87	7743.87	7766.37	7788.87
J	Weighted Average Rate of Depreciation (WAROD) (in %)	5.28%	5.28%	5.28%	5.27%	5.27%
K	Elapsed life at the beginning of the year (Year)	7.00	8.00	9.00	10.00	11.00
L	Balance useful life of the asset (Year)	27.00	26.00	25.00	24.00	23.00

M	Combined Depreciation during the year (D*K)	454.01	454.26	454.25	455.00	455.66
N	Cumulative Depreciation at the end of the year	4449.12	4903.37	5357.62	5812.62	6268.29
O	Remaining Aggregate Depreciable Value at the end of the year (I-N)	3290.48	2840.49	2386.25	1953.74	1520.58

21. The details of depreciation allowed vide order dated 15.7.2020 in Petition No. 139/TT/2020, depreciation claimed in the instant Petition, and trued-up depreciation approved in this order with respect to the Combined Assets, are as follows:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 15.7.2020 in Petition No. 139/TT/2020.	453.74	453.99	453.99	453.99	453.99
Claimed in the instant Petition.	454.00	454.25	454.25	454.98	455.65
Approved after trued-up in this order.	454.01	454.26	454.25	455.00	455.66

Interest on Loan (IoL)

22. The Petitioner has claimed the Weighted Average Rate of Interest on Loan (WAROI) based on its actual loan portfolio and applicable rate of interest.

23. We have considered the Petitioner's submissions and perused the record. 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 approved with respect to the Combined Assets is as follows:

(₹ in lakh)						
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	Gross Normative Loan	6016.23	6022.87	6022.87	6022.87	6057.87
B	Cumulative Repayments up to Previous Year	3995.11	4449.12	4903.37	5357.62	5812.62



C	Net Loan-Opening (A-B)	2021.12	1573.76	1119.50	665.25	245.25
D	Addition due to ACE	6.64	0.00	0.00	35.00	0.00
E	Repayment during the year	454.01	454.26	454.25	455.00	245.25
F	Net Loan-Closing (C+D-E)	1573.76	1119.50	665.25	245.25	0.00
G	Average Loan (C+F)/2	1797.44	1346.63	892.38	455.25	122.62
H	Weighted Average Rate of Interest on Loan (in %)	9.2682%	9.2180%	9.1291%	9.0114%	8.9548%
I	Interest on Loan (G*H)	166.59	124.13	81.47	41.02	10.98

24. The details of IoL allowed vide order dated 15.7.2020 in Petition No. 139/TT/2020, IoL claimed in the instant Petition, and trued-up IoL approved in the instant order with respect to the Combined Assets are as follows:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 15.7.2020 in Petition No. 139/TT/2020.	166.65	124.23	81.61	39.73	9.56
Claimed in the instant Petition.	166.59	124.10	81.47	40.95	10.99
Approved after true-up in this order.	166.59	124.13	81.47	41.02	10.98

Return on Equity (RoE)

25. The Petitioner has submitted that its Income Tax Assessments have been completed, and Assessment Orders issued by the Income Tax Department for the FY 2019-20 and FY 2020-21. The income has been assessed under Minimum Alternate Tax (MAT) in terms of Section 115JB of the Income Tax Act, 1961 (IT Act, 1961). The Petitioner has further submitted that the Income Tax Returns (ITRs) for FY 2021-22, FY 2022-23 have already been filed, while the ITR for the FY 2023-24 shall be filed in due course.

26. 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

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



Year	Notified MAT rates (in %) (inclusive of surcharge & cess)	Effective Tax (in %)	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

28. Accordingly, the trued-up RoE allowed with respect to the Combined Assets for the 2019-24 tariff period is as follows:

		(₹ in lakh)				
	Particulars	Combined Assets				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Return on Equity					
A	Opening Equity	2578.38	2581.23	2581.23	2581.23	2596.23
B	Additions	2.85	0.00	0.00	15.00	0.00
C	Closing Equity (A+B)	2581.23	2581.23	2581.23	2596.23	2596.23
D	Average Equity (A+C)/2	2579.80	2581.23	2581.23	2588.73	2596.23
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)	484.54	484.81	484.81	486.21	487.62

29. The details of RoE allowed vide order dated 15.7.2020 in Petition No. 139/TT/2020, the RoE claimed in the instant Petition, and trued-up RoE approved for the Combined Assets for the 2019-24 tariff period in the instant order are as follows:

					(₹ in lakh)
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 15.7.2020 in Petition No. 139/TT/2020.	484.53	484.79	484.79	484.79	484.79
Claimed in the instant Petition.	484.54	484.81	484.81	486.22	487.62
Approved after true-up in this order.	484.54	484.81	484.81	486.21	487.62



Operation and Maintenance Expenses (O&M Expenses)

30. The Commission, vide its order dated 15.7.2020 in Petition No. 139/TT/2020, allowed the following O&M Expenses for the Combined Assets:

(₹ in lakh)

Particulars	Combined Assets				
	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	147.33	152.53	157.77	163.34	168.96

31. The Petitioner has claimed the following O&M Expenses concerning the Combined Assets in the instant Petition:

(₹ in lakh)

Particulars	Combined Assets				
	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	145.93	151.13	156.38	161.93	167.55

32. We have considered the submissions of the Petitioner. It is observed that the Petitioner has not claimed any O&M Expenses against the PLCC in respect of Combined Assets for the 2019-24 tariff period. Therefore, the O&M Expenses allowed for the Combined Assets as per the norms specified in the 2019 Tariff Regulations are as follows:

(₹ in lakh)

Particulars	Combined Assets				
	2019-20	2020-21	2021-22	2022-23	2023-24
Transmission Line: D/C (Single Conductor) <ul style="list-style-type: none">132 kV D/C Sewa-II -Mahanpur Transmission Line (Length of Line: 31.250 km)132 kV D/C Sewa-II -Hiranagar Transmission Line (Length of Line: 78.480 km)132 kV D/C Mahanpur -Kathua Transmission Line (Length of Line: 21.437 km)					
Norms as per regulation (₹ lakh/km)	0.377	0.391	0.404	0.419	0.433
O&M Expenses allowed	49.45	51.29	52.99	54.96	56.80
132 kV Bays Hiranagar Sub-station <ul style="list-style-type: none">2 Nos 132 kV Bays for Sewa-II -Hiranagar Transmission line Ckt-I and Ckt-II Kathua Sub-station <ul style="list-style-type: none">1 No 132 kV Bays for S/C Sewa-II -Mahanpur- Kathua Transmission Line					



<ul style="list-style-type: none"> 1 No 132 kV Bay for S/C Mahanpur- Kathua Transmission Line Mahanpur Sub-station <ul style="list-style-type: none"> 1 No 132 kV Bays for S/C Sewa-II -Mahanpur Transmission Line 1 No 132 kV Bay for S/C Mahanpur- Kathua Transmission Line 					
Norms as per Regulation (₹ lakh/bay)	16.08	16.64	17.23	17.83	18.46
O&M Expenses allowed	96.48	99.84	103.39	106.97	110.75
Total O&M Expenses allowed	145.93	151.13	156.38	161.93	167.55

33. Accordingly, the details of O&M Expenses allowed vide order dated 15.7.2020 in Petition No. 139/TT/2020, the O&M Expenses claimed in the instant Petition, and the trued-up O&M Expenses approved in respect of the Combined Assets for the 2019-24 tariff period in the instant order are as follows:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 15.7.2020 in Petition No. 139/TT/2020.	147.33	152.53	157.77	163.34	168.96
Claimed by the Petitioner in the instant Petition.	145.93	151.13	156.38	161.93	167.55
Approved after trued-up in this order.	145.93	151.13	156.38	161.93	167.55

Interest on Working Capital (IWC)

34. The IWC has been worked out in accordance with Regulation 34 of the 2019 Tariff Regulations. The Rate of Interest (ROI) considered is 12.05% (SBI 1-year MCLR applicable as on 1.4.2019 of 8.55% plus 350 basis points) for FY 2019-20, 11.25% (SBI 1-year MCLR applicable as on 1.4.2020 of 7.75% plus 350 basis points) for the FY 2020-21, 10.50% (SBI 1-year MCLR applicable as on 1.4.2021 of 7.00% plus 350 basis points) for FY 2021-22 and FY 2022-23 and 12.00% (SBI 1-year MCLR applicable as on 1.4.2023 of 8.50% plus 350 basis points) for FY 2023-24.

35. The components of the trued-up working capital and interest allowed thereon with respect to the Combined Assets for the 2019-24 tariff period are as follows:



(₹ in lakh)

	Particulars	Combined Assets				
		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)	12.16	12.59	13.03	13.49	13.96
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	21.89	22.67	23.46	24.29	25.13
C	Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost/Annual Transmission Charges)	156.64	152.31	147.48	143.41	140.58
D	Total Working Capital (A+B+C)	190.70	187.58	183.96	181.19	179.68
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)	22.98	21.10	19.32	19.03	21.56

36. The details of IWC allowed vide order dated 15.7.2020 in Petition No. 139/TT/2020; IWC claimed in the instant Petition, and trued-up IWC approved in the instant order in respect of the Combined Assets for the 2019-24 tariff period are as follows:

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 15.7.2020 in Petition No. 139/TT/2020.	23.04	22.68	22.27	21.88	21.62
Claimed in the instant Petition.	22.98	21.10	19.32	19.02	21.56
Approved after true-up in this order.	22.98	21.10	19.32	19.03	21.56

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

37. Accordingly, the Annual Fixed Charges (AFC) allowed after the truing-up for the 2019-24 tariff period with respect to the Combined Asset are as follows:



(₹ in lakh)

S. No.	Particulars	Combined Assets				
		2019-20	2020-21	2021-22	2022-23	2023-24
A	Depreciation	454.01	454.26	454.25	455.00	455.66
B	Interest on Loan	166.59	124.13	81.47	41.02	10.98
C	Return on Equity	484.54	484.81	484.81	486.21	487.62
D	O&M Expenses	145.93	151.13	156.37	161.94	167.56
E	Interest on Working Capital	22.98	21.10	19.32	19.03	21.56
F	Total (A+B+C+D+E)	1274.05	1235.43	1196.22	1163.20	1143.38

38. The details of AFC allowed vide order dated 15.7.2020 in Petition No. 139/TT/2020, the AFC claimed in the instant Petition, and trued-up AFC approved in the instant order in respect of the Combined Assets are as follows:

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 15.7.2020 in Petition No. 139/TT/2020,	1275.29	1238.22	1200.44	1163.74	1138.93
Claimed in the instant Petition.	1274.04	1235.39	1196.23	1163.10	1143.37
Approved after true-up in this order.	1274.05	1235.43	1196.22	1163.20	1143.38

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

39. The Petitioner has claimed the following transmission charges with respect to the Combined Assets for the 2024-29 tariff period:

(₹ in lakh)

Particulars	Combined Assets				
	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	69.12	69.12	69.12	69.12	69.12
Interest on Loan	0.00	0.00	0.00	0.00	0.00
Return on Equity	487.62	487.62	487.62	487.62	487.62
Interest on Working Capital	14.45	14.77	15.12	15.44	15.85
O&M Expenses	143.08	150.56	158.53	166.81	175.52
Total	714.27	722.07	730.39	738.99	748.11



40. The Petitioner has claimed the following IWC with respect to the Combined Assets for the 2024-29 tariff period:

(₹ in lakh)

Particulars	Combined Assets				
	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses	11.92	12.55	13.21	13.90	14.63
Maintenance Spares	21.46	22.58	23.78	25.02	26.33
Receivables	88.06	89.02	90.05	90.86	92.23
Total Working Capital	121.44	124.15	127.04	129.78	133.19
Rate of Interest (in %)	11.90	11.90	11.90	11.90	11.90
Interest on Working Capital	14.45	14.77	15.12	15.44	15.85

Capital Cost

41. 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) and (5)

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

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

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

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

(d)

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

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

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

(₹ in lakh)			
Cost as per FR	Expenditure as on 31.3.2024	Projected ACE during 2024-29 Tariff Period	Estimated Completion Cost as on 31.3.2029
		2024-29	
9847	8654.10	0.00	8654.10

43. We have considered the Petitioner's submissions. The trued-up capital cost of



₹8654.10 lakh as on 31.3.2024, has been approved in this order and thus, the same is being considered as the opening capital cost as on 1.4.2024 with respect to the Combined Assets for the determination of tariff for the 2024-29 period in accordance with Regulation 19(3)(a) of the 2024 Tariff Regulations.

Additional Capital Expenditure (ACE)

44. The Petitioner, has claimed 'NIL ACE' for the Combined Assets for the 2024-29 tariff period. Accordingly, ACE allowed in respect of the Combined Assets for the 2024-29 tariff period is considered as 'NIL'.

45. Accordingly, the details of the capital cost and ACE allowed in respect of Combined Assets for the 2024-29 tariff period are as follows:

Capital Cost admitted as on 1.4.2024	ACE Allowed					(₹ in Lakh) Capital Cost allowed as on 31.3.2029
	2024-25	2025-26	2026-27	2027-28	2028-29	
8654.10	0.00	0.00	0.00	0.00	0.00	8654.10

Debt-Equity Ratio

46. 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:

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

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



(2) The generating company or the transmission licensee, as the case may be, shall submit the resolution of the Board of the company or the 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 the case of the generating station and the transmission system, including communication system declared under commercial operation prior to 1.4.2024, debt-equity ratio allowed by the Commission for the determination of tariff for the period ending 31.3.2024 shall be considered:

Provided that in case of a generating station or a transmission system, including communication system which has completed its useful life as on 1.4.2024 or is completing its useful life during the 2024-29 tariff period, if the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall not be taken into account for tariff computation;

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

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

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

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

47. The debt-equity ratio considered for the purpose of computation of tariff in respect of the Combined Assets for the 2024-29 tariff period, as allowed under Regulation 18(3) of the 2024 Tariff Regulations is as follows:

Funding	Capital Cost as on 1.4.2024 (₹ in lakh)	(In %)	ACE in 2024-29 (₹ in lakh)	(In %)	Capital Cost as on 31.3.2029 (₹ in lakh)	(In %)
Debt	6057.87	70.00	0.00	70.00	6057.87	70.00
Equity	2596.23	30.00	0.00	30.00	2596.23	30.00
Total	8654.10	100.00	0.00	100.00	8654.10	100.00

Depreciation

48. 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) Xxxxx

(11) Xxxxx

(12) Xxxxx”

49. We have considered the Petitioner’s submissions. WAROD has been worked out considering the depreciation rates for the assets 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 Combined Assets have completed 12 years of life in FY 2023-24, and thus remaining depreciable amount at the end of 12 years has been spread over the balance useful life of the assets as per Regulation 33(5) of the 2024 Tariff Regulations. Accordingly, the depreciation allowed for the Combined Assets for the 2024-29 tariff period is as under:

(₹ in lakh)						
	Combined Assets					
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	Depreciation					
A	Opening Gross Block	8654.10	8654.10	8654.10	8654.10	8654.10
B	Addition during the 2024-29 due to projected ACE	0.00	0.00	0.00	0.00	0.00
C	Closing Gross Block (A+B)	8654.10	8654.10	8654.10	8654.10	8654.10
D	Average Gross Block (A+C)/2	8654.10	8654.10	8654.10	8654.10	8654.10
E	Average Gross Block (90% depreciable assets)	8652.32	8652.32	8652.32	8652.32	8652.32
F	Average Gross Block (100% depreciable assets)	1.78	1.78	1.78	1.78	1.78
G	Depreciable value (excluding IT equipment and software) (E*90%)	7787.09	7787.09	7787.09	7787.09	7787.09
H	Depreciable value of IT equipment and software (F*100%)	1.78	1.78	1.78	1.78	1.78
I	Total Depreciable Value (G+H)	7788.87	7788.87	7788.87	7788.87	7788.87



J	Weighted Average Rate of Depreciation (WAROD) (in %)	5.29	5.21	5.21	1.32	0.04
K	Lapsed useful life at the beginning of the year (Year)	12.00	13.00	14.00	15.00	16.00
L	Balance useful life at the beginning of the year (Year)	22.00	21.00	20.00	19.00	18.00
M	Depreciation during the year (D*J)	69.12	69.12	69.12	69.12	69.12
N	Cumulative Depreciation at the end of the year	6337.40	6406.52	6475.64	6544.75	6613.87
O	Remaining Aggregate Depreciable Value at the end of the year (I-N)	1451.47	1382.35	1313.23	1244.11	1175.00

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 de-capitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on a pro rata basis, and the adjustment should not exceed cumulative depreciation recovered up to the date of de-capitalisation of such asset.

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

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

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

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

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

Provided further that if the generating company or the transmission licensee,



as the case may be, does not have any actual loan, then the rate of interest for a loan shall be considered as 1-year MCLR of the State Bank of India as applicable as on April 01, of the relevant financial year.

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

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

51. The Weighted Average Rate of IoL has been considered on the basis of the rate prevailing as on 1.4.2024. The Petitioner has submitted that the change in the 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 truing up. IoL has been allowed in accordance with Regulation 32 of the 2024 Tariff Regulations. Accordingly, the IoL allowed for the 2024-29 tariff period with respect to the Combined Assets is as follows:

(₹ in lakh)						
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	Interest on Loan					
A	Gross Normative Loan	6057.87	6057.87	6057.87	6057.87	6057.87
B	Cumulative Repayments up to Previous Year	6057.87	6126.99	6196.11	6265.23	6334.34
C	Net Loan-Opening (A-B)	0.00	0.00	0.00	0.00	0.00
D	Addition due to ACE	0.00	0.00	0.00	0.00	0.00
E	Repayment during the year	69.12	69.12	69.12	69.12	0.00
F	Net Loan-Closing (C+D-E)	0.00	0.00	0.00	0.00	0.00
G	Average Loan (C+F)/2	0.00	0.00	0.00	0.00	0.00
H	Weighted Average Rate of Interest on Loan (in %)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
I	Interest on Loan (G*H)	0.00	0.00	0.00	0.00	0.00

Return on Equity (RoE)

52. Regulations 30 and 31 of the 2024 Tariff Regulations provide as under:

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

(2) Return on equity 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:

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

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

Provided that in case a generating company or transmission licensee is paying Minimum Alternate Tax (MAT) under Section 115JB, the generating company or the

transmission licensee, as the case may be, shall true up the grossed-up rate of return on equity at the end of every financial year with the applicable MAT rate including surcharge and cess.

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

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

53. The Petitioner has submitted that MAT rate is applicable to it. Accordingly, the applicable MAT rate has been considered for the purpose of RoE, which will be trued-up in accordance with the 2024 Tariff Regulations. The RoE allowed with respect to the Combined Assets for the 2024-29 tariff period is as follows:

(₹ in lakh)						
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	Return on Equity					
A	Opening Equity	2596.23	2596.23	2596.23	2596.23	2596.23
B	Addition due to ACE	0.00	0.00	0.00	0.00	0.00
C	Closing Equity (A+B)	2596.23	2596.23	2596.23	2596.23	2596.23
D	Average Equity (A+C)/2	2596.23	2596.23	2596.23	2596.23	2596.23
E	Return on Equity (Base Rate)	15.500	15.500	15.500	15.500	15.500
F	Tax Rate applicable	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (Pre-tax)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	487.62	487.62	487.62	487.62	487.62

Operation and Maintenance Expenses (O&M Expenses)

54. The O&M Expenses claimed by the Petitioner with respect to the Combined Assets for the 2024-29 period are as follows:

(₹ in lakh)					
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses	143.08	150.56	158.53	166.81	175.52

55. Regulation 36(3)(a) of the 2024 Tariff Regulations provides as under:

“36. Operation and Maintenance Expenses:

...



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

Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Norms for sub-station bays (₹ Lakh per bay)					
765 kV	41.34	43.51	45.79	48.20	50.73
400 kV	29.53	31.08	32.71	34.43	36.23
220 kV	20.67	21.75	22.90	24.10	25.36
132 kV and below	15.78	16.61	17.48	18.40	19.35
Norms for Transformers/ Reactors (₹ Lakh per MVA or MVAR)					
O&M expenditure per MVA or per MVAR (₹ Lakh per MVA or MVAR)	0.262	0.276	0.290	0.305	0.322
Norms for AC and HVDC lines (₹ Lakh per km)					
Single Circuit (Bundled Conductor with six or more sub-conductors)	0.861	0.906	0.953	1.003	1.056
Single Circuit (Bundled conductor with four sub-conductors)	0.738	0.776	0.817	0.860	0.905
Single Circuit (Twin & Triple Conductor)	0.492	0.518	0.545	0.573	0.603
Single Circuit (Single Conductor)	0.246	0.259	0.272	0.287	0.302
Double Circuit (Bundled conductor with four or more sub-conductors)	1.291	1.359	1.430	1.506	1.585
Double Circuit (Twin & Triple Conductor)	0.861	0.906	0.953	1.003	1.056
Double Circuit (Single Conductor)	0.369	0.388	0.409	0.430	0.453
Multi Circuit (Bundled Conductor with four or more sub-conductor)	2.266	2.385	2.510	2.642	2.781
Multi Circuit (Twin & Triple Conductor)	1.509	1.588	1.671	1.759	1.851
Norms for HVDC stations					
HVDC Back-to-Back stations (₹ Lakh per MW) (Except Gazuwaka BTB)	2.07	2.18	2.30	2.42	2.55
Gazuwaka HVDC Back-to-Back station (₹ Lakh per MW)	1.83	1.92	2.03	2.13	2.24
HVDC bipole scheme (₹ Lakh per MW)	1.04	1.10	1.16	1.22	1.28

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

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

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

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



to the normative O&M expenses prescribed above.

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

.....”

56. We have considered the Petitioner’s submissions. The O&M Expenses for the 2024-29 tariff period have been worked out in accordance with Regulation 36 of the 2024 Tariff Regulations, and the same are as follows:

Particulars	Combined Assets				
	2024-25	2025-26	2026-27	2027-28	2028-29
Transmission Line: D/C (Single Conductor) <ul style="list-style-type: none"> 132 kV D/C Sewa-II -Mahanpur Ckt-I Transmission Line (Length of Line: 31.250 km) 132 kV D/C Sewa-II -Hiranagar Ckt-II Transmission Line (Length of Line: 78.480 km) 132 kV D/C Mahanpur Kathua Transmission Line (Length of Line: 21.437 km) 					
Norms as per Regulation (₹ lakh/km)	0.369	0.388	0.409	0.430	0.453
O&M Expenses allowed	48.40	50.89	53.65	56.40	59.42
132 kV Bays <p>Hiranagar Sub-station</p> <ul style="list-style-type: none"> 2 Nos. 132 kV Bays for Sewa-II -Hiranagar Transmission Line Ckt-I and Ckt-II <p>Kathua Sub-station</p> <ul style="list-style-type: none"> 1 No 132 kV Bays for S/C Sewa-II -Mahanpur- Kathua Transmission Line 1 No 132 kV Bay for S/C Mahanpur- Kathua Transmission Line <p>Mahanpur Substation</p> <ul style="list-style-type: none"> 1 No 132 kV Bays for S/C Sewa-II -Mahanpur Transmission Line 1 No 132 kV Bay for S/C Mahanpur- Kathua Transmission Line 					
Norms as per Regulation (₹ lakh/bay)	15.78	16.61	17.48	18.40	19.35
O&M Expenses	94.68	99.66	104.88	110.40	116.10
Total O&M Expenses allowed	143.08	150.55	158.53	166.80	175.52

Interest on Working Capital (IWC)

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



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

.....

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

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

(2)

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

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

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

58. The Petitioner has considered the rate of IWC as 11.90% as on 1.4.2024. The IWC has been 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 FY 2024-25 to FY 2028-29.

59. 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 Combined Assets are as follows:

(₹ in lakh)						
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Working Capital for O&M Expenses (O&M Expenses for one month)	11.92	12.55	13.21	13.90	14.63
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	21.46	22.58	23.78	25.02	26.33
C	Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost / Annual Transmission Charges)	88.06	89.02	90.05	90.86	92.23
D	Total Working Capital (A+B+C)	121.45	124.15	127.04	129.78	133.19
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)	14.45	14.77	15.12	15.44	15.85



Annual Fixed Charges of the 2024-29 Tariff Period

60. The Annual Fixed Charges (AFC) allowed with respect to the Combined Assets for the 2024-29 tariff period are as follows:

(₹ in lakh)					
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	69.12	69.12	69.12	69.12	69.12
Interest on Loan	0.00	0.00	0.00	0.00	0.00
Return on Equity	487.62	487.62	487.62	487.62	487.62
O&M Expenses	143.08	150.55	158.53	166.80	175.52
Interest on Working Capital	14.45	14.77	15.12	15.44	15.85
Total	714.27	722.06	730.39	738.98	748.11

Filing Fee and Publication Expenses

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

62. 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 under Regulation 94(1) of the 2024 Tariff Regulations.

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

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



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

64. 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 fees 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.”

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

License Fee and RLDC Fees and Charges

66. The Petitioner has claimed reimbursement of the license fee, RLDC fees and charges. The Petitioner is allowed the reimbursement of the license fee for the 2024-29 tariff period in accordance with Regulation 94(4) of the 2024 Tariff Regulations. The Petitioner is also allowed to recover the RLDC fees 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

67. The Petitioner has submitted that the transmission charges claimed herein are exclusive of GST, and in case GST is levied in the future, the same will be additionally paid by the Respondents and be charged and billed separately by the Petitioner. It is further submitted 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.

68. We have considered the Petitioner's submission. 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

69. The Petitioner has not claimed any Security Expenses regarding the Combined Assets in the instant Petition. The Petitioner has submitted that a separate Petition will be filed for truing-up of Security Expenses from 1.4.2019 to 31.3.2024 under Regulation 35(3)(c) of the 2019 Tariff Regulations and recovery of security expenses from 1.4.2024 to 31.3.2029 under Regulation 36(3)(d) of the 2024 Tariff Regulations.

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

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

72. We have considered the Petitioner's submissions and have perused the record.



We deem it proper here to refer Regulation 36(3)(d) of the 2024 Tariff Regulations which provides as 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.”

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

Sharing of Transmission Charges

74. The Petitioner has submitted that the transmission charges 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 shall be recovered on a monthly basis in accordance with Regulation 78 of the 2024 Tariff Regulations and shall be shared by the beneficiaries and long-term transmission customers as per the provisions of the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010 and the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020, (“the 2020 Sharing Regulations”) as amended from time to time, for the respective applicable periods.



75. We have considered the Petitioner's submissions. The billing, collection, and disbursement of the transmission charges for the Combined Assets shall be recovered in terms of provisions of the 2020 Sharing Regulations as provided in Regulation 57 of the 2019 Tariff Regulations for the 2019-24 tariff period and Regulation 78 of the 2024 Tariff Regulations for the 2024-29 tariff period.

76. To summarise,

- i) The trued-up AFC claimed by the Petitioner and approved in the instant order with respect to the Combined Assets for the 2019-24 tariff period are as follows:

	(₹ in lakh)				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
AFC Claimed	1274.04	1235.39	1196.23	1163.10	1143.37
AFC Approved	1274.05	1235.43	1196.22	1163.20	1142.98

- ii) The AFC claimed by the Petitioner and allowed in the instant order with respect to the Combined Assets for the 2024-29 tariff period are as follows:

	(₹ in lakh)				
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
AFC Claimed	714.27	722.07	730.39	738.99	748.11
AFC Approved	714.27	722.06	730.39	738.98	748.11

77. This order disposes of Petition No. 499/TT/2025, in terms of the above discussions and findings.

sd/-
(Harish Dudani)
Member

sd/-
(Ramesh Babu V.)
Member

