

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 600/TT/2025**

**Coram:**

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

**Date of Order: 13.01.2026**

**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 for the truing up of Transmission Tariff for 2019-24 tariff block and determination of Transmission Tariff for 2024-29 tariff block for Combined Asset under "Common System associated with East Coast Energy Private Limited and NCC Power Projects Limited LTOA generation projects in Srikakulam Area-Part-C" in the Southern Region and the Eastern Region.

**And in the matter of:**

**Power Grid Corporation of India Limited,**  
B-9, Qutab Institutional Area,  
Katwaria Sarai, New Delhi-110 016  
"SAUDAMINI", Plot No.2,  
Sector-29, Gurgaon-122001 (Haryana).

**...Petitioner**

**Versus**

- 1. Tamil Nadu Generation and Distribution Corporation Limited,**  
NPKRR Maaligai, 800, Anna Salai,  
Chennai – 600 002.
- 2. Kerala State Electricity Board Limited,**  
Vaidyuthi Bhavanam,  
Pattom, Thiruvananthapuram – 695 004.
- 3. Electricity Department, Government of Goa,**  
Vidyuti Bhawan, Panaji, Goa – 403001.
- 4. Electricity Department, Government of Pondicherry,**  
137, Netaji Subash Chandra Bose Salai,  
Pondicherry – 605001.



- 5. Eastern Power Distribution Company of Andhra Pradesh Limited,**  
P&T Colony, Seethmadhara, VISHAKHAPATNAM, Andhra Pradesh.
- 6. Southern Power Distribution Company of Andhra Pradesh Limited,**  
19-13-65/A, Srinivasapuram, Tiruchanoor Road,  
Tirupati – 517503, Andhra Pradesh.
- 7. Andhra Pradesh Central Power Distribution Company Limited,**  
Corporate Office, Beside Polytechnic College, ITI Road,  
Vijayawada - 520 008, Krishna District, Andhra Pradesh.
- 8. Southern Power Distribution Company of Telangana Limited,**  
6-1-50, Corporate Office, Mint Compound,  
Hyderabad – 500 063, Telangana.
- 9. Northern Power Distribution Company of Telangana Limited,**  
H.No 2-5-3 1/2, Vidyut Bhawan, Corporate Office,  
Nakkal Gutta, Hanamkonda, Warangal – 506 001, Telangana.
- 10. Bangalore Electricity Supply Company Limited,**  
Corporate Office, K.R.Circle,  
Bangalore – 560 001, Karnataka.
- 11. Gulbarga Electricity Supply Company Limited,**  
Corporate Office, Station Main Road, Opp. Parivar Hotel,  
Gulbarga (Kalburgi), Karnataka – 585102.
- 12. Hubli Electricity Supply Company Limited,**  
Navanagar, PB Road, HUBLI, Karnataka- 580025.
- 13. Mangalore Electricity Supply Company Limited,**  
Corporate Office, 1st Floor, MESCOM Bhavan,  
Kavoor Cross Road, Bejai, Mangalore – 575 004, Karnataka.
- 14. Chamundeswari Electricity Supply Corporation Limited,**  
Corporate Office, 29, Vijayanagara 2nd Stage,  
Hinkal, Mysuru-570017, Karnataka.
- 15. Bihar State Power (Holding) Company Limited,**  
Vidyut Bhawan, Bailey Road,  
Patna – 781001, Bihar.
- 16. West Bengal State Electricity Distribution Company Limited,**  
Vidyut Bhawan, Bidhan Nagar,  
Block-DJ, Sector-II, Salt Lake City,  
Kolkata- 700 091.



**17. Grid Corporation of Orissa Limited,**  
Shahid Nagar, Bhubaneshwar – 751 007.

**18. Damodar Valley Corporation,**  
DVC Tower, Maniktala,  
Civic Centre, VIP Road, Kolkata – 700 054.

**19. Power Department,**  
Government of Sikkim, Gangtok – 737101.

**20. Jharkhand Bijli Vitran Nigam Limited,**  
Engineering Building, H.E.C., Dhurwa,  
Ranchi -834004, Jharkhand.

**...Respondents**

**Parties Present:** Shri Zafrul Hasan, PGCIL  
Ms. Supriya Singh, PGCIL  
Shri Arjun Malhotra, PGCIL  
Shri Naresh Kumar, PGCIL  
Shri Vijay, PGCIL  
Ms. Kirti, PGCIL

**ORDER**

The instant Petition has been filed by Power Grid Corporation of India Limited, a deemed transmission licensee, for truing up of the transmission tariff for the 2019-24 tariff period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”) and determination of the transmission tariff under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 (hereinafter referred to as “the 2024 Tariff Regulations”) of the 2024-29 tariff period in respect of the following transmission assets (hereinafter referred to as “the transmission assets/Combined Assets”) under “Common System associated with East Coast Energy Private Limited and NCC Power Projects Limited LTOA generation projects in Srikakulam Area-Part-C” in the Southern Region and the Eastern Region:



**Asset-1:** 2 Nos. 765 kV Line bays along with 2X240 MVAR Switchable Line reactors each at Srikakulam & Angul for termination of both circuit of 765 kV D/C Srikakulam – Angul Transmission Line and 1x330 MVAR 765 kV Bus Reactor at Srikakulam

**Asset-2:** 2X1500 MVA 765/400 kV ICTs along with associated bays at Srikakulam Pooling station

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 17 and 18 above.*
  - b) *Admit the capital cost claimed and additional capitalization incurred during 2019-24.*
  - 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 17 and 18 above for respective block.*
  - d) *Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 94 (1) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024, and other expenditure (if any) in relation to the filing of petition.*
  - e) *Allow the petitioner to bill and recover RLDC fees & charges and Licensee fee separately from the respondents in terms of Regulation 94 (3) and (4) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024.*
  - f) *Allow the petitioner to bill and adjust impact on Interest on Loan due to change in interest rate on account of floating rate of interest applicable during 2024-29 period, if any, from the respondents.*
  - g) *Allow the petitioner to file a separate petition before Hon'ble Commission for claiming the overall security expenses and consequential IOWC on that security expenses as mentioned at Para 24 above.*
  - h) *Allow the petitioner to file a separate petition before Hon'ble Commission for claiming the overall insurance expenses and consequential IOWC on that insurance expenses as mentioned at Para 24 above.*
  - i) *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 24 above.*
  - j) *Allow the petitioner to claim expenses of CTUIL borne by POWERGRID through a separate petition as mentioned at Para 25 above.*



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

*and pass such other relief as Hon'ble Commission deems fit and appropriate under the circumstances of the case and in the interest of justice."*

## **Background**

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

- a. The Investment Approval (IA) for the implementation of transmission project was accorded by the Board of Directors (BoD) of the Petitioner's Company in its 285<sup>th</sup> meeting held on 28.3.2013 vide Memorandum Ref. No. C/CP/Srikakulam-Part-C dated 5.4.2013 at an estimated cost of ₹ 51420 lakh including IDC of ₹ 2879 lakh based on February 2013, price level.
- b. The approval of Revised Cost Estimate (RCE) for the transmission project was accorded by Board of Directors of the Petitioner's Company in its 339<sup>th</sup> meeting held on 29.3.2017 vide Memorandum Ref. No. C/CP/PA 1617-03-OURCE009 dated 31.3.2017) at an estimated cost of ₹ 70310 lakh including IDC of ₹ 7643 lakh based on August, 2016 price level.
- c. The scope of work covered under the transmission system and project broadly includes:

### **Sub-station:**

- a) **Up gradation of 765/400 kV Srikakulam Pooling Station (765 kV-40 kA, 400 kV-50 kA)**

The Srikakulam 765/400 kV Sub-station (initially charged at 400 kV) is envisaged under Part-A and was upgraded to its rated voltage 765 kV under this transmission system/project. The 400 kV switchyard was to



be constructed as AIS and 765 kV switchyard to be constructed as GIS. The upgradation shall comprise of following scope of works:

- (i) 2x1500 MVA, 765/400 kV transformers along with associated 765 kV & 400 kV Bays.
- (ii) 2 numbers 765 kV line bays for termination of Srikakulam Pooling Station-Angul 765 kV D/C line.

**b) Extension of 765/400 kV Angul Sub-station**

This sub-station is owned by POWERGRID and shall be executed to accommodate the following bays under this transmission system/project:

- i) 2 numbers 765 kV line bays for termination of Srikakulam PS-Angul 765 kV D/C line.

**Reactive Compensation:**

**Bus Reactors (765 kV)**

- 1x330 MVAR 765 kV Bus reactor at Srikakulam Pooling Station.

**Line Reactors (765 kV)**

- 240 MVAR Switchable line reactors with 800 ohms NGR at each end at Srikakulam Pooling Station and Angul for both the circuits of Srikakulam Pooling Station-Angul 765 kV D/C line.

d. The scope of work was revised subsequent to approval of RCE as under:

**Sub-station:**

**a) Establishment of new 765/400 kV Srikakulam Pooling Station**

- i. 2x1500 MVA, 765/400 kV transformers along with associated 765 kV and 400 kV bays.



- ii. 2 numbers 765 kV line bays for termination of Srikakulam Pooling Station Angul 765 kV D/c line.

**b) Extension of 765/400 kV Angul Sub-station**

- i. 2 numbers 765 kV line bays for termination of Srikakulam Pooling Station Angul 765 kV D/C line.

**Reactive Compensation**

**a) Bus Reactors (765 kV)**

- i. 1x330 MVAR 765 kV Bus reactor at Srikakulam Pooling Station.

**b) Line Reactors (765 kV)**

- ii. 2x240 MVAR Switchable line reactors with 800 ohms NGR each at Srikakulam Pooling station and Angul for both the circuits of Srikakulam Pooling Station-Angul 765 kV D/C line.

*(Note: The transmission system inter alia comprised of establishment of 765/400 kV pooling station at Srikakulam, where power from IPPs shall be pooled and transmitted to various beneficiaries through Srikakulam pooling station-Angul 765 kV D/C line. The entire system was to be initially operated at 400 kV (under Srikakulam-Part-A) and to be upgraded to 765 KV at a later date (under Srikakulam-Part-C). However, due to changed load generation scenario in Southern Region (SR), it was agreed to operate the Srikakulam pooling station at its rated voltage of 765 kV right from the beginning. Accordingly, new 765/400 kV sub-station at Srikakulam is being established under the project)*

- e. The Petitioner has filed the present Petition for triung 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 Southern Region and the Eastern Region:

Asset	Asset Name	COD	Covered Under	Remarks
Asset-1	2 Nos. 765 kV Line bays along with 2X240 MVAR Switchable Line reactors each at Srikakulam & Angul for termination of both circuit of 765	1.2.2017	Earlier covered under Petition No. 422/TT/2019	All assets merged in the present Petition w.e.f.



	kV D/C Srikakulam – Angul Transmission line and 1x330 MVAR 765 kV Bus Reactor at Srikakulam			1.4.2024 COD: 5.5.2017
Asset- 2	2X1500 MVA 765/400 kV ICTs along with associated bays at Srikakulam Pooling station	7.8.2018	Earlier covered under Petition No. 15/TT/2022	

4. The transmission tariff for the transmission Asset-1 from the date of commercial operation to 31.3.2019 was allowed vide Order 23.7.2018 in Petition No. 231/TT/2016

5. Further, the transmission tariff for Asset-2, i.e., (2x1500 MVA 765/400 kV ICTs along with associated bays at Srikakulam Pooling Station) was claimed earlier under Petition No. 231/TT/2016 on the basis of the anticipated COD of 31.3.2018. However, the Commission vide Order dated 23.7.2018 in Petition No. 231/TT/2016 had disposed of the Petition and directed the Petitioner to file a fresh Petition after COD of the said asset. Accordingly, the Petitioner had filed Petition No. 103/TT/2019 for determination of tariff for Asset-2 for the 2014-19 tariff period from COD (7.8.2018) to 31.3.2019. The Commission vide Order dated 5.3.2021 in Petition No. 103/TT/2019 approved the COD of the transmission Asset-2 as 7.8.2018 and determined the tariff for the aforesaid asset.

6. The Commission, vide Order dated 1.6.2021 in Petition No. 422/TT/2019, trued-up the transmission tariff for the 2014-19 tariff period and approved the tariff for Asset-1 for the 2019-24 tariff period, and vide Order dated 2.9.2022 in Petition No. 15/TT/2022, trued-up the transmission tariff for the 2014-19 tariff period and allowed the tariff for Asset-2 for the 2019-24 tariff period.

7. The Respondents are distribution licensees, transmission licensees and power departments, which are procuring transmission services from the Petitioner, mainly beneficiaries of the Southern & Eastern Region.



8. The Petitioner has served a copy of the Petition on the Respondents and notice regarding filing of this Petition has been published in the newspapers in accordance with Section 64 of the Electricity Act, 2003. No comments or suggestions have been received from the general public in response to the aforesaid notices published in the newspapers by the Petitioner.

9. No Respondent has filed its reply and raised any issues pertaining to the instant Petition.

10. The hearing in this matter was held on 4.11.2025 and the Order was reserved.

11. This Order is issued considering the submissions made by the Petitioner vide affidavit dated 29.11.2024 and 10.11.2025.

12. Having heard the representatives of the Petitioner and perused the material on record, we proceed to dispose of the Petition.

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

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

#### **Asset-I**

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	2720.39	2724.41	2724.59	2724.76	2724.76
Interest on Loan	2394.47	2044.23	1817.99	1680.25	1536.01
Return on Equity	2919.66	2923.95	2924.14	2924.32	2924.32
Interest on Working Capital	135.54	122.42	111.65	110.33	124.42
O&M Expenses	337.57	349.50	361.72	374.47	387.60
<b>Total</b>	<b>8507.63</b>	<b>8164.51</b>	<b>7940.09</b>	<b>7814.13</b>	<b>7697.11</b>



## Asset-II

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	558.04	558.86	561.54	563.45	563.72
Interest on Loan	519.76	457.78	413.06	387.84	357.59
Return on Equity	591.07	591.95	594.80	596.84	597.12
Interest on Working Capital	94.84	89.99	85.62	87.69	102.51
O&M Expenses	1600.32	1655.80	1714.42	1776.22	1838.18
<b>Total</b>	<b>3364.03</b>	<b>3354.38</b>	<b>3369.44</b>	<b>3412.04</b>	<b>3459.12</b>

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

## Asset-I

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	28.13	29.13	30.14	31.21	32.30
Maintenance Spares	50.64	52.43	54.26	56.17	58.14
Receivables	1046.02	1006.58	978.92	963.39	946.36
<b>Total Working Capital</b>	<b>1124.79</b>	<b>1088.14</b>	<b>1063.32</b>	<b>1050.77</b>	<b>1036.80</b>
Rate of Interest (in %)	12.05	11.25	10.50	10.50	12.00
<b>Interest on Working Capital</b>	<b>135.54</b>	<b>122.42</b>	<b>111.65</b>	<b>110.33</b>	<b>124.42</b>

## Asset-II

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	133.36	137.98	142.87	148.02	153.18
Maintenance Spares	240.05	248.37	257.16	266.43	275.73
Receivables	413.61	413.55	415.41	420.66	425.30
<b>Total Working Capital</b>	<b>787.02</b>	<b>799.90</b>	<b>815.44</b>	<b>835.11</b>	<b>854.21</b>
Rate of Interest (in %)	12.05	11.25	10.50	10.50	12.00
<b>Interest on Working Capital</b>	<b>94.84</b>	<b>89.99</b>	<b>85.62</b>	<b>87.69</b>	<b>102.51</b>

### Capital cost for the 2019-24 tariff period

15. The Commission, vide Order dated 1.6.2021 in Petition No. 422/TT/2019, allowed the capital cost of ₹ 51740.57 lakh as on 1.4.2019 in respect of Asset-1, and vide Order dated 2.9.2022 in Petition No. 15/TT/2022, allowed the capital cost of ₹ 10489.94 lakh as on 1.4.2019 in respect of Asset-2.



16. The Petitioner in the instant true-up Petition has claimed the following capital cost for the 2019-24 tariff period:

Asset	Capital cost allowed up to COD	ACE claimed					Capital cost as on 31.3.2024
		2019-20	2020-21	2021-22	2022-23	2023-24	
Asset-1	51740.57	152.35	0.00	6.58	0.00	0.00	51899.50
Asset-2	10489.94	0.00	31.17	70.21	2.06	8.07	10601.45

17. The Petitioner has claimed the same capital cost of ₹ 51740.57 lakh and ₹ 10489.94 lakh as allowed by the Commission as on 31.3.2019 vide Orders dated 1.6.2021 and 2.9.2022 in Petition No. 422/TT/2019 and Petition No. 15/TT/2022, respectively. Accordingly, the same have been considered as the opening capital cost as on 1.4.2019 for the purpose of truing up of the transmission tariff for the 2019–24 period in accordance with Regulation 19(3)(a) of the 2019 Tariff Regulations.

#### **Additional Capital Expenditure (ACE)**

18. The Commission, vide Order dated 1.6.2021 in Petition No. 422/TT/2019 for Asset-1 and Order dated 2.9.2022 in Petition No. 15/TT/2022 for Asset-2, allowed Additional Capital Expenditure (ACE) in respect of the transmission assets for the 2019–24 tariff period under Regulation 24 (1)(a) and 25(1)(d) of the 2019 Tariff Regulations on account of undischarged liabilities recognized to be payable at a future date and Liability for works executed prior to the cut-off date;. The ACE allowed for the 2019-24 tariff period in the aforesaid Orders is as follows:

Asset	ACE Allowed 2019-24	Regulation
Asset-1	183.58	
Asset-2	139.51	Regulation 24(1)(a) and 25(1)(d) of the 2019 tariff regulations
<b>Total</b>	<b>323.09</b>	

19. Against this, the Petitioner has claimed following ACE with respect to Asset-1 and Asset-2 for the truing up of the 2019-24 tariff period based on the actual expenditure



in respect of the transmission assets in accordance with the 24(1)(a) and 25(1)(d) of the 2019 Tariff Regulations:

Particulars	Regulations	Asset	ACE Claimed					Total
			2019-20	2020-21	2021-22	2022-23	2023-24	
Undischarged liabilities recognized to be payable at a future date	24(1)(a) of the 2019 Tariff Regulations	Asset-1	152.35	0.00	0.00	0.00	0.00	152.35
		Asset-2	0.00	31.17	0.00	0.00	0.00	0.00
Liability for works executed prior to the cut-off date	25(1)(d) of the 2019 Tariff Regulations	Asset-1	0.00	0.00	6.58	0.00	0.00	6.58
		Asset-2	0.00	0.00	70.21	2.06	8.07	80.34

20. The Petitioner has also submitted the Liability Flow Statement for claiming the discharge of liabilities under regulation 24(1)(a) and 25(1)(d) of the 2019 Tariff Regulations for the 2019-24 tariff period. The details are as under:

#### Asset-1

Party	Particulars	Year of Actual Capitalization	Outstanding liability as on COD/1.4.2019	Liability Discharge		
				2019-20	2021-22	Total
M/s ABB-Reactor Pkg	Substation	2016-17 (1.2.2017)	41.81	41.81	0.00	41.81
M/s Techno Electric & Engg.co. – SS Pkg	Substation	2016-17 (1.2.2017)	40.08	8.85	6.58	15.43
M/S SIEMENS LTD -Circuit Breaker Pkg	Substation	2016-17 (1.2.2017)	101.69	101.69	0.00	101.69
Site Package	Substation	2017-18	0.00	0.00	0.00	0.00
<b>Total</b>			<b>183.58</b>	<b>152.35</b>	<b>6.58</b>	<b>158.93</b>

Asset No.	Party	Particulars	Year of Actual Capitalization	Outstanding liability as on COD/1.4.2019	Liability Reversal	
					2019-20	Total
Asset-1	M/s ABB-Reactor Pkg	Substation	2016-17 (1.2.2017)	41.81	0.00	0.00



	M/s Techno Electric & Engg.co. – SS Pkg	Substation	2016-17 (1.2.2017)	40.08	24.65	24.65
	M/S SIEMENS LTD -Circuit Breaker Pkg	Substation	2016-17 (1.2.2017)	101.69	0.00	0.00
	Site Package	Substation	2017-18	0.00	0.00	0.00
	Total			<b>183.58</b>	<b>24.65</b>	<b>24.65</b>

### Asset-2

Asset No.	Party	Particulars	Year of Actual Capitalization	Liability Discharge				
				2020-21	2021-22	2022-23	2023-24	Total
Asset-2	Site Package	Substation	2017-18	0.00	70.21	2.06	8.07	80.34
<b>Total</b>				<b>0.00</b>	<b>70.21</b>	<b>2.06</b>	<b>8.07</b>	<b>80.34</b>

Asset No.	Party	Particulars	Year of Actual Capitalization	Liability recognized*(Unexecuted works)				
				2020-21	2021-22	2022-23	2023-24	Total
Asset-2	Site Package	SUBSTATION	2017-18	73.89	0.00	0.00	0.00	73.89
<b>Total</b>				<b>73.89</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>73.89</b>

21. We have considered the submissions made by the Petitioner in the instant Petition and documents placed on record. The COD of the Asset-1 and Asset-2 is approved as on 1.2.2017 and 7.8.2018 and the cut-off date works out to be 31.3.2020 and 31.3.2021 for Asset-1 and Asset-2 respectively. The ACE claimed by the Petitioner for Asset-1 and Asset-2 up to the cut-off date is allowed as per Regulation 24(1)(a) of the 2019 Tariff Regulations on undischarged liabilities recognized to be payable at a future date. The ACE claimed by the Petitioner in case of Asset-1 and Asset-2 after the cut-off date is allowed as per Regulation 25(1)(d) of the 2019 Tariff Regulations on



Liability for works executed prior to the cut-off date. Accordingly, the allowed ACE is summarized as under:

Asset-1						
Particulars	Regulations	ACE allowed				
		2019-20	2020-21	2021-22	2022-23	2023-24
Undischarged liabilities recognized to be payable at a future date	24(1)(a) of the 2019 Tariff Regulations	152.35	0.00	0.00	0.00	0.00
Liability for works executed prior to the cut-off date	25(1)(d) of the 2019 Tariff Regulations	0.00	0.00	6.58	0.00	0.00
<b>Total ACE Allowed</b>		152.35	0.00	6.58	0.00	0.00

Asset-2						
Particulars	Regulations	ACE allowed				
		2019-20	2020-21	2021-22	2022-23	2023-24
Undischarged liabilities recognized to be payable at a future date	24(1)(a) of the 2019 Tariff Regulations	0.00	31.17	0.00	0.00	0.00
Liability for works executed prior to the cut-off date	25(1)(d) of the 2019 Tariff Regulations	0.00	0.00	70.21	2.06	8.07
<b>Total ACE Allowed</b>		0.00	31.17	70.21	2.06	8.07

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

Asset	Capital Cost allowed as on COD	ACE allowed for the 2019-24 tariff period					
		2019-20	2020-21	2021-22	2022-23	2023-24	Capital Cost as on 31.3.2024
Asset-1	51740.57	152.35	0.00	6.58	0.00	0.00	51899.50
Asset-2	10489.94	0.00	31.17	70.21	2.06	8.07	10601.45



### **Debt-Equity ratio**

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

#### **Asset-1**

<b>Funding</b>	<b>Capital Cost as on COD (₹ in lakh)</b>	<b>(in %)</b>	<b>ACE in 2019-24 (₹ in lakh)</b>	<b>(in %)</b>	<b>Capital Cost as on 31.3.2024 (₹ in lakh)</b>	<b>(in %)</b>
Debt	36218.40	70.00	111.25	70.00	36329.65	70.00
Equity	15522.17	30.00	47.68	30.00	15569.85	30.00
<b>Total</b>	<b>51740.57</b>	<b>100.00</b>	<b>158.93</b>	<b>100.00</b>	<b>51899.50</b>	<b>100.00</b>

#### **Asset-2**

<b>Funding</b>	<b>Capital Cost as on COD (₹ in lakh)</b>	<b>(in %)</b>	<b>ACE in 2019-24 (₹ in lakh)</b>	<b>(in %)</b>	<b>Capital Cost as on 31.3.2024 (₹ in lakh)</b>	<b>(in %)</b>
Debt	7342.96	70.00	78.06	70.00	7421.02	70.00
Equity	3146.98	30.00	33.45	30.00	3180.44	30.00
<b>Total</b>	<b>10489.94</b>	<b>100.00</b>	<b>111.51</b>	<b>100.00</b>	<b>10601.45</b>	<b>100.00</b>

#### **Depreciation**

24. 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 rates of depreciation specified in Regulation 33 of the 2019 Tariff Regulations.

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

#### **Asset-1**

(₹ in lakh)						
<b>Sl. No.</b>	<b>Particulars</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
A	Opening Capital cost	51740.57	51892.92	51892.92	51899.50	51899.50



Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
B	Addition during the year 2019-24 due to ACE	152.35	0.00	6.58	0.00	0.00
C	Closing Capital cost (A+B)	51892.92	51892.92	51899.50	51899.50	51899.50
D	Average Capital cost (A+C)/2	51816.75	51892.92	51896.21	51899.50	51899.50
E	Average Capital cost (90% depreciable assets)	51548.92	51625.10	51628.39	51631.68	51631.68
F	Average Capital cost (100% depreciable assets)	267.82	267.82	267.82	267.82	267.82
G	Depreciable value (excluding IT equipment and software) (E*90%)	46394.03	46462.59	46465.55	46468.51	46468.51
H	Depreciable value of IT equipment and software (F*100%)	267.82	267.82	267.82	267.82	267.82
I	Total Depreciable Value (G+H)	46661.85	46730.41	46733.37	46736.33	46736.33
J	Weighted average rate of Depreciation (WAROD) (in %)	5.25	5.25	5.25	5.25	5.25
K	Balance useful life at the beginning of the year (Year)	23	22	21	20	19
L	Elapsed useful life at the beginning of the year (Year)	2	3	4	5	6
M	<b>Depreciation during the year (D*J)</b>	<b>2720.38</b>	<b>2724.41</b>	<b>2724.58</b>	<b>2724.75</b>	<b>2724.75</b>
N	Cumulative Depreciation at the end of the year	8280.70	11005.12	13729.70	16454.45	19179.21
O	Remaining Aggregate Depreciable Value at the end of the year (I-N)	38381.15	35725.29	33003.67	30281.88	27557.12

## Asset-II

Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	Opening Capital cost	10489.94	10489.94	10521.11	10591.32	10593.38
B	Addition during the year 2019-24 due to ACE	0.00	31.17	70.21	2.06	8.07
C	Closing Capital cost (A+B)	10489.94	10521.11	10591.32	10593.38	10601.45
D	Average Capital cost (A+C)/2	10489.94	10505.53	10556.22	10592.35	10597.42
E	Average Capital cost (90% depreciable assets)	10447.00	10462.58	10513.27	10549.41	10554.47
F	Average Capital cost (100% depreciable assets)	42.94	42.94	42.94	42.94	42.94



Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
G	Depreciable value (excluding IT equipment and software) (E*90%)	9402.30	9416.32	9461.94	9494.47	9499.02
H	Depreciable value of IT equipment and software (F*100%)	42.94	42.94	42.94	42.94	42.94
I	Total Depreciable Value (G+H)	9445.24	9459.27	9504.89	9537.41	9541.97
J	Weighted average rate of Depreciation (WAROD) (in %)	5.32	5.32	5.32	5.32	5.32
K	Balance useful life at the beginning of the year (Year)	25	24	23	22	21
L	Elapsed useful life at the beginning of the year (Year)	0	1	2	3	4
<b>M</b>	<b>Depreciation during the year (D*J)</b>	<b>558.04</b>	<b>558.86</b>	<b>561.54</b>	<b>563.45</b>	<b>563.72</b>
N	Cumulative Depreciation at the end of the year	917.68	1476.54	2038.08	2601.54	3165.26
O	Remaining Aggregate Depreciable Value at the end of the year (I-N)	8527.56	7982.72	7466.80	6935.87	6376.71

26. The details of depreciation allowed vide Order dated 1.6.2021 and 2.9.2022 in Petition No. 422/TT/2019 and 15/TT/2022 in respect of the transmission assets, depreciation claimed by the Petitioner in the instant Petition and trued-up depreciation approved in the instant Order are as follows:

Asset-1	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide Order dated 1.6.2021 in Petition No. 422/TT/2019	2721.21	2726.06	2726.06	2726.06	2726.06
Claimed by the Petitioner in the instant Petition	2720.39	2724.41	2724.59	2724.76	2724.76
Approved after true-up in this Order	2720.38	2724.41	2724.58	2724.75	2724.75



(₹ in lakh)					
Asset-2	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide Order dated 2.9.2022 in Petition No. 15/TT/2022	558.04	558.87	562.55	565.41	565.41
Claimed by the Petitioner in the instant Petition	558.04	558.86	561.54	563.45	563.72
Approved after true-up in this Order	558.04	558.86	561.54	563.45	563.72

### **Interest on Loan (IoL)**

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

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

	Particulars	Asset-1				
		2019-20	2020-21	2021-22	2022-23	2023-24
	<b>Interest on Loan</b>					
A	Gross Normative Loan	36218.40	36325.04	36325.04	36329.65	36329.65
B	Cumulative Repayments upto Previous Year	5560.32	8280.70	11005.12	13729.70	16454.45
C	Net Loan-Opening (A-B)	30658.08	28044.34	25319.93	22599.95	19875.20
D	Additions	106.65	0.00	4.61	0.00	0.00
E	Repayment during the year	2720.38	2724.41	2724.58	2724.75	2724.75
F	Net Loan-Closing (C+D-E)	28044.34	25319.93	22599.95	19875.20	17150.44
G	Average Loan (C+F)/2	29351.21	26682.13	23959.94	21237.57	18512.82
H	Weighted Average Rate of Interest on Loan (in %)	8.1580	7.6614	7.5876	7.9117	8.2970
I	<b>Interest on Loan (G*H)</b>	<b>2394.47</b>	<b>2044.23</b>	<b>1817.99</b>	<b>1680.26</b>	<b>1536.01</b>



	Particulars	Asset-2				
		2019-20	2020-21	2021-22	2022-23	2023-24
	<b>Interest on Loan</b>					
A	Gross Normative Loan	7342.96	7342.96	7364.78	7413.92	7415.37
B	Cumulative Repayments upto Previous Year	359.64	917.68	1476.54	2038.08	2601.54
C	Net Loan-Opening (A-B)	6983.32	6425.28	5888.23	5375.84	4813.83
D	Additions	0.00	21.82	49.15	1.44	5.65
E	Repayment during the year	558.04	558.86	561.54	563.45	563.72
F	Net Loan-Closing (C+D-E)	6425.28	5888.23	5375.84	4813.83	4255.76
G	Average Loan (C+F)/2	6704.30	6156.76	5632.04	5094.83	4534.79
H	Weighted Average Rate of Interest on Loan (in %)	7.7527	7.4354	7.3340	7.6123	7.8855
I	<b>Interest on Loan (G*H)</b>	<b>519.77</b>	<b>457.78</b>	<b>413.06</b>	<b>387.84</b>	<b>357.59</b>

29. The details of IoL allowed vide Order dated 1.6.2021 and 2.9.2022 in Petition No. 422/TT/2019 and 15/TT/2022 for the transmission assets; IoL claimed by the Petitioner in the instant Petition and trued-up IoL approved in the instant Order are as follows:

Asset-1	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide Order dated 1.6.2021 in Petition No. 422/TT/2019	2427.34	2199.02	1986.77	1775.19	1547.53
Claimed by the Petitioner in the instant Petition	2394.47	2044.23	1817.99	1680.25	1536.01
Approved after true-up in this Order	2394.47	2044.23	1817.99	1680.26	1536.01

Asset-2	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide Order dated 2.9.2022 in Petition No. 15/TT/2022	524.33	480.53	443.74	407.04	361.15
Claimed by the Petitioner in the instant Petition	519.76	457.78	413.06	387.84	357.59
Approved after true-up in this Order	519.77	457.78	413.06	387.84	357.59



### **Return on Equity (RoE)**

30. The Petitioner has submitted that its Income Tax Assessment has been completed, and assessment Orders have been issued by the Income Tax Department for the FY 2019- 20 and FY 2020-21 and the income has been assessed under MAT (115JB of the Income Tax Act, 1961). The Petitioner has further submitted that the Income Tax Returns (ITR) have been filed for FY 2021-22 and FY 2022-23 and FY 2023-24 (submitted in Petition No. 401/TT/2024).

31. 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:

<b>Year</b>	<b>Claimed effective tax rate (in %)</b>	<b>Grossed-up RoE [(Base Rate)/(1-t)] (in %)</b>
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

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



tax rate for the purpose of grossing up the RoE for truing up the 2019-24 tariff period in terms of the provisions of the 2019 Tariff Regulations. Interest imposed on any additional income tax demand as per the Assessment Order of the Income Tax Authorities shall be considered on the actual payment. However, the penalty (for default on the part of the Assessee), if any, imposed shall not be 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:

<b>Year</b>	<b>Notified MAT rates (in %) (inclusive of surcharge &amp; cess)</b>	<b>Effective Tax (in %)</b>	<b>Base rate of RoE (in %)</b>	<b>Grossed-up RoE [(Base Rate)/(1-t)] (in %)</b>
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

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

	<b>Particulars</b>	<b>Asset-1</b>				
		<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
A	Opening Equity	15522.17	15567.88	15567.88	15569.85	15569.85
B	Additions	45.71	0.00	1.97	0.00	0.00
C	Closing Equity (A+B)	15567.88	15567.88	15569.85	15569.85	15569.85
D	Average Equity (A+C)/2	15545.02	15567.88	15568.86	15569.85	15569.85
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	<b>Return on Equity (D*G)</b>	<b>2919.67</b>	<b>2923.96</b>	<b>2924.14</b>	<b>2924.33</b>	<b>2924.33</b>



Particulars		Asset-2				
		2019-20	2020-21	2021-22	2022-23	2023-24
A	Opening Equity	3146.98	3146.98	3156.33	3177.40	3178.01
B	Additions	0.00	9.35	21.06	0.62	2.42
C	Closing Equity (A+B)	3146.98	3156.33	3177.40	3178.01	3180.44
D	Average Equity (A+C)/2	3146.98	3151.66	3166.86	3177.71	3179.22
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	<b>Return on Equity (D*G)</b>	<b>591.07</b>	<b>591.94</b>	<b>594.80</b>	<b>596.84</b>	<b>597.12</b>

34. The details of RoE allowed vide Order dated 1.6.2021 and 2.9.2022 in Petition No. 422/TT/2019 and 15/TT/2022 for the transmission assets, RoE claimed by the Petitioner in the instant Petition and trued-up RoE approved in the instant Order are as follows:

Asset-1		2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide Order dated 1.6.2021 in Petition No. 422/TT/2019		2920.54	2925.71	2925.71	2925.71	2925.71
Claimed by the Petitioner in the instant Petition		2919.66	2923.95	2924.14	2924.32	2924.32
Approved after true-up in this Order		2919.67	2923.96	2924.14	2924.33	2924.33

Asset-2		2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide Order dated 2.9.2022 in Petition No. 15/TT/2022		591.07	591.94	595.87	589.93	598.93
Claimed by the Petitioner in the instant Petition		591.07	591.95	594.80	596.84	597.12
Approved after true-up in this Order		591.07	591.94	594.80	596.84	597.12

#### **Operation & Maintenance Expenses (O&M Expenses)**

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



Asset	2019-20	2020-21	2021-22	2022-23	2023-24
Asset-1	337.57	349.50	361.72	374.47	387.60

Asset	2019-20	2020-21	2021-22	2022-23	2023-24
Asset-2	1600.32	1655.80	1714.42	1776.22	1838.18

36. Accordingly, the O&M Expenses allowed for the transmission assets as per norms specified in the 2019 Tariff Regulations are as follows:

Particulars	Asset-1				
	2019-20	2020-21	2021-22	2022-23	2023-24
<b>765 kV Sub- station</b>					
<ul style="list-style-type: none"> <li>Angul: 2 Nos. of 765KV line bays for Srikakulam line-I &amp;II</li> <li>Srikakulam: 2 Nos. of 765KV line bays for Angul line-I &amp;II</li> </ul>					
Norms (₹ lakh/Bay)	45.01	46.60	48.23	49.93	51.68
<b>O&amp;M expenses allowed (i)</b>	<b>180.04</b>	<b>186.40</b>	<b>192.92</b>	<b>199.72</b>	<b>206.72</b>
<b>765KV GIS:</b>					
<ul style="list-style-type: none"> <li>Srikakulam: 2 nos. of bay for 240MVA switchable line reactor-I &amp;II</li> <li>Angul: 2 nos. of bay for 240MVA switchable line reactor-I &amp;II</li> <li>Srikakulam: 1 no. of 330MVA Bus reactor bay</li> </ul>					
Norms (₹ lakh/Bay)	31.507	32.620	33.761	34.951	36.176
<b>O&amp;M expenses allowed (ii)</b>	<b>157.54</b>	<b>163.10</b>	<b>168.81</b>	<b>174.76</b>	<b>180.88</b>
<b>Total O&amp;M expenses allowed (i+ii)</b>	<b>337.58</b>	<b>349.50</b>	<b>361.73</b>	<b>374.48</b>	<b>387.60</b>

Particulars	Asset-2				
	2019-20	2020-21	2021-22	2022-23	2023-24
<b>400KV GIS bays of:</b>					
<ul style="list-style-type: none"> <li>Srikakulam:ICT I Bay(765/400 kV) Srikakulam GIS</li> <li>Srikakulam:ICT II Bay(765/400 kV) Srikakulam GIS</li> </ul>					
Norms (₹ lakh/Bay)	22.505	23.296	24.115	24.962	25.837
<b>O&amp;M expenses allowed (i)</b>	<b>45.01</b>	<b>46.59</b>	<b>48.23</b>	<b>49.92</b>	<b>51.67</b>
<b>765KV GIS bays of:</b>					
<ul style="list-style-type: none"> <li>Srikakulam:ICT I Bay(765/400 kV) Srikakulam GIS</li> <li>Srikakulam:ICT II Bay(765/400 kV) Srikakulam GIS</li> </ul>					
Norms (₹ lakh/Bay)	31.507	32.62	33.761	34.951	36.176



Particulars	Asset-2				
	2019-20	2020-21	2021-22	2022-23	2023-24
<b>O&amp;M expenses allowed (ii)</b>	<b>63.01</b>	<b>65.24</b>	<b>67.52</b>	<b>69.90</b>	<b>72.35</b>
<b>Transformer</b> <b>765 kV MVA</b>					
<ul style="list-style-type: none"> <li>• Srikakulam:ICT I at Srikakulam GIS</li> <li>• Srikakulam:ICT II at Srikakulam GIS</li> </ul>					
MVA/ MVAR Capacity 765 kV(2x1500MVA)	3000	3000	3000	3000	3000
Norms (₹ lakh/MVA)	0.491	0.508	0.526	0.545	0.564
<b>O&amp;M expenses allowed (iii)</b>	<b>1473.00</b>	<b>1524.00</b>	<b>1578.00</b>	<b>1635.00</b>	<b>1692.00</b>
<b>Total O&amp;M expenses allowed(i+ii+iii)</b>	<b>1581.02</b>	<b>1635.83</b>	<b>1693.75</b>	<b>1754.83</b>	<b>1816.03</b>

37. The details of O&M Expenses allowed vide Order dated 1.6.2021 and 2.9.2022 in Petition No. 422/TT/2019 and 15/TT/2022, O&M Expenses claimed by the Petitioner in the instant Petition and trued-up O&M Expenses approved in the instant Order are as follows:

Asset-1	2019-20	2020-21	2021-22	2022-23	2023-24	(₹ in lakh)
Allowed vide Order dated 1.6.2021 in Petition No. 422/TT/2019	337.58	349.50	361.73	374.48	387.60	
Claimed by the Petitioner in the instant Petition	337.57	349.50	361.72	374.47	387.60	
Approved after true-up in this Order	337.58	349.50	361.73	374.48	387.60	

Asset-2	2019-20	2020-21	2021-22	2022-23	2023-24	(₹ in lakh)
Allowed vide Order dated 2.9.2022 in Petition No. 15/TT/2022	1600.31	1655.80	1714.42	1776.22	1838.17	
Claimed by the Petitioner in the instant Petition	1600.32	1655.80	1714.42	1776.22	1838.18	
Approved after true-up in this Order	1581.02	1635.83	1693.75	1754.83	1816.03	



### Interest on Working Capital (IWC)

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

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

Particulars		Asset-1				
		2019-20	2020-21	2021-22	2022-23	2023-24
A	Working Capital for O&M Expenses (O&M Expenses for one month)	28.13	29.13	30.14	31.21	32.30
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	50.64	52.43	54.26	56.17	58.14
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	1046.02	1006.59	978.92	963.39	946.37
D	<b>Total Working Capital (A+B+C)</b>	<b>1124.79</b>	<b>1088.14</b>	<b>1063.32</b>	<b>1050.77</b>	<b>1036.81</b>
E	Rate of Interest for working capital (in %)	12.05	11.25	10.50	10.50	12.00
F	<b>Interest on Working Capital (D*E)</b>	<b>135.54</b>	<b>122.42</b>	<b>111.65</b>	<b>110.33</b>	<b>124.42</b>

Particulars		Asset-2				
		2019-20	2020-21	2021-22	2022-23	2023-24
A	Working Capital for O&M Expenses (O&M Expenses for one month)	131.75	136.32	141.15	146.24	151.34



	<b>Particulars</b>	<b>Asset-2</b>				
		<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	237.15	245.37	254.06	263.22	272.40
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	411.14	410.99	412.77	417.92	422.46
<b>D</b>	<b>Total Working Capital (A+B+C)</b>	<b>780.04</b>	<b>792.68</b>	<b>807.97</b>	<b>827.38</b>	<b>846.20</b>
E	Rate of Interest for working capital (in %)	12.05	11.25	10.50	10.50	12.00
<b>F</b>	<b>Interest on Working Capital (D*E)</b>	<b>93.99</b>	<b>89.18</b>	<b>84.84</b>	<b>86.88</b>	<b>101.54</b>

40. The details of IWC allowed vide Order dated 1.6.2021 and 2.9.2022 in Petition No. 422/TT/2019 and 15/TT/2022 for transmission assets, IWC claimed by the Petitioner in the instant Petition and trued-up IWC approved in the instant Order are as follows:

<b>Asset-1</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	(₹ in lakh)
Allowed vide Order dated 1.6.2021 in Petition No. 422/TT/2019	136.06	124.64	122.15	119.69	116.73	
Claimed by the Petitioner in the instant Petition	135.54	122.42	111.65	110.33	124.42	
Approved after true-up in this Order	135.54	122.42	111.65	110.33	124.42	

<b>Asset-2</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	(₹ in lakh)
Allowed vide Order dated 2.9.2022 in Petition No. 15/TT/2022	94.90	90.31	86.05	87.99	89.62	
Claimed by the Petitioner in the instant Petition	94.84	89.99	85.62	87.69	102.51	
Approved after true-up in this Order	93.99	89.18	84.84	86.88	101.54	



### **Trued-up Annual Fixed Charges for 2019-24 Tariff Period**

41. Accordingly, the annual fixed charges allowed after the truing-up for the 2019-24 tariff period in respect of the transmission assets is as follows:

<b>Particulars</b>		<b>Asset-1</b>				
		<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
A	Depreciation	2720.38	2724.41	2724.58	2724.75	2724.75
B	Interest on Loan	2394.47	2044.23	1817.99	1680.26	1536.01
C	Return on Equity	2919.67	2923.96	2924.14	2924.33	2924.33
D	Interest on Working Capital	135.54	122.42	111.65	110.33	124.42
E	O&M Expenses	337.58	349.50	361.73	374.48	387.60
<b>F</b>	<b>Total (A+B+C+D+E)</b>	<b>8507.63</b>	<b>8164.51</b>	<b>7940.09</b>	<b>7814.13</b>	<b>7697.11</b>

<b>Particulars</b>		<b>Asset-2</b>				
		<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
A	Depreciation	558.04	558.86	561.54	563.45	563.72
B	Interest on Loan	519.77	457.78	413.06	387.84	357.59
C	Return on Equity	591.07	591.94	594.80	596.84	597.12
D	Interest on Working Capital	93.99	89.18	84.84	86.88	101.54
E	O&M Expenses	1581.02	1635.83	1693.75	1754.83	1816.03
<b>F</b>	<b>Total (A+B+C+D+E)</b>	<b>3343.90</b>	<b>3333.59</b>	<b>3347.99</b>	<b>3389.83</b>	<b>3436.00</b>

42. The details of AFC allowed vide Order dated 1.6.2021 and 2.9.2022 in Petition No. 422/TT/2019 and 15/TT/2022 for transmission assets, AFC claimed by the Petitioner in the instant Petition and trued-up AFC approved in the instant Order are as follows:

<b>Asset-1</b>		<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
Allowed vide Order dated 1.6.2021 in Petition No. 422/TT/2019		8542.72	8324.93	8122.42	7921.13	7703.64
Claimed by the Petitioner in the instant Petition		8507.63	8164.51	7940.09	7814.13	7697.11
Approved after true-up in this Order		8507.63	8164.51	7940.09	7814.13	7697.11



(₹ in lakh)					
Asset-2	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide Order dated 2.9.2022 in Petition No. 15/TT/2022	3368.55	3377.45	3402.63	3435.59	3453.28
Claimed by the Petitioner in the instant Petition	3364.03	3354.38	3369.44	3412.04	3459.12
Approved after true-up in this Order	3343.90	3333.59	3347.99	3389.83	3436.00

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

43. The Petitioner has claimed the following transmission charges in respect of the Combined Asset after combining Asset-1 and Asset-2 for the 2024-29 tariff period:

(₹ in lakh)					
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	3305.72	3259.82	3258.65	3229.64	3229.64
Interest on Loan	1622.01	1343.06	1079.27	821.16	558.41
Return on Equity	3521.67	3521.67	3521.67	3521.67	3521.67
Interest on Working Capital	192.61	191.32	190.98	190.16	190.90
O&M Expenses	1550.98	1633.44	1717.05	1806.29	1905.33
<b>Total</b>	<b>10192.99</b>	<b>9949.31</b>	<b>9767.62</b>	<b>9568.92</b>	<b>9405.95</b>

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

(₹ in lakh)					
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses	129.25	136.12	143.09	150.52	158.78
Maintenance Spares	232.65	245.02	257.56	270.94	285.80
Receivables	1256.67	1226.63	1204.23	1176.51	1159.64
<b>Total Working Capital</b>	<b>1618.57</b>	<b>1607.77</b>	<b>1604.88</b>	<b>1597.97</b>	<b>1604.22</b>
Rate of Interest (in %)	11.90	11.90	11.90	11.90	11.90
<b>Interest on Working Capital</b>	<b>192.61</b>	<b>191.32</b>	<b>190.98</b>	<b>190.16</b>	<b>190.90</b>

#### **Effective Date of Commercial Operation (E-COD)**

45. The Petitioner has combined the assets in the instant Petition and has claimed the E-COD in respect of the Combined Asset as 5.5.2017 as the COD. We have considered the Petitioner's submission and allowed the E-COD as 5.5.2017.



Asset	Trued-up Capital cost as on 31.3.2024	COD	No. of days from COD of Asset from COD of Project	Weight of cost (in %)	Weighted days
	(₹ in lakh)				
Asset-I	51740.57	1.2.2017	552.00	83.14	458.95
Asset-II	10489.94	7.8.2018	0.00	16.86	0.00
<b>Total</b>	<b>62230.51</b>			<b>1.00</b>	<b>458.95</b>
<b>Effective COD</b>					<b>5.5.2017</b>

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

#### **Weighted Average Life (“WAL”) of the Project**

47. The life as defined in Regulation 33 of the 2024 Tariff Regulations has been considered for the determination of WAL. The Combined Asset may have multiple elements such as land, building, transmission line, sub-station, and PLCC, and each element may have a different span of life. Therefore, the concept of WAL has been used as the useful life of the transmission system as a whole.

48. WAL has been determined based on the admitted capital cost of individual elements under the transmission system as on 5.5.2017 (COD) and their respective life as stipulated in the 2024 Tariff Regulations. Accordingly, WAL in respect of the Combined Asset has been worked out as 25 years as follows:

Particulars	Combined Asset Cost (₹ in lakh) (1)	Life as per 2024 Tariff Regulation (Years) (2)	Weighted Cost (3) = (1)x(2)	Weighted Average Life of Asset (in years) (4) = (3)/(1)
Building Civil Works & Colony	2249.06	25	56226.41	25 years
Sub Station	59744.65	25	1493616.23	
PLCC	196.47	7	1375.26	
IT Equipment incl software	310.77	7	2175.38	
<b>Total</b>	<b>62500.94</b>		<b>1553393.28</b>	<b>25</b>



49. WAL as on 5.5.2017 (E-COD), as determined above, is applicable prospectively (i.e., for the 2024-29 tariff period onwards), and no retrospective adjustment of depreciation in the previous tariff period is required to be done. As discussed in the preceding paragraphs, the E-COD of the Combined Asset is 5.5.2017, and the lapsed life of the project as a whole works out as 6 years as on 1.4.2024 (i.e., the number of completed years as on 1.4.2024 from E-COD). Accordingly, WAL has been used to determine the remaining useful life as on 31.3.2024 to be 19 years.

### **Capital Cost**

50. Regulation 19 of the 2024 Tariff Regulations provides as follows:

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

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

- (a) The expenditure incurred or projected to be incurred up to the date of commercial operation of the project;*
- (b) Interest during construction and financing charges, on the loans (i) being equal to 70% of the funds deployed and, in the event actual equity is in excess of 30% on a pari-passu basis, by treating the excess equity over and above 30% of the funds deployed as a normative loan, or (ii) being equal to the actual amount of the loan in the event of actual equity being less than 30% of the funds deployed;*
- (c) Any gain or loss on account of foreign exchange risk variation pertaining to the loan amount availed during the construction period;*
- (d) Interest during construction and incidental expenditure during construction as computed in accordance with these regulations;*
- (e) Capitalised initial spares subject to the ceiling rates in accordance with these regulations;*
- (f) Expenditure on account of additional capitalization and de-capitalisation determined in accordance with these regulations;*
- (g) Adjustment of revenue due to the sale of infirm power in excess of fuel cost prior to the date of commercial operation as specified under Regulation 6 of these regulations;*
- (h) Adjustment of revenue earned by the transmission licensee by using the assets before the date of commercial operation;*
- (i) Capital expenditure on account of ash disposal and utilization including handling and transportation facility;*
- (j) Capital expenditure incurred towards railway infrastructure and its augmentation for transportation of coal up to the receiving end of the generating*



station but does not include the transportation cost and any other appurtenant cost paid to the railway;

(k) Capital expenditure on account of biomass handling equipment and facilities, for co-firing;

(l) Capital expenditure on account of emission control system necessary to meet the revised emission standards and sewage treatment plant;

(m) Expenditure on account of the fulfilment of any conditions for obtaining environment clearance for the project;

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

(o).....

(p).....

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

(a) Capital cost admitted by the Commission prior to 1.4.2024 duly trued up by excluding liability, if any, as on 1.4.2024;

(b) Additional capitalization and de-capitalization for the respective year of tariff as determined in accordance with these regulations;

(c) Capital expenditure on account of renovation and modernisation as admitted by this Commission in accordance with these regulations;

(d) to (h).....

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

(4) & (5) .....

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

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

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

(c) De-capitalised Assets on account of upgradation or shifting from one project to another project:  
Provided that in case such an asset is recommended for further utilisation by the Regional Power Committee in consultation with CTU, such asset shall be decapitalised from the original project only after its redeployment;  
Provided further that unless shifting of an asset from one project to another is of a permanent nature, there shall be no de-capitalization of the concerned assets.

(d).....

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



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

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

Asset	Capital Cost claimed as on 31.3.2024	ACE Claimed	Estimated Completion Cost
		2024-29	
Combined Asset	62500.95	0.00	62500.95

52. We have considered the Petitioner's submissions. The capital cost has been dealt in line with Regulation 19(3)(a) of the 2024 Tariff Regulations. The trued-up capital cost of ₹ 62500.95 lakh for the Combined Asset as on 31.3.2024 is considered as the opening capital cost as on 1.4.2024 for working out the tariff for the 2024-29 tariff period.

### **Additional Capital Expenditure (ACE)**

53. The Petitioner has not claimed any ACE in respect of the Combined Asset for the 2024-29 tariff period.

### **Debt-Equity ratio**

54. Regulation 18 of the 2024 Tariff Regulations provides as follows:

***"18. Debt-Equity Ratio:*** (1) For new projects, the debt-equity ratio of 70:30 as on date of commercial operation shall be considered. If the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as normative loan:

*Provided that:*

- 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 utilised for meeting the capital expenditure of the generating station or the transmission system.*

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

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

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

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

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



Funding	Capital Cost as on 1.4.2024 (₹ in lakh)	(in %)	ACE in 2024-29 (₹ in lakh)	(in %)	Capital Cost as on 31.3.2029 (₹ in lakh)	(in %)
Debt	43750.67	70.00	0.00	70.00	43750.67	70.00
Equity	18750.29	30.00	0.00	30.00	18750.29	30.00
<b>Total</b>	<b>62500.95</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>62500.95</b>	<b>100.00</b>

## **Depreciation**

56. Regulation 33 of the 2024 Tariff Regulations provides as follows:

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

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

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

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

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

.....

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

(4) .....

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



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

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

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

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

*(8) The generating company or the transmission licensee, as the case may be, shall submit the details of capital expenditure proposed to be incurred during five years before the completion of useful life along with proper justification and proposed life extension. The Commission, based on prudence check of such submissions, shall approve the depreciation by equally spreading the depreciable value over the balance Operational Life of the generating station or unit thereof or fifteen years, whichever is lower, and in case of the transmission system shall equally spread the depreciable value over the balance useful life of the Asset or 10 years whichever is higher.*

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

*(10) XXXXXX*

*(11) XXXXXX*

*(12) XXXXXX"*

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

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



Sl N o.	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29	(₹ in lakh)
A	Opening Capital cost	62500.95	62500.95	62500.95	62500.95	62500.95	
B	Addition during the year 2024-29 due to ACE	0.00	0.00	0.00	0.00	0.00	
C	Closing Capital cost (A+B)	62500.95	62500.95	62500.95	62500.95	62500.95	
D	Average Capital cost (A+C)/2	62500.95	62500.95	62500.95	62500.95	62500.95	
E	Average Capital cost (90% depreciable assets)	62190.18	62190.18	62190.18	62190.18	62190.18	
F	Average Capital cost (100% depreciable assets)	310.77	310.77	310.77	310.77	310.77	
G	Depreciable value (excluding IT equipment and software) (E*90%)	55971.16	55971.16	55971.16	55971.16	55971.16	
H	Depreciable value of IT equipment and software (F*100%)	310.77	310.77	310.77	310.77	310.77	
I	Total Depreciable Value (G+H)	56281.93	56281.93	56281.93	56281.93	56281.93	
J	Weighted average rate of Depreciation (WAROD) (in %)	5.29	5.22	5.21	5.17	5.17	
K	Elapsed useful life at the beginning of the year (Year)	19	18	17	16	15	
L	Balance useful life at the beginning of the year (Year)	6	7	8	9	10	
N	<b>Depreciation during the year (D*J)</b>	<b>3305.72</b>	<b>3259.69</b>	<b>3258.65</b>	<b>3229.64</b>	<b>3229.64</b>	
O	Cumulative Depreciation at the end of the year	25650.19	28909.87	32168.52	35398.16	38627.80	
P	Remaining Aggregate Depreciable Value at the end of the year	30631.74	27372.06	24113.41	20883.77	17654.14	

### Interest on Loan (IoL)

59. Regulation 32 of the 2024 Tariff Regulations provides as follows:

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

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



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

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

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

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

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

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

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

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

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

60. 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 2024-29 tariff period in respect of the Combined Asset is as follows:

Particulars		(₹ in lakh)				
		2024-25	2025-26	2026-27	2027-28	2028-29
	<b>Interest on Loan</b>					
A	Gross Normative Loan	43750.67	43750.67	43750.67	43750.67	43750.67
B	Cumulative Repayments up to Previous Year	22344.47	25650.19	28909.87	32168.52	35398.16
C	Net Loan-Opening (A-B)	21406.20	18100.48	14840.79	11582.14	8352.51
D	Additions	0.00	0.00	0.00	0.00	0.00
E	Repayment during the year	3305.72	3259.69	3258.65	3229.64	3229.64
F	Net Loan-Closing (C+D-E)	18100.48	14840.79	11582.14	8352.51	5122.87
G	Average Loan (C+F)/2	19753.34	16470.63	13211.47	9967.32	6737.69
H	Weighted Average Rate of Interest on Loan (in %)	8.2113	8.1543	8.1693	8.2386	8.2880
I	<b>Interest on Loan (G*H)</b>	<b>1622.01</b>	<b>1343.06</b>	<b>1079.29</b>	<b>821.17</b>	<b>558.42</b>

### **Return on Equity (RoE)**

61. Regulation 30 and Regulation 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:

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

(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."



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

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

	<b>Particulars</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>
A	Opening Equity	18750.29	18750.29	18750.29	18750.29	18750.29
B	Additions	0.00	0.00	0.00	0.00	0.00
C	Closing Equity (A+B)	18750.29	18750.29	18750.29	18750.29	18750.29
D	Average Equity (A+C)/2	18750.29	18750.29	18750.29	18750.29	18750.29
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	<b>Return on Equity (D*G)</b>	<b>3521.68</b>	<b>3521.68</b>	<b>3521.68</b>	<b>3521.68</b>	<b>3521.68</b>

### **Operation & Maintenance Expenses (O&M Expenses)**

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

<b>Asset</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>
Combined Asset	1550.98	1633.44	1717.05	1806.29	1905.33

65. The norms specified under Regulation 36(3)(a) and Regulation 36(4) of the 2024 Tariff Regulations provides as follows:

#### ***“36. Operation and Maintenance Expenses:***

...

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



Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
<b>Norms for sub-station Bays (₹ Lakh per bay)</b>					
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
<b>Norms for Transformers/ Reactors (₹ Lakh per MVA or MVAR)</b>					
O&M expenditure per MVA or per MVAr ((₹ Lakh per MVA or MVAR)	0.262	0.276	0.290	0.305	0.322
<b>Norms for AC and HVDC lines (₹ Lakh per km)</b>					
Single Circuit (Bundled Conductor with six or more sub-conductors)	0.861	0.906	0.953	1.003	1.056
Single Circuit (Bundled conductor with four sub-conductors)	0.738	0.776	0.817	0.860	0.905
Single Circuit (Twin & Triple Conductor)	0.492	0.518	0.545	0.573	0.603
Single Circuit (Single Conductor)	0.346	0.259	0.272	0.287	0.302
Double Circuit (Bundled conductor with four or more sub-conductors)	1.291	1.359	1.430	1.506	1.585
Double Circuit (Twin & Triple Conductor)	0.861	0.906	0.953	1.003	1.056
Double Circuit (Single Conductor)	0.369	0.388	0.409	0.430	0.453
Multi Circuit (Bundled Conductor with four or more sub-conductor)	2.266	2.385	2.510	2.642	2.781
Multi Circuit (Twin & Triple Conductor)	1.509	1.588	1.671	1.759	1.851
<b>Norms for HVDC stations</b>					
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 sub- station 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.

....."

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

Particulars	2024-25	2025-26	2026-27	2027-28	2028-29	(₹ in lakh)
<b>765 kV</b>						
<ul style="list-style-type: none"> <li>Angul: 2 Nos. of 765KV line bays for Srikakulam line-I &amp;II</li> <li>Srikakulam: 2 Nos. of 765KV line bays for Angul line-I &amp;II</li> </ul>						
Normative Rate of O&M as per Regulation	41.34	43.51	45.79	48.20	50.73	
O&M allowed(i)	165.36	174.04	183.16	192.80	202.92	
<b>400 kV GIS</b>						
<ul style="list-style-type: none"> <li>Srikakulam:ICT I Bay(765/400 kV) Srikakulam GIS</li> <li>Srikakulam:ICT II Bay(765/400 kV) Srikakulam GIS</li> </ul>						
Normative Rate of O&M as per Regulation	20.67	21.76	22.90	24.10	25.36	
O&M allowed(ii)	41.34	43.51	45.79	48.20	50.72	
<b>765 kV GIS</b>						
<ul style="list-style-type: none"> <li>Srikakulam:ICT I Bay(765/400 kV) Srikakulam GIS</li> <li>Srikakulam:ICT II Bay(765/400 kV) Srikakulam GIS</li> </ul>						
Normative Rate of O&M as per Regulation	28.938	30.457	32.053	33.74	35.511	
O&M allowed(iii)	202.57	213.20	224.37	236.18	248.58	
<b>Transformers and Reactors</b>						
<ul style="list-style-type: none"> <li>Srikakulam:ICT I (1500 MVA) at Srikakulam GIS</li> <li>Srikakulam:ICT II(1500 MVA) at Srikakulam GIS</li> <li>Angul: 3x80 MVAr switchable line reactor at Srikakulam-1 at Angul</li> <li>Angul: 3x80 MVAr switchable line reactor at Srikakulam-2 at Angul</li> <li>Srikakulam: 3x80 MVAr switchable line reactor at Angul-1 at Srikakulam</li> <li>Srikakulam: 3x80 MVAr switchable line reactor at Angul-2 at Srikakulam</li> <li>Srikakulam: 3x110 MVAr bus reactor at Srikakulam</li> </ul>						
Normative Rate of O&M as per Regulation	0.2620	0.2760	0.2900	0.3050	0.3220	
MVA/ MVAR Capacity	4290	4290	4290	4290	4290	
O&M allowed(iv)	1,123.98	1,184.04	1,244.10	1,308.45	1,381.38	



Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
<b>Total O&amp;M allowed(i+ii+iii+iv)</b>	<b>1,533.25</b>	<b>1,614.79</b>	<b>1,697.43</b>	<b>1,785.63</b>	<b>1,883.60</b>

### **Interest on Working Capital (IWC)**

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

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

.....  
*(d) For Hydro generating station (including Pumped Storage Hydro generating station) and Transmission System:*  
*(i) Receivables equivalent to 45 days of annual fixed cost;*  
*(ii) Maintenance spares @ 15% of operation and maintenance expenses including security expenses; and*  
*(iii) Operation and maintenance expenses, including security expenses for one month.*

*(2) .....*

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

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

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

68. 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 FY 2024-25 to FY 2028-29.

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



(₹ in lakh)						
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Working Capital for O&M Expenses (O&M Expenses for one month)	127.77	134.57	141.45	148.80	156.97
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	229.99	242.22	254.61	267.84	282.54
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	1254.39	1224.21	1201.71	1173.86	1156.85
D	<b>Total Working Capital (A+B+C)</b>	<b>1612.15</b>	<b>1601.00</b>	<b>1597.77</b>	<b>1590.51</b>	<b>1596.35</b>
E	Rate of Interest for working capital (in %)	11.90	11.90	11.90	11.90	11.90
F	<b>Interest on working capital (D*E)</b>	<b>191.85</b>	<b>190.52</b>	<b>190.13</b>	<b>189.27</b>	<b>189.97</b>

#### Annual Fixed Charges of the 2024-29 Tariff Period

70. The annual transmission charges allowed for the 2024-29 tariff period for the Combined Asset are as under:

(₹ in lakh)					
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	3305.72	3259.69	3258.65	3229.64	3229.64
Interest on Loan	1622.01	1343.06	1079.29	821.17	558.42
Return on Equity	3521.68	3521.68	3521.68	3521.68	3521.68
O&M Expenses	1533.25	1614.79	1697.43	1785.63	1883.60
Interest on Working Capital	191.85	190.52	190.13	189.27	189.97
<b>Total</b>	<b>10174.51</b>	<b>9929.74</b>	<b>9747.18</b>	<b>9547.39</b>	<b>9383.30</b>

#### Filing Fee and Publication Expenses

71. 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.



72. 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 in terms of Regulation 94(1) of the 2024 Tariff Regulations.

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

73. 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.

74. 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."*

75. 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**

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

### **Goods and Services Tax**

77. The Petitioner submitted that under the CGST Act, 2017, implemented w.e.f., 1.7.2017, the Government of India has exempted the charges for the transmission of electricity via notification no. 12/2017 – Central Tax (Rate) dated 28.06.2017, at serial no. 25 under the heading 9969, “Transmission or distribution of electricity by an electric transmission or distribution utility,” by applying a ‘NIL’ GST rate. Hence, the Transmission Charges, as indicated in the instant Petition, are exclusive of GST. Further, the Petitioner has prayed before the Commission that if GST is levied at any rate and at any point in time in the future on the Charges for the Transmission of Electricity, the same shall be borne and additionally paid by the Respondent(s) to the Petitioner, and the same shall be charged and billed separately by the Petitioner. Additionally, if any further taxes are to be paid by the Petitioner on account of demands from the Government or statutory authorities, the same may be allowed to be recovered from the beneficiaries.

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



## **Security Expenses, Insurance and Capital Spares**

79. 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 shall be allowed separately after prudence check.

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

81. 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 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.

82. 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.



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

**“36(3)**

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

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

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

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

### **Sharing of Transmission Charges**

85. With regard to sharing of the transmission charges, the Petitioner has submitted that truing up of tariff for the transmission of electricity (AFC) for the 2019-24 tariff period shall be recovered on monthly basis in accordance with Regulation 57 of the 2019 Tariff Regulations and will be shared by the beneficiaries and long-term transmission customers in terms of Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 and Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020, as amended from time to time for the applicable periods. Further, the



Petitioner has submitted that the AFC for the 2024-29 tariff period will be recovered on monthly basis in accordance with Regulation 78 of the 2024 Tariff Regulations and will be shared by the beneficiaries and long-term transmission customers in terms of Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020, as amended from time to time.

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

87. To summarise:

a. The trued-up Annual Fixed Charges (AFC) claimed by the Petitioner in the instant Petition and trued-up AFC approved in the instant Order for the 2019-24 tariff period are as follows:

Particulars	₹ in lakh				
	Asset-1				
	2019-20	2020-21	2021-22	2022-23	2023-24
AFC Claimed	8507.63	8164.51	7940.09	7814.13	7697.11
AFC Approved	8507.63	8164.51	7940.09	7814.13	7697.11

Particulars	₹ in lakh				
	Asset-2				
	2019-20	2020-21	2021-22	2022-23	2023-24
AFC Claimed	3364.03	3354.38	3369.44	3412.04	3459.12
AFC Approved	3343.90	3333.59	3347.99	3389.83	3436.00

b. Annual Fixed Charges allowed for the 2024-29 tariff period in this Order for the Combined Asset are as follows:

Particulars	₹ in lakh				
	2024-25	2025-26	2026-27	2027-28	2028-29
AFC Claimed	10192.99	9949.31	9767.62	9568.92	9405.95
AFC allowed	10174.51	9929.74	9747.18	9547.39	9383.30



88. This Order disposes of Petition No. 600/TT/2025, in terms of the above discussions and findings.

**sd/-**  
**(Harish Dudani)**  
**Member**

**sd/-**  
**(Ramesh Babu V.)**  
**Member**

