Central Electricity Regulatory Commission
New Delhi

Petition No. 524/TT/2025

Coram:

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

Date of Order: 19.11.2026

In the matter of:

Petition for truing up of Transmission Tariff for 2019-24 and determination of Transmission Tariff for 2024-29 tariff block for **Transmission assets under "Transmission System Associated with Pallatana Gas Based Power Project (GBPP) and Bongaigaon Thermal Power Station (TPS)** in North Eastern Region under Section 62 read with Section 79 (1) (d) of the Electricity Act, 2003 and under Regulation 15 (1) (a) and Regulation 23 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023 read with Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024.

And in the matter of:

Power Grid Corporation of India Limited,
Registered Office: B-9, Qutab Institutional Area,
Katwaria Sarai, New Delhi-110016.
Corporate Centre: "Saudamini", Plot No. 2,
Sector-29, Gurgaon–122001 (Haryana)

Petitioner

Vs.

1. **Assam Power Distribution Company Limited,**
   04th Floor, Bijulee Bhawan, Paltan Bazar,
   Guwahati – 781001, Assam.

2. **Meghalaya Energy Corporation Limited,**
   Short Round Road, "Lumjingshai"
   Shillong – 793001, Meghalaya.

3. **Government of Arunachal Pradesh,**
   Itanagar, Arunachal Pradesh.

4. **Power and Electricity Department,**
   Government of Mizoram

Aizawl, Mizoram.

5. **Manipur State Power Distribution Corporation Limited**,
Keishampat, Imphal.

6. Department of Power,
Government of Nagaland
Kohima, Nagaland.

7. Tripura State Electricity Corporation Limited
Vidyut Bhawan, North Banamalipur,
Agartala, Tripura (W) – 799001, Tripura

…Respondents

Parties Present : Shri Zafrul Hasan, PGCIL
Shri Angaru Naresh Kumar, PGCIL
Shri Arjun Malhotra, PGCIL
Shri Divyanshu Mishra, PGCIL
Shri Mukesh Bhakar, PGCIL
Shri Piyush Awvasthi, PGCIL
Shri G.Vijay, PGCIL

ORDER

The instant Petition has been filed by Power Grid Corporation of India Limited (PGCIL) for truing-up of the transmission tariff for the 2019-24 period, in terms of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as "the 2019 Tariff Regulations"), and for the determination of transmission tariff for the 2024-29 period, in terms of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 (hereinafter referred to as "the 2024 Tariff Regulations"), for the following assets which have been implemented under "Transmission System Associated with Pallatana Gas Based Power Project (GBPP) and Bongaigaon Thermal Power Station (TPS) in the North Eastern Region:

Asset No.	Asset Name	DOCO
1	1 No. 400 kV Bay of Silchar- Bongaigaon (NETC) TL along with 1 No. 63 MVAR Switchable Line Reactor at Silchar S/S	1-Nov-12

2	1 No. 400 kV Bay of Silchar- Bongaigaon (NETC) TL along with 1 No. 63 MVAR Switchable Line Reactor at Silchar S/S	1-Dec-12
3	2 No. 400 kV Bay of Silchar- Bongaigaon (NETC) TL along with 2 No. 63 MVAR Line Reactor at 400 kV Bongaigaon S/S	1-Apr-13
4	400 kV D/C Bongaigaon TPS- Bongaigaon Transmission Line along with associated bays at Bongaigaon Sub-station	1-Jan-13
5	132 kV D/C Silchar- Badarpur Transmission Line along with associated bays	1-May-12
6	132 kV D/C Silchar- Sirkona Transmission Line along with associated bays	1-Apr-12
7	200 MVA, 400/132 kV ICT at Silchar Sub-station along with associated bays	1-Jul-12
8	2 Nos. of 50 MVAR Switchable Line Reactors for 400 kV D/C Silchar- Palatana Transmission Line at Silchar Sub-station along with associated bays and 2 Nos. of 63 MVAR Bus Reactors at Silchar S/S along with associated bays	1-Jul-12
9	132 kV Silchar- Hailakandi TL up to LILO point of 132 kV S/C Panchgram- Dullavcherra AEGCL line along with associated bays	1-Jul-12
10	200 MVA, 400/132kV ICT-II at Silchar along with associated bays	1-Jul-12
11	400 kV D/C Pallatana- Surjamaninagar line (charges at 132kV) along with associated bays	1-Jul-12
12	80 MVAr, 420 kV Bus reactor at Bongaigaon along with associated bays	1-Nov-12
13	LILO of 400 kV Misa - Kathalguri Transmission Line (charged at 220 kV) at 220 kV Mariani Switching Station along with the 220 kV Switching Station	1-Apr-13
14	4 X 6.67 MVAR, 1-ph, 145 kV Bus Reactors along with associated bays at 132 kV Ziro S/S	1-Feb-13
15	1 no. 50 MVA, 132/33 kV ICT-1 (2nd Transformer) along with associated bays at 132 kV Imphal Sub-station	1-May-13
16	Loop-in line 132 kV Imphal Ningthoukhong T/L along with associated bays at Imphal Sub-station	1-Apr-13
17	Loop-out line 132 kV Imphal Ningthoukhong T/L along with associated bays at Imphal Sub-station	1-Sep-13
18	1 no. 50 MVA, 132/33 kV ICT along with associated bays at 132 kV Imphal (New) Sub-station	1-Apr-13
19	1 x 20 MVAR Bus Reactor along with associated bays at 132/33 kV Imphal (New) Sub-station	1-Mar-13
20	20 MVAR, Bus Reactor at 220 kV Mariani Switching Station	1-Apr-13

21	220 kV, D/C Mariani (New) - Mokokchung (POWERGRID) Transmission Line along with associated bays at Mariani (New) - Mokokchung (POWERGRID) Substations	1-Aug-15
22	132 kV, D/C Mokochung (POWERGRID) - Mokokchung (Nagaland) Transmission Line along with associated bays, 3 X 10 MVA, 220/132 kV ICT- II and 245kV & 132kV GIS bays at Mokokchung (POWERGRID) S/S	1-Aug-15
23	4 X 10 MVA, 220/132 kV ICT-I along with associated bays at Mokokchung (PG) S/S	1-Sep-15
24	400 kV, D/C Silchar - Imphal Transmission Line along with associated bays at Silchar & Imphal Substations (to be charged at 132 kV)	22-Mar-15
25	400 kV D/C Silchar - PK Bari Transmission Line along with associated bays at Silchar Substation (to be charged at 132 kV)	1-Aug-15
26	(i) 132 kV S/C (on D/C Tower) Pasighat–Roing Transmission Line along with associated bays at Pasighat and Roing S/s, (ii) 3x5 MVA (132/33kV), 1-ph, ICT-I along with associated bays at Roing, (iii) 4x5 MVA (132/33 kV), 1-ph, ICT-II along with associated bays at Roing, (iv) 4x6.67 MVAR, 1-Ph, 132 kV Bus Reactor along with associated bay at Roing	12-Jun-17
27	i) 132 kV S/C (on D/C Tower) Roing–Tezu Transmission Line along with associated bays at Roing and Tezu S/S, (ii) 4x6.67 MVAR, 1-Ph, 132 kV Bus Reactor along with associated bay at Tezu	14-Jun-17
28	Balance portion of 132 kV Silchar - Hailakandi TL along with bays at Hailakandi SS	17-Nov-17
29	3x5 MVA, (132/33 kV), 1-ph ICT-I along with associated bays at Tezu Substation	21-Jan-18
30	4x5 MVA, (132/33 kV), 1-ph ICT-II (with 1 No. spare phase) along with associated bays at Tezu Substation	21-Jan-18
31	132 kV S/C (on D/C Tower) Tezu- Namsai Transmission Line along with associated bays at Tezu and Namsai Substation, 3X5 MVA, 132/33 kV, 1-ph ICT-I and 4X5 MVA, 132/33 kV 1-ph ICT-II (01 no single-phase spare) at Namsai Substation	5-Jul-18
32	4X6.67 MVAR, 145 kV, 1-ph Bus Reactor along with associated bays at Namsai Substation	14-Jun-18
33	Silchar- Melriat (New) 400 kV D/C Line (charged at 132 kV) and 2x50 MVA, 132/33 kV New SS at Melriat (New) (upgradable to 400 kV)	1-Dec-18
34	LILO of 132 kV S/C Aizawl-Zemabawk at Melriat T/L along with associated bays at Melriat S/S (New Scope) in place of 132 kV D/C Melriat- Melriat T/L	1-Dec-18
35	132 kV D/C Melriat– Sihhmui T/L (New Scope) along with associated bays at Melriat (PG) & Sihhmui (Mizoram) S/S in place of 132 kV D/C Melriat- Melriat T/L	1-Dec-18
36	4x5 MVAr, 132 kV, 1-ph, Bus Reactor at Melriat Substation Melriat (PG) GIS S/s	26-Jan-19

** Asset-1 to 36 (except Asset-35) merged during 2019-24 tariff block with effective DOCO:08.06.2016*

All assets merged during 2024-29 block with effective DOCO: 16.06.2016

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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 asset covered under this petition, as per para 14 and 15 above.*

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

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

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

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

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

g) *Allow the Petitioner to file a separate Petition before Hon'ble Commission for claiming the overall security expenses and consequential IOWC on that security expenses as mentioned at para 21 above.*

h) *Allow the Petitioner to file a separate Petition before Hon'ble Commission for claiming the overall insurance expenses and consequential IOWC on that insurance expenses as mentioned at para 21 above.*

i) *Allow the Petitioner to file a separate Petition before Hon'ble Commission for claiming the overall capital spares at the end of tariff block as per actual as mentioned at Para 21 above.*

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

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

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

Background

b) The brief facts of the case are as follows:

a) The scope of the transmission project was discussed and agreed upon in the 2nd Standing Committee Meeting (SCM) of North- Eastern Region (NER) held on 25.6.2008 at Guwahati and the 6th Meeting of the TCC and the NERPC held on 7.8.2008 and 8.8.2008, respectively, at Gurgaon. Prior approval of the Government of India, under Section 68 of the Electricity Act, 2003 ('the Act') in respect of the transmission project was obtained vide the Ministry of Power's (MoP) letter dated 24.11.2008.

b) The Investment Approval (IA) for implementation of the transmission project in North- Eastern Region was accorded by the Board of Directors (BoD) of the Petitioner in the 233rd meeting held on 25.2.2010 at an estimated cost of ₹214400.00 lakh, which included IDC of ₹17835 lakh based on 3rd quarter, 2009 price level (communicated vide Memorandum No. C/CP/Pallatana-Bongaigaon dated 26.2.2010).

c) The Revised Cost Estimate (RCE) of the transmission project was accorded by BoD of the Petitioner in the 324th meeting held on 12.1.2016 at an estimated cost of ₹293288 lakh including IDC of ₹38804 lakh based on October 2015 price level (communicated vide Memorandum No. C/CP/RCE-PB dated 29.1.2016).

d) The Petitioner has submitted the Revised Cost Estimate-II (RCE-II) for the transmission project and the same was accorded by BoD of the Petitioner company vide Memorandum No. C/CP/PA1920-12-BF-RCE016 dated 31.3.2020 with an estimated cost of ₹ 309167 lakh including IDC of ₹ 45076 lakh, at September 2019 price level.

e) The scope of work covered under the transmission project in North- Eastern Region is as follows:

Transmission Lines:

(i) Bongaigaon TPS-Bongaigaon 400 kV D/C Line

(ii) Silchar-Badarpur (PG) Switching Station Interconnecting 132 kV D/C line

(iii) Pallatana-Surajmaninagar (TSECL) 400 kV D/C line (charged at 132 kV)

(iv) Silchar–Purba Kanchanbari (TSECL) 400 kV D/C line (charged at 132 kV)

(v) Silchar-Melriat (New) 400 kV D/C Line (charged at 132 kV)

(vi) Silchar-Imphal (New) 400 kV D/C Line (charged at 132 kV)

(vii) Melriat (New)- Melriat (Mizoram) inter-connecting 132 kV D/C Line

(viii) Silchar-Srikona (AEGCL) 132 kV D/C Line

(ix) Silchar-Hailakandi (AEGCL) 132 kV D/C line

(x) LILO of Loktak-Imphal (POWERGRID) 132 kV S/C Line at Imphal (New)

(xi) LILO of 400 kV S/C Misa-Kathalguri Line at Mariani (New) (charged at 220 kV)

(xii) Mariani (New)-Mokokchung (POWERGRID) 220 kV D/C Transmission Line

(xiii) Mokokchung (PG)-Mokokchung (NG) 132 kV D/C line (with Zebra conductor)

(xiv) Pasighat-Roing 132 kV S/C Line (on D/C Tower)

(xv) Roing-Tezu 132 kV S/C Line (on D/C Tower)

(xvi) Tezu-Namsai 132 kV S/C Line (on D/C Tower)

Sub-stations:

(i) 2x200 MVA, 400/132 kV New Sub-station at Silchar

(ii) 2x50 MVA, 132/33 kV New Sub-station at Melriat (New) (upgradable to 400 kV)

(iii) 2x50 MVA, 132/33kV New Sub-station at Imphal (New)

(iv) 220 kV New Switching Station at Mariani

(v) 2x50 MVA, 220/132 kV New Sub-station at Mokukchung

(vi) 2x15 MVA, 132/33 kV New Sub-station at Roing

(vii) 2x15 MVA, 132/33 kV New Sub-station at Tezu

(viii) 2x15 MVA, 132/33 kV New Sub-station at Namsai

(ix) 400 kV Bongaigaon 400 kV Sub-station Extension

(x) 132 kV Badarpur (PG) Sub-station Extension

(xi) 132 kV Melriat (Mizoram) Sub-station Extension

(xii) 132 kV Mokokchung (NG) Sub-station Extension

(xiii) 132 kV Ziro (PG) Sub-station Extension

(xiv) 132 kV Pasighat (Government of Arunachal) Sub-station Extension

(xv) 132 kV Surajmaninagar (TSECL) Sub-station Extension

(xvi) 132 kV Purba Kanchan Bari (TSECL) Sub-station Extesion

(xvii) 132 kV Hailakandi (AEGCL) Sub-station Extension

(xviii) 132 kV Srikona Sub-station Extension

Reactive Compensation

Line Reactor:

(i) 2x50 MVAR, 420 kV Switchable line reactors along with associated bays at Silchar (For Pallatana-Silchar 400 kV D/C line)

(ii) 2x63 MVAR, 420 kV Switchable line reactors along with associated bays at Silchar (For Byrnihat-Silchar 400 kV line and for Azara-Silchar 400 kV line)

(iii) 2x63 MVAR, 420 kV (Fixed) Line Reactor at Bongaigaon End (for Azara Bongaigaon 400 kV line)

Bus Reactor:

(i) 2x63 MVAR Bus Reactor at Silchar Sub-station along with associated bays.

(ii) 80 MVAR, 420 kV Bus Reactor at Bongaigaon along with associated bay.

(iii) 20 MVAR, 132 kV Bus Reactor at Roing along with associated bay.

(iv) 20 MVAR, 132 kV Bus Reactor at Tezu along with associated bay.

(v) 20 MVAR, 132 kV Bus Reactor at Namsai along with associated bay.

(vi) 20 MVAR (4x6.67 MVAR), 132 kV Bus Reactor at Ziro along with associated bay.

3. The Commission, vide order dated 25.10.2022 in Petition No. 657/TT/2020, trued-up the tariff of transmission assets for the 2014-19 tariff period in respect of the Combined Asset -1 to Asset-12, Combined Asset-13 to Asset-20, and Asset-21 to Asset-36. The Commission vide aforesaid order has also determined of Annual Fixed Charges in respect of the Combined Asset (Asset-1 to Asset-36 (except Asset-35)) and Asset-35, for the 2019-24 Tariff Period.

4. The Respondents are distribution licensees, power departments, power utilities and transmission licensees, who are procuring transmission services from the Petitioner, mainly beneficiaries of the Northern Eastern Region.

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

6. The hearings in the matter were held on 27.11.2025 and 13.1.2026. The Commission vide RoP dated 27.11.2025 directed the Petitioner to file additional information in the Petition. The order in Petition was reserved vide ROP dated 13.1.2026 with directions to the Respondents to file their respective replies, if any. However, none of the Respondents have filed their reply in the instant Petition.

7. This order is being issued considering the Petitioner's affidavits dated 23.11.2024

3.9.2025, 12.12.2025 and 30.1.2026.

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

Truing-Up of Annual Fixed Charges for the 2019-24 Tariff Period

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

Combined Asset-1 to 36 (except Asset-35)

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	15,544.19	15,680.96	15,731.20	15,743.61	15,758.74
Interest on Loan	13,037.29	11,595.50	10,296.51	9,070.47	7,846.00
Return on Equity	16,646.19	16,791.44	16,845.33	16,858.99	16,875.65
O&M Expenses	2,584.40	2,675.41	2,769.51	2,866.71	2,966.92
Interest on Working Capital	792.77	728.66	667.34	655.29	734.94
Total	**48,604.84**	**47,471.97**	**46,309.89**	**45,195.07**	**44,182.25**

Asset-35

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	126.4	133.28	134.64	134.64	134.64
Interest on Loan	137.53	132.27	121.53	109.89	98.39
Return on Equity	149.07	156.18	157.64	157.64	157.64
O&M Expenses	56.99	58.97	61.05	63.19	65.41
Interest on Working Capital	8.69	8.33	7.74	7.67	8.69
Total	**478.68**	**489.03**	**482.60**	**473.03**	**464.77**

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

Combined Asset-1 to 36 (except Asset-35)

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O & M Expenses	215.37	222.95	230.79	238.89	247.24
Maintenance Spares	387.66	401.31	415.43	430.01	445.04

Receivables	5,976.01	5,852.71	5,709.44	5,571.99	5,432.24
Total Working Capital	**6,579.04**	**6,476.97**	**6,355.66**	**6,240.89**	**6,124.52**
Rate of Interest (in %)	12.05	11.25	10.50	10.50	12.00
Interest on Working Capital	**792.77**	**728.66**	**667.34**	**655.29**	**734.94**

Asset-35

(₹ in lakh)

Particulars	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**
O & M Expenses	4.75	4.91	5.09	5.27	5.45
Maintenance Spares	8.55	8.85	9.16	9.48	9.81
Receivables	58.85	60.29	59.50	58.32	57.14
Total Working Capital	**72.15**	**74.05**	**73.75**	**73.07**	**72.40**
Rate of Interest (in %)	12.05	11.25	10.50	10.50	12.00
Interest on Working Capital	**8.69**	**8.33**	**7.74**	**7.67**	**8.69**

Capital Cost for the 2019-24 Tariff Period

11. The Capital Cost of the transmission project has been calculated in accordance with Regulation 19(1) and 19(3) of the 2019 Tariff Regulations.

12. The Commission, vide Order dated 25.10.2022 in Petition No. 657/TT/2020, has allowed the Capital Cost and Additional Capital expenditure in respect of instant transmission assets for 2019-24 Tariff Period as follows:

(₹ in Lakh)

Asset	**Capital Cost as on 1.4.2019**	**ACE**		**Capital Cost as on 31.3.2024**
		2019-20	**2020-21**	
Combined Asset-1 to 36 (except Asset-35)	293648.71*	7062.13	4682.75	305393.59
Asset-35	2545.45^	169.65	65.76	2780.86

**Includes trued up Capital Cost of ₹293397.11 lakh as on 31.3.2019 and additional initial spares of ₹251.60 lakh.*
^ Represents trued up Capital Cost as on 31.3.2019

13. The Petitioner in the instant trued-up Petition has claimed the Capital Cost and ACE in respect of instant transmission assets for 2019-24 Tariff Period as follows:

(₹ in Lakh)

Asset	Expenditure upto 31.3.2019	Expenditure during 2019-24					Capital Cost as on 31.3.2024
		2019-20	2020-21	2021-22	2022-23	2023-24	
Combined Asset-1 to 36 (except Asset-35)	293648.71	3558.64	1597.08	315.81	169.24	422.13	299711.61
Asset-35	2545.45	200.34	51.89	0.00	0.00	0.00	2797.69

14. We have considered the submission of the Petitioner. The Commission, vide order dated 25.10.2022 in Petition no. 657/TT/2020, has approved the trued-up Capital Cost of ₹293397.11 lakh in respect of the Combined Asset (except Asset-35) and ₹2545.45 lakh in respect of Asset-35, as on 31.3.2019. Therefore, the same are being considered as opening Capital Cost as on 1.4.2019 for truing up of annual fixed charges in respect of the Combined Asset (except Asset-35) and Asset-35 respectively, subject to further modification with respect to change in allowable initial spares as discussed in the following paras.

Initial Spares

15. The Petitioner has submitted that the Initial Spares claimed under project are within the prescribed ceiling limits.

16. We have considered the submission of the Petitioner. Since the instant transmission assets were commissioned during 2009-14 and 2014-19 Tariff Periods, as per the 2009 & 2014 Tariff Regulations, the details of cut- off date in respect of instant transmission assets are as follows:

Assets Name	Asset No.	Commercial Operation Date	Cut-off Date
Combined Asset (Asset-1 to Asset-36 except Asset-35)	Asset-1	1.11.2012	31.3.2015
	Asset-2	1.12.2012	31.3.2015
	Asset-3	1.4.2013	31.3.2015
	Asset-4	1.1.2013	31.3.2016
	Asset-5	1.5.2012	31.3.2015

	Asset-6	1.4.2012	31.3.2014
	Asset-7	1.7.2012	31.3.2015
	Asset-8	1.7.2012	31.3.2015
	Asset-9	1.7.2012	31.3.2015
	Asset-10	1.7.2012	31.3.2015
	Asset-11	1.7.2012	31.3.2015
	Asset-12	1.11.2012	31.3.2015
	Asset-13	1.4.2013	31.3.2015
	Asset-14	1.2.2013	31.3.2016
	Asset-15	1.5.2013	31.3.2016
	Asset-16	1.4.2013	31.3.2015
	Asset-17	1.9.2013	31.3.2016
	Asset-18	1.4.2013	31.3.2015
	Asset-19	1.3.2013	31.3.2016
	Asset-20	1.4.2013	31.3.2015
	Asset-21	1.8.2015	31.3.2018
	Asset-22	1.8.2015	31.3.2018
	Asset-23	1.9.2015	31.3.2018
	Asset-24	22.3.2015	31.3.2018
	Asset-25	1.8.2015	31.3.2018
	Asset-26	12.6.2017	31.3.2020
	Asset-27	14.6.2017	31.3.2020
	Asset-28	17.11.2017	31.3.2020
	Asset-29	21.1.2018	31.3.2021
	Asset-30	21.1.2018	31.3.2021
	Asset-31	5.7.2018	31.3.2021
	Asset-32	14.6.2018	31.3.2021
	Asset-33	1.12.2018	31.3.2021
	Asset-34	1.12.2018	31.3.2021
	Asset-36	26.1.2019	31.3.2022
Asset-35	Asset-35	1.12.2018	31.3.2021

17. The Petitioner has combined all the assets during the 2024-29 Tariff Period. Therefore, the Initial Spares on the basis of overall project cost as per APTEL judgement dated 14.9.2019 in Appeal No. 74 of 2017 shall be applicable during the 2024-29 Tariff Period.

18. Further, as the cut-off dates in respect of Asset-26 to Asset-34, Asset-36 (Part of Combined Asset -1 to Asset-36 except Asset-35) and Asset-35 fall under the 2019-24 Tariff Period. Accordingly, based on the actual expenditure during 2019-24 Tariff

Period, the initial spares in respect of instant transmission assets are being re-calculated as follows:

A. Combined Asset-1 to 36 (except Asset-35):

Sub-stations

(₹ in Lakh)

Assets	P&M Cost excluding Land cost, IEDC, IDC and cost of civil works (A)	Initial Spares Claimed (B)	Norms as per the 2009/ 2014 Tariff Regulations (in %) (C)	Allowable initial Spares (D)=(A-B)*C/(100%-C)	Initial Spares to be allowed E=D, if B>D, otherwise B	Allowed earlier during truing up 2014-19 vide order dated 25.10.2022 in Petition No. 657/TT/2020 (F)	Additional Initial Spares to be Allowed G=E-F
Asset-1	1221.75	46.39	2.5%	30.14	30.14	30.14	-
Asset-2	1003.49	36.28	2.5%	24.80	24.80	24.80	-
Asset-3	1893.48	47.34	2.5%	47.34	47.34	14.87	32.47
Asset-4	757.23	19.76	2.5%	18.91	18.91	18.91	-
Asset-5	555.91	8.93	2.5%	14.03	8.93	8.93	-
Asset-6	3642.17	79.8	2.5%	91.34	79.80	11.11	68.69
Asset-7	2826.69	70.67	2.5%	70.67	70.67	43.09	27.58
Asset-8	3420.96	0	2.5%	87.72	0.00	0.00	-
Asset-9	205.26	4.53	2.5%	5.15	4.53	0.00	4.53
Asset-10	2250.00	50	2.5%	56.41	50.00	41.18	8.82
Asset-11	287.46	7.19	2.5%	7.19	7.19	6.16	1.03
Asset-12	1057.61	23.17	2.5%	26.52	23.17	19.94	3.23
Asset-13	1748.84	85.18	2.5%	42.66	42.66	41.68	0.98
Asset-14	542.02	20.46	2.5%	13.37	13.37	13.37	-
Asset-15	342.26	8.56	2.5%	8.56	8.56	8.06	0.50
Asset-16	241.81	13.55	2.5%	5.85	5.85	0.42	5.43
Asset-17	169.55	26.86	2.5%	3.66	3.66	3.66	-
Asset-18	374.07	9.35	2.5%	9.35	9.35	7.30	2.05
Asset-19	463.43	11.59	2.5%	11.59	11.59	7.80	3.79
Asset-20	693.37	17.33	2.5%	17.33	17.33	9.95	7.38
Asset-21	3125.11	42.65	4.0 %	128.44	42.65	42.65	0.00
Asset-22	2329.84	197.26	4.0 %	88.86	88.86	93.89	(5.03)
Asset-23	875.57	0	4.0 %	36.48	0.00	0.00	-
Asset-24	802.70	17.03	4.0 %	32.74	17.03	17.03	-
Asset-25	532.35	0	4.0 %	22.18	0.00	0.00	-
Asset-26	2262.18	72.88	4.0 %	91.22	72.88	67.21	5.67
Asset-27	1269.45	41.49	4.0 %	51.17	41.49	38.25	3.24
Asset-28	135.77	0	4.0 %	5.66	0.00	0.00	-
Asset-29	530.27	8.81	4.0 %	21.73	8.81	8.81	-
Asset-30	565.69	16.62	4.0 %	22.88	16.62	16.62	-

Asset-31	2192.41	60.32	4.0 %	88.84	60.32	57.44	2.88
Asset-32	580.19	2.25	4.0 %	24.08	2.25	2.25	-
Asset-33	4791.32	138.35	4.0 %	193.87	138.35	133.33	5.02
Asset-34	364.05	0	4.0 %	15.17	0.00	0.00	-
Asset-36	915.61	8.1	4.0 %	37.81	8.10	8.10	-

Transmission Lines

(₹ in Lakh)

Assets	P&M Cost excluding Land cost, IEDC, IDC and cost of civil works (A)	Initial Spares Claimed (B)	Norms as per the 2009/ 2014 Tariff Regulations (in %) (C)	Allowable Initial Spares (D)=(A-B)*C/(100%-C)	Initial Spares to be allowed E=D, if B>D, otherwise B	Allowed earlier during truing up 2014-19 vide order dated 25.10.2022 in Petition No. 657/TT/2020 (F)	Additional Initial Spares to be Allowed G=E-F
Asset-4	1223.3	9.08	0.75%	9.18	9.08	9.08	-
Asset-5	1367.2	10.98	0.75%	10.25	10.25	10.25	-
Asset-6	164.01	1.23	0.75%	1.23	1.23	1.14	0.09
Asset-9	1919.1	13.74	0.75%	14.40	13.74	13.74	-
Asset-11	9580.5	74.25	0.75%	71.84	71.84	71.84	-
Asset-13	18.15	0.37	0.75%	0.13	0.13	0.13	-
Asset-16	192.38	0.42	0.75%	1.45	0.42	0.42	-
Asset-17	36.35	0.27	0.75	0.27	0.27	0.25	0.02
Asset-21	5078.23	84.78	1%	50.44	50.44	49.31	1.13
Asset-22	437.08	0	1%	4.41	0	0.00	-
Asset-24	55552.86	277.86	1%	558.33	277.86	277.86	-
Asset-25	37625.45	199.49	1%	378.04	199.49	199.49	-
Asset-26	12441.11	101.3	1%	124.64	101.3	101.30	-
Asset-27	6933.35	49.81	1%	69.53	49.81	49.81	-
Asset-28	1593.85	12	1%	15.98	12	12.00	-
Asset-31	9629.86	53.65	1%	96.73	53.65	53.65	-
Asset-33	50776.66	275.03	1%	510.12	275.03	275.03	-
Asset-34	842.34	8.56	1%	8.42	8.42	8.30	0.12

Asset-35

Sub-stations

(₹ in Lakh)

Assets	P&M Cost excluding Land cost, IEDC, IDC and cost of civil works (A)	Initial Spares Claimed (B)	Norms as per the 2009/ 2014 Tariff Regulations (in %) (C)	Allowable Initial Spares (D)=(A-B)*C/(100%-C)	Initial Spares to be allowed E=D, if B>D, otherwise B	Allowed earlier during truing up 2014-19 vide order dated 25.10.2022 in Petition No. 657/TT/2020 (F)	Additional Initial Spares to be Allowed G=E-F
Asset-35	549.60	20.54	4%	22.04	20.54	20.54	**0.00**

Transmission Line

(₹ in Lakh)

Assets	P&M Cost excluding Land cost, IEDC, IDC and cost of civil works (A)	Initial Spares Claimed (B)	Norms as per the 2009/ 2014 Tariff Regulations (in %) (C)	Allowable Initial Spares (D)=(A-B)*C/(100%-C)	Initial Spares to be allowed E=D, if B>D, otherwise B	Allowed earlier during truing up 2014-19 vide order dated 25.10.2022 in Petition No. 657/TT/2020 (F)	Additional Initial Spares to be Allowed G=E-F
Asset-35	987.76	9.25	1%	9.88	9.25	9.23	**0.02**

19. As discussed above, the following additional Initial Spares in respect of Combined Asset (Asset-1 to Asset-36 except Asset-35) and Asset-35 are being allowed as on 31.3.2019:

(₹ in Lakh)

Asset Name	Sub Asset Name	Additional Initial Spares
	Substation	
Combined Asset (Asset-1 to Asset-36 except Asset-35)	Asset-3	32.47
	Asset-6	68.69
	Asset-7	27.58
	Asset-9	4.53
	Asset-10	8.82
	Asset-11	1.03
	Asset-12	3.23
	Asset-13	0.98
	Asset-15	0.50
	Asset-16	5.43

	Asset-18	2.05
	Asset-19	3.79
	Asset-20	7.38
	Asset-21	0.00
	Asset-22	(5.03)
	Asset-26	5.67
	Asset-27	3.24
	Asset-31	2.88
	Asset-33	5.02
	Sub-Total	**178.26**
	Transmission Line	
	Asset-6	0.09
	Asset-17	0.02
	Asset-21	1.13
	Asset-34	0.12
	Sub-Total	**1.36**
	Grand Total	**179.62**

(₹ in Lakh)

Asset Name	**Sub Asset Name**	**Additional Initial Spares**
Asset-35	**Transmission Line**	
	Asset-35	**0.02**

20. The details of Capital Cost allowed as on 1.4.2019 in respect of Combined Asset (Asset-1 to Asset-36 except Asset-35) and Asset-35, are as follows:

(₹ in Lakh)

Assets	**Capital Cost as on 31.3.2019**	**Additional Initial Spares allowed**	**Capital Cost as on 1.4.2019**
Combined Asset (Asset-1 to Asset-36 except Asset-35)	293397.11	179.62	293576.73
Asset-35	2545.45	0.02	2545.47

Additional Capital Expenditure (ACE)

21. The Commission, vide order dated 25.10.2022 in Petition No. 657/TT/2020, had allowed projected ACE with respect to the instant transmission asset and the same is as follows:

Assets	**Regulations**	**ACE (As per Auditor's Certificate)**	
		2019-20	**2020-21**
Combined Asset 1 to 36 (except Asset-35)	Regulation 24(1)(a), 24(1)(b) and 25(1)(d) of TR, 2019	6548.73	4682.75
	Discharge of IDC	513.40	0.00
	Total	**7062.13**	**4682.75**

Asset-35	Regulation 24(1)(a) and 24(1)(b) of TR, 2019	156.83	65.76
	Discharge of IDC	12.82	0.00
	Total	**169.65**	**65.76**

22. The Petitioner in the instant Petition has claimed the ACE based on actual expenditure in respect of Combined Asset (Asset-1 to Asset-36 except Asset-35) and Asset-35 for 2019-24 Tariff Period as follows:

(₹ in Lakh)

Assets	**ACE claimed**					Total ACE
	2019-20	**2020-21**	**2021-22**	**2022-23**	**2023-24**	
Combined Asset (Asset-1 to Asset-36 except Asset-35)	3558.64	1597.08	315.81	169.24	422.13	6062.90
Asset-35	200.35	51.90	0.00	0.00	0.00	252.25

23. The Asset-wise detail of Additional Capital Expenditure claimed by the Petitioner for the 2019-24 Tariff Period is as follows:

(₹ in Lakh)

Assets	**ACE Claimed**					**Total ACE**
	2019-20	**2020-21**	**2021-22**	**2022-23**	**2023-24**	
Combined Asset-1 to Asset-20	111.67	172.90	17.70	0.00	218.49	520.76
Asset-21	27.67	170.88	0.00	0.00	99.11	297.66
Asset-22	102.91	51.58	50.11	14.50	64.70	283.8
Asset-23	11.36	23.86	0.00	0.00	0.00	35.22
Asset-24	13.12	291.15	34.23	80.20	0.00	418.7
Asset-25	0.00	178.38	0.00	0.00	00.00	178.38
Asset-26	416.24	37.67	0.00	0.00	0.00	453.91
Asset-27	445.39	27.41	30.95	25.53	19.30	548.58
Asset-28	6.93	29.82	1.37	0.00	0.00	38.12
Asset-29	13.35	0.00	0.00	0.00	15.24	28.59
Asset-30	15.74	0.00	0.79	0.00	0.00	16.53
Asset-31	165.67	45.27	17.55	0.42	0.00	228.91
Asset-32	14.24	2.99	0.00	0.00	0.00	17.23
Asset-33	1574.72	429.80	121.78	48.59	0.00	2174.89
Asset-34	107.86	35.75	41.34	0.00	0.00	184.95
Asset-36	18.36	99.60	0.00	0.00	5.29	123.25
Total Combined Asset (Asset-1 to Asset-36 except Asset-35)	**3045.23**	**1597.07**	**315.81**	**169.24**	**422.13**	**5549.48**
Asset-35	**187.53**	**51.90**	**0.00**	**0.00**	**0.00**	**239.41**

24. The Petitioner has submitted that in the ACE claimed for the year 2020-21 for the Combined Asset-1 to 36 (except Asset-35), includes arbitration award payment ₹ 40.76 lakh (30% of the awarded amount) issued by Commercial Court, Shillong (M/s T&T Constructions is a contractor). Presently, the subject matter is challenged

and is pending before the Hon'ble High Court of Meghalaya under Section 37 of the Arbitration and Conciliation Act 1996.

25. The Petitioner has further submitted that the ACE ₹218.49 Lakh claimed by the Petitioner in F.Y. 2023-24 in respect of Combined Asset-1 to Asset-20 (Part of combined Asset-1 to Asset-36, except Asset-35), also includes expenditure ₹145.00 Lakh for upgradation of 33 kV System of 400/132/33 kV Imphal Substation. The Petitioner has further submitted that the said work (modification of 33 kV Panels of 4 nos. outgoing feeders, including CT, change of suitable HT cable and accessories to handle 20 MW power per feeder) was awarded by CTU vide OM dated 27.4.2022 under NERSS XVII project. The original asset related to the said upgradation work is covered under the instant project, therefore, the expenditure has been done during FY 2023-24 under NERSS XVOO project and is accordingly claimed in the instant Petition as ACE during FY 2023-24.

26. Further, the detailed party-wise Liability Flow Statement as submitted by the Petitioner in respect of ACE for the 2019-24 Tariff period is as follows:

(₹ in Lakh)

Asset No.	Party Name	Particulars	Outstanding as on 31.3.2019	Discharge					Total (19-24)	Outstanding as on 31.3.2024
				2019-20	2020-21	2021-22	2022-23	2023-24		
Asset-4	M/s ICSA	SS & PLCC	40.76	-	40.76	-	--	-	40.76	0.00
	T&T projects & Misc Site Packages	TL	62.85	-	9.08	-	-	-	9.08	53.77
	Total		**103.61**	**-**	**49.84**	**-**	**--**	**-**	**49.84**	**53.77**

(₹ in Lakh)

Asset No.	Party Name	Particulars	Outstanding as on 31.3.2019	Discharge					Total (19-24)	Outstanding as on 31.3.2024
				2019-20	2020-21	2021-22	2022-23	2023-24		
Asset-5	JSL	TL	104.33	-	-	-	--	-	-	104.33
	Misc. Site	TL	0.51	-	0.51	-	-	-	0.51	0.00

	Package , Gupta Power & Aditya Birla									
	Total		**104.84**	**-**	**0.51**	**-**	**--**	**-**	**0.51**	**104.33**

(₹ in Lakh)

Asset No.	**Headwise /Partywise**	**Outstanding Liability as on COD/ 31st March 2019***	**Discharge**						**Outstanding Liability as on 31.3.2024**
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)	
Asset-6	M/s ICSA	-	-	-	-	-	-	-	
	IVRCL	160.24	-	-	-	-	-	-	160.24
	Himangshu Paul & Associates, Mr Trisht Dhar& Durga Krishna Store Pvt. Ltd.	70.87	70.87	-	-	-	-	70.87	
	Misc Site Package	1.23	-	1.23	-	-	-	1.23	-
	Misc Site Package	-	-	-	-	-	-	-	
	TOTAL	**232.34**	**70.87**	**1.23**	**-**	**-**	**-**	**72.1**	**160.24**

(₹ in Lakh)

Asset No.	**Head-wise /Party-wise**	**Outstanding Liability as on COD/ 31st March 2019***	**Discharge**						**Outstanding Liability as on 31.3.2024**
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)	
Asset-9	M/s ICSA	-	-	-	-	-	-	-	
	IVRCL	79.40	-	-	-	-	-	-	79.40
	Misc Site Package & Aditya Birla	13.74	-	13.74	-	-	-	13.74	-
	TOTAL	**93.14**	**-**	**13.74**	**-**	**-**	**-**	**13.74**	**79.40**

(₹ in Lakh)

Asset No.	**Head-wise /Party-wise**	**Outstanding Liability as on COD/ 31st March 2019***	**Discharge**						**Outstanding Liability as on 31.3.2024**
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)	
Asset-11	M/s Sterling & Wilson	-	-	-	-	-	-	-	-
	JSL	66.47	-	-	-	-	-	-	66.47
	Misc.Site packages ,Compenation,Gupta Power, Aditya Birla & Namdhari ,	119.26	0.44	74.25	-	-	44.57	119.26	-
	TOTAL	**185.73**	**0.44**	**74.25**	**-**	**-**	**44.57**	**119.26**	**66.47**

(₹ in Lakh)

Asset No.	Head-wise /Party-wise	Particulars#	Year of Actual Capitalisation	Outstanding Liability as on COD/ 31st March 2019*	Discharge					
					2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)
Asset-13	M/s Sterling & Wilson	Substation & PLCC	2013	-	-	-	-	-	-	-
	Work of Site Leveling	Substation	2013	-	-	-	-	-	-	-
	C&C Constructions	Transmission line	2013	9.27	-	-	-	-	9.27	9.27
	BHEL & HVPL	Transmission line	2013	0.05	-	0.05	-	-	-	0.05
	Puna Hinda, N.K Construction & Suppliers and misc site packages	Building & Civil Works	2013	0.37	-	0.37	-	-	-	0.37
	Tree Compensation	Transmission line	2013	-	-	-	-	-	-	-
	TOTAL			**9.69**	**-**	**0.42**	**-**	**-**	**9.27**	**9.69***

****Outstanding Liability as on 31.3.2024 is NIL.***

(₹ in Lakh)

Asset No.	Head-wise /Party-wise	Outstanding Liability as on COD/ 31st March 2019*	Discharge						Outstanding Liability as on 31.3.2024
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)	
Asset-14	M/s GE T&D India	33.93	33.93	-	-	-	-	33.93	
	M/s Deejay System Consultants PVT Ltd	-	-	-	-	-	-	-	-
	TOTAL	**33.93**	**33.93**	**-**	**-**	**-**	**-**	**33.93**	**-**

(₹ in Lakh)

Asset No.	Head-wise /Party-wise	Outstanding Liability as on COD/ 31st March 2019*	Discharge						Outstanding Liability as on 31.3.2024
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)	
Asset-15	M/s Sterling & Wilson	-	-	-	-	-	-	-	-
	M/s Toshiba Transmission	3.7	3.7	-	-	-	-	3.7	
	TOTAL	**3.7**	**3.7**	**-**	**-**	**-**	**-**	**3.7**	**-**

(₹ in Lakh)

Asset No.	Head-wise /Party-wise	Particulars#	Year of Actual Capitalisation	Outstanding Liability as on COD/ 31st March 2019*	Outstanding Liability as on 31.3.2024	Liability discharged during 2024-25
Asset-	M/s IVRCL	Transmission	2013	3.64	3.64	3.64

16		line				
	Deejay System & Aditya Birla	Transmission line	2013	-		
	TOTAL			**3.64**	**3.64**	**3.64**

(₹ in Lakh)

Asset No.	Head wise /Party wise	Particulars#	Year of Actual Capitalization	Outstanding Liability as on COD/ 31st March 2019*	Discharge					
					2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)
Asset-18	M/s Sterling & Wilson	Substation	2013	2.73	2.73				-	2.73
	M/s Toshiba Transmission	Substation	2013	-					-	-
	TOTAL			**2.73**		**-**	**-**	**-**	**-**	**2.73***

** Outstanding Liability as on 31.3.2024 is NIL*

(₹ in Lakh)

Asset No.	Head-wise /Party-wise	Outstanding Liability as on COD/ 31st March 2019*	Discharge					
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)
Asset-19	M/s Sterling & Wilson	-	-	-	-	-	-	-
	M/s Toshiba Transmission	-	-	-	-	-	-	-
	SINGHI INFRAPOWER PROJECTS PVT LTD (NERSS-XVII)	164.65					164.65	164.65
	TOTAL	**164.65**	**-**	**-**	**-**	**-**	164.65	**164.65**

** Outstanding Liability as on 31.3.2024 is NIL*

(₹ in Lakh)

Asset No.	Head-wise /Party-wise	Outstanding Liability as on COD/ 31st March 2019*	Discharge						Outstanding Liability as on 31.3.2024
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)	
Asset-20	M/s Sterling & Wilson	17.7	-	-	17.7	-	-	17.7	-
	M/s Crompton Greaves	32.9	-	32.9	-	-	-	32.9	
	Misc Pakages	14.18							14.18
	TOTAL	**64.78**	**-**	**32.9**	**17.7**	**-**	**-**	**50.6**	**14.18**

(₹ in Lakh)

Asset No.	Head-wise /Party-wise	Outstanding Liability as on COD/ 31st March 2019	Discharge					
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)

Asset-21	M/s Sterling & Wilson	-	-	-	-	-	-	-
	Hyosoung Corporation	114.16	-	114.16	-	-	-	114.16
	GET Power	69.24	12.52	56.72	-	-	-	69.24
	GET Power & Others	15.15	15.15					15.15
	C&C Constructions	99.11	-	-	-	-	99.11	99.11
	M/S FARMCO INDIA& Ambika Associates	-	-	-	-	-	-	-
	Crop Compensation	-	-		-	-	-	-
	Sujit Nandy	-						-
	TOTAL	**297.67**	**27.67**	**170.88**	**-**	**-**	**99.11**	**297.67***

**** Outstanding Liability as on 31.3.2024 is NIL***

(₹ in Lakh)

Asset No.	**Headwise /Partywise**	**Outstanding Liability as on COD/ 31st March 2019***	**Discharge**						**Outstanding Liability as on 31.3.2024**
			2019-20	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**Total (2019-24)**	
Asset-22	M/s Toshiba Transmission	8.14	8.14	-	-	-	-	8.14	
	Hyosoung Corporation	54.12	9.54	44.58	-	-	-	54.12	
	GET Power	6.21	6.21	-	-	-	-	6.21	
	GET Power& Others		12.51						
	M/s Sterling & Wilson	-	-	-	-	-	-	-	-
	C&C Constructions	178.1	66.4	6	43.98	6.8	52.04	175.22	2.88
	Misc site Packages	27.62	0.12	0.99	6.13	7.72	12.66	27.62	
	TOTAL	**274.19**	**102.92**	**51.57**	**50.11**	**14.52**	**64.7**	**271.31**	**2.88**

(₹ in Lakh)

Asset No.	**Head-wise /Party-wise**	**Outstanding Liability as on COD/ 31st March 2019**	**Discharge**					
			2019-20	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**Total (2019-24)**
Asset-23	M/s Toshiba Transmission	8.2	8.2	-	-	-	-	8.2
	M/s Toshiba Transmission & Others		3.16					
	Hyosoung Corporation	23.86	-	23.86	-	-	-	23.86
	GET Power	-	-	-	-	-	-	-
	TOTAL	**32.06**	**11.36**	**23.86**	**-**	**-**	**-**	**32.06**

(₹ in Lakh)

Asset No.	Head wise /Party wise	Outstanding Liability as on COD/ 31st March 2019*	Discharge						Outstanding Liability as on 31.3.2024
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)	
Asset-24	M/s Sterling & Wilson	-	-	-	-	-	-	-	
	ICSA	-	-	-	-	-	-	-	
	Mr. A. Neangba Konyak and Misc site Packages	277.86	-	277.86	-	-	-	277.86	
	IVRCL	2,450.13	-	5.13	-	-	-	5.13	2,445.00
	Gupta Power & Aditya Birla	0.71	0.71	-	-	-	-	0.71	
	Titu Kumar Das & Misc Site Packages	191.22	2	8.16	34.23	80.2			66.63
	Tree Compensation	10.4	10.4	-	-	-	-	10.4	
	Crop Compensation	-	-	-	-	-	-	-	
	TOTAL	**2,930.33**	**13.12**	**291.15**	**34.23**	**80.2**	**-**	**294.11**	**2,511.62**

(₹ in Lakh)

Asset No.	Head-wise /Party-wise	Outstanding Liability as on COD/ 31st March 2019*	Discharge						Outstanding Liability as on 31.3.2024
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)	
Asset-25	M/s Sterling & Wilson	-	-	-	-	-	-	-	-
	ICSA	-	-	-	-	-	-	-	
	Mr. Durga Krishna Store and Misc site Packages	28.59	-	-	-	-	-	-	28.59
	JSL	707.21	-	-	-	-	-	-	707.21
	Gupta Power & Aditya Birla	-	-	-	-	-	-	-	-
	Mr. Durga Krishna Store and Misc site Packages	-	-	-	-	-	-	-	
	Tree Compensation	196.21	-	178.38	-	-	-	178.38	17.83
	Crop Compensation	39.83	-	-	-	-	-	-	39.83
	TOTAL	**971.84**	**-**	**178.38**	**-**	**-**	**-**	**178.38**	**793.46**

(₹ in Lakh)

Asset No.	Head-wise /Party-wise	Outstanding Liability as on COD/ 31st March 2019*	Discharge						Outstanding Liability as on 31.3.2024
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)	
Asset-26	M/S Alstom T&D India Ltd	103.62	89.96	13.65	-	-	-	103.62	
	M/s OM Traders	-	-	-	-	-	-	-	-

	M/s Shyama Power India Ltd	341.88	326.27	15.6	-	-	-	341.88	
	BHEL & Misc Packages	21	-	7.71	-	-	-	7.71	13.29
	M/s KND Engineering Technologies Ltd	0.64	-	-	-	-	-	-	0.64
	Tree Compensation	0.7	-	0.7	-	-	-	0.7	-
	Crop Compensation	-	-	-	-	-	-	-	-
	TOTAL	**467.84**	**416.24**	**37.67**	**-**	**-**	**-**	**453.91**	**13.93**

(₹ in Lakh)

Asset No.	Head-wise /Party-wise	Outstanding Liability as on COD/ 31st March 2019*	Discharge						Outstanding Liability as on 31.3.2024
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)	
Asset-27	M/S Alstom T&D India Ltd	162.2	162.2	-	-	-	-	162.2	
	M/s Samco, Puna Hinda & Misc Site Packages	73.12	1.87	2.15	1.77	15.65	18.59	40.03	33.09
	M/s Shyama Power India Ltd	310.51	281.32	-	29.19	-	-	310.51	
	BHEL & Misc Packages	25.27		25.27	-	-	-	25.27	
	Tree Compensation	82.68	-	-	-	9.87	0.71	10.58	72.1
	Crop Compensation	3.09	-	-	-	-	-	-	3.09
	Land	156.39	-	-	-	-	-		156.39
	O&M Add Cap not included in liability								
	TOTAL	813.26	**445.39**	**27.42**	**30.96**	**25.52**	**19.3**	**548.59**	**264.67**

(₹ in Lakh)

Asset No.	Head-wise /Party-wise	Outstanding Liability as on COD/ 31st March 2019*	Discharge					
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)
Asset-28	M/s ICSA Ltd.	-	-	-	-	-	-	-
	M/s Aditya Birla Insulators	-	-	-	-	-	-	-
	M/s Shilpa-Pylon	-	-	-	-	-	-	-
	M/s IVRCL Ltd	9.12	-	-	-	-	-	-
	Misc. Site Packages	36.75	6.93	29.82				36.75
	Tree Compensation	1.37	-	-	1.37	-	-	1.37
	Crop Compensation	-	-	-	-	-	-	-
	TOTAL	**47.24**	**6.93**	**29.82**	**1.37**	**-**	**-**	**38.12**

(₹ in Lakh)

Asset No.	Head-wise /Party-wise	Outstanding Liability as on COD/ 31st March 2019*	Discharge					
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)
Asset-29	M/S Alstom T&D India Ltd	28.59	13.35	-	-	-	15.24	28.59
	TOTAL	**28.59**	**13.35**	**-**	**-**	**-**	**15.24**	**28.59**

(₹ in Lakh)

Asset No.	Head-wise /Partywise	Outstanding Liability as on COD/ 31st March 2019*	Discharge					
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)
Asset-30	M/S Alstom T&D India Ltd	16.53	15.74	-	0.79	-	-	16.53
	TOTAL	**16.53**	**15.74**	**-**	**0.79**	**-**	**-**	**16.53**

(₹ in Lakh)

Asset No.	Head-wise /Party-wise	Outstanding Liability as on COD/ 31st March 2019*	Discharge						Additional Liability Recognized^		
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)	2019-20	2020-21	Total (2019-24)
Asset-31	M/s Alstom T&D India Limited	89.77	61.82	9.76	-	-		**71.58**		8.91	8.91
	M/s Alstom T&D India Limited	3.59	3.59					**3.59**		1.83	1.83
	M/s NISHA ENGINEERING CORPORATION, Pulok Bhattacharyya and misc site packages	76.61	63.29	-	8.86	-	-	**72.15**		12.21	12.21
	M/s Shyama Power India Ltd	40.53	31.43	-	8.68	0.42	-	**40.53**		12.56	12.56
	M/s BHEL	-	-	-		-	-	**-**			-
	Tree Compensation	5.55	5.55	-	-	-	-	**5.55**		-	-
	Forest Compensation	59.21	-	-	-	-	-	**-**		-	-
	O&M Add Cap not included in liability	-									
	TOTAL	**275.26**	**165.68**	**9.76**	**17.54**	**0.42**	**-**	**193.40***		**35.51**	**35.51**

****Outstanding liability as on 31.3.2024 is ₹ 81.86 lakh (275.26-193.40)***

(₹ in Lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on COD/ 31st March 2019*	Discharge					
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)
Asset-32	M/s Alstom T&D India Limited	13.43	10.44	2.99	-	-	-	13.43
	M/s Alstom T&D India Limited	0.05	0.05					0.05
	M/s Alstom T&D India Limited	3.75	3.75					3.75
	TOTAL	**17.23**	**14.24**	**2.99**	**-**	**-**	**-**	**17.23**

(₹ in Lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on COD/ 31st March 2019*	Discharge						Outstanding Liability as on 31.3.2024
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)	
Asset-33	M/s G.E.T. POWER LTD.	165.26	-	165.26	-	-	-	165.26	
	M/s Hyosung	-	-	-	-	-	-	-	
	M/s ICSA Ltd.	-	-	-	-	-	-	-	
	Miscellaneous Bought out Assets(MBOA)	-	-	-	-	-	-	-	
	M/s Himangshu Paul and Associates Pvt. Ltd. and misc site packages	62.74	62.74	-	-	-	-	62.74	
	M/S IVRCL LIMITED	1,123.50	-	-	-	-	-	-	1,123.50
	M/S TATA PROJECTS LIMITED	1,585.71	1,482.01	103.7	-		-	1,585.71	
	M/s G.E.T. POWER LTD.	-	29.97						
	M/s Bharat Heavy Electricals Limited	97.43	-	97.43	-	-	-	97.43	
	Misc Site packages	397.28		63.41	121.78	48.59	-	233.78	163.5
	Tree Compensation	-	-	-	-	-	-	-	
	Forest Compensation	-	-	-	-	-	-	-	
	TOTAL	3,431.92	**1,574.72**	**429.8**	**121.78**	**48.59**	**-**	**2,144.92**	**1,287.00**

(₹ in Lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on COD/ 31st March 2019*	Discharge					
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)
Asset-34	M/s G.E.T. POWER LTD.	25.13	2.92	22.21	-	-	-	25.13
	M/s Hyosung	13.55	-	13.55	-	-	-	13.55

	M/S TATA PROJECTS LIMITED	142.77	101.43	-	41.34	-	-	142.77
	M/s Bharat Heavy Electricals Limited	-	-	-	-	-	-	-
	Misc Site packages	-		-	-	-	-	-
	Tree Compensation	-		-	-	-	-	-
	Crop Compensation	3.51	3.51	-	-	-	-	3.51
	TOTAL	**184.96**	**107.86**	**35.76**	**41.34**	**-**	**-**	**184.96**

(₹ in Lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on COD/ 31st March 2019*	Discharge						Outstanding Liability as on 31.3.2024
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)	
Asset-35	M/s G.E.T. POWER LTD.	32.18	-	32.18	-	-	-	32.18	
	M/s Hyosung	13.55	-	13.55	-	-	-	13.55	
	Misc Site packages	8.67	8.34	-	-	-	-	8.34	0.33
	M/s G.E.T. POWER LTD.	4.00	4.00					4.00	
	M/S TATA PROJECTS LIMITED	119.80	119.8	-	-	-	-	119.8	
	M/s Bharat Heavy Electricals Limited	4.03	-	4.03	-	-	-	4.03	
	Hindusthan Urban Infrastructure Limited C	33.75	31.61	2.14				33.75	
	Misc Site packages	12.60	12.6	-	-	-	-	12.6	
	Tree Compensation	11.18	11.18	-	-	-	-	11.18	
	Forest Compensation	-	-	-	-	-	-	-	
	O&M Add Cap not included in liability								
	TOTAL	**239.76**	**187.53**	**51.9**	**-**	**-**	**-**	**239.43**	**0.33**

(₹ in Lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on COD/ 31st March 2019*	Discharge					
			2019-20	2020-21	2021-22	2022-23	2023-24	Total (2019-24)
Asset-36	M/s G.E.T. POWER LTD.	23.21	0.1	23.11	-	-	-	23.21
	M/s G.E.T. POWER LTD.	0.79	0.09	0.7				0.79
	M/s Hyosung	6.07	-	6.07	-	-	-	6.07
	Misc Site packages	23.46	18.17				5.29	23.46
	M/s Crompton Greaves Limited	69.72	-	69.72	-	-	-	69.72
	TOTAL	**123.25**	**18.36**	**99.6**	**-**	**-**	**5.29**	**123.25**

27. In response to various queries through TV letter dated 12.9.2025, the Petitioner vide affidavit dated 3.9.2025 has submitted the desired information and the same is as follows:

Sr. No.	Query Raised through TV letter	Reply by the Petitioner
1	The Petitioner has claimed an arbitration award payment of Rs. 40.76 lakhs (30% of the awarded amount) in favour of the commercial court, Shillong (M/s T&T construction is the contractor) with respect to combined assets (Assts No. 1 to 36 except 25). Clarify this payment is made towards which asset. Further, the Petitioner to provide the basis for claiming along with supporting copy of the Order/adjustment, if any.	An arbitration award payment of ₹40.76 lakhs was made in relation to Asset-4 (400 kV D/C Bongaigaon TPS – Bongaigaon Transmission Line along with associated bays at Bongaigaon Substation). This amount was paid pursuant to the arbitral award dated 21.12.2020, issued by the Commercial Court, Shillong.
2	Current status of aforesaid subject matter before Hon'ble High Court of Meghalaya under section 37 of the Arbitration and Conciliation Act, 1996, as mentioned in the instant Petition	The matter has been adjudicated by the Hon'ble High Court of Meghalaya vide judgment dated 23.04.2025. Following the receipt of the said judgment, the Petitioner has deposited an amount of ₹95.00 lakhs before the Hon'ble High Court in compliance with the subsequent order dated 28.10.2024
3	The Petitioner has claimed Rs. 145.00 lakhs towards upgradation of 33 kV system of 400/132/33 kV Imphal S/s (Combined assets-1 to 20). clarify where there is any de-cap in the transmission assets and their treatment, if any	The subject work involves the installation of additional equipment, including four nos of 33 kV outgoing feeder panels, along with associated CTs, HT cable, and accessories, each designed to handle 20 MW of power. Accordingly, there is no decapitalization associated with the upgradation of the 33-kV system at the 400/132/33 kV Imphal Substation

28. We have considered the submissions of the Petitioner. it is observed that the Petitioner has claimed the ACE on account of discharge of liability against Final/retention payments for the works executed prior to cut-off date.

29. Further, with regards to ACE ₹40.76 lakh (30% of the awarded amount) against arbitration awarded in favour of M/s T&T Constructions, it is observed that the commercial court of Shillong, vide order dated 8.1.2021 in Commercial Misc. Case No. 32/2019/Commercial Arbitration No. 18/2019, held that the arbitration award shall

remain suspended till disposal of subject case and directed the Petitioner to deposit 30% of awarded amount, within four weeks. Accordingly, the Petitioner has deposited ₹40, 76, 226/- (30% of ₹1,35,87,418/-).

30. Therefore, in view of above, and as per Regulation 25(1)(a) of 2019 Tariff Regulations, the ACE ₹40.76 lakh claimed by the Petitioner in F.Y. 2021-22 is hereby allowed in respect of Asset-4 (part of Combined Asset (Asset-1 to Asset-36 except Asset-35)).

31. Further, with regards to ACE ₹145.00 Lakh claimed by the Petitioner in F.Y. 2023-24 on account of installation of additional equipments including 04 nos. of outgoing feeder panels, along with associated CTs, HT cable, and accessories for 33 kV System at Imphal Substation, it is observed that the said upgradation work of 33 kV System was allocated to the Petitioner vide CTUIL OM dated 26.4.2022 at an estimated cost ₹200.00 Lakh , with implementation time frame of 9 months from date of CTUIL OM. Accordingly, the investment approval was accorded by the Petitioner's company on 19.6.2022 at an estimated cost ₹147 Lakh including IDC of ₹2.00 Lakh, with Commissioning schedule by January 2023.

32. In view of above deliberation, we conclude that the upgradation work of 33 kV system was carried out by the Petitioner in compliance with CTUIL OM dated 26.4.2022. Accordingly, as per Regulation 25(1)(a) of 2019 Tariff Regulations, the ACE of ₹145.00 Lakh claimed by the Petitioner in F.Y. 2023-24 is hereby allowed in respect of Asset-4 [part of Combined Asset (Asset-1 to Asset-36 except Asset-35)].

33. Therefore, the details of ACE allowed in respect of instant transmission asset(s) for the 2019-24 Tariff Period are as follows:

(₹ in lakh)

Assets	Regulation	ACE Allowed					Total ACE
		2019-20	2020-21	2021-22	2022-23	2023-24	
Asset-4	Regulation 25(1)(d) of 2019 Tariff Regulation	-	9.08	-	-	-	9.08
	Regulation 25(1)(a) of 2019 Tariff Regulation	-	40.76	-	-	-	40.76
Asset-5	Regulation 25(1)(d) of 2019 Tariff Regulation	-	0.51	-	-	--	0.51
Aset-6	Regulation 25(1)(d) of 2019 Tariff Regulation	70.87	1.23				72.1
Asset-9	Regulation 25(1)(d) of 2019 Tariff Regulation	-	13.74				13.74
Asset-11	Regulation 25(1)(d) of 2019 Tariff Regulation	0.44	74.25	-	-	44.57	119.26
Asset-13	Regulation 25(1)(d) of 2019 Tariff Regulation	-	0.42	-	-	9.27	9.69
Asset-14	Regulation 25(1)(d) of 2019 Tariff Regulation	33.93	-	-	-	-	33.93
Asset-15	Regulation 25(1)(d) of 2019 Tariff Regulation	2.08					2.08
Asset-18	Regulation 25(1)(d) of 2019 Tariff Regulation	2.73	-	-	-	-	2.73
Asset-19	Regulation 25(1)(d) of 2019 Tariff Regulation	-	-	-	-	164.65	164.65
Asset-20	Regulation 25(1)(d) of 2019 Tariff Regulation	-	32.90	17.70	-	-	50.6
Asset-21	Regulation 25(1)(d) of 2019 Tariff Regulation	27.67	170.88	-	-	99.11	297.66
Asset-22	Regulation 25(1)(d) of 2019 Tariff Regulation	102.91	51.57	50.11	13.72	64.70	283.01
Asset-23	Regulation 25(1)(d) of 2019 Tariff Regulation	11.36	23.86	-	-	-	35.22
Asset-24	Regulation 25(1)(d) of 2019 Tariff Regulation	13.12	291.15	34.23	80.20	-	418.7
Asset-25	Regulation 25(1)(d) of 2019 Tariff Regulation	-	178.38	-	-	-	178.38
Asset-26	Regulation 25(1)(d) of 2019 Tariff Regulation	416.24	37.67	-	-	-	453.91
Asset-27	Regulation 25(1)(d) of 2019 Tariff Regulation	445.39	27.41	30.95	25.53	19.30	548.58
Asset-28	Regulation 25(1)(d) of 2019 Tariff Regulation	6.93	29.82	1.37	-	-	38.12
Asset-29	Regulation 25(1)(d) of 2019 Tariff Regulation	13.35	-	-	-	15.24	28.59
Asset-30	Regulation 25(1)(d) of 2019 Tariff Regulation	15.74	-	0.79	-	-	16.53
Asset-31	Regulation 25(1)(d) of 2019 Tariff Regulation	165.68	9.76	17.54	0.42	0.00	193.4
	Regulation 25(1)(d) of 2019 Tariff Regulation	-	35.51	-	-	-	35.51
Asset-32	Regulation 25(1)(d) of 2019 Tariff Regulation	14.24	2.99	-	-	-	17.23
Asset-33	Regulation 25(1)(d) of 2019 Tariff Regulation	1574.72	429.80	121.78	48.59	-	2174.89
Asset-34	Regulation 25(1)(d) of 2019 Tariff Regulation	107.86	35.75	41.34	-	-	184.95
Asset-36	Regulation 25(1)(d) of 2019 Tariff Regulation	18.36	99.60	-	-	5.29	123.25
Add: IDC discharged after COD		513.40	-	-	-	-	513.40

Total Combined asset (Asset-1 to Asset-36 except Asset-35)	**3558.64**	**1597.07**	**315.81**	**169.24**	**422.13**	**6062.89**
Asset-35	**187.53**	**51.90**	**-**	**-**	**-**	**239.43**
Add: IDC discharged after COD	**12.82**	**-**	**-**	**-**	**-**	**12.82**
Total (Asset-35)	**200.35**	**51.90**	**-**	**-**	**-**	**252.25**

Treatment of Liquidated Damages (LDs)

34. In compliance to query regarding recovery of LD, if any, raised vide T.V. letter dated 25.8.2025, the Petitioner, vide affidavit dated 3.9.2025, has submitted that Liquidated Damage (LD) amounting to ₹80.96 lakh was recovered during the 2019–24 tariff period in respect of the assets covered under the present Petition. The Petitioner further submitted that the recovered LD has been duly adjusted against the Capital Cost certified in the Auditor Certificate. We have considered the submissions of the Petitioner. Regulation 21(4) and 21(5) of 2019 Tariff Regulations provides as follows:

> ***"21. Interest During Construction (IDC) and Incidental Expenditure during Construction (IEDC)***
>
> ---
>
> *(4) If the delay in achieving the COD is not attributable to the generating company or the transmission licensee, IDC and IEDC beyond SCOD may be allowed after prudence check and the liquidated damages, if any, recovered from the contractor or supplier or agency shall be adjusted in the capital cost of the generating station or the transmission system, as the case may be.*
>
> *(5) If the delay in achieving the COD is attributable either in entirety on in part to the generating company or the transmission licensee or its contractor or supplier or agency, in such cases, IDC and IEDC beyond SCOD may be disallowed after prudence check either in entirety or on pro-rata basis corresponding to the period of delay not condoned and the liquidated damages, if any, recovered from the contractor or supplier or agency shall be retained by the generating company or the transmission licensee, as the case may be."*

35. Therefore, in terms of the above, when the time overrun is attributable to the project developer, or its contractors, the cost of time overrun, i.e., IDC and IEDC has to be borne by the project developer and LD, if any, recovered can be retained by the Petitioner. The amount of the LD recovered has already been adjusted by the Petitioner. As such, the treatment of the LD recovered by the Petitioner is in order

and is in line with the 2019 Tariff Regulations.

36. Accordingly, the detail of Capital Cost and ACE allowed in respect of Combined Asset-1 to 36 (except Asset-35) and Asset-35 for the period 2019-24 is as under:

(₹ in lakh)

Asset	**Capital Cost as on 1.4.2019**	**Expenditure during 2019-24**					**Capital Cost as on 31.3.2024**
		2019-20	**2020-21**	**2021-22**	**2022-23**	**2023-24**	
Combined Asset-1 to 36 (except Asset-35)	**293576.73**	3558.64	1597.07	315.81	169.24	422.13	**299639.62**
Asset-35	**2545.47**	200.35	51.90	0.00	0.00	0.00	**2797.72**

Debt-Equity Ratio

37. The Petitioner has submitted that the debt-equity ratio of 70:30 has been admitted by the Commission as on 31.3.2019/CODs and the same have been considered for cost as on 1.4.2019/COD. It is noted from Form 9 C for the respective assets that actual D:E ratio is 70:30 on CODs and also for the ACE after COD, accordingly, the same is considered and allowed under Regulation 18 of the 2019 Tariff Regulations for computation of the tariff in respect of the transmission assets during the 2019-24 tariff period, as under:

Combined Asset-1 to 36 (except Asset-35)

Funding	**Capital Cost as on 1.4.2019/CODs**		**ACE during the 2019-24 tariff period (₹ in lakh)**		**Capital Cost as on 31.3.2024**	
	(₹ in lakh)	**(in %)**	**(₹ in lakh)**		**(₹ in lakh)**	**(in %)**
Debt	205503.71	70	4244.023	70	209747.73	70
Equity	88073.02	30	1818.867	30	89891.89	30
Total	**293576.73**	100	6062.89	100	**299639.62**	100

Asset-35

Funding	Capital Cost as on 1.4.2019/CODs		ACE during the 2019-24 tariff period (₹ in lakh)		Capital Cost as on 31.3.2024	
	(₹ in lakh)	(in %)	(₹ in lakh)		(₹ in lakh)	(in %)
Debt	1781.83	70	176.575	70	1958.40	70
Equity	763.64	30	75.675	30	839.32	30
Total	**2545.47**	100	252.25	100	**2797.72**	100

Depreciation

38. The depreciation has been worked out considering the admitted Capital Expenditure as on 1.4.2019/COD and subsequent ACE allowed 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 the 2019 Tariff Regulations. Accordingly, the depreciation approved in respect of the transmission assets is as follows:

Combined Asset-1 to 36 (except Asset-35)

(₹ in lakh)

	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	Opening Gross Block	293576.73	297135.37	298732.44	299048.25	299217.49
B	Addition during the year 2019-24 due to actual ACE	3558.64	1597.07	315.81	169.24	422.13
C	Closing Gross Block (A+B)	297135.37	298732.44	299048.25	299217.49	299639.62
D	Average Gross Block (A+C)/2	295356.05	297933.91	298890.35	299132.87	299428.56
E	Freehold land included in average capital cost	852.59	852.59	852.59	852.59	852.59
E1	Average Gross Block (90% depreciable assets)	292848.98	295399.56	296356.00	296598.52	296894.21
F	Average Gross Block (100% depreciable assets)	1654.49	1681.76	1681.76	1681.76	1681.76
G	Depreciable value (excluding IT equipment and software) (E1*90%)	263564.08	265859.60	266720.40	266938.67	267204.78
H	Depreciable value of IT equipment and software (F*100%)	1654.49	1681.76	1681.76	1681.76	1681.76

I	Total Depreciable Value (G+H)	265218.56	267541.36	268402.16	268620.43	268886.54
J	Weighted average rate of Depreciation (WAROD) (in %)	5.26	5.26	5.26	5.26	5.26
K	Elapsed useful life at the beginning of the year (Year)	2	3	4	5	6
L	Balance useful life at the beginning of the year (Year)	31	30	29	28	27
M	**Depreciation during the year (D*J)**	**15540.39**	**15677.12**	**15727.31**	**15739.72**	**15754.85**
N	Cumulative depreciation at the end of period/year	56352.26	72029.38	87756.69	103496.41	119251.25
O	Remaining Aggregate Depreciable Value at the end of the year (I-N)	208866.30	195511.98	180645.47	165124.02	149635.29

Asset-35

(₹ in lakh)

	Particulars	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**
A	Opening Gross Block	2545.47	2745.82	2797.72	2797.72	2797.72
B	Addition during the year 2019-24 due to actual ACE	200.35	51.90	0.00	0.00	0.00
C	Closing Gross Block (A+B)	2745.82	2797.72	2797.72	2797.72	2797.72
D	Average Gross Block (A+C)/2	2645.65	2771.77	2797.72	2797.72	2797.72
E	Freehold land included in average capital cost	342.97	342.97	342.97	342.97	342.97
E1	Average Gross Block (90% depreciable assets)	2250.90	2374.89	2400.84	2400.84	2400.84
F	Average Gross Block (100% depreciable assets)	51.78	53.91	53.91	53.91	53.91
G	Depreciable value (excluding IT equipment and software) (E1*90%)	2025.81	2137.40	2160.76	2160.76	2160.76
H	Depreciable value of IT equipment and software (F*100%)	51.78	53.91	53.91	53.91	53.91
I	Total Depreciable Value (G+H)	2077.59	2191.31	2214.67	2214.67	2214.67
J	Weighted average rate of Depreciation (WAROD) (in %)	4.78	4.81	4.81	4.81	4.81
K	Lapsed useful life at the beginning of the year (Year)	0	1	2	3	4
L	Balance useful life at the beginning of the year (Year)	31	30	29	28	27

M	**Depreciation during the year (D*J)**	126.40	133.27	134.64	134.64	134.64
N	Cumulative depreciation at the end of period/year considering Rs.38.03 lakh recovered during 2014-19	164.41	297.68	432.32	566.96	701.60
O	Remaining Aggregate Depreciable Value at the end of the year (I-N)	1913.17	1893.63	1782.35	1647.71	1513.07

39. The details of depreciation allowed vide order dated 25.10.2022 in Petition No. 657/TT/2020, depreciation claimed in the instant Petition, and trued-up depreciation approved in respect of the transmission assets in the instant order are as follows:

Combined Asset-1 to 36 (except Asset-35)

(₹ in lakh)

Depreciation/year	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed order dated 25.10.2022 in Petition no. 657/TT/2020	15632.51	15934.33	16053.13	16053.13	16053.13
Claimed by the Petitioner in the instant Petition	15544.19	15680.96	15731.20	15743.61	15758.74
Approved after truing-up in this order	15540.39	15677.12	15727.31	15739.72	15754.85

Asset-35

(₹ in lakh)

Depreciation/year	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 25.10.2022 in Petition No. 657/TT/2020	125.40	131.82	133.75	133.75	133.75
Claimed by the Petitioner in the instant Petition	126.40	133.28	134.64	134.64	134.64
Approved after truing-up in this order	126.40	133.27	134.64	134.64	134.64

Interest on Loan (IoL)

40. The Petitioner has claimed the Weighted Average Rate of Interest (WAROI) on loans based on its actual loan portfolio and prevailing interest rates.

41. We have considered the Petitioner's submission and perused the record. The calculation of WAROI as submitted by the Petitioner has been scrutinized based on the information furnished in the Form 9 (C). There is a slight variation between the calculated WAROI and WAROI claimed by the Petitioner due to which allowed interest on loan is on the lower side in case of Combined Asset-1 to 36 (except Asset-35).

42. The trued-up IoL approved in respect of the transmission assets is as follows:

Combined Asset-1 to 36 (except Asset-35)

(₹ in lakh)

	Particulars	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**
A	Gross Normative Loan	205503.71	207994.76	209112.71	209333.78	209452.24
B	Cumulative Repayments up to Previous Year	40811.87	56352.26	72029.38	87756.69	103496.41
C	Net Loan-Opening (A-B)	164691.84	151642.50	137083.33	121577.09	105955.84
D	Addition due to ACE	2491.05	1117.95	221.07	118.47	295.49
E	Repayment during the year	15540.39	15677.12	15727.31	15739.72	15754.85
F	Net Loan-Closing (C+D-E)	151642.50	137083.33	121577.09	105955.84	90496.48
G	Average Loan (C+F)/2	158167.17	144362.91	129330.21	113766.46	98226.16
H	Weighted Average Rate of Interest on Loan (in %)	8.24	8.03	7.96	7.97	7.98
I	**Interest on Loan (G*H)**	**13026.21**	**11586.59**	**10288.84**	**9063.43**	**7839.51**

Asset-35

(₹ in lakh)

	Particulars	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**
A	Gross Normative Loan	1781.83	1922.07	1958.40	1958.40	1958.40

B	Cumulative Repayments up to Previous Year	38.01	164.41	297.68	432.32	566.96
C	Net Loan-Opening (A-B)	1743.82	1757.66	1660.72	1526.09	1391.45
D	Addition due to ACE	140.25	36.33	0.00	0.00	0.00
E	Repayment during the year	126.40	133.27	134.64	134.64	134.64
F	Net Loan-Closing (C+D-E)	1757.66	1660.72	1526.09	1391.45	1256.81
G	Average Loan (C+F)/2	1750.74	1709.19	1593.40	1458.77	1324.13
H	Weighted Average Rate of Interest on Loan (in %)	7.86	7.74	7.63	7.53	7.43
I	**Interest on Loan (G*H)**	**137.53**	**132.27**	**121.53**	**109.89**	**98.39**

43. The details of IoL Allowed vide order dated 25.10.2022 in Petition No. 657/TT/2020, IoL claimed in the instant Petition, and trued-up IoL approved in respect of the transmission assets in the instant order are as follows:

Combined Asset-1 to 36 (except Asset-35)

(₹ in lakh)

IoL/Year	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 25.10.2022 in Petition no. 657/TT/2020	13193.35	12148.90	10919.69	9524.86	8112.86
Claimed by the Petitioner in the instant Petition	13037.29	11595.50	10296.51	9070.47	7846.00
Approved after truing-up in this order	13026.21	11586.59	10288.84	9063.43	7839.51

Asset-35

(₹ in lakh)

IoL/Year	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 25.10.2022 in Petition no. 657/TT/2020	144.06	139.34	129.73	117.79	105.51
Claimed by the Petitioner in the instant Petition	137.53	132.27	121.53	109.89	98.39
Approved after truing-up in this order	137.53	132.27	121.53	109.89	98.39

Return on Equity (RoE)

44. The Petitioner has submitted that its Income Tax assessment has been completed and the assessment orders have been issued by the Income Tax Department for FY 2019-20 and FY 2020-21; and that its income has been assessed under MAT [115JB of the Income Tax Act, 1961 (IT Act, 1961)]. The Petitioner has further submitted that the Income Tax Returns (ITRs) have been filed for FYs 2021-22 and 2022-23. Further, it is submitted that the Income Tax Return for 2023-24 will be filed in due course.

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

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

46. The assessment orders for FYs 2019-20 and 2020-21 and ITRs for FYs 2021-22 have been submitted by the Petitioner. Further, the Income Tax Return for FY 2023-24 has now been filed, and accordingly, the revised computation of the effective tax percentage is as under:

Financial Year	Basis considered	Total Tax & Interest paid (₹)	Assessed MAT Income under Sec 115JB (₹)	Effective Tax Percentage (in %)	Grossed up ROE (Base rate/(1-t) (in %)
2019-20	Assessment Order	24526276991	140374753855	17.472	18.782
2020-21	Assessment Order	26089359008	149320965036	17.472	18.782

2021-22	Actual Tax paid	31814640406	182089288030	17.472	18.782
2022-23	Actual Tax paid	30428820993	174157629306	17.472	18.782
2023-24	Actual Tax paid	31321238737	179265331597	17.472	18.782

47. The Petitioner has requested to allow it to claim the differential tariff on account of the trued-up ROE based on effective tax rate calculated on completion of Income Tax assessment/re-assessment for FYs 2021-22, 2022-23 and 2023-24 on receipt of the respective assessment orders, directly from the beneficiaries on a year-to-year basis as provided in the regulation.

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

considered for the purpose of grossing up the rate of RoE:

Year	Notified MAT rates (in %) (inclusive of surcharge & cess)	Effective tax 't'(in %)	Base rate of RoE (in %)	Grossed-up rate for RoE [(Base Rate)/(1-t)] (in%)
2019-20	17.472	17.472	15.50	18.782
2020-21	17.472	17.472	15.50	18.782
2021-22	17.472	17.472	15.50	18.782
2022-23	17.472	17.472	15.50	18.782
2023-24	17.472	17.472	15.50	18.782

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

Combined Asset-1 to 36 (except Asset-35)

(₹ in lakh)

Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	Opening Equity	88073.02	89140.61	89619.73	89714.48	89765.25
B	Addition due to ACE	1067.59	479.12	94.74	50.77	126.64
C	Closing Equity (A+B)	89140.61	89619.73	89714.48	89765.25	89891.89
D	Average Equity (A+C)/2	88606.82	89380.17	89667.10	89739.86	89828.57
E	Return on Equity (Base Rate) (in %)	15.50	15.50	15.50	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782	18.782	18.782	18.782
H	**Return on Equity (D*G)**	**16642.13**	**16787.38**	**16841.28**	**16854.94**	**16871.60**

Asset-35

(₹ in lakh)

Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A	Opening Equity	763.64	823.75	839.32	839.32	839.32
B	Addition due to ACE	60.11	15.57	0.00	0.00	0.00
C	Closing Equity (A+B)	823.75	839.32	839.32	839.32	839.32
D	Average Equity (A+C)/2	793.69	831.53	839.32	839.32	839.32
E	Return on Equity (Base Rate) (in %)	15.50	15.50	15.50	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782	18.782	18.782	18.782
H	**Return on Equity allowed for the period/year (D*G)**	**149.07**	**156.18**	**157.64**	**157.64**	**157.64**

50. The details of RoE allowed vide order dated 25.10.2022 in Petition No. 657/TT/2020, RoE claimed in the instant Petition, and trued-up RoE approved in respect of the transmission assets in the instant order are as follows:

Combined Asset-1 to 36 (except Asset-35)

(₹ in lakh)

ROE/Year	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 25.10.2022 in Petition No. 657/TT/2020	16744.89	17075.78	17207.71	17207.71	17207.71
Claimed by the Petitioner in the instant Petition	16646.19	16791.44	16845.33	16858.99	16875.65
Approved after truing-up in this order	16642.13	16787.38	16841.28	16854.94	16871.60

Asset-35

(₹ in lakh)

ROE/Year	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 25.10.2022 in Petition No. 657/TT/2020	148.21	154.84	156.69	156.69	156.69
Claimed by the Petitioner in the instant Petition	149.07	156.18	157.64	157.64	157.64
Approved after truing-up in this order	149.07	156.18	157.64	157.64	157.64

Operation & Maintenance Expenses (O&M Expenses)

51. The Commission, vide order dated 25.10.2022 in Petition No. 657/TT/2020, has allowed the O&M expenses in respect of instant transmission asset for 2019-24 Tariff period as follows:

(₹ in lakh)

Asset Name	2019-20	2020-21	2021-22	2022-23	2023-24
Combined Asset-1 to 36 (except Asset-35)	2584.40	2675.41	2769.51	2866.71	2966.92
Asset-35	56.99	58.97	61.05	63.19	65.41

52. The Petitioner has claimed the following O&M Expenses for the 2019-24 tariff period in the instant truing up Petition for the Combined Asset:

(₹ in lakh)

Asset Name	2019-20	2020-21	2021-22	2022-23	2023-24
Combined Asset-1 to 36 (except Asset-35)	2584.34	2675.37	2769.47	2866.71	2966.92
Asset-35	56.99	58.97	61.05	63.19	65.41

53. The O&M Expenses approved to the transmission assets in terms of Regulation 35 (3) of the 2019 Tariff Regulations is as under:

Combined Asset-1 to 36 (except Asset-35)

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Substations					

132 kV Conventional Bays

Silchar Sub-station:

- 1 No. Srikona- I bay
- 1 No. Srikona- II bay
- 1 No. Badarpur- I bay
- 1 No. Badarpur- II bay
- 2 Nos. Hailakandi bay
- 1 No. ICT- I bay
- 1 No. ICT- II bay
- 1 No. 132 kV Bay–I for 400 kV D/C Silchar – Imphal T/L (to be charged at 132 kV)
- 1 No. 132 kV Bay–II for 400 kV D/C Silchar – Imphal T/L (to be charged at 132 kV)
- 2 Nos. 400 kV D/C Silchar – Purba Kanchanbari T/L (charged at 132 kV) along-with associated bays
- 1 No. Mehleriat – I Silchar bay
- 1 No. Mehleriat – II Silchar bay

Srikona Sub-station:

- 1 No. Silchar - I bay
- 1 No. Silchar - II bay

Badarpur Sub-station:

- 1 No. Silchar - I bay
- 1 No. Silchar - II bay

Surajmaninagar Sub-station:

- 2 Nos. 132 kV Palatana- I bay

Ziro Sub-station:

- 1 No. 132 kV, 4 * 6.6 MVAr Bus Reactor (Single Phase) bay

Imphal Sub-station:

- 1 No. 132 kV Bus Reactor bay
- 1 No. Imphal - Ningthoukhong bay
- 1 No. 132 kV bay of ICT-I
- 1 No. 132 kV bay of ICT-II
- 1 No. Imphal bay
- 1 No. 132 kV Bay – I for 400 kV D/C Silchar-Imphal T/L (to be charged at 132 kV)
- 1 No. 132 kV Bay – II for 400 kV D/C Silchar-Imphal T/L (to be charged at 132 kV)

Mokokchung Sub-station:

- 1 No. ICT – II bay
- 2 Nos. bays for MKK-MKK T/L
- 2 Nos. 132 kV D/C MKK-MKK T/L bays
- 1 No. 3*10 MVA, 220/132, ICT – I along with associated bays

Purba Kanchanbari Sub-station:

- 2 Nos. 400 kV D/C Silchar- Purba Kanchanbari (charged at 132 kV) along-with associated bays

Pasighat Sub-station:

- 1 No. Pasighat - Roing bay

Roing Sub-station:

- 1 No. Pasighat - Roing bay
- 2 Nos. ICT - I Roing bay
- 2 Nos. ICT - II Roing bay
- 1 No. Bus Reactor bay
- 1 No. Tezu - I bay

Hailakandi Sub-station:

- 2 Nos. 132 kV D/C Silchar – Hailkandi T/L bay

Tezu Sub-station:

- 1 No. Roing - I bay
- 1 No. Bus Reactor bay

• 2 Nos. ICT – I Tezu_Tezu bay • 2 Nos. ICT – II Tezu_Tezu bay • 1 No. Namsai - Tezu bay **Namsai Sub-station:** • 1 No. Tezu - Namsai bay • 4 Nos. 7*5 MVA 132/33 kV 1-Ph ICT – I & II (including 1 No. spare Transformer) • 1 No. 4*6.67 MVAr 145 kV 1-Ph Bus Reactor (including 1 No. spare reactor)					
Norms as per Regulation (₹ lakh per Bay)	16.08	16.64	17.23	17.83	18.46
O&M allowed (i)	**948.72**	**981.76**	**1016.57**	**1051.97**	**1089.14**
220 kV (Conventional Bays) **New Mariani Sub-station:** • 1 No. Kathalguri bay • 1 No. Misa bay • 1 No. 20 MVAr Bus Reactor bay • 2 Nos. D/C Mariani – Mokokchung line with associated bays **Mokokchung Sub-station:** • 2 Nos. Mariani-Mokokchung Line bay • 1 No. ICT – II bay at MKK HV side • 1 No. 3*10 MVA ICT-I along with associated bay					
Norms as per Regulation (₹ lakh per Bay)	22.51	23.30	24.12	24.96	25.84
O&M allowed (ii)	**202.59**	**209.70**	**217.08**	**224.64**	**232.56**
400 kV (Conventional Bays) **Silchar Sub-station:** • 1 No. ICT-I bay • 1 No. ICT-II bay • 1 No. Silchar-Palatana bay-I • 1 No. Silchar-Palatana bay-II • 1 No. Silchar-Palatana SLR bay-I • 1 No. Silchar-Palatana SLR bay-II • 1 No. Bus Reactor-I bay • 1 No. Bus Reactor-II bay • 1 No. Silchar – Bongaigaon - I bay • 1 No. SLR bay-I • 1 No. Bongaigaon bay • 1 No. SLR bay **Bongaigaon Sub-station:** • 2 Nos. BTPS bay • 1 No. Bus Reactor bay • 1 No. Silchar – I bay • 1 No. Silchar – II bay • 1 No. SLR bay-I for Silchar-I • 1 No. SLR bay-II for Silchar-II					
Norms as per Regulation (₹ lakh per Bay)	32.15	33.28	34.45	35.66	36.91
O&M allowed (iii)	**610.85**	**632.32**	**654.55**	**677.54**	**701.29**
132 kV and below (GIS Bays) **Mleriat Sub-station:** • 1 No. Silchar – I Mleriat bay • 1 No. Silchar – II Mleriat bay • 1 No. Aizawal – I Mleriat bay • 1 No. Aizawal – II Mleriat bay • 1 No. Bus Reactor bay **Total Bays: 5**					

Norms as per Regulation (₹ lakh per Bay)*	11.256	11.648	12.061	12.481	12.922
O&M allowed (iv)	**56.28**	**58.24**	**60.31**	**62.41**	**64.61**
400 kV ICT **Silchar Sub-station:** • 1 No. 400/220 kV 200 MVA ICT-I • 1 No. 400/220 kV 200 MVA ICT-II					
Norms as per Regulation (₹ lakh per MVA)	0.358	0.371	0.384	0.398	0.411
O&M allowed (v)	**143.20**	**148.40**	**153.60**	**159.20**	**164.40**
220 kV ICT (2x30 MVA) **Mokokchung Sub-station:** • 1 No. 220/132 kV 30 MVA ICT-I • 1 No. 220/132 kV 30 MVA ICT-II **Total MVA: 60**					
Norms as per Regulation (₹ lakh per MVA)	0.245	0.254	0.263	0.272	0.282
O&M allowed (vi)	**14.70**	**15.24**	**15.78**	**16.32**	**16.92**
132 kV ICT (2x50 MVA and 6x15 MVA) **Imphal Sub-station:** • 2 Nos. 50 MVA ICT-I & ICT-II **Roing Sub-station:** • 2 Nos. 15 MVA ICT-I & ICT-II **Tezu Sub-station:** • 2 Nos. 15 MVA ICT-I & ICT-II **Namsai Sub-station:** • 2 Nos. 15 MVA ICT-I & ICT-II **Total MVA: 190**					
Norms as per Regulation (₹ lakh per MVA)	0.245	0.254	0.263	0.272	0.282
O&M allowed (vii)	**46.55**	**48.26**	**49.97**	**51.68**	**53.58**
Total Sub-station expenses (A)	**2022.89**	**2093.92**	**2167.855**	**2243.755**	**2322.5**

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

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Transmission Lines					
Double Circuit Single Conductor: • 132 kV D/C Silchar-Srikona T/L • 132 kV D/C Silchar-Srikona T/L • Loop in Line of 132 kV Imphal – Ningthoukhong line at Imphal S/s • 220 kV D/C Marian – Mokokchung line with associated bays • 132 kV D/C Moko – Mokukchung T/L with associated bays • 132 kV S/C (on D/C Tower) pasighat – Roing T/L • 132 kV S/C (on D/C Tower) Roing – Tezu T/L • 132 kV D/C Silchar- Hailakandi T/L • 132 kV S/C (on D/C towers) Tezu – Namsai T/L • LILO of 132 kV S/C Aizawal – Zemabawk T/L along with associated bays at Mleriat S/s **Total Length: 358.097 km**					

Norms as per Regulation (₹ lakh per Km)	0.377	0.391	0.404	0.419	0.433
O&M allowed (i)	**135.00**	**140.02**	**144.67**	**150.04**	**155.06**
Single Circuit Single Conductor: • 132 kV D/C Silchar-Hailakandi T/L • Loop in Line of 132 kV Imphal – Ningthoukhong line at Imphal S/s • Loop Out Line of 132 kV Imphal – Ningthoukhong line along with associated bays at Imphal S/s **Total Length: 15.691 km**					
Norms as per Regulation (₹ lakh per Km)	0.252	0.26	0.27	0.279	0.289
O&M allowed (ii)	**3.95**	**4.08**	**4.24**	**4.38**	**4.53**
Double Circuit Twin Conductor: • 400 kV D/C Palatana – Surajmaninagar T/L • 400 kV D/C BTPS – Bongaigaon T/L • 400 kV D/C Silchar – Imphal T/L (to be charged at 132 kV) • 400 kV D/C Silchar Purba Kanchanbari T/L (charged at 132 kV) along with associated bays • 400 kV Silchar – Meiriat (New) T/L (charges at 132 kV) along with associated bays at Silchar and Meiriat S/s **Total Length: 479.559 km**					
Norms as per Regulation (₹ lakh per Km)	0.881	0.912	0.944	0.977	1.011
O&M allowed (iii)	**422.49**	**437.36**	**452.70**	**468.53**	**484.83**
Total O&M expenses allowed (B)	**561.45**	**581.45**	**601.61**	**622.95**	**644.42**

Particulars	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**
O&M expenses allowed for substation	2022.89	2093.92	2167.855	2243.755	2322.5
O&M expenses allowed for transmission line	561.45	581.45	601.61	622.95	644.42
Total O&M expenses allowed	**2584.34**	**2675.37**	**2769.47**	**2866.70**	**2966.92**

Asset-35

(₹ in lakh)

O&M Expenses	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**
Substations					
132 kV Conventional Bays **Mleriat Sub-station:** • Mleriat Line bay Ckt-I • Mleriat Line bay Ckt-II **Total Bays: 2**					
Norms as per Regulation (₹ lakh per Bay)*	16.08	16.64	17.23	17.83	18.46
O&M allowed (i)	**32.16**	**33.28**	**34.46**	**35.66**	**36.92**

132 kV and below (GIS Bays) **Mleriat Sub-station:** • **Sihhmui Line bay Ckt-I** • **Sihhmui Line bay Ckt-II** **Total Bays: 2**					
Norms as per Regulation (₹ lakh per Bay)*	11.256	11.648	12.061	12.481	12.922
O&M allowed (ii)	**22.51**	**23.30**	**24.12**	**24.96**	**25.84**
Total Sub-station expenses (A)	**54.67**	**56.58**	**58.58**	**60.62**	**62.76**

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

(₹ in lakh)

O&M Expenses	2019-20	2020-21	2021-22	2022-23	2023-24
Transmission Lines					
Double Circuit Single Conductor: • 132 kV D/C Mleriat (New) Shihhmui (Mizoram) T/L **Total Length: 6.122 km**					
Norms as per Regulation (₹ lakh per Km)	0.377	0.391	0.404	0.419	0.433
O&M allowed	**2.31**	**2.39**	**2.47**	**2.57**	**2.65**

(₹ in lakh)

O&M Expenses	2019-20	2020-21	2021-22	2022-23	2023-24
O&M expenses allowed for substation	**54.67**	**56.58**	**58.58**	**60.62**	**62.76**
Total Transmission Line expenses	**2.31**	**2.39**	**2.47**	**2.57**	**2.65**
Total O&M expenses allowed	**56.98**	**58.97**	**61.05**	**63.19**	**65.41**

54. Accordingly, the details of O&M Expenses allowed vide order dated 25.10.2022 in Petition No. 657/TT/2020, O&M Expenses claimed in the instant Petition, and trued-up O&M Expenses approved in respect of the transmission assets in the instant order are as follows:

Combined Asset-1 to 36 (except Asset-35)

(₹ in lakh)

O&M Expenses/Year	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 25.10.2022 in Petition no. 657/TT/2020	2584.34	2675.37	2769.47	2866.70	2966.92

Claimed by the Petitioner in the instant Petition.	2584.40	2675.41	2769.51	2866.71	2966.92
Approved after truing-up in this order	2584.34	2675.37	2769.47	2866.70	2966.92

Asset-35

(₹ in lakh)

O&M Expenses/Year	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 25.10.2022 in Petition No. 657/TT/2020	56.98	58.97	61.06	63.19	65.41
Claimed by the Petitioner in the instant Petition.	56.99	58.97	61.05	63.19	65.41
Approved after truing-up in this order	56.98	58.97	61.05	63.19	65.41

Interest on Working Capital (IWC)

55. IWC is 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 2019-20, 11.25% (SBI 1- year MCLR applicable as on 1.4.2020 of 7.75% plus 350 basis points) for 2020-2021 and from 2021-22 onwards as 10.50% (SBI 1-year MCLR applicable as on 1.4.2021 of 7.00% plus 350 basis points). The components of the Working Capital and interest allowed thereon for the transmission assets are as under:

Combined Asset-1 to 36 (except Asset-35)

(₹ in lakh)

Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
a	Working Capital for O&M Expenses (O&M Expenses for one month)	215.36	222.95	230.79	238.89	247.24

B	Working Capital for Maintenance Spares (15% of O&M Expenses)	387.65	401.31	415.42	430.01	445.04
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	5973.63	5834.39	5691.69	5554.71	5430.44
D	Total Working Capital (A+B+C)	6576.65	6458.64	6337.89	6223.60	6122.72
E	Rate of Interest for working capital (in %)	12.05	11.25	10.50	10.50	12.00
F	**Interest on Working Capital (D*E)**	**792.49**	**726.60**	**665.48**	**653.48**	**734.73**

Asset-35

(₹ in lakh)

Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
a	Working Capital for O&M Expenses (O&M Expenses for one month)	4.75	4.91	5.09	5.27	5.45
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	8.55	8.85	9.16	9.48	9.81
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	58.85	60.29	59.50	58.32	57.14
D	Total Working Capital (A+B+C)	72.15	74.05	73.74	73.06	72.41
E	Rate of Interest for Working Capital (in %)	12.05	11.25	10.50	10.50	12.00
F	**Interest on Working Capital allowed for the period/year (D*E)**	**8.69**	**8.33**	**7.74**	**7.67**	**8.69**

56. Accordingly, the details of IWC allowed vide order dated 25.10.2022 in Petition No. 657/TT/2020, IWC claimed in the instant Petition, and trued-up IWC approved in respect of the transmission assets in the instant order are as follows:

Combined Asset-1 to 36 (except Asset-35)

(₹ in lakh)

IWC/Year	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 25.10.2022 in Petition No. 657/TT/2020	797.93	744.00	684.49	669.89	653.56
Claimed by the Petitioner in the instant Petition.	792.77	728.66	667.34	655.29	734.94
Approved after truing-up in this order	792.49	726.60	665.48	653.48	734.73

Asset-35

(₹ in lakh)

IWC/Year	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 25.10.2022 in Petition no. 657/TT/2020	8.76	8.39	7.83	7.75	7.66
Claimed by the Petitioner in the instant Petition.	8.69	8.33	7.74	7.67	8.69
Approved after truing-up in this order	8.69	8.33	7.74	7.67	8.69

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

57. Accordingly, the trued-up Annual Fixed Charges allowed for the 2019-24 tariff period in respect of the transmission assets are as under:

Combined Asset-1 to 36 (except Asset-35)

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	15540.39	15677.12	15727.31	15739.72	15754.85
Interest on Loan	13026.21	11586.59	10288.84	9063.43	7839.51
Return on Equity	16642.13	16787.38	16841.28	16854.94	16871.60
O&M Expenses	2584.34	2675.37	2769.47	2866.70	2966.92
Interest on Working Capital	792.49	726.60	665.48	653.48	734.73
Total	**48585.56**	**47453.05**	**46292.37**	**45178.27**	**44167.60**

Asset-35

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	126.40	133.27	134.64	134.64	134.64
Interest on Loan	137.53	132.27	121.53	109.89	98.39
Return on Equity	149.07	156.18	157.64	157.64	157.64
O&M Expenses	56.98	58.97	61.05	63.19	65.41
Interest on Working Capital	8.69	8.33	7.74	7.67	8.69
Total	**478.67**	**489.02**	**482.61**	**473.03**	**464.77**

58. The details of annual transmission charges allowed vide order dated 25.10.2022 in Petition No. 657/TT/2020, annual transmission charges claimed in the instant Petition, and trued-up annual transmission charges approved in respect of the transmission assets in the instant order are as follows:

Combined Asset-1 to 36 (except Asset-35)

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 25.10.2022 in Petition no. 657/TT/2020	48953.02	48578.38	47634.49	46322.29	44 994.18
Claimed by the Petitioner in the instant Petition	48604.78	47471.88	46309.77	45195.00	44182.19
Approved after truing-up in this order	48585.56	47453.05	46292.37	45178.27	44167.60

Asset-35

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 25.10.2022 in Petition no. 657/TT/2020	483.41	493.36	489.06	479.17	469.02
Claimed by the Petitioner in the instant Petition	478.68	489.03	482.60	473.03	464.77
Approved after truing-up in this order	478.67	489.02	482.61	473.03	464.77

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

59. For determination of tariff for the period 2024-29, the Petitioner has combined the Combined Asset-1 to 36 (except Asset-35) with Asset-35. After combining all the assets, it has been referred to as the Combined Asset. The Petitioner has claimed the following transmission charges in respect of the Combined Asset for the 2024-29 tariff period:

(₹ in lakh)

Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	16085.74	16087.86	16080.68	15945.70	15945.70
Interest on Loan	6746.48	5580.99	4268.77	2972.12	1793.70
Return on Equity	17205.12	17407.82	17458.44	17466.30	17466.30
O&M Expenses	2690.03	2831.40	2979.27	3135.37	3300.40
Interest on Working Capital	712.00	703.79	691.26	675.15	666.35
Total	**43439.37**	**42611.90**	**41478.42**	**40194.69**	**39172.45**

60. IWC claimed by the Petitioner for 2024-29 is as under:

(₹ in lakh)

Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
O & M Expenses	224.17	235.95	248.27	261.28	275.03
Maintenance Spares	403.50	424.71	446.89	470.31	495.05
Receivables	5355.46	5253.54	5113.79	4941.98	4829.49
Total Working Capital	5983.13	5914.20	5808.95	5673.57	5599.57
Interest rate (In %)	11.90	11.90	11.90	11.90	11.90
Interest on Working Capital	711.99	703.79	691.26	675.15	666.35

Effective Date of Commercial Operation (E-COD)

61. The Petitioner has claimed E-COD of the Combined Asset as 16.6.2016. Based on the trued-up admitted Capital Cost as on 31.3.2024 and CODs of the transmission assets being combined, the effective COD of the Combined Asset has been worked

out as follows:

Asset	COD	Admitted Cost as on 31.3.2024 (₹ in lakh)	Weight of the cost (%)	No. of days from last COD	Weighted Days	E-COD
Combined Asset-1to36(except asset-35)	08-06-2016	**299639.62**	99.07%	906	897.619	16-06-2016
Asset-35	01-12-2018	**2797.72**	0.93%	0	0	
Total		**302437.34**	**100%**		**898**	
E-COD (Latest COD-Total Weighted Days =16-06-2016)						

62. E-COD is used to determine the Lapsed life of the project as a whole, which works out as seven (7) 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)

63. The Combined Asset may have multiple elements such as land, building, transmission line, substation and PLCC and each element may have different span of life. Therefore, the concept of WAL has been used as the useful life of the transmission project as a whole. Accordingly, WAL is being determined in terms of Regulation 33 of the 2024 Tariff Regulations.

64. WAL has been determined based on the admitted Capital Cost of individual elements as on 31.3.2024. For this purpose, the element-wise useful life as specified in the 2019 Tariff Regulations, prevailing at the time of the actual COD of the individual assets, has not been considered. Life as defined in the 2024 Tariff Regulations has been considered for the determination of WAL. Accordingly, WAL in respect of the Combined Asset has been worked out as 33 years, as follows:

Particulars	Combined Asset Cost (₹ in lakh) (1)	Life in Years (2)	Weighted Cost (3) = (1)x(2)	Weighted Average Life of Asset (in years) (4) = (3)/(1)
Building & Civil works	9562.98	25	239074.50	
Transmission Lines	240929.98	35	8432549.30	
Substations	47588.17	25	1189704.25	
Comm. Sys. excluding Fiber Optic	1313.02	15	19695.30	
Fiber Optic/OPGW	0.00	15	0.00	
LAND (Leasehold)	111.96	25	2799.00	
I. T Equipment including software UNMS, URTDSM, EMS, Cyber Security System, REMC, WAMS, SCADA system	1735.67	7	12149.69	
TOTAL	**301241.78**		**9895972.04**	**33**

65. WAL as on 1.4.2024, as determined above, shall be applied prospectively, i.e., for the 2024-29 tariff period, and no retrospective adjustment of depreciation for the 2019-24 tariff period (previous tariff period) is required to be done. As discussed, E-COD of the Combined Asset is 16.6.2016, and the lapsed life of the project as a whole, works out as seven (7) years as on 31.3.2024 (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 of the Combined Asset as on 1.4.2024 as 26 years.

Capital Cost

66. 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 de- capitalised from the original project only after its redeployment;

Provided further that unless shifting of an asset from one project to another is of a permanent nature, there shall be no de-capitalization of the concerned assets.
(d) ……..
(e) Proportionate cost of land of the existing generation or transmission project, as the case may be, which is being used for generating power from a generating station based on renewable energy as may be permitted by the Commission; and
(f) Any grant received from the Central or State Government or any statutory body or authority for the execution of the project that does not carry any liability of repayment."

67. The Petitioner has claimed the Capital Cost and ACE in respect of Combined Asset for the 2024-29 tariff period as under:

(₹ in lakh)

Asset No.	Apportioned approved cost as per RCE-II	Opening Capital cost as on 1.4.2024	Projected expenditure during 2024-29 tariff block claimed under Regulation					Estimated completion Cost as on 31.03.2029
			24-25	25-26	26-27	27-28	28-29	
Combined Asset	309167.00	**3,02,509.30**	5449.62	0.00	0.00	0.00	0.00	**3,10,278.29***
			231.94	1808.63	278.80	0.00	0.00	
			5681.56	1808.63	278.80	0.00	0.00	

In the Petition, the Petitioner has inadvertently claimed ₹310277.96 Lakh

68. We have considered the submission of the Petitioner. The Commission in instant order has approved the total trued-up Capital Cost ₹302437.34 lakh as on 31.3.2024, and thus, the same is considered as the opening Capita Cost as on 1.4.2024 for determination of Annual Fixed Charges in respect of Combined Asset for the 2024-29 tariff period.

Initial Spares:

69. The Petitioner has combined all the instant transmission assets during 2024-29 Tarff period. Accordingly, in terms of APTEL judgment dated 14.9.2019 in Appeal No. 74 of 2017, the Initial Spares are allowed on the basis of overall project cost. The relevant extract of the APTEL judgment dated 14.9.2019 is as under:

> *18.13. …… We do not agree with this methodology of restricting initial spares asset / element wise as adopted by the Central Commission. The Central Commission to have a prudence check on the initial spares, being restricted based on the individual asset wise cost initially, but subsequently ought to have allowed as per the ceiling limits on the overall project cost basis during the true- up."*

70. Therefore, as discussed above and in accordance with the APTEL judgment dated 14.9.2019 in Appeal No. 74 of 2017, the Initial Spares are being worked out and allowed as follows:

Substations:

(₹ in lakh)

Assets	P&M Cost excluding Land cost, IEDC, IDC and cost of civil works (A)	Initial Spares Claimed (B)	Norms as per the 2009/ 2014 Tariff Regulations (in %) (C)	Allowable Initial Spares (D)=(A-B)*C/(100%-C)	Allowed earlier during truing up 2014-19 vide order dated 25.10.2022 in petition No. 657/TT/2020 and in instant Petition (F)	Additional Initial Spares to be Allowed G=E-F
Asset-1	1221.75	46.39	2.5%	30.14	30.14	
Asset-2	1003.49	36.28	2.5%	24.80	24.80	
Asset-3	1893.48	47.34	2.5%	47.34	47.34	
Asset-4	757.23	19.76	2.5%	18.91	18.91	
Asset-5	555.91	8.93	2.5%	14.03	8.93	
Asset-6	3642.17	79.8	2.5%	91.34	79.80	
Asset-7	2826.69	70.67	2.5%	70.67	70.67	
Asset-8	3420.96	0	2.5%	87.72	0.00	
Asset-9	205.26	4.53	2.5%	5.15	4.53	
Asset-10	2250.00	50	2.5%	56.41	50.00	
Asset-11	287.46	7.19	2.5%	7.19	7.19	
Asset-12	1057.61	23.17	2.5%	26.52	23.17	
Asset-13	1748.84	85.18	2.5%	42.66	42.66	
Asset-14	542.02	20.46	2.5%	13.37	13.37	
Asset-15	342.26	8.56	2.5%	8.56	8.56	

Asset-16	241.81	13.55	2.5%	5.85	5.85	
Asset-17	169.55	26.86	2.5%	3.66	3.66	
Asset-18	374.07	9.35	2.5%	9.35	9.35	
Asset-19	463.43	11.59	2.5%	11.59	11.59	
Asset-20	693.37	17.33	2.5%	17.33	17.33	
Total	**23697.36**	**586.93**		**592.58**	**477.82**	**109.11**
Additional initial spares ₹109.11 Lakh (₹586.93 Lakh- ₹477.82 Lakh) is being allowed						
Asset-21	3125.11	42.65	4.0 %	128.44	42.65	
Asset-22	2329.84	197.26	4.0 %	88.86	88.86	
Asset-23	875.57	0	4.0 %	36.48	0.00	
Asset-24	802.70	17.03	4.0 %	32.74	17.03	
Asset-25	532.35	0	4.0 %	22.18	0.00	
Asset-26	2262.18	72.88	4.0 %	91.22	72.88	
Asset-27	1269.45	41.49	4.0 %	51.17	41.49	
Asset-28	135.77	0	4.0 %	5.66	0.00	
Asset-29	530.27	8.81	4.0 %	21.73	8.81	
Asset-30	565.69	16.62	4.0 %	22.88	16.62	
Asset-31	2192.41	60.32	4.0 %	88.84	60.32	
Asset-32	580.19	2.25	4.0 %	24.08	2.25	
Asset-33	4791.32	138.35	4.0 %	193.87	138.35	
Asset-34	364.05	0	4.0 %	15.17	0.00	
Asset-35	549.60	20.54	4.0%	22.04	20.54	
Asset-36	915.61	8.1	4.0 %	37.81	8.10	
Total	**21822.11**	**626.30**		**883.16**	**517.90**	**108.40**
Additional initial spares ₹108.40 Lakh (₹626.30 Lakh- ₹517.90 Lakh) is being allowed						

Transmission lines

(₹ in lakh)

Assets	P&M Cost excluding Land cost, IEDC, IDC and cost of civil works (A)	Initial Spares Claimed (B)	Norms as per the 2009/ 2014 Tariff Regulations (in %) (C)	Allowable Initial Spares (D)=(A-B)*C/(100%-C)	Allowed earlier during truing up 2014-19 vide order dated 25.10.2022 in petition No. 657/TT/2020 and instant order (F)	Additional Initial Spares to be Allowed G=E-F
Asset-4	1223.3	9.08	0.75%	9.18	9.08	
Asset-5	1367.2	10.98	0.75%	10.25	10.25	
Asset-6	164.01	1.23	0.75%	1.23	1.23	
Asset-9	1919.1	13.74	0.75%	14.40	13.74	
Asset-11	9580.5	74.25	0.75%	71.84	71.84	
Asset-13	18.15	0.37	0.75%	0.13	0.13	
Asset-16	192.38	0.42	0.75%	1.45	0.42	
Asset-17	36.35	0.27	0.75	0.27	0.27	
Total	**14500.99**	**110.34**		**108.75**	**106.96**	**1.79**

Additional initial spares ₹1.79 Lakh (₹108.75 Lakh- ₹106.96 Lakh) is being allowed						
Asset-21	5078.23	84.78	1%	50.44	50.44	
Asset-22	437.08	0	1%	4.41	0.00	
Asset-24	55552.86	277.86	1%	558.33	277.86	
Asset-25	37625.45	199.49	1%	378.04	199.49	
Asset-26	12441.11	101.3	1%	124.64	101.30	
Asset-27	6933.35	49.81	1%	69.53	49.81	
Asset-28	1593.85	12	1%	15.98	12.00	
Asset-31	9629.86	53.65	1%	96.73	53.65	
Asset-33	50776.66	275.03	1%	510.12	275.03	
Asset-34	842.34	8.56	1%	8.42	8.42	
Asset-35	987.76	9.25	1%	9.88	9.25	
Total	**181898.55**	**1071.73**		**1826.53**	**1037.25**	**34.48**
Additional initial spares ₹34.48 Lakh (₹1071.73 Lakh- ₹1037.25 Lakh) is being allowed						

71. Therefore, in view of above, and in accordance with t APTEL judgment dated 14.9.2019 in Appeal No. 74 of 2017, the total additional Initial Spares ₹253.76 lakh (₹ 217.50 lakh against substation and ₹36.27 lakh against transmission line) in respect of Combined Asset is being allowed as on 1.4.2024.

72. Accordingly, the details of Capital Cost allowed in respect of Combined Asset as on 1.4.2024 is as follows:

(₹ in lakh)

Asset No.	Opening Capital Cost as on 31.3.2024	Additional Initial Spares in accordance to APTEL judgement dated 14.9.2019 in Appeal No. 74 of 2017	Capital Cost as on 1.4.2024
Combined Asset	302437.34	253.76	302691.10

Additional Capital Expenditure:

73. In respect of Additional Capital Expenditure claimed after cut-off date, Regulation 25 provides as under:

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

(1) *The additional capital expenditure incurred or projected to be incurred in*

respect of an existing project or a new project on the following counts within the original scope of work and after the cut-off date may be admitted by the Commission, subject to prudence check:

(*a) Payment made against award of arbitration or for compliance with the directions or order of any statutory authority, or order or decree of any court of law;*
(b) Change in law or compliance with any existing law which is not provided for in the original scope of work;
(c) Deferred works relating to ash pond or ash handling system or raising of ash dyke in the original scope of work;
(d) Payment made towards liability admitted for works within the original scope executed prior to the cut-off date;
(e)Force Majeure events;
(f)Works within original scope executed after the cut-off date and admitted by the Commission, to the extent of actual payments made; and

74. The Petitioner has claimed the ACE in respect of the Combined Asset for the 2024-29 tariff period as under:

(₹ in lakh)

Asset No.	Particulars	Projected expenditure during 2024-29 tariff block					Total ACE
		24-25	25-26	26-27	27-28	28-29	
Combined Asset	Against discharge of liability and ongoing arbitral award cases	5449.62	0.00	0.00	0.00	0.00	5449.62
	O&M add cap	231.94	1808.63	278.80	0.00	0.00	2319.37
	Total	5681.56	1808.63	278.80	0.00	0.00	**7768.99**

75. The Petitioner has submitted that the ACE claimed also included the liability of ongoing arbitral award cases between M/s IVRCL vs Petitioner and balance liability of M/s T&T constructions.

76. Further, with regards to O&M Add-cap for the 2024-29 Tariff Period claimed under Regulation 25(2)(b) of 2024 Tariff Regulations, the Petitioner has submitted that to prevent the corrosion and collapse of towers, pile foundations are required for specific transmission lines. The issue was discussed and approved in the 25th TCC/NERPC meeting. In addition to above, to prevent frequent tripping due to frequent high intensity lightning strikes occur during thunderstorms, the transmission line Surge Arrestors (TLSA) need to be installed in various lines across the NER. The requirement

of TLSA was discussed and approved in the 26th TCC/NERPC meeting.

77. In compliance to quires regarding arbitration cases through TV letter dated 25.8.2025, the Petitioner vide affidavit dated 3.9.2025 has submitted the requisite information as follows:

<table>
<tr><th>Sr. No.</th><th>Information sought through TV letter</th><th>Information submitted by the petitioner.</th></tr>
<tr><td>1</td><td>Current status of aforesaid subject matter before Hon’ble High Court of Meghalaya under section 37 of the Arbitration and Conciliation Act, 1996, as mentioned in the instant Petition</td><td>With regard to above query, it is submitted that the matter has been adjudicated by the Hon’ble High Court of Meghalaya vide judgment dated 23.04.2025. Following the receipt of the said judgment, the Petitioner has deposited an amount of ₹95.00 lakhs before the Hon’ble High Court in compliance with the subsequent order dated 28.10.2024</td></tr>
<tr><td>2</td><td>The Petitioner submitted that they have included the liability of ongoing arbitral award cases between M/s IVRCL vs Petitioner and balance liability of M/s T&T construction, while claiming the add cap of Rs. 5449.62 lakhs for the 2024-25 for the combined assets. Petitioner to clarify, how much amount is claimed towards arbitral in the aforesaid amount of Rs. 5449.62 lakhs. What is the current status of the same and how much is actually paid is the 2024-25</td><td>With regard to the above query, it is submitted that the detail of Add-Cap claimed against ongoing arbitral award is tabulated below:
<table>
<tr><th>Total ADD cap during 2024-25</th><th>Add Cap claimed towards Arbitral award of M/s IVRCL during FY 2024-25</th><th>Add cap claimed towards Arbitral award of M/s T&T constructions during FY 2024-25</th><th>Balance amount claimed towards release of balance & retention payments during F.Y. 2024-25</th></tr>
<tr><td>5449.62</td><td>3823.79*</td><td>95.00#</td><td>1530.83</td></tr>
</table>
**Matter is still under arbitration at the Hon’ble Arbitral Tribunal*
#Amount Paid already as per Hon’ble High Court of Meghalaya vide judgement dated 28.10.2024 & 23.4.2025</td></tr>
</table>

<table>
<tr>
<td>3</td>
<td>The Petitioner has claimed ACE under Regulation 25(2)(b) during 2024-29 tariff block of Rs. 2319.37 lakhs towards preventing shifting in pile foundations due to massive & erosion for specific transmission lines in Dikrong river in North eastern region. The Petitioner is required to provide the current physical and financial progress such as preparation of DPR, award of contracts and current status of execution of work at site etc. along with supporting documents. Further, the Petitioner is required to clarify whether there will be any de-cap proposed, associated with the above work</td>
<td>With regards to ADD Cap under Regulation 25(2)(b) of 2024 Tariff Regulations, the Petitioner has submitted the detailed as follows:
<table>
<tr><th>Total ADD cap during 2024-29</th><th>Add Cap claimed towards Pile Foundation during FY 2024-29</th><th>Add Cap claimed towards TLSA during FY 2024-29</th></tr>
<tr><td>2319.37</td><td>929.32</td><td>1390.05</td></tr>
</table>
The proposed construction of the pile foundation for the 132 kV Roing–Pashighat Transmission Line is presently under technical evaluation and has not yet been awarded. Further, details of decapitalization, if any, will be submitted upon actual execution of work, at the time of truing of 2024-29 tariff block.

Regarding status of TLSA, the details as follows:
<table>
<tr><th>Transmission Line Involved</th><th>Proposed Expenditure during FY 2024-25</th><th>Proposed Expenditure during FY 2025-26</th><th>Total</th><th>Current Status</th></tr>
<tr><td>132 KV MELRIATSHIMMUI I</td><td>4.64</td><td>41.81</td><td>46.45</td><td>Cost Estimate under preparation</td></tr>
<tr><td>132 KV SILCHARBADARPUR I & II</td><td>12.08</td><td>108.70</td><td>120.78</td><td>414 Nos TLSA supplied @ Rs. 40,343.00 by M/s Raychem. Total supply cost: Rs [40343*414] = Rs 1,67,02,002.00 [Expected completion: Dec'25]</td></tr>
<tr><td>132 kV Rong-TEZU</td><td>28.33</td><td>255.02</td><td>283.35</td><td>Cost estimation under progress</td></tr>
<tr><td>132 kV Pasighat - Roing</td><td>39.83</td><td>358.48</td><td>398.31</td><td>Cost estimation under progress</td></tr>
<tr><td>132 kV TEZU-NAMSAI</td><td>38.56</td><td>346.99</td><td>385.55</td><td>Cost estimation under progress</td></tr>
<tr><td>Total</td><td>139.00</td><td>1251.05</td><td>1390.05</td><td></td></tr>
</table>
</td>
</tr>
</table>

78. The party-wise Liability Flow Statement as submitted by the Petitioner for the 2024-29 Tariff Period is as follows:

(₹ in lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on 31.3.2024	Liability discharged during 2024-25
Asset-4	M/s ICSA	-	-
	T&T Projects & Misc Site Packages	53.77	53.77
	TOTAL	**53.77**	**53.77**

(₹ in lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on 31.3.2024	Discharged during 2024-25
Asset-5	M/s ICSA	-	-
	JSL	104.33	104.33
	TOTAL	**104.33**	**104.33**

(₹ in lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on 31.3.2024	Discharged during 2024-25
Asset-6	M/s ICSA	-	-
	IVRCL	160.24	160.24
	TOTAL	**160.24**	**160.24**

(₹ in lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on 31.3.2024	Discharged during 2024-25
Asset-9	M/s ICSA	-	-
	IVRCL	79.4	79.4
	TOTAL	**79.4**	**79.4**

(₹ in lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on 31.3.2024	Discharged during 2024-25
Asset-11	M/s Sterling & Wilson	-	-
	JSL	66.47	66.47
	TOTAL	**66.47**	**66.47**

(₹ in lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on 31.3.2024	Liability discharged during 2024-25
Asset-16	M/s IVRCL	3.64	3.64
	TOTAL	**3.64**	**3.64**

(₹ in lakh)

Asset	Headwise	Outstanding Liability as on	Liability discharged during

No.	/Partywise	31.3.2024	2024-25
Asset-17	M/s IVRCL	2.73	2.73
	TOTAL	**2.73**	**2.73**

(₹ in lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on 31.3.2024	Liability discharged during 2024-25
Asset-20	M/s Sterling & Wilson	-	-
	Misc Pakages	14.18	14.18
	TOTAL	**14.18**	**14.18**

(₹ in lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on 31.3.2024	Liability discharged during 2024-25
Asset-22	C&C construction	2.88	2.88
	TOTAL	**2.88**	**2.88**

(₹ in lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on 31.3.2024	Liability discharged during 2024-25
Asset-24	IVRCL	2445.00	2445.00
	Titu Kumar Das & Misc Site Packages	66.63	66.63
	TOTAL	**2511.62**	**2511.62**

(₹ in lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on 31.3.2024	Liability discharged during 2024-25
Asset-25	Mr. Durga Krishna Store and Misc site Packages	28.59	28.59
	JSL	707.21	707.21
	Tree Compensation	17.83	17.83
	TOTAL	**793.46**	**793.46**

(₹ in lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on 31.3.2024	Liability discharged during 2024-25
Asset-26	BHEL & Misc Packages	13.29	13.29
	M/s KND Engineering Technologies Ltd	0.64	0.64
	TOTAL	**13.93**	**13.93**

(₹ in lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on 31.3.2024	Liability discharged during 2024-25
Asset-27	M/s Samco, Puna Hinda & Misc Site Packages	33.09	33.09
	Tree Compensation	72.10	72.10
	Crop Compensation	3.09	3.09
	Land	156.39	156.39
	TOTAL	**264.67**	**264.67**

(₹ in lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on 31.3.2024	Liability discharged during 2024-25
Asset-28	IVRCL Ltd	9.12	9.12
	TOTAL	**9.12**	**9.12**

(₹ in lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on 31.3.2024	Liability discharged during 2024-25
Asset-31	M/s Alstom T&D India Limited	18.19	18.19
	M/s NISHA ENGINEERING CORPORATION, Pulok Bhattacharyya and misc site packages	4.46	4.46
	Forest Compensation	59.21	59.21
	TOTAL	**81.86**	**81.86**

(₹ in lakh)

Asset No.	Headwise /Partywise	Outstanding Liability as on 31.3.2024	Liability discharged during 2024-25
Asset-33	M/S IVRCL LIMITED	1123.50	1123.50
	Misc Site packages	163.50	163.50
	TOTAL	**1287.00**	**1287.00**

(₹ in lakh)

Asset No.	Head wise /Party wise	Outstanding Liability as on 31.3.2024	Liability discharged during 2024-25
Asset-35	Misc Site packages	0.33	0.33
	TOTAL	**0.33**	**0.33**

79. We have considered the submission of the Petitioner. It is observed that the Petitioner has claimed the Additional Capital Expenditure in respect of Combined Asset for the 2024-29 tariff period on account of (i) discharge of pending liabilities, (ii) payment against the arbitral award cases, and (iii) pile foundation and installation of

Transmission line Surge Arrestors (TLSA).

80. After perusal of Auditor Certificate(s) and Form-7 submitted by the Petitioner in respect of ACE claimed during the 2024-29 Tariff Period, it is observed that the Petitioner vide Auditor Certificate(s) has claimed the ACE of ₹5681.54 Lakh, and ₹1808.63 Lakh, in F.Y. 2024-25, and F.Y 2025-26 respectively, whereas as per Form -7, the ACE during F.Y. 2024-25, and F.Y 2025-26 is ₹5676.91 Lakh ,and ₹1518.08 Lakh respectively, therefore, Petitioner is directed to clarify the above said discrepancy at the time of truing up.

81. Considering the Auditor Certificate(s) submitted by the Petitioner, the ACE projected by the Petitioner on account of (i) discharge of pending liabilities, (ii) payment against the arbitral award cases, and (iii) pile foundation and installation of Transmission line Surge Arrestors (TLSA), is hereby allowed under Regulation 25(1)(a), 25(1)(d) and 25(2)(b) of 2024 Tariff Regulations, subject to truing up. The detail of ACE allowed is as follows:

(₹ in lakh)

Asset No.	Regulations	ACE allowed				
		2024-25	**2025-26**	**2026-27**	**2027-28**	**2028-29**
Combined Asset	Regulation 25(1)(a) of 2024 Tariff Regulations	3918.79	0.00	0.00	0.00	0.00
	Regulation 25(1)(d) of 2024 Tariff Regulations	1530.81	0.00	0.00	0.00	0.00
	Regulation 25(2)(b) of 2024 Tariff Regulations	231.94	1808.63	278.80	0.00	0.00
	TOTAL	**5681.54**	**1808.63**	**278.80**	**0.00**	**0.00**

82. Accordingly, the details of Capital Cost and ACE allowed in respect of Combined Asset for 2024-29 Tariff Period is as follows:

(₹ in lakh)

Asset No.	Capital Cost as on 1.4.2024	ACE allowed					Capital Cost as on 31.03.2029
		24-25	**25-26**	**26-27**	**27-28**	**28-29**	
Combined Asset	302691.10	5681.54	1808.63	278.80	0.00	0.00	310460.07

Debt-Equity Ratio

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

(3) In the case of the generating station and the transmission system, including the communication system declared under commercial operation prior to 1.4.2024, the debt-equity ratio allowed by the Commission for the determination of tariff for the period ending 31.3.2024 shall be considered:

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

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

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

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

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

84. The debt-equity ratio for the 2024-29 tariff period is dealt with in line with Regulation 18 of the 2024 Tariff Regulations. Accordingly, the debt-equity ratio considered for the purpose of computation of tariff for the 2024-29 period in respect of the Combined Asset is as follows:

(₹ in lakh)

Funding	Capital Cost as on 1.4.2024 (₹ in lakh)	(In %)	ACE in 2024-29 (₹ in lakh)		Capital Cost as on 31.3.2029 (₹ in lakh)	(In %)
Debt	211883.77	70	5438.28	70	217322.05	70
Equity	90807.33	30	2330.69	30	93138.02	30
Total	**302691.10**	**100**	7768.97	**100**	**310460.07**	**100**

Depreciation

85. 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- capitalized asset during its useful service ”

86. The depreciation has been worked out considering the admitted Capital Expenditure as on 1.4.2024 and, thereafter, up to 31.3.2029. The Weighted Average Rate of Depreciation (WAROD) has been worked out for the Combined Asset as per the rates of depreciation specified in the 2024 Tariff Regulations.

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

(₹ in lakh)

	Particulars	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**2028-29**
A	Opening Gross Block	302691.10	308372.64	310181.27	310460.07	310460.07
B	Addition during the year 2024-29 due to actual ACE	5681.54	1808.63	278.80	0.00	0.00
C	Closing Gross Block (A+B)	308372.64	310181.27	310460.07	310460.07	310460.07
D	Average Gross Block (A+C)/2	305531.87	309276.96	310320.67	310460.07	310460.07
E	Freehold land included in average capital cost	1273.76	1351.95	1351.95	1351.95	1351.95
E1	Average Gross Block (90% depreciable assets)	302522.45	306189.34	307233.05	307372.45	307372.45
F	Average Gross Block (100% depreciable assets)	1735.67	1735.67	1735.67	1735.67	1735.67
G	Depreciable value (excluding IT equipment and software) (E1*90%)	272270.20	275570.40	276509.75	276635.21	276635.21

H	Depreciable value of IT equipment and software (F*100%)	1735.67	1735.67	1735.67	1735.67	1735.67
I	Total Depreciable Value (G+H)	274005.87	277306.07	278245.42	278370.88	278370.88
J	Weighted average rate of Depreciation (WAROD) (in %)	5.27%	5.21%	5.19%	5.14%	5.14%
K	Lapsed useful life at the beginning of the year (Year)	7	8	9	10	11
L	Balance useful life at the beginning of the year (Year)	26	25	24	23	22
M	**Depreciation during the year (D*J)**	**16094.78**	**16105.39**	**16105.88**	**15970.91**	**15970.91**
N	Cumulative depreciation at the end of period/year	136047.63	152153.02	168258.90	184229.81	200200.71
O	Remaining Aggregate Depreciable Value at the end of the year (I-N)	137958.24	125153.06	109986.51	94141.07	78170.16

Interest on Loan (IoL)

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

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

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

Provided that if there is no actual loan outstanding for a particular year but the

normative loan is still outstanding, the last available weighted average rate of interest of the loan portfolio for the project shall be considered;

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

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

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

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

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

89. The Petitioner has claimed the Weighted Average Rate of Interest (WAROI) on loans based on its actual loan portfolio and the rate of interest prevailing as on 1.4.2024. The IoL has been calculated based on the actual interest rate of various loans deployed for each year in accordance with the 2024 Tariff Regulations. The IoL allowed in respect of the Combined Asset is as follows:

(₹ in lakh)

	Particulars	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**2028-29**
A	Gross Normative Loan	211883.77	215860.85	217126.89	217322.05	217322.05
B	Cumulative Repayments up to Previous Year	119952.85	136047.63	152153.02	168258.90	184229.81
C	Net Loan-Opening (A-B)	91930.92	79813.22	64973.87	49063.15	33092.24
D	Addition due to ACE	3977.08	1266.04	195.16	0.00	0.00
E	Repayment during the year	16094.78	16105.39	16105.88	15970.91	15970.91

F	Net Loan-Closing (C+D-E)	79813.22	64973.87	49063.15	33092.24	17121.34
G	Average Loan (C+F)/2	85872.07	72393.55	57018.51	41077.70	25106.79
H	Weighted Average Rate of Interest on Loan (in %)	7.87	7.73	7.53	7.29	7.22
I	**Interest on Loan (G*H)**	**6757.75**	**5599.03**	**4292.42**	**2993.16**	**1812.73**

Return on Equity (RoE)

90. Regulations 30 and 31 of the 2024 Tariff Regulations provide as follows:

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

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;

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

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

Provided further that:

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

…….……"

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

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

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

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

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

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

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

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

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

91. The Petitioner has submitted that MAT rate applies to it.

92. We have considered the Petitioner's submission and have gone through the record. The Petitioner has claimed Return on Equity (RoE) considering base rate of 15.500% and effective tax rate of 17.472%, for the 2024-29 tariff period, the same has been considered, subject to-truing up.

93. Accordingly, the RoE allowed in respect of the Combined Asset for the 2024-29 tariff period, in accordance with Regulation 31 of the 2024 Tariff Regulations, is as follows:

(₹ in lakh)

	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Opening Equity	90807.33	92511.79	93054.38	93138.02	93138.02
B	Addition due to ACE	1704.46	542.59	83.64	0.00	0.00
C	Closing Equity (A+B)	92511.79	93054.38	93138.02	93138.02	93138.02
D	Average Equity (A+C)/2	91659.56	92783.09	93096.20	93138.02	93138.02
E	Return on Equity (Base Rate)	15.50	15.50	15.50	15.50	15.50
F	Tax Rate applicable	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (Pre-tax)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	17215.50	17426.52	17485.33	17493.18	17493.18

Operation and Maintenance Expenses (O&M Expenses)

94. The O&M Expenses claimed by the Petitioner in respect of the Combined Asset for the 2024-29 tariff period are as under:

(₹ in lakh)

Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses Claimed	2,690.03	2,831.40	2,979.27	3,135.37	3,300.40

95. Regulation 36(3) of the 2024 Tariff Regulations provides as follows:

*"**36. Operation and Maintenance Expenses:***

……

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

Particulars	*2024-*	*2025-*	*2026-*	*2027-*	*2028-*
Norms for sub-station Bays (Rs Lakh per bay)					
765 Kv	*41.34*	*43.51*	*45.79*	*48.20*	*50.73*

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

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

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

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

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

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

96. The O&M Expenses allowed in terms of Regulation 36(3) of the 2024 Regulations in respect of the Combined Asset for the 2024-29 tariff period are as under:

(₹ in lakh)

O&M Expenses	2024-25	2025-26	2026-27	2027-28	2028-29
Substations					
132 kV Conventional Bays **Silchar Sub-station:** • 1 No. Srikona- I bay • 1 No. Srikona- II bay • 1 No. Badarpur- I bay • 1 No. Badarpur- II bay • 2 Nos. Hailakandi bay • 1 No. ICT- I bay • 1 No. ICT- II bay • 1 No. 132 kV Bay–I for 400 kV D/C Silchar – Imphal T/L (to be charged at 132 kV) • 1 No. 132 kV Bay–II for 400 kV D/C Silchar – Imphal T/L (to be charged at 132 kV) • 2 Nos. 400 kV D/C Silchar – Purba Kanchanbari T/L (charged at 132 kV) along-with associated bays • 1 No. Mehleriat – I Silchar bay • 1 No. Mehleriat – II Silchar bay **Srikona Sub-station:** • 1 No. Silchar - I bay • 1 No. Silchar - II bay **Badarpur Sub-station:** • 1 No. Silchar - I bay • 1 No. Silchar - II bay **Surajmaninagar Sub-station:** • 2 Nos. 132 kV Palatana- I bay **Ziro Sub-station:** • 1 No. 132 kV, 4 * 6.6 MVAr Bus Reactor (Single Phase) bay **Imphal Sub-station:** • 1 No. 132 kV Bus Reactor bay • 1 No. Imphal - Ningthoukhong bay • 1 No. 132 kV bay of ICT-I • 1 No. 132 kV bay of ICT-II • 1 No. Imphal bay • 1 No. 132 kV Bay – I for 400 kV D/C Silchar-Imphal T/L (to be charged at 132 kV) • 1 No. 132 kV Bay – II for 400 kV D/C Silchar-Imphal T/L (to be charged at 132 kV) **Mokokchung Sub-station:** • 1 No. ICT – II bay • 2 Nos. bays for MKK-MKK T/L • 2 Nos. 132 kV D/C MKK-MKK T/L bays • 1 No. 3*10 MVA, 220/132, ICT – I along with associated bays **Purba Kanchanbari Sub-station:** • 2 Nos. 400 kV D/C Silchar- Purba Kanchanbari (charged at 132 kV) along-with associated bays					

Pasighat Sub-station:

- 1 No. Pasighat - Roing bay

Roing Sub-station:

- 1 No. Pasighat - Roing bay
- 2 Nos. ICT - I Roing bay
- 2 Nos. ICT - II Roing bay
- 1 No. Bus Reactor bay
- 1 No. Tezu - I bay

Hailakandi Sub-station:

- 2 Nos. 132 kV D/C Silchar – Hailkandi T/L bay

Tezu Sub-station:

- 1 No. Roing - I bay
- 1 No. Bus Reactor bay
- 2 Nos. ICT – I Tezu_Tezu bay
- 2 Nos. ICT – II Tezu_Tezu bay
- 1 No. Namsai - Tezu bay

Namsai Sub-station:

- 1 No. Tezu - Namsai bay
- 4 Nos. 7*5 MVA 132/33 kV 1-Ph ICT – I & II (including 1 No. spare Transformer)
- 1 No. 4*6.67 MVAr 145 kV 1-Ph Bus Reactor (including 1 No. spare reactor)

Mleriat Sub-station:

- Mleriat Line bay Ckt-I
- Mleriat Line bay Ckt-II

Total Bays: 61

Norms as per Regulation (₹ lakh per Bay)	15.78	16.61	17.48	18.40	19.35
O&M expenses allowed (i)	**962.58**	**1013.21**	**1066.28**	**1122.4**	**1180.35**

220 kV (Conventional Bays)

New Mariani Sub-station:

- 1 No. Kathalguri bay
- 1 No. Misa bay
- 1 No. 20 MVAr Bus Reactor bay
- 2 Nos. D/C Mariani – Mokokchung line with associated bays

Mokokchung Sub-station:

- 2 Nos. Mariani-Mokokchung Line bay
- 1 No. ICT – II bay at MKK HV side
- 1 No. 3*10 MVA ICT-I along with associated bay

Total Bays: 9

Norms as per Regulation (₹ lakh per Bay)	20.67	21.75	22.90	24.10	25.36
O&M expenses allowed (ii)	**186.03**	**195.75**	**206.1**	**216.9**	**228.24**

400 kV (Conventional Bays)

Silchar Sub-station:

- 1 No. ICT-I bay
- 1 No. ICT-II bay
- 1 No. Silchar-Palatana bay-I

• 1 No. Silchar-Palatana bay-II • 1 No. Silchar-Palatana SLR bay-I • 1 No. Silchar-Palatana SLR bay-II • 1 No. Bus Reactor-I bay • 1 No. Bus Reactor-II bay • 1 No. Silchar – Bongaigaon - I bay • 1 No. SLR bay-I • 1 No. Bongaigaon bay • 1 No. SLR bay **<u>Bongaigaon Sub-station:</u>** • 2 Nos. BTPS bay • 1 No. Bus Reactor bay • 1 No. Silchar – I bay • 1 No. Silchar – II bay • 1 No. SLR bay-I for Silchar-I • 1 No. SLR bay-II for Silchar-II **Total Bays: 19**					
Norms as per Regulation (₹ lakh per Bay)	29.53	31.08	32.71	34.43	36.23
O&M expenses allowed (iii)	561.07	590.52	621.49	654.17	688.37
132 kV and below (GIS Bays) **<u>Mleriat Sub-station:</u>** • 1 No. Silchar – I Mleriat bay • 1 No. Silchar – II Mleriat bay • 1 No. Aizawal – I Mleriat bay • 1 No. Aizawal – II Mleriat bay • 1 No. Bus Reactor bay • Sihhmui Line bay Ckt-I • Sihhmui Line bay Ckt-II **Total Bays: 5**					
Norms as per Regulation (₹ lakh per Bay)	11.046	11.627	12.236	12.880	13.545
O&M expenses allowed (iv)	**77.322**	**81.389**	**85.652**	**90.16**	**94.815**
400 kV ICT (2x200 MVA) **<u>Silchar Sub-station:</u>** • 1 No. 200 MVA ICT-I • 1 No. 200 MVA ICT-II **Total MVA: 400**					
Norms as per Regulation (₹ lakh per MVA)	0.262	0.276	0.29	0.305	0.322
O&M expenses allowed (v)	**104.8**	**110.4**	**116**	**122**	**128.8**
220 kV ICT (2x30 MVA) **<u>Mokokchung Sub-station:</u>** • 1 No. 30 MVA ICT-I					

• 1 No. 30 MVA ICT-II **Total MVA: 60**					
Norms as per Regulation (₹ lakh per MVA)	0.262	0.276	0.29	0.305	0.322
O&M allowed (vi)	15.72	16.56	17.40	18.30	19.32
132 kV ICT (2x50 MVA and 6x15 MVA) **Imphal Sub-station:** • 2 Nos. 50 MVA ICT-I & ICT-II **Roing Sub-station:** • 2 Nos. 15 MVA ICT-I & ICT-II **Tezu Sub-station:** • 2 Nos. 15 MVA ICT-I & ICT-II **Namsai Sub-station:** • 2 Nos. 15 MVA ICT-I & ICT-II **Total MVA: 190**					
Norms as per Regulation (₹ lakh per MVA)	0.262	0.276	0.29	0.305	0.322
O&M expenses allowed (vii)	**49.78**	**52.44**	**55.10**	**57.95**	**61.18**
400kV Reactors(6x63 MVAR,2x50MVAR,1x80MVAR) **Silchar Sub-station:** • 2 Nos. 63 MVAr Bus Reactor 1 & 2 • 2 Nos. 63 MVAr SLR • 2 Nos. 50 MVAr SLR 1 & 2 **Bongaigaon Sub-station:** • 2 Nos. 63 MVAr Kine Reactor 1 & 2 • 1 No. Bus Reactor					
Norms as per Regulation (₹ lakh per MVAR)	0.262	0.276	0.290	0.305	0.322
O&M allowed (viii)	**146.20**	**154.01**	**161.82**	**170.19**	**179.68**
132 kV and below Reactor(6x20MVAR,1x15MVAR) **Imphal Sub-station:** • 1 No. 20 MVAr Bus Reactor **Mariani Sub-station:** • 1 No. 20 MVAr Bus Reactor **Ziro Sub-station:** • 1 No. 20 MVAr Bus Reactor **Roing Sub-station:** • 1 No. 20 MVAr Bus Reactor **Tezu Sub-station:**					

• 1 No. 20 MVAr Bus Reactor **Namsai Sub-station:** • 1 No. 20 MVAr Bus Reactor **Mleriat Sub-station:** • 1 No. 15 MVAr Bus Reactor **Total MVAr: 135**					
Norms as per Regulation (₹ lakh per MVAR)	0.262	0.276	0.290	0.305	0.322
O&M expenses allowed (ix)	35.37	37.26	39.15	41.18	43.47
Total Sub-station expenses	**2138.87**	**2251.54**	**2368.99**	**2493.25**	**2624.22**

(₹ in lakh)

O&M Expenses	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**2028-29**
Transmission Lines					
Double Circuit Single Conductor: • 132 kV D/C Silchar-Srikona T/L • 132 kV D/C Silchar-Srikona T/L • Loop in Line of 132 kV Imphal – Ningthoukhong line at Imphal S/s • 220 kV D/C Marian – Mokokchung line with associated bays • 132 kV D/C Moko – Mokukchung T/L with associated bays • 132 kV S/C (on D/C Tower) pasighat – Roing T/L • 132 kV S/C (on D/C Tower) Roing – Tezu T/L • 132 kV D/C Silchar- Hailakandi T/L • 132 kV S/C (on D/C towers) Tezu – Namsai T/L • LILO of 132 kV S/C Aizawal – Zemabawk T/L along with associated bays at Mleriat S/s • 132 kV D/C Mleriat (New) Shihhmui (Mizoram) T/L **Total Length: 364.219 km**					
Norms as per Regulation (₹ lakh per Km)	0.369	0.388	0.409	0.43	0.453
O&M allowed (i)	**134.40**	**141.32**	**148.97**	**156.61**	**164.99**
Single Circuit Single Conductor: • 132 kV D/C Silchar-Hailakandi T/L • Loop in Line of 132 kV Imphal – Ningthoukhong line at Imphal S/s • Loop Out Line of 132 kV Imphal – Ningthoukhong line along with associated bays at Imphal S/s **Total Length: 15.691 km**					
Norms as per Regulation (₹ lakh per Km)	0.246	0.259	0.272	0.287	0.302
O&M allowed (ii)	**3.86**	**4.06**	**4.27**	**4.50**	**4.74**

Double Circuit Twin Conductor: • 400 kV D/C Palatana – Surajmaninagar T/L • 400 kV D/C BTPS – Bongaigaon T/L • 400 kV D/C Silchar – Imphal T/L (to be charged at 132 kV) • 400 kV D/C Silchar Purba Kanchanbari T/L (charged at 132 kV) along with associated bays • 400 kV Silchar – Meiriat (New) T/L (charges at 132 kV) along with associated bays at Silchar and Meiriat S/s **Total Length: 479.559 km**					
Norms as per Regulation (₹ lakh per Km)	0.861	0.906	0.953	1.003	1.056
O&M allowed (iii)	412.90	434.48	457.02	481.00	506.41
Total Transmission Line expenses allowed (B)	**551.16**	**579.86**	**610.25**	**642.12**	**676.14**

(₹ in lakh)

O&M Expenses	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**2028-29**
O&M expenses allowed for substation	2138.87	2251.54	2368.99	2493.25	2624.22
O&M expenses allowed for Transmission Line	551.16	579.86	610.25	642.12	676.14
Total O&M expenses allowed	**2690.03**	**2831.40**	**2979.25**	**3135.36**	**3300.37**

Interest on Working Capital (IWC)

97. Regulations 34(1)(d), 34(3) and 34(4) of the 2024 Tariff Regulations provide 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.

……

(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."

98. The Petitioner has considered the rate of IWC as 11.90% as on 1.4.2024. IWC has been worked out in accordance with Regulation 34 of the 2024 Tariff Regulations. The Rate of Interest (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, 12.25% (SBI 1-year MCLR applicable as on 1.4.2025 of 9.00% plus 325 basis points) for FY 2025-26, and 11.95% (SBI 1-year MCLR as on 1.4.2026 of 8.70% plus 325 basis points) for FYs 2026-27 to 2028-29.The components of the working capital and interest allowed thereon under Regulation 34 of the 2024 Tariff Regulations for the 2024-29 tariff period in respect of the Combined Asset are as follows:

(₹ in lakh)

Sl. No.	**Particulars**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**2028-29**
A	Working Capital for O&M Expenses (O&M Expenses for one month)	224.17	235.95	248.27	261.28	275.03
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	403.50	424.71	446.89	470.30	495.05
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	5362.00	5262.90	5125.80	4953.57	4840.83
D	**Total Working Capital (A+B+C)**	**5989.67**	**5923.56**	**5820.96**	**5685.15**	**5610.92**
E	Rate of Interest for working capital (in %)	11.90	12.25	11.95	11.95	11.95
F	**Interest on Working Capital (D*E)**	**712.46**	**725.64**	**695.34**	**679.12**	**670.25**

Annual Fixed Charges for the 2024-29 Tariff Period

99. The transmission charges allowed in respect of the Combined Asset for the 2024-29 tariff period are as follows subject to truing up:

(₹ in lakh)

Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	16094.78	16105.39	16105.88	15970.91	15970.91
Interest on Loan	6,757.75	5,599.03	4,292.42	2,993.16	1,812.73
Return on Equity	17215.50	17426.52	17485.33	17493.18	17493.18
O&M Expenses	2690.03	2831.40	2979.25	3135.36	3300.37
Interest on Working Capital	**712.46**	**725.64**	**695.34**	**679.12**	**670.25**
Total	**43470.51**	**42687.97**	**41558.22**	**40271.73**	**39247.43**

Filing Fee and Publication Expenses

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

101. We have considered the Petitioner's submissions. The Petitioner is entitled to reimbursement of the fees 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)

102. 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.

103. 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."*

104. 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 a regulation is notified and issued by the Commission.

Licence Fee and RLDC Fees and Charges

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

Goods and Services Tax

106. The Petitioner has submitted that the transmission charges claimed herein are exclusive of GST, and in case GST is levied in the future, the same shall be additionally paid by the Respondents and the Petitioner be allowed to charge and bill it separately. Petitioner further prays that in case, any additional taxes are paid by the Petitioner on account of the demand from the Government/ statutory authorities, the Commission

may allow the same to be recovered from the beneficiaries.

107. We have considered the submissions of 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 pre-mature.

Security Expenses, Insurance and Capital Spares

108. 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 for the transmission system shall be allowed separately after a prudence check.

109. As regards the security expenses of the Combined Assets, 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 Combined Assets are not claimed in the instant Petition.

110. 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 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 FYs 2024-25, 2025-26, 2026-27, 2027-28, and 2028-29.

111. 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.

112. 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."*

113. 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 of security expenses, capital spares individually costing more than ₹10 lakh and insurance expenses on an estimated basis in terms of the 2024 Tariff Regulations for the 2024-29 tariff period.

Sharing of Transmission Charges

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

recovered on a monthly basis in accordance with Regulation 78 of the 2024 Tariff Regulations and will be shared by the beneficiaries and long-term transmission customers as per the 2020 Sharing Regulations.

115. The billing, collection and disbursement of the transmission charges in respect of the transmission assets shall be recovered in terms of provisions of the 2020 Sharing Regulations as provided in Regulation 57 of the 2019 Tariff Regulations for the 2019-24 tariff period and Regulation 78 of the 2024 Tariff Regulations for the 2024-29 tariff period.

116. To summarize:

a) The trued-up Annual Fixed Charges (AFC) approved in respect of the Combined Asset- 1 to 36 (except Asset-35) for the 2019-24 tariff period are as follows:

Combined Asset- 1to 36 (except Asset-35)

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
AFC Claimed	48604.84	47471.97	46309.89	45195.07	44182.25
AFC Approved	48585.56	47453.05	46292.37	45178.27	44167.60

b) The trued-up Annual Fixed Charges (AFC) approved in respect of the Asset-35 for the 2019-24 tariff period are as follows:

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
AFC Claimed	478.68	489.03	482.60	473.03	464.77
AFC Approved	478.67	489.02	482.61	473.03	464.77

c) The AFC allowed in respect of the Combined Asset for the 2024-29 tariff period are as follows:

(₹ in lakh)

Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
AFC Claimed	43439.37	42611.90	41478.42	40194.69	39172.45
AFC Allowed*	43470.51	42687.97	41558.22	40271.73	39247.43

*Additional initial spares added to opening capital cost of 2024-29 period and higher rate of IWC allowed.

117. This order disposes of Petition No. 524/TT/2025 in terms of the above discussions and findings.

Sd/-
(Harish Dudani)
Member

sd/-
(Ramesh Babu V.)
Member

CERC Website S. No. 573/2026