

# JOINT ELECTRICITY REGULATORY COMMISSION



**True-up Order**  
Truing up for FY 2024-25

**For**

**DNH and DD Power Corporation Limited – DNHDDPCL**

**Petition No. 176 of 2026**  
**4<sup>th</sup> June, 2026**

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## List of Abbreviations

Abbreviation	Full Form
<b>A&amp;G</b>	Administrative and General
<b>Act</b>	The Electricity Act, 2003
<b>APR</b>	Annual Performance Review
<b>ARR</b>	Aggregate Revenue Requirement
<b>ATE</b>	Appellate Tribunal for Electricity
<b>CAGR</b>	Compound Annualized Growth rate
<b>Capex</b>	Capital Expenditure
<b>CEA</b>	Central Electricity Authority
<b>CERC</b>	Central Electricity Regulatory Commission
<b>Cr</b>	Crores
<b>DD</b>	Daman and Diu
<b>DNH</b>	Dadra and Nagar Haveli
<b>DNHPDCL</b>	DNH Power Distribution Corporation Limited
<b>DNHDDPCL</b>	DNH and DD Power Corporation Limited
<b>DNHDDPDCL</b>	DNH and DD Power Distribution Corporation Limited
<b>EA 2003</b>	The Electricity Act, 2003
<b>ED</b>	Electricity Department
<b>EDDD</b>	Electricity Department of Daman and Diu
<b>FAR</b>	Fixed Asset Register
<b>FY</b>	Financial Year
<b>GFA</b>	Gross Fixed Assets
<b>JERC</b>	Joint Electricity Regulatory Commission for the State of Goa and Union Territories
<b>MYT</b>	Multi-Year Tariff
<b>O&amp;M</b>	Operation and Maintenance
<b>R&amp;M</b>	Repair and Maintenance
<b>RoE</b>	Return on Equity
<b>SBI MCLR</b>	SBI Marginal Cost of Lending Rate
<b>SLDC</b>	State Load Despatch Centre
<b>TVS</b>	Technical Validation Session
<b>UT</b>	Union Territory

**Before the  
Joint Electricity Regulatory Commission  
For the State of Goa and Union Territories, Gurugram**

**CORAM**

**Sh. Alok Tandon, Chairperson**

**Smt. Jyoti Prasad, Member (Law)**

**Petition No. 176/2026**

**Date of Order: 4<sup>th</sup> June 2026**

**In the matter of**

Approval for the True-up of FY 2024-25.

**And in the matter of**

DNH & DD Power Corporation Ltd. – DNHDDPCL.

**Petitioner**

**ORDER**

1. This Order is passed in respect of Petition filed by the DNH and DD Power Corporation Limited (herein after referred to as "The Petitioner" or "DNH and DD Power Corporation Limited" or "The Licensee") for approval of True-up of FY 2024-25 before the Joint Electricity Regulatory Commission (herein after referred to as "The Commission" or "JERC").
2. The Government exercised its powers under Sections 131, 133 and 134 of the Electricity Act, 2003 to streamline power sector governance and bring all transmission functions under a single entity by transferring the transmission undertakings of ED-DNH and ED-DD, including all related assets, liabilities, personnel and obligations, to DNHDDPCL, thereby merging the three transmission utilities into a single transmission licensee. In this regard, the updated transfer framework was notified through "The Dadra and Nagar Haveli and Daman and Diu Electricity (Re-organisation and Reforms) Transfer Plan, 2025" vide Gazette Notification No. DNHDDPCL/01/2022/HR&ADMIN/135 dated 28.03.2025, and the merger became effective from 01.04.2025. Accordingly, since the merger became effective only from 01.04.2025, the True-up exercise for FY 2024-25 has been carried out separately for the three utilities, namely DNHDDPCL, ED-DD and ED-DNH.
3. The Commission scrutinized the said Petition and generally found it in order. The



Commission admitted the Petition on 18<sup>th</sup> February, 2026. The Commission thereafter requisitioned further informations/clarifications on the data gaps observed to take a prudent view of the said Petition. Further, suggestions/comments were invited from the public/stakeholders. The Public Hearing was held on 9<sup>th</sup> April 2026 in virtual mode and on 16<sup>th</sup> April 2026 in hybrid mode at Daman to enable stakeholders to submit their comments, if any, on the Petition filed by the Petitioner.

4. The Commission, based on the Petitioner's submission, relevant JERC MYT Tariff Regulations, 2021 and its amendments thereof, facts of the matter and after proper due diligence has approved the True-up of FY 2024-25.
5. A Summary has been provided as follows:
  - i. The Commission while truing up of FY 2023-24 in Tariff Order dated 17<sup>th</sup> September, 2025 had determined the cumulative revenue surplus of Rs. 7.88 Crore at the end of FY 2023-24 for the merged entity.
  - ii. The Commission, in this Order, has carried out the True-up for FY 2024-25 and has approved the cumulative Annual Revenue Requirement of Rs. 135.20 Crore as against the cumulative actual revenue of Rs. 125.40 Crore, resulting in a standalone revenue deficit of Rs. 9.80 Crore for FY 2024-25. Further, the Commission has also considered the impact of the Hon'ble APTEL Judgment dated 14.11.2025, wherein the Hon'ble APTEL held that carrying cost is applicable on revenue surplus as well and not only on revenue deficit. Accordingly, carrying cost on the revenue surplus of Rs. 97.09 Crore for FY 2016-17 has been computed, resulting in carrying cost of Rs. 12.04 Crore for one year. Further, applying the principle of "time value of money", carrying cost on such carrying cost from FY 2017-18 to FY 2024-25 has also been considered, resulting in a cumulative carrying cost surplus of Rs. 20.66 Crore.
  - iii. Accordingly, after adjustment of the standalone revenue deficit for FY 2024-25, the impact arising from the Hon'ble APTEL Judgment dated 14.11.2025 in respect of DNHDDPCL and the previous years' surplus at the end of FY 2021-22 along with carrying cost in respect of ED-DD, the Commission has approved a cumulative revenue surplus of Rs. 22.99 Crore at the end of FY 2024-25 for DNHDDPCL (merged entity).



**DNH and DD Power Corporation Ltd. (DNHDDPCL)**  
**Truing up of FY 2024-25**

- iv. The Aggregate Revenue Requirement as submitted by the Petitioner and approved by the Commission for FY 2024-25 for DNHDDPCL, DNH-T and EDDD are as follows:

**Table 1-1 Aggregate Revenue Requirement (Rs. Crore)**

Sl. No.	Particulars	DNHDDPCL		DD		DNH		Total	
		Petitioner's Submission	Approved by Commission	Petitioner's Submission	Approved by Commission	Petitioner's Submission	Approved by Commission	Petitioner's Submission	Approved by Commission
1	Aggregate Revenue Requirement (a)	55.32	55.29	81.24	53.53	28.09	26.37	164.65	135.20
2	Revenue (b)	56.89	57.60	39.95	40.37	27.26	27.43	124.10	125.40
3	Gap/(Surplus) (c=a-b)	-1.57	-2.31	41.29	13.16	0.83	-1.06	40.55	9.80
4	APTEL Order Impact with carrying cost*	-12.07	-20.66	-	-	-	-	-12.07	-20.66
5	Previous year Gap/(Surplus) at the end of FY 2021-22	-	-	-12.40	-12.13	-	-	-12.40	-12.13
6	<b>Cumulative Gap/(Surplus) at the end of FY 2024-25</b>	<b>-13.64</b>	<b>-22.97</b>	<b>28.89</b>	<b>1.03</b>	<b>0.83</b>	<b>-1.06</b>	<b>16.08</b>	<b>-22.99</b>

\*As per the reply to objections dated 28<sup>th</sup> April, 2026

- v. Thus, the surcharge / (rebate) for the FY 2026-27 is as shown in the following table below:

**Table 1-2 Surcharge / (Rebate) for FY 2026-27 (Rs. Crore)**

Sl. No.	Particulars	FY 2026-27	
		Petitioner's Submission	Approved by Commission
1	Revenue Gap/(Surplus) at the end of FY 2024-25	16.08	-22.99
2	Holding cost calculated at an interest rate for FY 2024-25 [(SBI MCLR + 1%) @ 9.65%] for a period of half year	-	-1.11
3	Holding cost calculated at an interest rate for FY 2025-26 [(SBI MCLR + 1%) @ 10%] for a period of one year	-	-2.30
4	Holding cost calculated at an interest rate for FY 2026-27 [(SBI MCLR + 1%) @ 9.70%] for a period of half year	-	-1.12
5	<b>Gap / (Surplus) to be adjusted in FY 2026-27 in the form of Surcharge / (Rebate)</b>	<b>16.08</b>	<b>-27.51</b>
6	<b>Surcharge / (Rebate) in %</b>	<b>12%</b>	<b>-21%</b>

6. This Order shall come into effect from 1<sup>st</sup> July, 2026 and shall remain applicable till further Orders. All existing provisions that are not modified by this Order shall



continue to be in force.

7. The attached documents giving detailed reasons, grounds and conditions are integral part of this Order.

Ordered accordingly.

**Sd/-**  
**(Jyoti Prasad)**  
**Member (Law)**

**Sd/-**  
**(Alok Tandon)**  
**Chairperson**

(Certified Copy)

  
04/06/26

**(Rajesh Dangi)**  
**Secretary, JERC**

Place: Gurugram, Haryana

Date: 4<sup>th</sup> June 2026



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# Chapter 1: Introduction

## 1.1 About Joint Electricity Regulatory Commission

In exercise of powers conferred by the Electricity Act 2003, the Central Government constituted a Joint Electricity Regulatory Commission for all the Union Territories except Delhi to be known as “the Joint Electricity Regulatory Commission for the Union Territories” vide notification no. 23/52/2003-R&R dated May 2, 2005. Later with the joining of the State of Goa, the Commission came to be known as “Joint Electricity Regulatory Commission for the State of Goa and Union Territories” (hereinafter referred to as “the JERC” or “the Commission”) vide notification no. 23/52/2003-R&R (Vol. II) dated May 30, 2008.

JERC is a statutory body responsible for Regulation of the Power Sector in the State of Goa and the Union Territories of Andaman & Nicobar Islands, Lakshadweep, Chandigarh, Dadra & Nagar Haveli and Daman & Diu and Puducherry, consisting of generation, transmission, distribution, trading and use of electricity. Its primary objective includes taking measures conducive to the development of the electricity industry, promoting competition therein, protecting interest of consumers and ensuring uninterrupted and quality power at affordable rates to all areas under its jurisdiction.

## 1.2 About DNH and DD Power Corporation Limited (DNHDDPCL)

Pursuant to the policy direction from the Government of India, the Administration of DNH & DD has implemented a reorganization plan aimed at improving operational efficiency, accountability, and customer-centric service delivery in the electricity sector.

DNHPDCL had been transferred to a newly formed entity as DNH and DD Power Corporation Limited (DNHDDPCL) and designated as the transmission licensee for the UT of DNH and ED-DD will continue as a transmission licensee for the UT of DD. This restructuring was formally notified through The Dadra and Nagar Haveli and

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Daman and Diu Electricity (Reorganisation and Reforms) Transfer Scheme, 2022, via Gazette Notification No. 1(FTS-118044)/Electricity Distribution/Privatisation/2022/411 dated 09.03.2022. Concurrently, a policy directive under Sections 108 and 109 of the Electricity Act, 2003, was issued vide Notification No. 1(FTS-118044)/Electricity Distribution/Privatisation/2022/412, effective from April 1, 2022.

To streamline power sector governance and bring all transmission functions under a single entity, the Government exercised its powers under Sections 131, 133 and 134 of the Electricity Act, 2003 to transfer the transmission undertakings of ED-DNH and ED-DD, including all related assets, liabilities, personnel and obligations, to DNHDDPCL, thereby merging the three transmission utilities into a single transmission licensee. In this regard, the updated transfer framework was notified through “The Dadra and Nagar Haveli and Daman and Diu Electricity (Reorganisation and Reforms) Transfer Plan, 2025” vide Gazette Notification No. DNHDDPCL/01/2022/HR&ADMIN/135 dated 28.03.2025, and the merger became effective from 01.04.2025. Further, a revised policy direction was also issued simultaneously vide Gazette Notification No. DNHDDPCL/01/2022/HR&ADMIN/136.

The electricity transmission network within the Union Territory (UT) of Dadra & Nagar Haveli and Daman & Diu (DNH & DD) is well-integrated and strategically positioned to support the region's industrial load. The current system comprises:

- 69.48 circuit kilometres of 220 kV double-circuit (D/C) transmission lines
- 368.60 kilometres of 66 kV D/C lines

The UT sources power through the following critical grid interface points:

- 400/220 kV PGCIL Substation – Vapi
- 400/220 kV PGCIL Substation – Kala (DNH)
- 220/66 kV Magarwada Substation 220/66 kV Ringanwada Substation

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Additionally, the island region of Diu is supplied through the 66 kV Una Substation, connected via a 66 kV D/C line from the 220/66 kV Kansari Substation operated by GETCO.

The UT's sub-transmission infrastructure further includes:

- 14 substations (66/11 kV) in Dadra & Nagar Haveli
- 8 substations (66/11 kV) in Daman
- 1 substation (66/11 kV) in Diu

The electricity consumption profile is predominantly industrial, with High Tension (HT) and Low Tension (LT) industrial consumers accounting for approximately 97% of the total energy sales. Based on current growth trends, energy demand is projected to reach ~12,000 Million Units (MUs) by the end of FY 2025–26.

In anticipation of this growing demand, DNHDDPCL has formulated a set of transmission system augmentation and strengthening initiatives aimed at enhancing grid reliability, capacity, and operational efficiency.

The total installed transmission capacity across the UT stands at 2,120 MVA, distributed across key substations as follows:

- Kharadpada – 520 MVA
- Khadoli – 480 MVA
- Vagchipa – 320 MVA
- Magarwada – 520 MVA
- Ringanwada – 260 MVA
- Malala (Diu) – 20 MVA

This transmission backbone forms the critical enabler for supporting the UT's industrial development and ensuring future energy security.

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### **1.3 Multi Year Tariff Regulations, 2024**

The Commission notified the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2024 on 15 October, 2024. The said Regulations have been hereinafter referred to as the “JERC MYT Regulations”. As per Clause 2.1.22 of these Regulations, the “Control Period” is defined as the multi-year period comprising of five financial years from FY 2025-26 to FY 2029-30.

These Regulations are applicable to all the generation companies and transmission and distribution licensees in the State of Goa and Union Territories of Andaman & Nicobar Islands, Lakshadweep, Chandigarh, Daman & Diu, Dadra & Nagar Haveli and Puducherry.

The Transmission Companies tariff determination is now governed by “Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2024, hereinafter referred to as “JERC MYT Regulations, 2024”. The MYT Regulations, 2024 identifies that any gap / (surplus) shall be levied as surcharge / rebate over and above the approved tariff. The regulation is reproduced as follows:

*“9.7 The Multi Year Tariff approved by the Commission shall be sacrosanct for the entire control period and shall not be tampered mid-way in any case. Any gap/surplus, if any, arised on account of review/true up duly admitted by the Commission shall be levied as surcharge/rebate over & above the approved tariff.”*

### **1.4 Filing and Admission of the Present Petition**

In accordance with the Regulation 9.1 of the JERC MYT Regulations, 2021 the Petitioner has filed the current Petition for approval of True-up of FY 2024-25.

After initial scrutiny/analysis, the present Petition was admitted on 18<sup>th</sup> February, 2026 and marked as Petition No. 176/2026.

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## 1.5 Interaction with the Petitioner

A preliminary scrutiny/analysis of the Petition was conducted, and certain deficiencies were observed. Accordingly, deficiency notes were issued to the Petitioner. Further, additional informations/clarifications were solicited from the Petitioner as and when required. The Commission and the Petitioner also discussed various concerns of the Petitioner and key data gaps, which included capitalization, O&M Expenses, NTI etc. The Petitioner submitted its response on the issues through various letters/emails. Subsequently, the Petitioner submitted replies to the issues raised in this session and provided documentary evidence to substantiate its claims regarding various submissions.

The following table provides the list of interactions with the Petitioner along with the dates:

**Table 1-1 List of Interactions with the Petitioner**

S. No.	Subject	Date
1	Receipt of Petition by the Commission	21 <sup>st</sup> January, 2026
2	1st Deficiency Note issued by the Commission	10 <sup>th</sup> February, 2026
3	Admission of the Petition by the Commission	18 <sup>th</sup> February, 2026
4	Reply to the 1st Deficiency Note received by the Commission	19 <sup>th</sup> February, 2026
5	2 <sup>nd</sup> Deficiency Note issued by the Commission	2 <sup>nd</sup> March, 2026
6	Reply to the 2 <sup>nd</sup> Deficiency Note received by the Commission	21 <sup>st</sup> March, 2026

## 1.6 Notice for Public Hearing

Public notices were published by the Petitioner, inviting suggestions/comments from stakeholders on the Tariff Petition, the details of which are given below:

**Table 1-2 Details of public Notices published by the Petitioner**

S. No.	Name of Newspaper	Date	Place
1	Ashali Azadi (Hindi)	16 <sup>th</sup> April, 2026	Daman
2	Vartaman Pravah (Gujarati)	8 <sup>th</sup> April, 2026	Daman
3	Vartaman Pravah (Gujarati)	16 <sup>th</sup> April, 2026	Daman

The Commission also placed the petition on its website ([www.jercuts.gov.in](http://www.jercuts.gov.in)) for information and study for all the stakeholders.

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The Commission also issued a notice for public hearing in the following newspapers in order to solicit wider participation by the stakeholders:

**Table 1-3 LIST OF NEWSPAPERS PUBLISHED BY THE COMMISSION**

S. No.	Name of Newspaper	1 <sup>st</sup> Notice Date	2 <sup>nd</sup> Notice Date	Place
1	Daman Khabar (Hindi)	25 <sup>th</sup> March, 2026	14 <sup>th</sup> April, 2026	Silvassa
2	Ashali Azadi (Hindi)	25 <sup>th</sup> March, 2026	14 <sup>th</sup> April, 2026	Daman
3	Janadesh (Gujarati)	25 <sup>th</sup> March, 2026	14 <sup>th</sup> April, 2026	Silvassa
4	Vartaman Pravah (Gujarati)	25 <sup>th</sup> March, 2026	14 <sup>th</sup> April, 2026	Daman

The Commission received objections/suggestions from the consumers/ stakeholders and examined the objections/suggestions received from the stakeholders and fixed the date for public hearing for the petition on 9<sup>th</sup> April 2026 in virtual mode and on 16<sup>th</sup> April 2026 at Daman.

The Commission also published the notice for Public Hearing on the Commission's website "www.jercuts.gov.in" intimating the date and venues as given below in order to solicit participation by the stakeholders who have submitted their suggestions, comments and also by other stakeholders who are interested.

**Table 1-4 Notice for Public Hearing on JERC website**

S. No.	Notice for Public Hearing	Date	Place
1	Virtual Mode	9 <sup>th</sup> April, 2026	Virtual
2	Hybrid Mode	16 <sup>th</sup> April, 2026	Daman

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## **Chapter 2: Summary of Suggestions/Comments received, Response from the Petitioner and the Commission's Views**

### **2.1 Regulatory Process**

On admitting the Petition, the Commission directed the Petitioner to make copies of the Petition available to the public, upload the petition on its website and also publish the same in the newspapers in abridged form inviting comments from the public as per the provisions of the JERC MYT Regulations, 2021 and 2024.

The Public Hearing on the Petition for the True-up of FY 2024-25 was held in virtual mode on 9th April, 2026 from 11:00 AM and in hybrid mode at Daman on 16th April, 2026 from 11:00 AM. During the Public Hearing, the stakeholders whose names are provided in Annexure-I and who had submitted their comments in writing were invited to present their views before the Commission in person.

### **2.2 Suggestions/Comments, Response of the Petitioner and Commission's View**

The Commission appreciates the efforts of various stakeholders in providing their suggestions/comments/observations. The Commission has noted the concerns of all the stakeholders and has considered them while finalizing the instant True-up Order. The submissions of the stakeholder's response of the Petitioner and views of the Commission are summarized below:

#### **Issue 1: Impact of Hon'ble APTEL Judgment dated 14.11.2025 in Appeal No. 48 of 2018**

##### **Stakeholder's Comment**

The stakeholder submitted that the Hon'ble APTEL, in its Judgment dated 14.11.2025 in Appeal No. 48 of 2018, had adjudicated upon the issue of carrying cost on revenue surplus based on the principle of "time value of money". The stakeholder further submitted that DNHDDPCL had proposed adjustment of carrying cost of Rs. 7.77 Crore during the True-up proceedings for FY 2024-25.

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The stakeholder requested the Commission to consider the submissions made by DNHDDPDCL in Petition No. 161 of 2025 regarding the revised methodology for computation of carrying cost based on the methodology adopted by the Commission in various True-up Orders of FY 2016-17 and the principle of time value of money upheld by the Hon'ble APTEL, and accordingly grant the revised carrying cost in the interest of consumers of the UT of DNH & DD.

### **Petitioner's Response**

The Petitioner submitted that the remand arising from the Hon'ble APTEL Judgment dated 14.11.2025 is limited only to the grant of carrying cost on revenue surplus for FY 2016-17. The Petitioner further submitted that the Hon'ble APTEL Judgment contemplates only carrying cost and not "interest on interest", and accordingly, the carrying cost has been recalculated based on the average of the opening and closing surplus balance, resulting in revised carrying cost of Rs. 12.07 Crore. Accordingly, the Petitioner requested the Hon'ble Commission to accept the revised carrying cost of Rs. 12.07 Crore and allow incorporation of the same in the True-up Petition for FY 2024-25 in compliance with the Hon'ble APTEL's Order.

### **Commission's View**

The Commission acknowledges the objector's suggestion and Petitioner's response to the same. Consequently, the Commission has addressed this matter in the Chapter 3 of this order.

### **Issue 2: Celebration Expenses claimed under A&G Expenses**

#### **Stakeholder's Comment**

The stakeholder submitted that ED-DD had claimed A&G expenses for FY 2024-25 including celebration expenses amounting to Rs. 10.73 Crore, despite similar expenses claimed during FY 2023-24 having been disallowed by the Commission in the Tariff Order dated 17.09.2025 in Petition No. 147 of 2025 on the ground that such expenses were CSR in nature. Accordingly, the stakeholder requested the

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Hon'ble Commission to disallow the celebration expenses of Rs. 10.73 Crore in the interest of consumers of the UT of Dadra & Nagar Haveli and Daman & Diu.

### **Petitioner's Response**

The Petitioner submitted that the expenses booked under "Celebration Expenses" for FY 2024-25 are legitimate operational expenses incurred towards national events, ceremonial preparations, illumination activities, protocol and VVIP visits, including temporary electrical infrastructure and power backup arrangements during events such as the Khelo India Beach Games – Diu. The Petitioner further submitted that such activities contribute towards tourism promotion and regional development in the Union Territory.

### **Commission's View**

The Commission acknowledges the objector's suggestion and Petitioner's response to the same. Consequently, the Commission has addressed this matter in the Chapter 3 of this order.

### **Issue 3: Non-Recovery of Long-Term Open Access Charges from Open Access Consumers**

#### **Stakeholder's Comment**

The stakeholder submitted that in Petition No. 135 of 2025, the Hon'ble Commission had observed that SLDC had not recovered long-term transmission charges and SLDC charges from GEOA consumers on the ground that Long Term Access (LTA) had not been operationalized, despite directions of the Hon'ble Commission to levy and recover such charges.

The stakeholder further submitted that although one GEOA consumer had executed a Long-Term Agreement for 100 MW on 22.10.2024, with recoverable transmission charges of Rs. 2.28 Crore as per the approved tariff of ED-DD, the Petitioner had neither furnished details regarding operationalization of LTA nor disclosed the quantum of charges recovered during FY 2024-25. Accordingly, the stakeholder

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submitted that non-recovery of charges from LTA consumers is contrary to the Regulations and impacts overall transmission charges payable by DNHDDPDCL and its consumers, and requested the Hon'ble Commission to ensure recovery of Open Access Charges, including transmission charges, SLDC charges and other statutory dues, from all Open Access consumers including GEOA consumers.

### **Petitioner's Response**

With reference to the observations made by the Hon'ble Commission in Petition No. 135 of 2025 regarding non-recovery of Long-Term Open Access (LTOA) transmission charges and SLDC charges from Green Energy Open Access (GEOA) consumers, the Petitioner submitted that a Transmission Agreement dated 22.10.2024 for 100 MW had been executed with M/s Wellknown Polyesters Ltd. However, the Long-Term Open Access could not be operationalized from the scheduled commencement date of 01.11.2024 due to non-finalisation of the prerequisite GNA agreement with DNHDDPDCL.

The Petitioner further submitted that, as communicated by the consumer vide letter dated 26.10.2024, the consumer was unable to commence long-term open access transactions from the scheduled date. Accordingly, based on the consumer's request and considering practical constraints, a corrigendum dated 29.10.2024 was issued to the Transmission Agreement, wherein commencement of Green Energy Open Access was revised to be effective from the actual date of scheduling of power under long-term access instead of the originally stipulated date.

Accordingly, since the LTOA was not operationalized during FY 2024-25, transmission charges and SLDC charges did not become leviable during the said period, and therefore the question of recovery of such charges did not arise.

### **Commission's View**

The Commission has considered the submissions of the stakeholder and the response of the Petitioner. The Commission notes that although a Transmission Agreement for 100 MW Long-Term Open Access was executed with M/s Wellknown

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Polyesters Ltd. on 22.10.2024, the LTOA could not be operationalized during FY 2024-25 due to non-finalisation of the prerequisite GNA agreement with DNHDDPDCL. Further, based on the consumer's request and practical constraints, the commencement date was revised vide corrigendum dated 29.10.2024 to the actual date of scheduling of power under long-term access. Accordingly, since the LTOA was not operationalized during FY 2024-25, transmission charges, SLDC charges and other applicable open access charges did not become leviable during the year. Therefore, the Commission finds the explanation furnished by the Petitioner to be satisfactory.

#### **Issue 4: Ring Fencing of SLDC**

##### **Stakeholder's Comment**

The stakeholder submitted that the Electricity Act, 2003 mandates functional, financial and accounting separation of SLDC from transmission and distribution activities to ensure independent system operation, transparency in grid management and non-discriminatory discharge of statutory functions.

##### **Petitioner's Response**

The Petitioner submitted that complete ring-fencing of SLDC in DNH & DD has not yet been operationalized as the UT is dependent on central power allocations, SLDC does not presently have an independent revenue stream for autonomous operation, and SLDC is presently operating under the State Transmission Utility as an interim arrangement under Section 31(2) of the Electricity Act, 2003. The Petitioner further submitted that segregated accounting records are being maintained for all SLDC activities and the proposal for formal ring-fencing has already been escalated to the higher administration for consideration.

##### **Commission's View**

The Commission acknowledges the objector's suggestion and Petitioner's response to the same.

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## **Issue 5: Transmission Charges**

### **Stakeholder's Comment**

The stakeholder submitted that EHT consumers are already paying full demand charges and imposition of additional transmission levies on Green Energy Open Access amounts to a “double levy” and discourages renewable energy adoption. The stakeholder further submitted that despite reduction in transmission losses, the transmission charges have been increasing year-on-year during the last two years at a significantly high rate, thereby rendering Green Energy Open Access commercially non-viable.

### **Petitioner's Response**

The Petitioner submitted that the transmission charges are distinct from the demand charges paid to the Distribution Utility, as both recover costs for different segments of the electricity value chain and therefore no “double levy” exists. The Petitioner further submitted that the transmission charges are determined by the Hon'ble JERC under the approved MYT Regulatory framework for recovery through ARR.

The Petitioner also submitted that although transmission losses may have reduced, the year-on-year increase in tariff is necessitated due to significant capital investments in grid infrastructure and modernization required to support industrial loads and Green Energy Open Access, thereby ensuring recovery of valid costs as mandated under the MYT framework.

### **Commission's View**

The Commission acknowledges the objector's suggestion and Petitioner's response to the same. The Commission observes that transmission charges are distinct from demand charges and have been determined under the approved MYT framework for recovery of prudently incurred transmission costs through ARR. The Commission further notes that the increase in transmission tariff is attributable to capital investments in grid infrastructure and modernization required to support

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industrial loads and Green Energy Open Access. Accordingly, the Commission finds merit in the submissions made by the Petitioner.

### **Issue 6: ARR Escalation**

#### **Stakeholder's Comment**

The stakeholder submitted that the ARR has increased to Rs. 191.75 Crore without any efficiency justification and therefore violates prudence check principles.

#### **Petitioner's Response**

The Petitioner submitted that the ARR for FY 2026-27 already approved under the MYT Order was Rs. 171 Crore, whereas the ARR proposed in the present Petition is Rs. 191.75 Crore, reflecting an increase of approximately Rs. 20 Crore due to additional operational requirements during the relevant period and therefore may not be considered imprudent.

#### **Commission's View**

The Commission acknowledges the objector's suggestion and Petitioner's response to the same. Consequently, the Commission has addressed this matter in the Chapter 3 of this order.

### **Issue 7: R&M Expenses**

#### **Stakeholder's Comment**

The stakeholder submitted that the proposed R&M expenditure of Rs. 64.62 Crore is disproportionate considering the compact geography of the license area and no asset-wise justification has been provided.

#### **Petitioner's Response**

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The Petitioner submitted that the R&M expenses have been computed in accordance with the applicable provisions of the JERC Tariff Regulations based on actual operational requirements and actual expenditure incurred by the utility.

### **Commission's View**

The Commission acknowledges the objector's suggestion and Petitioner's response to the same. Consequently, the Commission has addressed this matter in the Chapter 3 of this order.

### **Issue 8: A&G Expenses**

#### **Stakeholder's Comment**

The stakeholder submitted that the administrative expenditure of Rs. 28.89 Crore reflects inefficiency and therefore should be benchmarked and capped appropriately.

#### **Petitioner's Response**

The Petitioner submitted that the expenses have been projected in accordance with the applicable Tariff Regulations and are based on actual expenditure incurred by the utility along with supporting records furnished before the Commission.

### **Commission's View**

The Commission acknowledges the objector's suggestion and Petitioner's response to the same. Consequently, the Commission has addressed this matter in the Chapter 3 of this order.

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## Chapter 3: Truing-Up for FY 2024-25

### SECTION -I TRUING-UP FOR FY 2024-25 DNHDDPCL (PRIOR TO MERGER)

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#### 3.1 Background

The Commission had issued the Tariff Order which includes Truing-up for FY 2023-24, APR of FY 2024-25, Multi Year Aggregate Revenue Requirement for Control Period FY 2025-26 to FY 2029-30 and Determination of Transmission Tariff for FY 2025-26 on 17<sup>th</sup> September, 2025 (hereinafter referred to as the “Tariff Order” for the purpose of truing- Up of FY 2024-25).

As per Regulation 12 of the JERC (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2021, the review and true-up of revenue and expenses of the Petitioner shall be carried out as follows:

***“12 Annual Performance Review, Truing-up and tariff determination during the Control Period***

*12.1 The Generating Company, Transmission Licensee and Distribution Licensee shall be subject to annual performance review and truing up of expenses and revenue during the Control Period in accordance with these Regulations.*

*12.2 The Generating Company, Transmission Licensee and Distribution Licensee shall file an application for the annual performance review of the current year, truing up of the previous Year or the Year for which the audited accounts are available and determination of tariff for the ensuing Year on or before 30th November of each Year, in formats specified by the Commission from time to time:*

*12.3 The scope of the annual performance review, truing up and tariff determination shall be a comparison of the performance of the Generating Company, Transmission Licensee or Distribution Licensee with the approved*

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*forecast of Aggregate Revenue Requirement and Expected Revenue from Tariff and Charges and shall comprise of the following:*

*a) True-up: a comparison of the audited financial and actual operational performance of the Applicant for the Financial Year for which the true up is being carried out with the approved forecast for such previous Financial Year, subject to the prudence check;*

*.....”*

This chapter deals with the truing-up of FY 2024-25 for DNHDDPCL. The Commission has studied and analysed each component of the ARR for FY 2024-25 in the following paragraphs.

### **3.2 Approach for the True-Up of FY 2024-25**

The Petitioner has submitted annual accounts for FY 2024-25 audited by the statutory auditor M/s Agarwal & Dhandhanja Chartered Accountants. The Commission has now carried out the true-up of FY 2024-25 in accordance with the principles laid down in the JERC MYT Tariff Regulations, 2021.

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

As per Regulation 42 of the JERC (Generation, Transmission & Distribution MYT) Regulations, 2021:

*“42.1 Operation and Maintenance (O&M) expenses shall comprise of the following:*

*a) Employee expenses - salaries, wages, pension contribution and other employee costs;*

*b) Administrative and General expenses including insurance charges if any; and*

*c) Repairs and Maintenance expenses.*

*42.5 For the purpose of estimation, the same value of factors – CPI inflation and WPI inflation shall be used for all Years of the Control Period. However,*

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*the Commission shall consider the actual values of the factors – CPI inflation and WPI inflation during the true up exercise for the Year for which true up is being carried out and true up the O&M Expenses for that Year, only to the extent of inflation.*

It is pertinent to highlight that, consequent to the privatization of utilities in Daman & Diu, the asset base of DNHDDPCL has undergone reclassification. In the absence of the last three years' audited financial statements aligned with the revised asset structure, as mandated under the JERC MYT Regulations, 2021, the Commission finds it appropriate to consider the O&M Expenses on actual basis for the purpose of True-up of FY 2024-25.

As stated above, the components comprising of the O&M expenses– employee expenses, R&M expenses and A&G expenses have been discussed separately below.

### **3.4 Employee Expenses**

#### **Petitioner's Submission:**

The Petitioner has incurred actual Employee Expense to the tune of Rs. 6.99 Crore against the approved expenses of Rs. 6.30 Crore in the Tariff Order.

#### **Commission's Analysis:**

The employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses. The Petitioner has submitted actual employee cost for FY 2024-25 as Rs.6.99 Crore.

It is worthwhile to mention here that as part of the Aatmanirbhar Bharat Abhiyaan, the power departments/utilities in Union Territories (UTs) have been privatized. Under this initiative, the DNHDDPCL has been designated as the transmission licensee, assuming responsibility for all electricity functions including transmission, state transmission utility (STU), state load dispatch center (SLDC), generation, and planning. This restructuring has led to a reduction in the number of employee for

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DNHDDPCL. Therefore, it is necessary to recalibrate the employee cost for DNHDDPCL in accordance with Regulation 42.2 and 42.6 of the JERC MYT Tariff Regulations, 2021.

In view of above, in order to allow the O&M expenses for FY 2024-25, the Commission has considered Regulation 42.2 and 42.6 of the JERC MYT Regulations, 2021 which specifies the following:

*“42. Operation and Maintenance (O&M) expenses for Transmission Licensees*

*42.2 The Transmission Licensee shall submit the required O&M expenses for the Control Period as a part of Multi Year Tariff Petition. O&M expenses for the base Year shall be approved by the Commission taking into account the latest available audited accounts, business plan filed by the transmission Licensee, estimates of the actuals for the base Year, prudence check and any other factors considered appropriate by the Commission.*

*42.6 For New Transmission Licensee, the Year-wise O&M norms shall be determined on case to case basis:”*

It is to be noted that due to restructuring, the O&M norms shall be determined on case to case basis, thus, as per the Regulations stipulated above, the Commission has considered the actual prudent employee expenses for FY 2024-25 to be allowed in trueing-up.

The Commission observes that the Petitioner has claimed an increase in employee expenses from Rs. 6.30 Crore approved in APR to Rs. 6.99 Crore during the True-up of FY 2024-25. The increase is primarily on account of employee benefit liabilities, including leave encashment and sick leave obligations, as supported by the actuarial valuation report submitted by the Petitioner.

Considering that such liabilities are statutory in nature and based on independent actuarial assessment, the Commission finds the justification reasonable and accordingly approves the employee expenses of Rs. 6.99 Crore for FY 2024-25.

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The following table provides the employee expenses approved by the Commission in the Tariff Order, Petitioner’s submission and now trued-up by the Commission:

**TABLE 3-1 EMPLOYEE EXPENSES TRUED-UP BY COMMISSION FOR FY 2024-25 (Rs. CRORE)**

Particulars	Approved in Tariff Order	Petitioner's Submission	Approved by Commission
Employee Expenses	6.30	6.99	6.99

Accordingly, the Commission approves Employee Expenses of Rs.6.99 Crore for FY 2024-25.

### **3.5 Repair & Maintenance (R&M) Expenses**

#### **Petitioner’s submission:**

The Petitioner has incurred actual R&M Expense to the tune of Rs. 16.74 Crore against the approved expenses of Rs. 12.04 Crore in the Tariff Order. The Petitioner has submitted that major component due to which the R&M expenses have increased is O&M expenses of all sub-station, security expenses, consumption of spare parts for maintenance of sub-station and repairing of three power transformers.

#### **Commission’s Analysis:**

As per the approach and methodology adopted while allowing employee expenses in earlier section, the Commission has considered Regulation 42.2 and 42.6 of the JERC MYT Regulations, 2021 for allowing R&M expenses which specifies the following:

*“42. Operation and Maintenance (O&M) expenses for Transmission Licensees*

*42.2 The Transmission Licensee shall submit the required O&M expenses for the Control Period as a part of Multi Year Tariff Petition. O&M expenses for the base Year shall be approved by the Commission taking into account the latest available audited accounts, business plan filed by the transmission Licensee, estimates of the actuals for the base Year, prudence check and any other factors considered appropriate by the Commission.*

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*42.6 For New Transmission Licensee, the Year-wise O&M norms shall be determined on case to case basis:"*

It is noted that, due to restructuring, the O&M norms are required to be determined on a case-to-case basis. Accordingly, the Commission has considered the actual prudent R&M expenses for FY 2024-25 for the purpose of truing-up.

The Commission sought clarification from the Petitioner regarding the increase in R&M expenses from Rs. 12.62 Crore approved in APR to Rs. 16.74 Crore claimed for FY 2024-25. In response, the Petitioner has submitted that the increase is primarily attributable to higher expenditure towards maintenance activities, including consumption of spare parts for repair and maintenance of transformers, along with other routine maintenance works such as line and substation maintenance. The Petitioner also submitted relevant documents to justify the increase.

The Commission has examined the submissions of the Petitioner and accepts the same. Accordingly, the Commission approves the R&M expenses of Rs. 16.74 Crore for FY 2024-25.

The following table provides the R&M expenses submitted by the Petitioner and now trued-up by the Commission:

**TABLE 3-2 R&M EXPENSES TRUED-UP BY COMMISSION FOR FY 2024-25 (Rs. CRORE)**

Particulars	Approved in Tariff Order	Petitioner's Submission	Approved by Commission
R&M Expenses	12.04	16.74	16.74

The Commission approves R&M Expenses of Rs. 16.74 Crore for FY 2024-25.

### **3.6 Administrative and General (A&G) Expenses**

#### **Petitioner's submission:**

The Petitioner has incurred actual A&G Expense to the tune of Rs 7.29 Crore against the approved expense of Rs. 6.33 Crore in the Tariff Order. The Petitioner further submitted that the variation in the A&G expense is mainly due to the incentive

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expenses incurred by the utility for the past arrear collection as per the policy direction issued by the Government of India under the transfer scheme, 2024.

**Commission's Analysis:**

It is noted that, due to restructuring, the O&M norms are required to be determined on a case-to-case basis. Accordingly, the Commission has considered the actual prudent A&G expenses for FY 2024-25 for the purpose of true-up.

A&G expenses mainly comprise rent, telephone and other communication expenses, professional charges, conveyance and travelling allowances, etc. Similar to the methodology followed for approving employee expenses and R&M expenses, the Commission has verified the A&G expenses based on the audited accounts for FY 2024-25.

The Commission sought clarifications from the Petitioner regarding the A&G expenses claimed under various heads, including Other Expenses, Legal and Professional Charges, and Incentive Expenses. In particular, the Commission sought a detailed break-up of Rs. 4.76 Crore claimed under Other Expenses. In response, the Petitioner, in its reply to the first set of data gaps, submitted detailed break-ups stating that such expenses include building maintenance, staff orientation and training, and office vehicle hire expenses, along with explanations that these are necessary for administrative and operational functions. The Petitioner also submitted relevant documents to justify the claimed expenses.

The Commission has examined the submissions of the Petitioner, and after examining the documents and reasons submitted, accepts the same. Accordingly, the Commission approves the A&G expenses as claimed for FY 2024-25.

Based on the methodology adopted by the Commission in approving the Employee Expenses and R&M Expenses for FY 2024-25 in the previous sections, the following table provides the A&G expenses submitted by the Petitioner and as approved in the True-up:

**TABLE 3-3 A&G EXPENSES TRUED-UP BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in Tariff Order	Petitioner's Submission	Approved by Commission
A&G Expenses	6.33	7.29	7.29

The Commission approves A&G Expenses of Rs.7.29 Crore for FY 2024-25.

### 3.7 Total Operation & Maintenance (O&M) Expenses

The following table provides the O&M Expenses, as approved by the Commission in the Tariff Order, Petitioner's Submission, and O&M Expenses trued-up by Commission:

**TABLE 3-4 TOTAL O&M EXPENSES TRUED-UP BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in Tariff Order	Petitioner's Submission	Approved by Commission
Employee Expenses	6.30	6.99	6.99
R&M Expenses	12.04	16.74	16.74
A&G Expenses	6.33	7.29	7.29
<b>Total O&amp;M Expenses</b>	<b>24.67</b>	<b>31.02</b>	<b>31.02</b>

### 3.8 Capital Expenditure and Capitalization

#### Petitioner's Submission:

The Petitioner has claimed Rs. 2.78 Crore towards actual capitalization for FY 2024-25, as against Rs. 28 Crore approved in the Tariff Order. The lower capitalization has been attributed to delays caused by the ongoing merger process of the three transmission licensees. Consequently, to maintain technical and financial prudence, the pending works have been rescheduled and proposed for inclusion in the upcoming MYT Business Plan for the period FY 2025-26 to FY 2029-30. The summary of capital expenditure incurred during FY 2024-25 is tabulated below:

**TABLE 3-5 CAPITAL EXPENDITURE AND CAPITALISATION CLAIMED FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in Tariff Order	Actual
Capital Expenditure	27.31	5.72
Capitalisation	28.00	2.78

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**Commission's Analysis:**

The Petitioner has claimed capital expenditure of Rs. 5.72 Crore in the True-up of FY 2024-25, as against Rs. 27.31 Crore approved in the Tariff Order, and capitalisation of Rs. 2.78 Crore, as against Rs. 28.00 Crore approved in the Tariff Order. The Commission directed the Petitioner to submit supporting documents for the CAPEX and capitalisation detailed in the Petition.

In response, the Petitioner submitted the details of capital expenditure and capitalisation along with the Fixed Asset Register (FAR) as part of its reply to the first set of data gaps. Additionally, the Petitioner submitted that the capitalisation for FY 2024-25 is Rs. 2.78 Crore as against the approved capitalisation of Rs. 28.00 Crore due to delays arising from the ongoing merger process. The Petitioner further submitted that, in order to maintain technical and financial prudence, the pending works have been rescheduled and proposed to be undertaken as part of the forthcoming MYT Business Plan for the control period from FY 2025-26 to FY 2029-30.

The Commission, after due examination of the submissions of the Petitioner, finds the justification to be reasonable and, considering the special circumstances associated with the ongoing merger process, decides not to invoke the provisions of Regulation 8.5(d) of the JERC MYT Regulations, 2021 relating to adjustment of excess tariff/revenue along with interest at 1.10 times of the Carrying Cost on account of variation between approved and actual capitalisation.

The Commission has examined the submissions of the Petitioner and observes that the capital expenditure and capitalisation incurred towards furniture, IT equipment, office equipment, transformers and allied equipment are necessary for efficient operation of the utility and were already approved vide Tariff Orders dated 30<sup>th</sup> March, 2023 during the ARR for FY 2023-24 under Petition No. 93/2022 and 17<sup>th</sup> September, 2025 during the APR for FY 2024-25 under Petition No. 147/2025. Accordingly, the Commission allows the same.

Accordingly, the Commission has considered the capital expenditure of Rs. 5.72 Crore based on the Annual Audited Accounts for FY 2024-25. Further, the Petitioner has provided a detailed project-wise breakup of the actual capitalisation amounting to Rs. 2.78 Crore, including the opening CWIP as on 1<sup>st</sup> April, 2024, capital expenditure incurred during the year and closing CWIP as on 31<sup>st</sup> March, 2025, in its replies to the first and second sets of data gaps. The Petitioner has capitalised assets amounting to Rs. 2.78 Crore during FY 2024-25, which has been validated from the Audited Accounts, various submissions of the Petitioner and the Transfer Scheme.

The Petitioner has also considered the opening Gross Fixed Assets (GFA) for FY 2024-25 as Rs. 366.15 Crore based on the closing GFA approved in the True-Up of FY 2023-24. The Commission finds the same to be in order and, accordingly, considers it for the present True-Up.

Accordingly, the Commission approves the opening GFA, addition to GFA during the year, and closing GFA for FY 2024-25 as shown in the table below:

**TABLE 3-6 APPROVED CAPITALISATION FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Opening GFA	366.15	366.15
Addition to GFA	2.78	2.78
Deletion to GFA	-	-
Closing GFA	368.92	368.92
Less: SLDC Additions	-	-
Balance Capitalization	2.78	2.78
Normative Debt @ 70%	1.94	1.94
Normative Equity @ 30%	0.83	0.83

### 3.9 Depreciation

#### **Petitioner's Submission:**

The Petitioner has submitted that the depreciation rates has been considered as per the JERC MYT Regulations, 2021. The Petitioner has claimed depreciation of Rs. 9.48 Crore for FY 2024-25, as against Rs. 19.44 Crore approved in the Tariff Order, as detailed in table below:

**TABLE 3-7 DEPRECIATION CLAIMED BY PETITIONER FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Actual
Opening GFA	366.15	366.15
Addition during the year	28.00	2.78
Disinvestment during the year	-	-
Closing GFA	394.15	368.93
Average GFA	380.15	367.54
Depreciation Rate	5.11%	2.58%
<b>Depreciation during the year</b>	<b>19.44</b>	<b>9.48</b>

**Commission’s Analysis:**

As per Regulation 31 of the JERC (Generation, Transmission & Distribution Multi Year Tariff) Regulations, 2021:

*“31.1 The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission:*

*Provided that the depreciation shall be allowed after reducing the approved original cost of the retired or replaced or decapitalized assets:*

*Provided also that the no depreciation shall be allowed on the assets financed through consumer contribution, deposit work, capital subsidy or grant.*

*31.2 The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to a maximum of 90% of the capital cost of the asset.*

*Provided further that the salvage value of Information Technology equipment and computer software shall be considered at zero (0) percent of the allowable capital cost.*

*31.3 Land other than the land held under lease shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the assets.*

*31.4 In case of existing assets, the balance depreciable value as on April 1, 2022, shall be worked out by deducting the cumulative depreciation as*

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admitted by the Commission up to March 31, 2021, from the gross depreciable value of the assets.

.....

31.6 For Transmission Licensee, the depreciation shall be calculated at rates and norms specified in the prevalent CERC Tariff Regulations for transmission system.”

The Commission has gone through the Audited Accounts with respect to the Depreciation which was based on asset-wise depreciation rates as specified in the CERC (Terms and Conditions of Tariff) Regulations, 2024 that are applicable for FY 2024-25. The weighted average rate of depreciation was observed to be 2.58%.

Accordingly, the Commission has considered the same depreciation rate and has arrived at the depreciation values as tabled below:

**TABLE 3-8 DEPRECIATION APPROVED BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Opening GFA	366.15	366.15
Addition during the year	2.78	2.78
Disinvestment during the year	-	-
Closing GFA	368.93	368.92
Average GFA	367.54	367.54
Depreciation rate (%)	2.58%	2.58%
<b>Depreciation during the year</b>	<b>9.48</b>	<b>9.48</b>

The Commission, accordingly, approves the depreciation of Rs. 9.48 Crore for FY 2024-25.

### **3.10 Interest Expenses**

#### **Petitioner's Submission:**

The Petitioner has considered the opening loan balance for FY 2024-25 as approved by the Commission in its Tariff Order dated 17th September, 2025. The normative loan addition in FY 2024-25 has been computed as 70% of the capitalization for FY

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2024- 25. The repayment of loans has been considered equal to the depreciation during FY 2024-25.

Further, the Petitioner has considered the rate of interest of 9.65 % (Using State Bank of India Prime Lending Rate (SBI PLR) as on 01.04.2024 plus 100 basis points). Accordingly, the interest and finance charges submitted by the Petitioner as shown in the table below:

**TABLE 3-9 INTEREST AND FINANCE CHARGES CLAIMED FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Actual
Opening Loan	7.15	7.15
Loan for additional Capex (70:30 debt equity)	19.60	1.94
Loan Repayment	19.44	9.48
Closing Loan	7.31	-0.39
Interest Rate	9.65%	9.65%
<b>Interest cost on Avg. Loans</b>	<b>0.70</b>	<b>0.33</b>

### **Commission's Analysis:**

The Commission has considered closing balance approved in truing-up of FY 2023-24 as opening normative loan balance for FY 2024-25, addition to loan during the year is considered at 70% of net value of assets added during the year and repayment is considered equal to the depreciation for the year.

As per Regulation 29.4 of the JERC (MYT) Regulations, 2021, in case there is no actual loan portfolio for the licensee, the rate of interest of shall be equal to the SBI MCLR as on 1<sup>st</sup> April of the relevant financial year plus 100 basis points. The relevant excerpt of the aforesaid Regulations is stipulated as under:

#### ***"29 Interest on Loan***

*29.4 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each Year applicable to the Transmission Licensee or the Distribution Licensee:*

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*Provided that at the time of truing up, the weighted average rate of interest calculated on the basis of the actual loan portfolio during the Year applicable to the Transmission Licensee or the Distribution Licensee shall be considered as the rate of interest after prudence check:*

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

*Provided further that if the Transmission Licensee or the Distribution Licensee does not have actual loan, then one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points shall be considered as the rate of interest for the purpose of allowing the interest on the normative loan.*

*...”*

As the Petitioner has not availed any actual loan, the Commission has approved the Interest on Loan in line with the fourth proviso of Regulation 29.4 of the JERC (MYT) Regulations, 2021. The Commission observes that the closing balance of loan is negative and has therefore considered the closing loan balance as nil. Accordingly, the Interest on Loan has been computed based on normative principles, applying an interest rate of 9.65%, derived from the State Bank of India Marginal Cost of Funds based Lending Rate as on 1st April 2024 plus 100 basis points.

The following table provides the Interest on Loan, approved by the Commission in the Tariff Order, Petitioner’s submission and now trued-up by the Commission:

**TABLE 3-10 INTEREST APPROVED BY THE COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Opening Normative Loan	7.15	7.15
Addition of Loan due to Capitalization	1.94	1.94
Repayment of Loan	9.48	9.48
Closing Normative Loan	-0.39	-
Average	3.38	3.57
Rate of Interest (%)	9.65%	9.65%
<b>Interest Expenses</b>	<b>0.33</b>	<b>0.34</b>

The Commission accordingly approves the Interest on loan for FY 2024-25 as Rs. 0.34 Crore.

### 3.11 Return on Equity

#### Petitioner's Submission:

The Petitioner has claimed a sum of Rs. 15.57 Crore towards return on equity for FY 2024-25, as against Rs. 16.35 Crore approved in Tariff Order. The Petitioner submitted that closing balance of equity has been arrived at considering additional equity of 30% of the capitalisation during the year, as tabled below:

**TABLE 3-11 RETURN ON EQUITY CLAIMED BY THE PETITIONER FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Actual
Opening Equity	74.74	74.74
Equity Addition	8.40	0.83
Closing Equity	83.14	75.57
Average Equity	78.94	75.16
Rate of Return (%)	20.71%	20.71%
<b>Total Return on Equity</b>	<b>16.35</b>	<b>15.57</b>

#### Commission's Analysis:

The Commission has approved the closing balance of normative equity of Rs. 74.74 Crore in its truing-up Order for FY 2023-24. As per Regulation 28 of the JERC MYT Tariff Regulations, 2021, return on equity shall be allowed for the assets put to use

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for the transmission licensee in accordance with prevailing CERC Tariff Regulations, thus, addition to equity during the year is considered at 30% of net value of assets added during the year. The relevant excerpt of the aforesaid regulation is stipulated as under:

*“28. Return on Equity .....*

*Return on equity shall be computed on the paid up equity capital determined in accordance with Regulation 27 for the assets put to use for the Transmission Licensee and shall be allowed in accordance with the prevalent CERC Tariff Regulations for transmission system...”*

Further, in this regard, the Regulation 30(2) of the CERC (Terms and Conditions of Tariff) Regulations, 2024 stipulates the following:

*“30. Return on Equity: .....*

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

Furthermore, as per first proviso of the Regulation 31 of the CERC Tariff Regulations, 2024, the base rate of equity shall be grossed up with the effective tax rate of the respective financial year based on actual tax paid. The relevant excerpt of the aforesaid regulation is stipulated as under:

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

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*including deferred tax liability (i.e. income from business other than business of generation or transmission, as the case may be) shall be excluded for the calculation of effective tax rate.”*

The Petitioner has apprised the Commission regarding pending Appeal in Hon’ble APTEL against approval of lower return on equity in previous years. Since, the Petitioner has not sought any relief in the current Petition, the Commission has not considered the same.

Accordingly, the Commission has worked out the effective tax rate for the purpose of allowing pre-tax rate of return of 15.5% on equity for transmission business to the tune of 25.17%. The following table provides the Return on Equity submitted by the Petitioner and now tried-up by the Commission.

**TABLE 3-12 RETURN ON EQUITY APPROVED FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner’s Submission	Approved by Commission
Opening Equity	74.74	74.74
Equity Addition	0.83	0.83
Closing Equity	75.57	75.58
Average Equity	75.16	75.16
Rate of Return	15.50%	15.50%
Effective Tax Rate	25.17%	25.17%
Rate of Return after tax	20.71%	20.71%
<b>Total Return on Equity</b>	<b>15.57</b>	<b>15.57</b>

The Commission accordingly, approves the return on equity of Rs. 15.57 Crore for FY 2024-25.

### **3.12 Interest on Working Capital**

#### **Petitioner’s Submission:**

The Petitioner has submitted the computation of interest on working capital based on the principles outlined in the JERC (Generation, Transmission & Distribution Multi Year Tariff), Regulations, 2021, by considering the below parameters:

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

The Petitioner has considered rate of interest on working capital as 10.65 % (SBI Base Rate plus 200 basis points).

**TABLE 3-13 INTEREST ON WORKING CAPITAL CLAIMED FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Petitioner's Submission
Receivables equivalent to 45 days of Annual Fixed Cost	7.62	7.14
Maintenance spares @15% of operation and maintenance expenses	3.70	4.65
Operation and maintenance expense for one month	2.06	2.55
Total Working Capital	13.38	14.34
Interest Rate (%)	10.65%	10.65%
<b>Interest on Working Capital</b>	<b>1.42</b>	<b>1.53</b>

### Commission's Analysis:

The computation of working capital requirements and the rate of interest to be considered are stipulated under Regulation 43.1 of the JERC MYT Regulations, 2021. Regulation 43.1 of the JERC (Generation, Transmission & Distribution Multi Year Tariff), Regulations, 2021, states the following with regard to interest on working capital calculation:

*43.1 The Transmission Licensee shall be allowed interest on the estimated level of working capital for the Financial Year computed in accordance with prevalent CERC Tariff Regulations “*

Further, Regulation 34 of the CERC (Terms and Conditions of Tariff) Regulations, 2024 that are applicable for FY 2024-25 specifies:

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

*.....*

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*(c) Hydro generating station including pumped storage hydro-electric generating station and transmission system including communication system:*

*i. Receivables equivalent to 45 days of annual fixed cost;*

*ii. Maintenance spares @ 15% of operation and maintenance including security expenses and*

*iii. Operation and maintenance expense, including security expenses, for one month.”*

Regulation 32 of the JERC (Generation, Transmission & Distribution Multi Year Tariff), Regulations, 2021, states the following with regard to interest rate to be considered on working capital calculation:

*“32. Interest on Working Capital*

*32.1 The norms for working capital for Transmission Licensee shall be as specified in Chapter 5 of these Regulations.*

*32.2 The norms for working capital for Distribution Wires Business and Retail Supply Business shall be as specified in Chapter 6 and Chapter 7 of these Regulations.*

*32.3 The interest on working capital shall be a payable on normative basis notwithstanding that the Licensee has not taken working capital loan from any outside agency or has exceeded the working capital loan based on the normative figures.*

*32.4 The rate of interest on working capital shall be equal one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the Financial Year in which the Petition is filed plus 200 basis points.”*

Accordingly, the Commission has computed the working capital requirement for the Petitioner for FY 2024-25. As per the applicable Regulations, receivables are to be considered equivalent to 45 days of the Annual Fixed Cost. The Commission

observes that, while computing the same, the Petitioner has inadvertently not deducted the Non-Tariff Income from the Annual Fixed Cost. The Commission has therefore considered the Annual Fixed Cost net of Non-Tariff Income for the purpose of computing receivables and has accordingly recalculated the Interest on Working Capital. The Interest on Working Capital has been computed considering the applicable interest rate as State Bank of India Marginal Cost of Funds based Lending Rate as on 1st April 2024 plus 200 basis points, i.e., 10.65%.

Based on the O&M expenses and other expenses now approved in the Truing up, the working capital and interest thereon calculated is detailed in the table below:

**TABLE 3-14 INTEREST ON WORKING CAPITAL APPROVED FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Receivables equivalent to 45 days of Annual Fixed Cost	7.14	6.82
Maintenance spares @15% of operation and maintenance expenses	4.65	4.65
Operation and maintenance expense for one month	2.55	2.59
Total Working Capital	14.34	14.05
Interest Rate (%)	10.65%	10.65%
<b>Interest on Working Capital</b>	<b>1.53</b>	<b>1.50</b>

As indicated above, the Commission approves the interest on working capital as Rs. 1.50 Crore for FY 2024-25.

### 3.13 Non-Tariff Income

#### **Petitioner's Submission:**

The Petitioner has claimed Rs. 2.79 Crore towards Non-Tariff Income for FY 2024-25 as against the approved value of Rs. 2.23 Crore by the Commission in its Tariff Order. The details are shown in the table below:

**TABLE 3-15 NON-TARIFF INCOME CLAIMED FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Petitioner's Submission
Tender Fees	0.01	0.01
Provision written back	1.08	0.63
Sale of Scrap	-	0.60
Misellaneous Income	0.28	0.10
Lease Income	0.77	0.77
Supervision Charges	0.09	0.68
<b>Non-Tariff Income</b>	<b>2.23</b>	<b>2.79</b>

The Petitioner submitted that the total Other Income as per Note-22 of the Financial Statements for FY 2024-25 is Rs. 49.39 Cr. However, this amount includes components such as interest income and delayed payment charges amounting to Rs. 47.286 Cr, which do not qualify as Non-Tariff Income in accordance with the provisions of Regulation 44.2 of the JERC MYT Regulations, 2021.

Further, the Petitioner has reported operating other income of Rs. 0.68 Crore under Note-21 of the Financial Statements for FY 2024-25. Accordingly, after excluding the ineligible components, the net Other Income to be considered as Non-Tariff Income works out to Rs. 2.79 Cr.

**Commission’s Analysis:**

The Regulation 44 of the JERC MYT Regulations, 2021 stipulates the following:

***“44. Non-Tariff Income***

*44.1 The amount of Non-Tariff Income relating to the transmission business as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in determining annual transmission charges of the Transmission Licensee:*

*Provided that the Transmission Licensee shall submit full details of its forecast of Non-Tariff Income to the Commission along with its application for determination of Aggregate Revenue Requirement.*

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*44.2 The Non-Tariff Income shall inter-alia include:*

- a) Income from rent on land or buildings;*
- b) Income from sale of scrap in excess of 10% of the salvage value;*
- c) Income from statutory investments;*
- d) Interest on advances to suppliers/contractors;*
- e) Rental from staff quarters;*
- f) Rental from contractors;*
- g) Income from hire charges from contactors and others;*
- h) Income from advertisements, etc.;*
- i) Miscellaneous receipts like parallel operation charges;*
- j) Deferred Income from grant, subsidy, etc., as per Annual Accounts;*
- k) Excess found on physical verification;*
- l) Interest on investments, fixed and call deposits and bank balances;*
- m) Prior period income, etc.:*

*Provided that the interest/dividend earned from investments made out of Return on Equity corresponding to the Licensed Business of the Transmission Licensee shall not be included in Non-Tariff Income.”*

The Commission has examined the Annual Audited Accounts for FY 2024-25 and notes that the total Other Income, as per Note-22 of the Financial Statements, amounts to Rs. 49.39 Crore. The Commission further observes that the said Other Income includes components such as interest and delayed payment charges amounting to Rs. 47.286 Crore, which do not qualify as Non-Tariff Income in accordance with the provisions of Regulation 44.2 of the JERC MYT Regulations, 2021.

Further, the Commission notes that ‘Operating Other Income’ of Rs. 0.68 Crore has been reported under Note-21 of the Financial Statements for FY 2024-25, which is also considered as part of Non-Tariff Income. Accordingly, the Commission

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considers Rs. 2.79 Crore as Non-Tariff Income from Other Income, as claimed by the Petitioner. The NTI as claimed by the Petitioner and trued-up by the Commission is presented in the table below:

**TABLE 3-16 NON-TARIFF INCOME APPROVED FOR FY 2024-25 (Rs. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Non-Tariff Income	2.79	2.79

Accordingly, the Commission approves Non-Tariff Income of Rs. 2.79 Crore in the true-up of FY 2024-25.

### **3.14 Transmission System Availability**

#### **Petitioner's Submission:**

The Petitioner has submitted its transmission system availability of 98.80% for FY 2024-25. The Petitioner has requested that the incentive for higher transmission system availability of Rs. 0.18 Crore may be allowed.

#### **Commission's Analysis:**

As per JERC (MYT) Regulations, 2021, incentive on achieving the higher transmission system availability shall be in accordance with the CERC Tariff Regulations, 2024.

The Commission has reviewed and verified the transmission system availability report submitted by the Petitioner and approves the transmission system availability of the Licensee for FY 2024-25 at 98.80%, as against the target availability of 98.50%. The Commission observes that the Petitioner has not deducted Non-Tariff Income (NTI) while computing the Annual Fixed Charges (AFC), resulting in an overstatement of the incentive claimed.

Accordingly, the Commission has recomputed the incentive after duly considering the trued-up AFC (adjusted for NTI) and has determined the incentive for achieving higher transmission system availability for FY 2024-25 in accordance with the provisions of the CERC Tariff Regulations, 2024 as Rs. 0.17 Crore.

**TABLE 3-17 INCENTIVE ON TRANSMISSION SYSTEM AVAILABILITY FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Net ARR (Rs. Crore)	<b>47.55</b>	<b>34.63</b>
Actual System Availability (%)	98.80%	98.80%
Target Availability for Incentive (%)	98.50%	98.50%
<b>Incentive (Rs. Crore)</b>	<b>0.18</b>	<b>0.17</b>

Accordingly, the Commission approves an incentive of Rs. 0.17 Crore towards higher transmission system availability for the True-Up of FY 2024-25.

### 3.15 Impact of APTEL Judgement

#### Petitioner's Submission:

The Petitioner has submitted that the Hon'ble APTEL, vide its Judgment dated 14.11.2025 has adjudicated upon the issue of carrying cost on revenue surplus. The Petitioner further has submitted that the Hon'ble Tribunal observed that while the Commission had allowed carrying cost on revenue deficits for FY 2017-18 and FY 2018-19, the same principle of "time value of money" must be applied to the revenue surplus of Rs. 97.09 Crore determined for FY 2016-17.

The Petitioner further submitted that, in continuation of the directives of the Hon'ble APTEL and the methodology adopted by the Commission in the original Impugned Order (where carrying cost was computed at 8.00% p.a.), it has calculated the carrying cost on the said surplus accordingly.

**TABLE 3-18 CLAIMED IMPACT OF HON'BLE APTEL ORDER (RS. CRORE) FOR FY 2016-17**

Particulars	Petitioner's Submission
Opening (Surplus) for FY 2016-17	-203.88
Add: Standalone Gap for FY 2016-17	106.00
Revenue (Surplus) for FY 2016-17	-97.88
Applicable Carrying Cost Rate	8.00%
<b>Total Holding Cost*</b>	<b>-12.07</b>

\*As per the reply to objections dated 28th April, 2026

#### Commission's Analysis:

The Commission notes that the Hon'ble APTEL, vide its Judgment dated 14th November, 2025, has allowed carrying cost on revenue surplus as well by applying the principle of time value of money equally to both revenue deficit and revenue surplus, observing that just as a utility is compensated for delayed recovery, consumers must also be credited for funds held in excess of the ARR by the Licensee.

It is noted that the Petitioner, vide reply to objections dated 28<sup>th</sup> April, 2026, has computed the holding cost by considering a standalone gap for FY 2016-17 different from that approved in the Tariff Order dated 30<sup>th</sup> January, 2018, leading to variation in the closing surplus. The Commission has accordingly rectified the same. In this regard, the Commission is of the view that the holding cost should be computed on the average of the opening and closing surplus for FY 2016-17, as approved in the Tariff Order dated 30<sup>th</sup> January, 2018, in order to appropriately reflect the time value of money over the period. The revised computation is presented in the table below:

**TABLE 3-19 IMPACT OF APTEL JUDGEMENT FOR FY 2016-17 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Opening Gap /(Surplus)	-203.88	-203.88
Add: Standalone Gap for FY 2016-17	106.00	106.79
Closing Gap /(Surplus)	-97.88	-97.09
Average of Opening and Closing Balances	4.06	4.85
Interest rate for carrying Cost	8%	8%
<b>Holding Cost*</b>	<b>-12.07</b>	<b>-12.04</b>

\*As per the reply to objections dated 28th April, 2026

Further, the Commission observes that the holding cost determined for one year was not adjusted in the ARR of the subsequent year, therefore, holding cost (interest cost) corresponding to the unadjusted amount is required to be considered during subsequent years until the amount is adjusted.

Accordingly, the Commission has computed the interest on holding cost by applying the applicable rate of interest, i.e., the Simple Interest Rate plus 100 basis points, in accordance with the provisions of the JERC MYT Regulations, 2014, JERC MYT

Regulations, 2018, and JERC MYT Regulations, 2021. The detailed computation of holding cost up to FY 2024-25 is provided in the table below:

**TABLE 3-20 HOLDING COST CALCULATION (RS. CRORE)**

Sl. No.	Particulars	Petitioner's Submission	Approved by Commission
1	Impact of APTEL Order along with holding cost for FY 2016-17	-12.07	-12.04
b.	Interest for FY 2017-18 [(SBI MCLR +1%) @ 9%] for 1 year	-	-1.08
c.	Interest for FY 2018-19 [(SBI MCLR +1%) @9.15%]] for 1 year	-	-1.10
d.	Interest for FY 2019-20 [(SBI MCLR +1%) @9.55%] for 1 year	-	-1.15
e.	Interest for FY 2020-21 [(SBI MCLR +1%) @8.75%] for 1 year	-	-1.05
f.	Interest for FY 2021-22 [(SBI MCLR +1%) @8%] for 1 year	-	-0.96
g.	Interest for FY 2022-23 [(SBI MCLR +1%) @8%] for 1 year	-	-0.96
h.	Interest for FY 2023-24 [(SBI MCLR +1%) @9.5%] for 1 year	-	-1.14
i.	Interest for FY 2024-25 [(SBI MCLR +1%) @ 9.65%] for 1 year	-	-1.16
	<b>Total</b>	<b>-12.07</b>	<b>-20.66</b>

Accordingly, the Commission approves holding cost of Rs. 20.66 Crore towards Impact of Hon'ble APTEL Judgment dated 14<sup>th</sup> November, 2025. The impact of the same has been considered under Section 3.52 while dealing with the combined true-up surplus/ gap for FY 2024-25.

### 3.16 Aggregate Revenue Requirement (ARR)

#### Petitioner's Submission:

Based on the expenses as detailed above, the Petitioner has submitted the net Aggregate Revenue Requirement of Rs. 47.55 Crore for approval in the True-up of FY 2024-25.

**TABLE 3-21 NET ARR SUBMITTED BY THE PETITIONER FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Actual
O&M Expense	24.67	31.02
Depreciation	19.44	9.48
Interest cost on long-term capital Loans	0.70	0.33
Interest on Working Capital Loans	1.42	1.53
Return on Equity	16.35	15.57
Incentive for Transmission availability	-	0.18
<b>Total</b>	<b>62.59</b>	<b>58.11</b>
Less: Non-Tariff Income	0.78	2.79
Impact of APTEL Order	-	-12.07
<b>Net ARR</b>	<b>61.81</b>	<b>47.55</b>

**Commission's Analysis:**

The Commission on the basis of the detailed analysis of the cost parameters of the Aggregate Revenue Requirement approves the net revenue requirement in the true-up of FY 2024-25 as given in the following table:

**TABLE 3-22 NET ARR APPROVED BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
O&M Expense	31.02	31.02
Depreciation	9.48	9.48
Interest cost on long-term capital Loans	0.33	0.34
Interest on Working Capital Loans	1.53	1.50
Return on Equity	15.57	15.57
Incentive for Transmission availability	0.18	0.17
<b>Total</b>	<b>58.11</b>	<b>58.08</b>
Less: Non-Tariff Income	2.79	2.79
Impact of APTEL Order	-12.07	-20.66
<b>Net ARR</b>	<b>47.55</b>	<b>34.63</b>

The Commission approves net Aggregate Revenue Requirement of Rs. 34.63 Crore in the true-up of FY 2024-25.

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### 3.17 Revenue for FY 2024-25

#### Petitioner's Submission:

The Petitioner has submitted an actual revenue to the tune of Rs. 56.89 Crore for FY 2024-25, against Rs. 34.17 Crore approved by the Commission vide its Tariff Order dated 17<sup>th</sup> September, 2025.

**TABLE 3-23 REVENUE CLAIMED BY THE PETITIONER FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Actual
Revenue from transmission of power	34.17	56.89

#### Commission's Analysis:

The Commission has observed that the revenue recovered by the Petitioner during FY 2024-25, as per the Audited Accounts, amounts to Rs. 57.60 Crore excluding non-tariff income and including rebate of Rs. 0.7864 Crore, as against rebate of Rs. 0.71 Crore claimed by the Petitioner. Accordingly, the Commission has considered the revenue as per the Audited Accounts. Therefore, the Commission approves the revenue from approved tariff for FY 2024-25 at Rs. 57.60 Crore, as shown in the following table:

**TABLE 3-24 REVENUE APPROVED BY THE COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Revenue from transmission of power	56.89	57.60

### 3.18 Standalone Revenue Gap/(Surplus)

#### Petitioner's Submission:

The Petitioner has submitted the Aggregate Revenue Requirement for FY 2024-25 to the tune of Rs. 47.55 Crore, against the approved Aggregate Revenue Requirement of Rs. 61.81 Crore for FY 2024-25. Petitioner has compared the revised Aggregate Revenue Requirement against the revised income under various heads including revenue with existing tariff of Rs. 56.89 Crore. Accordingly, total

revenue surplus of DNHDDPCL for FY 2024-25 is computed at Rs.9.35 Crore as depicted in the Table below:

**TABLE 3-25 GAP/(SURPLUS) SUBMITTED BY PETITIONER FOR FY 2024-25 (Rs. CRORE)**

Particulars	Approved in the Tariff Order	Actual
Annual Revenue Requirement	61.81	47.55
Revenue from transmission of power	34.17	56.89
<b>Revenue Gap/ (Surplus)</b>	<b>27.64</b>	<b>9.35</b>

**Commission's Analysis:**

Based on the component-wise approved in aforesaid paragraphs of this Chapter, the Commission has approved overall Net Revenue gap/(surplus) for FY 2024-25 as per table below:

**TABLE 3-26 STANDALONE GAP/(SURPLUS) APPROVED BY COMMISSION FOR FY 2024-25 (Rs. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Annual Revenue Requirement	47.55	34.63
Revenue from transmission of power	56.89	57.60
<b>Revenue Gap/ (Surplus)</b>	<b>9.35</b>	<b>-22.97</b>

Accordingly, the Commission, in the true-up of FY 2024-25 approves a surplus of Rs. 22.97 Crore.

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## **SECTION -II TRUING-UP FOR FY 2024-25 ED- DAMAN & DIU (PRIOR TO MERGER)**

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### **3.19 Approach for the True-Up of FY 2024-25**

The Petitioner has submitted audited accounts for FY 2024-25 audited by the statutory auditor M/s Prajapati Gohel & Co. LLP Chartered Accountants. The Commission has now carried out the true-up of FY 2024-25 in accordance with the principles laid down in the JERC MYT Tariff Regulations, 2021.

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

As per Regulation 42 of the JERC (Generation, Transmission & Distribution MYT) Regulations, 2021:

*“42.1 Operation and Maintenance (O&M) expenses shall comprise of the following:*

- a) Employee expenses - salaries, wages, pension contribution and other employee costs;*
- b) Administrative and General expenses including insurance charges if any; and*
- c) Repairs and Maintenance expenses.*

*42.5 For the purpose of estimation, the same value of factors – CPI inflation and WPI inflation shall be used for all Years of the Control Period. However, the Commission shall consider the actual values of the factors – CPI inflation and WPI inflation during the truing up exercise for the Year for which true up is being carried out and true up the O&M Expenses for that Year, only to the extent of inflation.*

It is pertinent to highlight that, consequent to the privatization of utilities in Daman & Diu, the asset base of DNHDDPCL has undergone reclassification. In the absence of the last three years' audited financial statements aligned with the revised asset structure as mandated under the JERC MYT Regulations, 2021, the Commission

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finds it appropriate and necessary to consider the base year figures on an actual basis for the purpose of truing-up for FY 2024-25.

As above, the components comprising of the O&M expenses– employee expenses, R&M expenses and A&G expenses have been discussed separately below.

### **3.21 Employee Expenses**

#### **Petitioner’s Submission:**

The Petitioner has incurred actual Employee Expense to the tune of Rs. 5.18 Crore against the approved expenses of Rs. 5.40 Crore in the Tariff Order.

#### **Commission’s Analysis:**

The employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses. The Petitioner has submitted actual employee cost for FY 2024-25 as Rs.5.18 Crore.

In order to allow the O&M expenses for FY 2024-25, the Commission has considered Regulation 42.2 and 42.6 of the JERC MYT Regulations, 2021 which specifies the following:

*“42. Operation and Maintenance (O&M) expenses for Transmission Licensees*

*42.2 The Transmission Licensee shall submit the required O&M expenses for the Control Period as a part of Multi Year Tariff Petition. O&M expenses for the base Year shall be approved by the Commission taking into account the latest available audited accounts, business plan filed by the transmission Licensee, estimates of the actuals for the base Year, prudence check and any other factors considered appropriate by the Commission.*

*42.6 For New Transmission Licensee, the Year-wise O&M norms shall be determined on case to case basis:”*

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It is to be noted that due to restructuring, the O&M norms shall be determined on case to case basis, thus, as per the Regulations stipulated above, the Commission has considered the actual prudent employee expenses for FY 2024-25 to be allowed in truing-up.

The claim of Rs. 5.18 Crore towards employee cost is observed to be lower than that approved in the Tariff Order. The Commission has reconciled the employee cost with the audited accounts and found in order. Therefore, the Commission approves Employee Expenses as actually incurred.

The following table provides the employee expenses approved by the Commission in the Tariff Order, Petitioner's submission and now trued-up by the Commission:

**TABLE 3-27 EMPLOYEE EXPENSES TRUED-UP BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in Tariff Order	Petitioner's Submission	Approved by Commission
Employee Expenses	5.40	5.18	5.18

Accordingly, the Commission approves Employee Expenses of Rs. 5.18 Crore for FY 2024-25.

### **3.22 Repair & Maintenance (R&M) Expenses**

#### **Petitioner's submission:**

The Petitioner has incurred R&M expenses of Rs. 43.54 Crore during FY 2024-25 as against Rs. 23.98 Crore approved in the Tariff Order. The Petitioner, in its reply to the first set of data gaps, submitted that the increase in R&M expenses is primarily due to the shifting of electrical infrastructure under various Government road widening and development works, particularly under the Diu City Projects. The works involved the relocation of lines, poles, and transformers to facilitate civil construction activities.

#### **Commission's Analysis:**

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As per the approach and methodology adopted while allowing employee expenses in earlier section, the Commission has considered Regulation 42.2 and 42.6 of the JERC MYT Regulations, 2021 for allowing R&M expenses which specifies the following:

*“42. Operation and Maintenance (O&M) expenses for Transmission Licensees*

*42.2 The Transmission Licensee shall submit the required O&M expenses for the Control Period as a part of Multi Year Tariff Petition. O&M expenses for the base Year shall be approved by the Commission taking into account the latest available audited accounts, business plan filed by the transmission Licensee, estimates of the actuals for the base Year, prudence check and any other factors considered appropriate by the Commission.*

*42.6 For New Transmission Licensee, the Year-wise O&M norms shall be determined on case to case basis:”*

Therefore, in view of above, the Commission has considered the actual R&M expenses in reconciliation with Audited Accounts for FY 2024-25 to be allowed in trueing-up.

Based on the break-up of total R&M expenses of Rs. 43.54 Crore, it is observed that an amount of Rs. 15.27 Crore has been claimed under “Mandatory Infrastructure Shifting (Diu City Projects)”. The Commission, in its first set of data gaps, sought detailed justification and supporting documents for the increase in R&M expenses. In response, the Petitioner submitted that the said expenditure pertains to large-scale shifting of electrical infrastructure, including lines, poles, and transformers, undertaken under directions of the UT Administration as part of road widening and urban development works in the Diu region. The Petitioner further submitted that such works were carried out on an urgent basis to avoid delays in public infrastructure projects and that no separate funding support or budgetary allocation was provided for these activities.

The Petitioner also submitted that the overall increase in R&M expenses is attributable to multiple factors, including preventive and corrective maintenance

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activities, increased loading on the system necessitating higher maintenance of substations and transformers, frequent replacement of damaged components, and investments in tools, testing equipment, and safety measures. Further, the Petitioner stated that rising costs of spare parts and labour, along with the need to ensure system reliability, network availability, and compliance with safety standards, have contributed to the increase in R&M expenditure during the year.

The Commission has examined the submissions of the Petitioner. While the Commission acknowledges that certain components of the increased R&M expenditure pertain to essential maintenance activities required for ensuring system reliability and operational efficiency, it observes that the expenditure towards Mandatory Infrastructure Shifting (Diu City Projects) has been incurred as part of Government-led infrastructure development works and does not form part of routine operation and maintenance of the transmission system. Further, despite the clarifications sought in the first and second sets of data gaps on the same issue, the Petitioner has not furnished adequate supporting documents or detailed justification for the said expenditure.

Accordingly, the Commission is of the view that such expenditure cannot be considered as part of allowable R&M expenses for tariff determination, as it neither pertains to regular system maintenance nor directly contributes to service delivery for consumers. Therefore, the Commission disallows Rs. 15.27 Crore claimed under “Mandatory Infrastructure Shifting (Diu City Projects)” in the True-up of FY 2024-25.

However, the Commission directs the Petitioner to obtain separate approval for the “Mandatory Infrastructure Shifting (Diu City Projects)” amounting to Rs. 15.27 Crore by filing a capital investment Petition along with detailed project reports, approvals of the competent authority, cost-benefit analysis and all supporting documents in accordance with the JERC MYT Regulations, 2024.

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After excluding the above amount, the allowable R&M expenses for FY 2024-25 are approved at Rs. 28.27 Crore. The following table provides the R&M expenses submitted by the Petitioner and now trued-up by the Commission:

**TABLE 3-28 R&M EXPENSES TRUED-UP BY COMMISSION FOR FY 2024-25 (Rs. CRORE)**

Particulars	Approved in Tariff Order	Petitioner's Submission	Approved by Commission
R&M Expenses	23.98	43.54	28.27

The Commission approves R&M Expenses of Rs. 28.27 Crore for FY 2024-25.

### **3.23 Administrative and General (A&G) Expenses**

#### **Petitioner's submission:**

The Petitioner has incurred actual A&G Expense to the tune of Rs 20.39 Crore against the approved expense of Rs. 9.68 Crore in the Tariff Order.

#### **Commission's Analysis:**

The Commission has observed that the A&G expenses as per audited accounts for FY 2024-25 is to the tune of Rs. 20.39 Crore including incentive expenses incurred on account of recover of arrears. Based on break-up of the A&G expense, it is noted that the Petitioner has included an amount of Rs. 10.73 Crore under the A&G head towards 'celebration expenses'. It is important to highlight that such expenses are discretionary in nature and not directly linked to the core functions of power transmission. In line with established regulatory principles, only those expenses that are prudent, necessary, and directly attributable to the utility's operational efficiency are permissible under the A&G head within the ARR framework. As celebration-related costs do not enhance service delivery or provide tangible consumer benefits, their inclusion in the tariff is not justifiable and is therefore disallowed. Any such expenses not attributable to the core business and/or not causing enhancement in the operational efficiency of the utility maybe met by the Petitioner from its own profit and should not be burden the consumers.

After excluding the above amount, the allowable A&G expenses for FY 2024-25 are approved at Rs. 9.60 Crore

Based on the methodology adopted by the Commission in approving the Employee Expenses and R&M Expenses for FY 2024-25 in the previous sections, the following table provides the A&G expenses approved by the Commission in the Tariff Order, Petitioner's submission and now trued-up by the Commission:

**TABLE 3-29 A&G EXPENSES TRUED-UP BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in Tariff Order	Petitioner's Submission	Approved by Commission
A&G Expenses	9.68	20.39	9.60

The Commission approves A&G Expenses of Rs.9.60 Crore for FY 2024-25.

### 3.24 Total Operation & Maintenance (O&M) Expenses

The following table provides the O&M Expenses, as approved by the Commission in the Tariff Order, Petitioner's Submission, and O&M Expenses trued-up by Commission:

**TABLE 3-30 TOTAL O&M EXPENSES TRUED-UP BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in Tariff Order	Petitioner's Submission	Approved by Commission
Employee Expenses	5.40	5.18	5.18
R&M Expenses	23.98	43.54	28.27
A&G Expenses	9.68	20.39	9.60
<b>Total O&amp;M Expenses</b>	<b>39.06</b>	<b>69.11</b>	<b>43.06</b>

### 3.25 Capital Expenditure and Capitalization

#### Petitioner's Submission:

The Petitioner has claimed Rs. 9.53 Crore towards actual capitalization for FY 2024-25, as against Rs. 9.00 Crore approved in the Tariff Order. The summary of capital expenditure incurred during FY 2024-25 is tabulated below:

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**TABLE 3-31 CAPITAL EXPENDITURE AND CAPITALISATION CLAIMED FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in Tariff Order	Actual
Capital Expenditure	9.00	9.53
Capitalisation	9.00	9.53

**Commission’s Analysis:**

The Petitioner has claimed capitalization of Rs. 9.53 Crore in the True-Up of FY 2024-25 as against Rs. 9.00 Crore approved in the Tariff Order. The Commission directed the Petitioner to submit supporting documents for the CAPEX and capitalisation detailed in the Petition. In response, the Petitioner submitted the details of capital expenditure and capitalisation along with the Fixed Asset Register (FAR) as part of its reply to the first set of data gaps.

The Commission has examined the submissions of the Petitioner with regard to capital expenditure and capitalisation of assets. The Commission observes that the capital expenditure and capitalisation incurred towards furniture, IT equipment, office equipment, transformers and allied equipment are necessary for efficient operation of the utility and were already approved vide Tariff Order dated 30<sup>th</sup> March, 2023 during the ARR for FY 2023-24 under Petition No. 94/2022. Accordingly, the Commission allows the same.

Accordingly, the Commission has validated the Petitioner’s submissions with the Annual Audited Accounts and the Fixed Asset Register for FY 2024-25, wherein the overall capitalisation is observed at Rs. 9.53 Crore. The Commission approves the capitalization of Rs. 9.53 Crore as claimed by the Petitioner.

The Petitioner has also considered the opening Gross Fixed Assets (GFA) for FY 2024-25 as Rs. 248.62 Crore based on the closing GFA approved in the True-Up of FY 2023-24. The Commission finds the same to be in order and, accordingly, considers it for the present True-Up.

Accordingly, the Commission approves the opening GFA, addition to GFA during the year, and closing GFA for FY 2024-25 as shown in the table below:

**TABLE 3-32 APPROVED CAPITALISATION FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Opening GFA	356.58	248.62
Addition to GFA	9.53	9.53
Deletion to GFA	-	-
Closing GFA	366.11	258.15
Normative Debt @ 70%	6.67	6.67
Normative Equity @ 30%	2.86	2.86

### 3.26 Depreciation

#### Petitioner's Submission:

The Petitioner has submitted that the depreciation has been worked out after applying the depreciation rates, as per the JERC (Multi Year Distribution Tariff) Regulations, 2021. For computation of depreciation, Petitioner has considered the opening balance of the GFA for FY 2024-25 as per the audited annual accounts (Excluding Solar Assets) and subsequently added the assets capitalized during FY 2024-25. The same has been tabled below:

**TABLE 3-33 DEPRECIATION CLAIMED BY PETITIONER FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Actual
Opening GFA	248.62	356.58
Addition during the year	9.00	9.53
Disinvestment during the year	-	-
Closing GFA	257.62	366.11
<b>Average GFA</b>	<b>253.12</b>	<b>361.35</b>
Depreciation Rate	5.50%	2.87%
<b>Depreciation during the year</b>	<b>13.92</b>	<b>10.37</b>

#### Commission's Analysis:

As per Regulation 31 of the JERC (Generation, Transmission & Distribution Multi Year Tariff) Regulations, 2021:

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*“31.1 The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission:*

*Provided that the depreciation shall be allowed after reducing the approved original cost of the retired or replaced or decapitalized assets:*

*Provided also that the no depreciation shall be allowed on the assets financed through consumer contribution, deposit work, capital subsidy or grant.*

*31.2 The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to a maximum of 90% of the capital cost of the asset.*

*Provided further that the salvage value of Information Technology equipment and computer software shall be considered at zero (0) percent of the allowable capital cost.*

*31.3 Land other than the land held under lease shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the assets.*

*31.4 In case of existing assets, the balance depreciable value as on April 1, 2022, shall be worked out by deducting the cumulative depreciation as admitted by the Commission up to March 31, 2021, from the gross depreciable value of the assets.*

*.....*

*31.6 For Transmission Licensee, the depreciation shall be calculated at rates and norms specified in the prevalent CERC Tariff Regulations for transmission system.”*

The Commission has gone through the Audited Accounts with respect to the Depreciation which was based on asset-wise depreciation rates as specified in the CERC (Terms and Conditions of Tariff) Regulations, 2024 that are applicable for FY 2024-25. The overall depreciation rate was observed to be 4.09%.

Accordingly, the Commission has considered the same depreciation rate and has arrived at the depreciation values as tabled below:

**TABLE 3-34 DEPRECIATION APPROVED BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Opening GFA	356.58	248.62
Addition during the year	9.53	9.53
Disinvestment during the year	0.00	0.00
Closing GFA	366.11	258.15
Average GFA	<b>361.35</b>	<b>253.39</b>
Depreciation rate (%)	2.87%	4.09%
<b>Depreciation during the year</b>	<b>10.37</b>	<b>10.36</b>

The Commission, accordingly, approves the depreciation of Rs. 10.36 Crore for FY 2024-25.

### **3.27 Interest Expenses**

#### **Petitioner's Submission:**

The Petitioner has considered the opening loan balance for FY 2024-25 as approved by the Commission in its Tariff Order dated 17th September, 2025. The normative loan addition in FY 2024-25 has been computed as 70% of the capitalization for FY 2024-25. The repayment of loans has been considered equal to the depreciation during FY 2024-25.

Further, the Petitioner has considered the rate of interest of 9.65 % (Using State Bank of India Prime Lending Rate (SBI PLR) as on 01.04.2024 plus 100 basis points). Accordingly, the interest and finance charges submitted by the Petitioner as shown in the table below.

**TABLE 3-35 INTEREST AND FINANCE CHARGES CLAIMED FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Actual
Opening Loan	0.14	0.13
Loan for additional Capex (70:30 debt equity)	6.30	6.67
Loan Repayment	13.92	10.37
Closing Loan	0.00	-3.57
Interest Rate	9.65%	9.65%
<b>Interest cost on Avg. Loans</b>	<b>0.01</b>	<b>0.00</b>

**Commission’s Analysis:**

The Commission has considered closing balance approved in truing-up of FY 2023-24 as opening normative loan balance for FY 2024-25, addition to loan during the year is considered at 70% of net value of assets added during the year and repayment is considered equal to the depreciation for the year.

As per Regulation 29.4 of the JERC (MYT) Regulations, 2021, in case there is no actual loan portfolio for the licensee, the rate of interest of shall be equal to the SBI MCLR as on 1<sup>st</sup> April of the relevant financial year plus 100 basis points. The relevant excerpt of the aforesaid Regulations is stipulated as under:

***“29 Interest on Loan***

*29.4 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each Year applicable to the Transmission Licensee or the Distribution Licensee:*

*Provided that at the time of truing up, the weighted average rate of interest calculated on the basis of the actual loan portfolio during the Year applicable to the Transmission Licensee or the Distribution Licensee shall be considered as the rate of interest after prudence check:*

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

*Provided further that if the Transmission Licensee or the Distribution Licensee does not have actual loan, then one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points shall be considered as the rate of interest for the purpose of allowing the interest on the normative loan.*

*...”*

As the Petitioner has not availed any actual loan, the Commission has approved the Interest on Loan in line with the fourth proviso of Regulation 29.4 of the JERC (MYT) Regulations, 2021. The Commission observes that the closing balance of loan is negative and has therefore considered the closing loan balance as nil. Accordingly, the Interest on Loan has been computed based on normative principles, applying an interest rate of 9.65%, derived from the State Bank of India Marginal Cost of Funds based Lending Rate as on 1st April 2024 plus 100 basis points.

The following table provides the Interest on Loan, approved by the Commission in the Tariff Order, Petitioner’s submission and now trued-up by the Commission:

**TABLE 3-36 INTEREST APPROVED BY THE COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner’s Submission	Approved by Commission
Opening Loan	0.13	0.13
Loan for additional Capex (70:30 debt equity)	6.67	6.67
Loan Repayment	10.37	10.36
Closing Loan	-3.57	0.00
Average Loan	-1.72	0.07
Interest Rate	9.65%	9.65%
<b>Interest cost on Avg. Loans</b>	<b>0.00</b>	<b>0.01</b>

The Commission, accordingly, approves Rs.0.01 Crore Interest on Loan for FY 2024-25.

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### 3.28 Return on Equity

#### Petitioner's Submission:

The Petitioner has claimed a sum of Rs. 2.56 Crore towards return on equity for FY 2024-25, as against Rs. 2.55 Crore approved in Tariff Order. The Petitioner submitted that closing balance of equity has been arrived at considering additional equity of 30% of the capitalisation during the year, as tabled below:

**TABLE 3-37 RETURN ON EQUITY CLAIMED BY THE PETITIONER FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Actual
Opening Equity	15.09	15.09
Equity Addition	2.70	2.86
Closing Equity	17.79	17.95
Average Equity	16.44	16.52
Rate of Return (%)	15.50%	15.50%
<b>Return on Capital Base</b>	<b>2.55</b>	<b>2.56</b>

#### Commission's Analysis:

The Commission has approved the closing balance of normative equity of Rs. 15.09 Crore in its truing-up Order for FY 2023-24. As per Regulation 28 of the JERC MYT Tariff Regulations, 2021, return on equity shall be allowed for the assets put to use for the transmission licensee in accordance with prevailing CERC Tariff Regulations, thus, addition to equity during the year is considered at 30% of net value of assets added during the year. The relevant excerpt of the aforesaid regulation is stipulated as under:

*"28. Return on Equity .....*

*28.1 Return on equity shall be computed on the paid up equity capital determined in accordance with Regulation 27 for the assets put to use for the Transmission Licensee and shall be allowed in accordance with the prevalent CERC Tariff Regulations for transmission system."*

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Further, in this regard, the Regulation 30(2) of the CERC (Terms and Conditions of Tariff) Regulations, 2024 stipulates the following:

*“30. Return on Equity: .....*

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

Since the Petitioner has not paid any income tax during FY 2024-25, the Commission has approved the return on equity without grossing it up by the effective tax rate.

The following table presents the Return on Equity as per the Petitioner’s submission and as approved by the Commission upon True-Up.

**TABLE 3-38 RETURN ON EQUITY APPROVED FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner’s Submission	Approved by Commission
Opening Equity	15.09	15.09
Equity Addition	2.86	2.86
Closing Equity	17.95	17.95
Average Equity	16.52	16.52
Rate of Return	15.50%	15.50%
<b>Total Return on Equity</b>	<b>2.56</b>	<b>2.56</b>

The Commission accordingly, approves the return on equity of Rs. 2.56 Crore for FY 2024-25.

### **3.29 Interest on Working Capital**

#### **Petitioner’s Submission:**

The Petitioner has submitted the computation of interest on working capital based on the principles outlined in the JERC (Generation, Transmission & Distribution Multi Year Tariff), Regulations, 2021, by considering the below parameters:

- a) Receivables equivalent to 45 days of annual fixed cost.
- b) Maintenance spares @15% of operation and maintenance expenses including security expenses.
- c) Operation and maintenance expenses, including security expenses for one month.

The Petitioner has considered rate of interest on working capital as 10.65 % (SBI Base Rate plus 200 basis points).

**TABLE 3-39 INTEREST ON WORKING CAPITAL CLAIMED FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Petitioner's Submission
Receivables equivalent to 45 days of Annual Fixed Cost	6.98	10.46
Maintenance spares @15% of operation and maintenance expenses	5.86	10.37
Operation and maintenance expense for one month	3.25	5.76
Total Working Capital	16.09	26.59
Interest Rate (%)	10.65%	10.65%
<b>Interest on Working Capital</b>	<b>1.71</b>	<b>2.83</b>

### Commission's Analysis:

The computation of working capital requirements and the rate of interest to be considered are stipulated under Regulation 43.1 of the JERC MYT Regulations, 2021. Regulation 43.1 of the JERC (Generation, Transmission & Distribution Multi Year Tariff), Regulations, 2021, states the following with regard to interest on working capital calculation:

*43.1 The Transmission Licensee shall be allowed interest on the estimated level of working capital for the Financial Year computed in accordance with prevalent CERC Tariff Regulations “*

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Further, Regulation 34 of the CERC (Terms and Conditions of Tariff) Regulations, 2019 that are applicable for FY 2024-25 specifies:

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

*.....*

*(c) Hydro generating station including pumped storage hydro-electric generating station and transmission system including communication system:*

*i. Receivables equivalent to 45 days of annual fixed cost;*

*ii. Maintenance spares @ 15% of operation and maintenance including security expenses and*

*iii. Operation and maintenance expense, including security expenses, for one month.”*

Regulation 32 of the JERC (Generation, Transmission & Distribution Multi Year Tariff), Regulations, 2021, states the following with regard to interest rate to be considered on working capital calculation:

*“32. Interest on Working Capital*

*32.1 The norms for working capital for Transmission Licensee shall be as specified in Chapter 5 of these Regulations.*

*32.2 The norms for working capital for Distribution Wires Business and Retail Supply Business shall be as specified in Chapter 6 and Chapter 7 of these Regulations.*

*32.3 The interest on working capital shall be a payable on normative basis notwithstanding that the Licensee has not taken working capital loan from any outside agency or has exceeded the working capital loan based on the normative figures.*

*32.4 The rate of interest on working capital shall be equal one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable*

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*as on 1st April of the Financial Year in which the Petition is filed plus 200 basis points.”*

Accordingly, the Commission has computed the working capital requirement for the Petitioner for financial year 2024-25. As per the applicable Regulations, receivables are to be considered equivalent to 45 days of the Annual Fixed Cost. The Commission observes that, while computing the same, the Petitioner has inadvertently not deducted the Non-Tariff Income from the Annual Fixed Cost. The Commission has therefore considered the Annual Fixed Cost net of Non-Tariff Income for the purpose of computing receivables and has accordingly recalculated the Interest on Working Capital. The Interest on Working Capital has been computed considering the applicable interest rate as State Bank of India Marginal Cost of Funds based Lending Rate as on 1st April 2024 plus 200 basis points, i.e., 10.65%.

Based on the O&M expenses and other expenses now approved in the Truing up, the working capital and interest thereon calculated is detailed in the table below:

**TABLE 3-40 INTEREST ON WORKING CAPITAL APPROVED FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Receivables equivalent to 45 days of Annual Fixed Cost	10.46	6.60
Maintenance spares @15% of operation and maintenance expenses	10.37	6.46
Operation and maintenance expense for one month	5.76	3.59
Total Working Capital	26.59	16.65
Interest Rate (%)	10.65%	10.65%
<b>Interest on Working Capital</b>	<b>2.83</b>	<b>1.77</b>

As indicated above, the Commission approves the interest on working capital as Rs. 1.77 Crore for FY 2024-25.

### **3.30 Non-Tariff Income**

#### **Petitioner's Submission:**

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The Petitioner has claimed Rs. 4.90 Crore towards Non-Tariff Income for FY 2024-25 as against the approved value of Rs. 0.63 Crore by the Commission in its Tariff Order.

**TABLE 3-41 NON-TARIFF INCOME CLAIMED FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Petitioner's Submission
Miscellaneous Income		0.52
SLDC Charges		0.01
Interest Income		3.13
Lease Rent		0.96
SCED		0.27
<b>Non-Tariff Income</b>	<b>0.63</b>	<b>4.90</b>

**Commission's Analysis:**

As regards to Non-Tariff Income, Regulation 44 of the JERC MYT Regulations, 2021 stipulates as follows.

***"44. Non-Tariff Income***

*44.1 The amount of Non-Tariff Income relating to the transmission business as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in determining annual transmission charges of the Transmission Licensee:*

*Provided that the Transmission Licensee shall submit full details of its forecast of Non-Tariff Income to the Commission along with its application for determination of Aggregate Revenue Requirement.*

*44.2 The Non-Tariff Income shall inter-alia include:*

- a) Income from rent on land or buildings;*
- b) Income from sale of scrap in excess of 10% of the salvage value;*
- c) Income from statutory investments;*
- d) Interest on advances to suppliers/contractors;*
- e) Rental from staff quarters;*

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- f) Rental from contractors;*
- g) Income from hire charges from contactors and others;*
- h) Income from advertisements, etc.;*
- i) Miscellaneous receipts like parallel operation charges;*
- j) Deferred Income from grant, subsidy, etc., as per Annual Accounts;*
- k) Excess found on physical verification;*
- l) Interest on investments, fixed and call deposits and bank balances;*
- m) Prior period income, etc.:*

*Provided that the interest/dividend earned from investments made out of Return on Equity corresponding to the Licensed Business of the Transmission Licensee shall not be included in Non-Tariff Income.”*

The Commission, in accordance with Regulation 44 of the MYT Regulations, 2021, as mentioned above, notes that the Non-Tariff Income as per the Annual Audited Accounts for FY 2024-25 amounts to Rs. 5.11 Crore, whereas the Petitioner has claimed Rs. 4.90 Crore. The Commission sought clarification on this variation in the first and second sets of data gaps.

In response, the Petitioner submitted that the difference of Rs. 0.207 Crore is on account of the subtraction of prior period expenses towards Security Constrained Economic Despatch, classified under “Miscellaneous Income”, as submitted in the second set of replies under Annexure-E.

The Commission has examined the submissions, and after reviewing the justification and supporting documents furnished by the Petitioner, accepts the same and allows the Non-Tariff Income as claimed.

The NTI as claimed by the Petitioner and as approved by the Commission in the True-Up is presented in the table below.:

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**TABLE 3-42 NON-TARIFF INCOME APPROVED FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Non-Tariff Income	4.90	4.90

Accordingly, the Commission approves Non-Tariff Income of Rs. 4.90 Crore in the true-up of FY 2024-25.

### **3.31 Transmission System Availability**

#### **Petitioner's Submission:**

The Petitioner has submitted its transmission system availability of 99.97% for FY 2024-25. The Petitioner has requested that the incentive for higher transmission system availability of Rs. 1.27 Crore may be allowed.

#### **Commission's Analysis:**

As per JERC (MYT) Regulations, 2021, incentive on achieving the higher transmission system availability shall be in accordance with the CERC Tariff regulations, 2024.

The Commission has reviewed and verified the transmission system availability report submitted by the Petitioner and approves the transmission system availability of the Licensee for FY 2024-25 at 99.97% as against the target availability of 98.50%. The Commission observes that the Petitioner has not deducted Non-Tariff Income (NTI) while computing the Annual Fixed Charges (AFC), resulting in an overstatement of the incentive claimed.

Accordingly, the Commission has recomputed the incentive after duly considering the AFC, after deduction of NTI, and has determined the incentive for achieving higher transmission system availability for FY 2024-25 in accordance with the provisions of the CERC Tariff Regulations, 2024 as Rs. 0.67 Crore.

**TABLE 3-43 INCENTIVE ON TRANSMISSION SYSTEM AVAILABILITY FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Net ARR (Rs. Crore)	<b>81.24</b>	<b>53.53</b>
Actual System Availability (%)	99.97%	99.97%
Target Availability for Incentive (%)	98.50%	98.50%
<b>Incentive (Rs. Crore)</b>	<b>1.27</b>	<b>0.67</b>

Accordingly, the Commission approves an incentive of Rs. 0.67 Crore towards higher transmission system availability for the True-Up of FY 2024-25.

### 3.32 Aggregate Revenue Requirement (ARR)

#### Petitioner's Submission:

Based on the expenses detailed above, the Petitioner has submitted a net Aggregate Revenue Requirement (ARR) of Rs. 68.84 Crore for approval in the True-up of FY 2024-25, after adjustment of the surplus of Rs. 12.40 Crore pertaining to the end of FY 2021-22, as approved in the Tariff Order dated 30th March, 2023 in Petition No. 94/2022.

**TABLE 3-44 NET ARR SUBMITTED BY THE PETITIONER FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Actual
O&M Expense	39.05	69.11
Depreciation	13.92	10.37
Interest cost on long-term capital Loans	0.01	0.00
Interest on Working Capital Loans	1.71	2.83
Return on Equity	2.55	2.56
Incentive for Transmission availability	0.00	1.27
<b>Total</b>	<b>57.24</b>	<b>86.14</b>
Less: Non-Tariff Income	0.63	4.90
<b>Total ARR</b>	<b>56.61</b>	<b>81.24</b>
Surplus at the end of FY 2021-22	-	-12.40
<b>Net ARR</b>	<b>56.61</b>	<b>68.84</b>

#### Commission's Analysis:

The Commission observes that the Petitioner has claimed a surplus of Rs. 12.40 Crore pertaining to the end of FY 2021-22, as approved in the Tariff Order dated

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30th March, 2023 in Petition No. 94/2022. However, the Commission notes that vide the aforesaid Tariff Order, a cumulative surplus of Rs. 28.62 Crore was approved in the True-up of FY 2021-22. The Commission had further decided to adjust the said surplus gradually over a period of three years from FY 2023-24 to FY 2025-26 in order to streamline the revenue stream of the residual transmission entity of ED-DD. Accordingly, one-third of the approved surplus amounting to Rs. 9.54 Crore was to be adjusted in each year from FY 2023-24 to FY 2025-26. The relevant extract from the Tariff Order dated 30th March, 2023 in Petition No. 94/2022 is given below:

“3.26...

*The Commission, in the true-up of FY 2021-22 approves a cumulative surplus of INR 28.62 Cr. This standalone Gap has been adjusted by the Commission during upcoming Three years from FY 2023-24 to FY 2025-26 as the Commission has decided to gradually streamline the revenue stream of Residual Transmission Entity of EDDD.”*

The Commission further notes that during the True-up of FY 2023-24 vide Tariff Order dated 17th September, 2025 in Petition No. 147 of 2025, an amount of Rs. 9.54 Crore along with carrying cost was already adjusted. Accordingly, an amount of Rs. 9.54 Crore along with carrying cost is being adjusted in the True-up of FY 2024-25 as second installment.

Further, the Commission observes that the Petitioner has computed carrying cost on the surplus by considering compound interest. However, as per Regulation 12.5(c) of the JERC MYT Regulations, 2021, carrying cost is required to be computed based on simple interest. Accordingly, the carrying cost computation for the surplus at the end of FY 2021-22 is given below:

**TABLE 3-45 CARRYING COST COMPUTATION FOR THE SURPLUS AT THE END OF FY 2021-22 (Rs. CRORE)**

Sl. No.	Particulars	Petitioner's Submission	Approved by Commission
1	Gap/ (Surplus) at the end of FY 2021-22	-9.54	-9.54
a.	Interest for FY 2022-23 [(SBI MCLR +1%) @8%] for 1 year	-	-0.76
b.	Interest for FY 2023-24 [(SBI MCLR +1%) @9.5%] for 1 year	-	-0.91
c.	interest rate for FY 2024-25 [(SBI MCLR +1%) @ 9.65%] for 1 year	-	-0.92
<b>d.</b>	<b>Total</b>	<b>-12.40</b>	<b>-12.13</b>

Based on the detailed analysis of the cost parameters of the Aggregate Revenue Requirement, the Commission approves the net ARR for the True-Up of FY 2024-25 as presented in the table below:

**TABLE 3-46 NET ARR APPROVED BY COMMISSION FOR FY 2024-25 (Rs. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
O&M Expense	69.11	43.06
Depreciation	10.37	10.36
Interest cost on long-term capital Loans	0.00	0.01
Interest on Working Capital Loans	2.83	1.77
Return on Equity	2.56	2.56
Incentive for Transmission availability	1.27	0.67
<b>Total</b>	<b>86.14</b>	<b>58.43</b>
Less: Non-Tariff Income	4.90	4.90
<b>Net ARR</b>	<b>81.24</b>	<b>53.53</b>
Surplus at the end of FY 2021-22	-12.40	-12.13
<b>Net ARR</b>	<b>68.84</b>	<b>41.40</b>

The Commission approves net Aggregate Revenue Requirement of Rs. 41.40 Crore in the true-up of FY 2024-25.

### 3.33 Revenue for FY 2024-25

#### Petitioner's Submission:

The Petitioner has submitted an actual revenue to the tune of Rs. 39.95 Crore for FY 2024-25, against Rs. 41.27 Crore approved by the Commission vide its Tariff Order dated.

**TABLE 3-47 REVENUE CLAIMED BY THE PETITIONER FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Actual
Revenue from transmission of power	41.27	39.95

### **Commission's Analysis:**

The Commission has observed that the revenue recovered by the Petitioner during FY 2024-25, as per the Audited Accounts, amounts to Rs. 39.95 Crore excluding non-tariff income and excluding prompt rebate of Rs. 0.413 Crore. However, the Commission has considered the entire revenue excluding non-tariff income and including the prompt rebate income of Rs. 0.413 Crore in accordance with the provisions of the JERC MYT Regulations, 2021, wherein the total revenue from sale of power for the purpose of True-up is to be considered on billed basis without deduction of prompt payment rebate. Accordingly, the Commission approves the revenue from approved tariff for FY 2024-25 at Rs. 40.37 Crore, as given in the table below:

**TABLE 3-48 REVENUE APPROVED BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Revenue from transmission of power	39.95	40.37

### **3.34 Standalone Revenue Gap/(Surplus)**

#### **Petitioner's Submission:**

Based on the ARR and the revenue from retail tariff, the standalone revenue gap of Rs. 28.89 Crore is arrived in the true-up of FY 2024-25.

**TABLE 3-49 GAP/(SURPLUS) SUBMITTED BY PETITIONER FOR FY 2024-25 (Rs. CRORE)**

Particulars	Approved in the Tariff Order	Actual
Annual Revenue Requirement	56.61	68.84
Revenue from transmission of power	41.27	39.95
<b>Revenue Gap/(Surplus)</b>	<b>15.34</b>	<b>28.89</b>

**Commission's Analysis:**

Based on the component-wise approved in aforesaid paragraphs of this Chapter, the Commission has approved overall Net Revenue gap/ (surplus) for FY 2024-25 as per table below:

**TABLE 3-50 STANDALONE GAP/(SURPLUS) APPROVED BY COMMISSION FOR FY 2024-25 (Rs. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Annual Revenue Requirement	68.84	41.40
Revenue from transmission of power	39.95	40.37
<b>Revenue Gap/ (Surplus)</b>	<b>28.89</b>	<b>1.03</b>

Accordingly, the Commission, in the true-up of FY 2024-25 approves a gap of Rs. 1.03 Crore.

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## **SECTION -III TRUING-UP FOR FY 2024-25 ED-DNH (PRIOR TO MERGER)**

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### **3.35 Approach for the True-Up of FY 2024-25**

The Petitioner has submitted audited accounts for FY 2024-25 audited by the statutory auditor M/s N Kumar & Associated Chartered Accountants. The Commission has now carried out the true-up of FY 2024-25 in accordance with the principles laid down in the JERC MYT Tariff Regulations, 2021.

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

As per Regulation 42 of the JERC (Generation, Transmission & Distribution MYT) Regulations, 2021:

*“42.1 Operation and Maintenance (O&M) expenses shall comprise of the following:*

- a) Employee expenses - salaries, wages, pension contribution and other employee costs;*
- b) Administrative and General expenses including insurance charges if any; and*
- c) Repairs and Maintenance expenses.*

*42.5 For the purpose of estimation, the same value of factors – CPI inflation and WPI inflation shall be used for all Years of the Control Period. However, the Commission shall consider the actual values of the factors – CPI inflation and WPI inflation during the truing up exercise for the Year for which true up is being carried out and true up the O&M Expenses for that Year, only to the extent of inflation.*

As per the regulations stated above, the CPI and WPI inflation indices considered for the computation of normative O&M expenses are presented in the table below.

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**TABLE 3-51 INFLATION COMPUTATION**

Indices	2023-24	2024-25
WPI	151.42	154.86
% Increase		2.27%
CPI	397.20	410.64
% Increase		3.38%

As above, the components comprising of the O&M expenses– employee expenses, R&M expenses and A&G expenses have been discussed separately below.

### **3.37 Employee Expenses**

#### **Petitioner’s Submission:**

The Petitioner has incurred actual Employee Expense to the tune of Rs. 3.79 Crore against the approved expenses of Rs. 3.49 Crore in the Tariff Order.

#### **Commission’s Analysis:**

The employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses. The Petitioner has submitted actual employee cost for FY 2024-25 as Rs. 3.79 Crore.

In order to allow the O&M expenses for FY 2024-25, the Commission has considered Regulation 42.2 and 42.5 of the JERC MYT Regulations, 2021 which specifies the following:

*“42. Operation and Maintenance (O&M) expenses for Transmission Licensees*

*42.2 The Transmission Licensee shall submit the required O&M expenses for the Control Period as a part of Multi Year Tariff Petition. O&M expenses for the base Year shall be approved by the Commission taking into account the latest available audited accounts, business plan filed by the transmission Licensee, estimates of the actuals for the base Year, prudence check and any other factors considered appropriate by the Commission.*

*42.5 For the purpose of estimation, the same value of factors – CPIinflation and WPIinflation shall be used for all Years of the Control Period. However,*

*the Commission shall consider the actual values of the factors – CPIinflation and WPIinflation during the truing up exercise for the Year for which true up is being carried out and true up the O&M Expenses for that Year, only to the extent of inflation.”*

It is to be noted that ED-DNH remained unaffected during the restructuring process and therefore the O&M norms are required to be determined on a case-to-case basis. Accordingly, in line with the above Regulations, the Commission has computed the revised norms based on the approved Employee Expenses for FY 2023-24 along with escalation based on CPI for FY 2024-25. The calculation of the revised normative Employee Expenses is provided in the table below:

**TABLE 3-52 EMPLOYEE EXPENSES TRUED-UP BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Employee Expenses approved in FY 2023-24 (a)	CPI Index for FY 2024-25 (b)	Revised Normative Employee Expenses $c=a*(1+b)$
Employee Expenses	3.38	3.38%	3.49

The following table provides the employee expenses approved by the Commission in the Tariff Order, Petitioner’s submission and now trued-up by the Commission:

**TABLE 3-53 EMPLOYEE EXPENSES TRUED-UP BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in Tariff Order	Petitioner's Submission	Revised Normative	Approved by Commission
Employee Expenses	3.49	3.79	3.49	3.49

Accordingly, the Commission approves Employee Expenses of Rs. 3.49 Crore for FY 2024-25.

### **3.38 Repair & Maintenance (R&M) Expenses**

#### **Petitioner’s submission:**

The Petitioner has incurred actual R&M Expense to the tune of Rs. 4.35 Crore against the approved expenses of Rs. 2.93 Crore in the Tariff Order. The Petitioner has submitted that major component due to which the R&M expenses have

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increased is O&M expenses of all sub-station, security expenses and consumption of spare parts for maintenance of sub-station.

**Commission's Analysis:**

As per the approach and methodology adopted while allowing employee expenses in earlier section, the Commission has considered Regulation 42.2 and 42.6 of the JERC MYT Regulations, 2021 for allowing R&M expenses which specifies the following:

*"42. Operation and Maintenance (O&M) expenses for Transmission Licensees*

*42.2 The Transmission Licensee shall submit the required O&M expenses for the Control Period as a part of Multi Year Tariff Petition. O&M expenses for the base Year shall be approved by the Commission taking into account the latest available audited accounts, business plan filed by the transmission Licensee, estimates of the actuals for the base Year, prudence check and any other factors considered appropriate by the Commission.*

*42.5 For the purpose of estimation, the same value of factors – CPI inflation and WPI inflation shall be used for all Years of the Control Period. However, the Commission shall consider the actual values of the factors – CPI inflation and WPI inflation during the truing up exercise for the Year for which true up is being carried out and true up the O&M Expenses for that Year, only to the extent of inflation."*

Therefore, in view of above, the Commission has computed the Revised Normative R&M expenses for FY 2024-25 to be allowed in truing-up. In accordance with the aforementioned Regulation, the Commission has determined the normative R&M expenses by considering the k-factor determined in the MYT Order and WPI inflation for FY 2024-25, as presented in the table below:

**TABLE 3-54 NORMATIVE R&M EXPENSES FOR FY 2024-25 (RS. CRORE)**

Particulars	Revised Normative R&M
Opening GFA	301.04
K-Factor	0.95%
WPI Inflation for FY 2024-25	2.27%
<b>Normative R&amp;M Expenses</b>	<b>2.92</b>

The Commission observes that the increase in the R&M Expenses as compared to the normative R&M Expenses approved in the Tariff Order is mainly due to increase in AMC costs and repair and maintenance of 220 kV substations and transmission lines. However, the Commission has approved the R&M Expenses based on normative values. The following table provides the R&M Expenses approved by the Commission in the Tariff Order, the claims submitted by the Petitioner and the R&M Expenses now trued-up by the Commission.:

**TABLE 3-55 R&M EXPENSES TRUED-UP BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in Tariff Order	Petitioner's Submission	Revised Normative R&M	Approved by Commission
R&M Expenses	2.93	4.35	2.92	2.92

The Commission approves R&M Expenses of Rs. 2.92 Crore for FY 2024-25.

### 3.39 Administrative and General (A&G) Expenses

#### **Petitioner's submission:**

The Petitioner has incurred actual A&G Expense to the tune of Rs 1.21 Crore against the approved expense of Rs. 1.37 Crore in the Tariff Order.

#### **Commission's Analysis:**

Based on the methodology adopted by the Commission for approval of Employee Expenses and R&M Expenses for FY 2024-25 in the preceding sections, the following table presents the A&G Expenses approved by the Commission in the Tariff Order, the claims submitted by the Petitioner and the revised normative A&G Expenses calculated by the Commission using CPI inflation for FY 2024-25, as detailed in the table below:

**TABLE 3-56 A&G EXPENSES TRUED-UP BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	A&G approved in FY 2023-24 (a)	CPI Index for FY 2024-25 (b)	Revised Normative A&G $c=a*(1+b)$
A&G Expenses	1.33	3.38%	1.37

The revised normative A&G Expenses determined by the Commission are higher than the actual A&G Expenses claimed by the Petitioner. Accordingly, for the purpose of sharing of gains/(losses), the Commission has considered the deviation of actual A&G Expenses with reference to the revised normative A&G Expenses. Since the revised normative A&G Expenses for FY 2024-25 are higher than the actual A&G Expenses incurred by the Petitioner, the Petitioner is eligible for sharing of gains on account of such deviation in A&G Expenses:

**TABLE 3-57 A&G EXPENSES TRUED-UP BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in Tariff Order	Petitioner's Submission	Revised Normative A&G	Approved by Commission
A&G Expenses	1.37	1.21	1.37	1.21

The Commission approves A&G Expenses of Rs. 1.21 Crore for FY 2024-25.

### 3.40 Total Operation & Maintenance (O&M) Expenses

The following table provides the O&M Expenses, as approved by the Commission in the Tariff Order, Petitioner's Submission, and O&M Expenses trued-up by Commission:

**TABLE 3-58 TOTAL O&M EXPENSES TRUED-UP BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in Tariff Order	Petitioner's Submission	Approved by Commission
Employee Expenses	3.49	3.79	3.49
R&M Expenses	2.93	4.35	2.92
A&G Expenses	1.37	1.21	1.21
<b>Total O&amp;M Expenses</b>	<b>7.79</b>	<b>9.35</b>	<b>7.62</b>

### 3.41 Sharing of Gain / (Loss)

The Commission observes that ED-DD remained unaffected during the course of restructuring and is therefore entitled for sharing of gains/(losses) in accordance

with the mechanism specified under Regulations 13.2 and 15 of the JERC MYT Regulations relating to treatment of controllable factors. As regards the mechanism for pass-through of gains and losses on account of controllable factors, Regulations 15 of the JERC MYT Regulations stipulate as follows:

*“15 Mechanism for sharing of gains or losses on account of controllable factors*

*15.1 Approved aggregate gain to the Transmission Licensee or Distribution Licensee on account of controllable factors shall be shared equally between Licensee and Consumers:*

*15.2 Approved aggregate loss, if any to the Transmission Licensee or Distribution Licensee on account of controllable factors shall be on account of the Licensee, and shall not be passed to the Consumers.*

*15.3 The mechanism for sharing of gains or losses on account of controllable factors for a Generating Company shall be as specified in the prevalent CERC Tariff Regulations:*

As per the above provisions, the O&M expenses as per JERC MYT Regulations, 2021 are controllable and the approved aggregate gain to the Transmission Licensee on account of controllable factors shall be shared equally between Licensee and Consumers. The overall gains/losses on account of O&M expenses is tabulated as under:

**TABLE 3-59 SHARING OF GAINS / (LOSS) FOR O&M EXPENSES FOR FY 2024-25**

Particulars	Revised Normative	Petitioner's Submission	Approved by Commission	Sharing of Gains/(Losses)
Employee Expenses	3.49	3.79	3.49	-
R&M Expenses	2.92	4.35	2.92	-
A&G Expenses	1.37	1.21	1.21	0.08
<b>Total O&amp;M Expenses</b>	<b>7.79</b>	<b>9.35</b>	<b>7.62</b>	<b>0.08</b>

Since, trued-up O&M Expenses are lower than the Normative Expenses, the overall gain of Rs. 0.08 Crore will be shared with the Consumers.

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Accordingly, the Commission approves the sharing of Gain on account of Operation & Maintenance Expenses to the tune of Rs. 0.08 Crore for the true-up of FY 2024-25.

### 3.42 Capital Expenditure and Capitalization

#### **Petitioner's Submission:**

The Petitioner has claimed Rs. 0.94 Crore towards actual capital capitalization for FY 2024-25, as against Rs. 0.48 Crore approved in the Tariff Order. The summary of capital expenditure incurred during FY 2024-25 is tabulated below:

**TABLE 3-60 CAPITAL EXPENDITURE AND CAPITALISATION CLAIMED FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in Tariff Order	Actual
Capital Expenditure	7.84	10.995
Capitalisation	0.48	0.94

#### **Commission's Analysis:**

The Petitioner has claimed capitalization of Rs. 0.94 Crore in the True-up of FY 2024-25 as against Rs. 0.48 Crore approved in the Tariff Order. The Commission directed the Petitioner to submit supporting documents for the CAPEX and capitalization detailed in the Petition. In response, the Petitioner submitted details of capital expenditure and capitalization along with the Fixed Asset Register (FAR) as part of its reply to the first set of data gaps.

The Commission has examined the submissions of the Petitioner with regard to capitalization of assets and observes that the expenditure incurred towards furniture, IT equipment, office equipment, transformers and allied equipment is necessary for efficient operation of the utility and was already approved vide Tariff Order dated 30th March, 2023 in Petition No. 92/2022 during the ARR for FY 2023-24. Accordingly, after due examination of the submissions of the Petitioner, the Commission decides not to invoke the provisions of Regulation 8.5(d) of the JERC MYT Regulations, 2021 relating to adjustment of excess tariff/revenue along with

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interest at 0.9 times of the Carrying Cost on account of variation between approved and actual capitalization.

Further, the Commission has validated the Petitioner's submissions with the Annual Audited Accounts and the Fixed Asset Register for FY 2024-25, wherein the overall capitalization is observed at Rs. 0.94 Crore. Accordingly, the Commission approves capitalization of Rs. 0.94 Crore as claimed by the Petitioner.

The Petitioner has also considered the opening Gross Fixed Assets (GFA) for FY 2024-25 as Rs. 301.51 Crore based on the closing GFA approved in the True-Up of FY 2023-24. The Commission finds the same to be in order and, accordingly, considers it for the present True-Up.

Accordingly, the Commission approves the opening GFA, addition to GFA during the year, and closing GFA for FY 2024-25 as shown in the table below:

**TABLE 3-61 APPROVED CAPITALISATION FOR FY 2024-25 (Rs. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Opening GFA	301.51	301.51
Addition to GFA	0.94	0.94
Deletion to GFA	-	-
Closing GFA	302.45	302.45
Normative Debt @ 70%	0.66	0.66
Normative Equity @ 30%	0.28	0.28

### **3.43 Depreciation**

#### **Petitioner's Submission:**

The Petitioner has submitted that the depreciation rates has been considered as per the JERC MYT Regulations, 2021. The Petitioner has claimed depreciation of Rs. 12.98 Crore for FY 2024-25, as against Rs. 15.68 Crore approved in the Tariff Order, as detailed in table below:

**TABLE 3-62 DEPRECIATION CLAIMED BY PETITIONER FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Actual
Opening GFA	301.51	301.508
Addition during the year	0.48	0.94
Disinvestment during the year	-	-
Closing GFA	301.99	302.45
<b>Average GFA</b>	<b>301.75</b>	<b>301.978</b>
Depreciation Rate	5.20%	4.30%
<b>Depreciation during the year</b>	<b>15.68</b>	<b>12.98</b>

**Commission’s Analysis:**

As per Regulation 31 of the JERC (Generation, Transmission & Distribution Multi Year Tariff) Regulations, 2021:

*“31.1 The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission:*

*Provided that the depreciation shall be allowed after reducing the approved original cost of the retired or replaced or decapitalized assets:*

*Provided also that the no depreciation shall be allowed on the assets financed through consumer contribution, deposit work, capital subsidy or grant.*

*31.2 The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to a maximum of 90% of the capital cost of the asset.*

*Provided further that the salvage value of Information Technology equipment and computer software shall be considered at zero (0) percent of the allowable capital cost.*

*31.3 Land other than the land held under lease shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the assets.*

*31.4 In case of existing assets, the balance depreciable value as on April 1, 2022, shall be worked out by deducting the cumulative depreciation as*

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admitted by the Commission up to March 31, 2021, from the gross depreciable value of the assets.

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31.7 The depreciation for a Distribution Licensee shall be calculated annually, based on the Straight Line Method, over the Useful Life of the asset at rates specified Appendix I of these Regulations.

31.9 The Distribution Licensee shall provide the list of assets added during each Year of Control Period and list of assets completing 90% of depreciation in the Year along with Petition for annual performance review, true-up and tariff determination for ensuing Year.

31.10 The remaining depreciable value for a Depreciation Licensee shall be spread over the balance useful life of the asset, on repayment of the entire loan.”

The Commission has gone through the Audited Accounts with respect the Depreciation which was based on asset-wise depreciation rates as specified in the CERC (Terms and Conditions of Tariff) Regulations, 2024 that are applicable for FY 2024-25. The overall depreciation rate is observed to be 4.29%.

Accordingly, the Commission has considered the same depreciation rate and has arrived at the depreciation values as tabled below:

**TABLE 3-63 DEPRECIATION APPROVED BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Opening GFA	301.51	301.51
Addition during the year	0.94	0.94
Disinvestment during the year	-	-
Closing GFA	302.45	302.45
Average GFA	<b>301.98</b>	<b>301.98</b>
Depreciation rate (%)	4.30%	4.29%
<b>Depreciation during the year</b>	<b>12.98</b>	<b>12.96</b>

The Commission, accordingly, approves the depreciation of Rs. 12.96 Crore for FY 2024-25.

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### 3.44 Interest Expenses

#### Petitioner's Submission:

The Petitioner has considered the opening loan balance for FY 2024-25 as approved by the Commission in its Tariff Order dated 17th September, 2025. The normative loan addition in FY 2024-25 has been computed as 70% of the capitalization for FY 2024-25. The repayment of loans has been considered equal to the depreciation during FY 2024-25.

Further, the Petitioner has considered the rate of interest of 9.65 % (Using State Bank of India Prime Lending Rate (SBI PLR) as on 01.04.2024 plus 100 basis points). Accordingly, the interest and finance charges submitted by the Petitioner as shown in the table below.

**TABLE 3-64 INTEREST AND FINANCE CHARGES CLAIMED FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Actual
Opening Loan	4.03	4.03
Loan for additional Capex (70:30 debt equity)	0.34	0.66
Loan Repayment	12.98	12.98
Closing Loan	0.00	0.00
Interest Rate	9.65%	9.65%
<b>Interest cost on Avg. Loans</b>	<b>0.00</b>	<b>0.00</b>

#### Commission's Analysis:

The Commission has considered closing balance approved in truing-up of FY 2023-24 as opening normative loan balance for FY 2024-25, addition to loan during the year is considered at 70% of net value of assets added during the year and repayment is considered equal to the depreciation for the year.

As per Regulation 29.4 of the JERC (MYT) Regulations, 2021, in case there is no actual loan portfolio for the licensee, the rate of interest shall be equal to the SBI MCLR as on 1<sup>st</sup> April of the relevant financial year plus 100 basis points. The relevant excerpt of the aforesaid Regulations is stipulated as under:

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***“29 Interest on Loan***

*29.4 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each Year applicable to the Transmission Licensee or the Distribution Licensee:*

*Provided that at the time of truing up, the weighted average rate of interest calculated on the basis of the actual loan portfolio during the Year applicable to the Transmission Licensee or the Distribution Licensee shall be considered as the rate of interest after prudence check:*

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

*Provided further that if the Transmission Licensee or the Distribution Licensee does not have actual loan, then one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points shall be considered as the rate of interest for the purpose of allowing the interest on the normative loan.*

*...”*

As the Petitioner has not availed any actual loan, the Commission has approved the Interest on Loan in line with the fourth proviso of Regulation 29.4 of the JERC (MYT) Regulations, 2021. The Commission observes that the closing balance of loan is negative and has therefore considered the closing loan balance as nil. Accordingly, the Interest on Loan has been computed based on normative principles, applying an interest rate of 9.65%, derived from the State Bank of India Marginal Cost of Funds based Lending Rate as on 1<sup>st</sup> April 2024 plus 100 basis points.

The following table provides the Interest on Loan, approved by the Commission in the Tariff Order, Petitioner’s submission and now trued-up by the Commission:

**TABLE 3-65 INTEREST APPROVED BY THE COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Opening Loan	4.03	4.03
Loan for additional Capex (70:30 debt equity)	0.66	0.66
Loan Repayment	12.98	12.96
Closing Loan	0.00	0.00
<b>Average Loan</b>	<b>0.00</b>	<b>2.02</b>
Interest Rate	9.65%	9.65%
<b>Interest cost on Avg. Loans</b>	<b>0.00</b>	<b>0.19</b>

The Commission, accordingly, approves Rs. 0.19 Crore towards Interest on Loan for FY 2024-25.

### 3.45 Return on Equity

#### Petitioner's Submission:

The Petitioner has claimed a sum of Rs. 8.48 Crore towards return on equity for FY 2024-25, as against Rs. 8.47 Crore approved in Tariff Order. The Petitioner submitted that closing balance of equity has been arrived at considering additional equity of 30% of the capitalisation during the year, as tabled below:

**TABLE 3-66 RETURN ON EQUITY CLAIMED BY THE PETITIONER FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Actual
Opening Equity	54.55	54.55
Equity Addition	0.14	0.28
Closing Equity	54.69	54.83
Average Equity	54.62	54.69
Rate of Return (%)	15.50%	15.50%
<b>Return on Equity</b>	<b>8.47</b>	<b>8.48</b>

#### Commission's Analysis:

The Commission has approved the closing balance of normative equity of Rs. 54.55 Crore in its truing-up Order for FY 2023-24. As per Regulation 28 of the JERC MYT Tariff Regulations, 2021, return on equity shall be allowed for the assets put to use

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for the transmission licensee in accordance with prevailing CERC Tariff Regulations, thus, addition to equity during the year is considered at 30% of net value of assets added during the year. The relevant excerpt of the aforesaid regulation is stipulated as under:

*“28. Return on Equity .....*

*28.1. Return on equity shall be computed on the paid up equity capital determined in accordance with Regulation 27 for the assets put to use for the Transmission Licensee and shall be allowed in accordance with the prevalent CERC Tariff Regulations for transmission system.....”*

Further, in this regard, the Regulation 30(2) of the CERC (Terms and Conditions of Tariff) Regulations, 2024 stipulates the following:

*“30. Return on Equity: .....*

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

Since the Petitioner has not paid any income tax during FY 2024-25, the Commission has approved the return on equity without grossing it up by the effective tax rate.

The following table provides the Return on Equity as per Petitioner’s submission and now trued-up by the Commission:

**TABLE 3-67 RETURN ON EQUITY APPROVED FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Opening Equity	54.55	54.55
Equity Addition	0.28	0.28
Closing Equity	54.83	54.83
Average Equity	54.69	54.69
Rate of Return	15.50%	15.50%
<b>Total Return on Equity</b>	<b>8.48</b>	<b>8.48</b>

The Commission accordingly, approves the return on equity of Rs. 8.48 Crore for FY 2024-25.

### 3.46 Interest on Working Capital

#### **Petitioner's Submission:**

The Petitioner has submitted the computation of interest on working capital based on the principles outlined in the JERC (Generation, Transmission & Distribution Multi Year Tariff), Regulations, 2021, by considering the below parameters:

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

The Petitioner has considered rate of interest on working capital as 10.65 % (SBI Base Rate plus 200 basis points).

**TABLE 3-68 INTEREST ON WORKING CAPITAL CLAIMED FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Petitioner's Submission
Receivables equivalent to 45 days of Annual Fixed Cost	4.02	3.88
Maintenance spares @15% of operation and maintenance expenses	1.17	1.40
Operation and maintenance expense for one month	0.65	0.78
Total Working Capital	5.84	6.06
Interest Rate (%)	10.65%	10.65%
<b>Interest on Working Capital</b>	<b>0.62</b>	<b>0.65</b>

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**Commission's Analysis:**

The computation of working capital requirements and the rate of interest to be considered are stipulated under Regulation 43.1 of the JERC MYT Regulations, 2021. Regulation 43.1 of the JERC (Generation, Transmission & Distribution Multi Year Tariff), Regulations, 2021, states the following with regard to interest on working capital calculation:

*43.1 The Transmission Licensee shall be allowed interest on the estimated level of working capital for the Financial Year computed in accordance with prevalent CERC Tariff Regulations “*

Further, Regulation 34 of the CERC (Terms and Conditions of Tariff) Regulations, 2024 that are applicable for FY 2024-25 specifies:

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

*.....*

*(c) Hydro generating station including pumped storage hydro-electric generating station and transmission system including communication system:*

*i. Receivables equivalent to 45 days of annual fixed cost;*

*ii. Maintenance spares @ 15% of operation and maintenance including security expenses and*

*iii. Operation and maintenance expense, including security expenses, for one month.”*

Regulation 32 of the JERC (Generation, Transmission & Distribution Multi Year Tariff), Regulations, 2021, states the following with regard to interest rate to be considered on working capital calculation:

*“32. Interest on Working Capital*

*32.1 The norms for working capital for Transmission Licensee shall be as specified in Chapter 5 of these Regulations.*

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*32.2 The norms for working capital for Distribution Wires Business and Retail Supply Business shall be as specified in Chapter 6 and Chapter 7 of these Regulations.*

*32.3 The interest on working capital shall be a payable on normative basis notwithstanding that the Licensee has not taken working capital loan from any outside agency or has exceeded the working capital loan based on the normative figures.*

*32.4 The rate of interest on working capital shall be equal one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the Financial Year in which the Petition is filed plus 200 basis points.”*

Accordingly, the Commission has computed the working capital requirement for the Petitioner for financial year 2024-25. As per the applicable Regulations, receivables are to be considered equivalent to 45 days of the Annual Fixed Cost. The Commission observes that, while computing the same, the Petitioner has inadvertently not deducted the Non-Tariff Income from the Annual Fixed Cost. The Commission has therefore considered the Annual Fixed Cost net of Non-Tariff Income for the purpose of computing receivables and has accordingly recalculated the Interest on Working Capital. The Interest on Working Capital has been computed considering the applicable interest rate as State Bank of India Marginal Cost of Funds based Lending Rate as on 1st April 2024 plus 200 basis points, i.e., 10.65%.

Based on the O&M expenses and other expenses now approved in the Truing up, the working capital and interest thereon calculated is detailed in the table below:

**TABLE 3-69 INTEREST ON WORKING CAPITAL APPROVED FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Receivables equivalent to 45 days of Annual Fixed Cost	3.88	3.24
Maintenance spares @15% of operation and maintenance expenses	1.40	1.14
Operation and maintenance expense for one month	0.78	0.64
Total Working Capital	6.06	5.02
Interest Rate (%)	10.65%	10.65%
<b>Interest on Working Capital</b>	<b>0.65</b>	<b>0.53</b>

As indicated above, the Commission approves the interest on working capital as Rs. 0.53 Crore for FY 2024-25.

### 3.47 Non-Tariff Income

#### **Petitioner's Submission:**

The Petitioner has claimed Rs. 3.82 Crore towards Non-Tariff Income for FY 2024-25 as against the approved value of Rs. 0.14 Crore by the Commission in its Tariff Order.

**TABLE 3-70 NON-TARIFF INCOME CLAIMED FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Petitioner's Submission
O & M Of PGCIL		0.13
Scheduling & System Operation Charges		0.02
STOA Exp (Transmission Charges)		0.22
STU Charges		3.42
Tender Fees (Income)		0.00
Other non-operating income		0.03
<b>Total NTI</b>	<b>0.14</b>	<b>3.82</b>

#### **Commission's Analysis:**

As regards to Non-Tariff Income, Regulation 44 of the JERC MYT Regulations, 2021 stipulates as follows.

#### ***"44. Non-Tariff Income***

*44.1 The amount of Non-Tariff Income relating to the transmission business as approved by the Commission shall be deducted from the Aggregate*

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*Revenue Requirement in determining annual transmission charges of the Transmission Licensee:*

*Provided that the Transmission Licensee shall submit full details of its forecast of Non-Tariff Income to the Commission along with its application for determination of Aggregate Revenue Requirement.*

*44.2 The Non-Tariff Income shall inter-alia include:*

- a) Income from rent on land or buildings;*
- b) Income from sale of scrap in excess of 10% of the salvage value;*
- c) Income from statutory investments;*
- d) Interest on advances to suppliers/contractors;*
- e) Rental from staff quarters;*
- f) Rental from contractors;*
- g) Income from hire charges from contractors and others;*
- h) Income from advertisements, etc.;*
- i) Miscellaneous receipts like parallel operation charges;*
- j) Deferred Income from grant, subsidy, etc., as per Annual Accounts;*
- k) Excess found on physical verification;*
- l) Interest on investments, fixed and call deposits and bank balances;*
- m) Prior period income, etc.:*

*Provided that the interest/dividend earned from investments made out of Return on Equity corresponding to the Licensed Business of the Transmission Licensee shall not be included in Non-Tariff Income.”*

The Commission notes that the Petitioner has claimed the Non-Tariff Income in line with the Annual Audited Accounts and accordingly approves the Non-Tariff Income of Rs. 3.82 Crore for FY 2024-25.

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The Non-Tariff Income as claimed by the Petitioner and as approved by the Commission in the True-up is presented in the table below.:

**TABLE 3-71 NON-TARIFF INCOME APPROVED FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Non-Tariff Income	3.82	3.82

Accordingly, the Commission approves Non-Tariff Income of Rs. 3.82 Crore in the true-up of FY 2024-25.

### **3.48 Transmission System Availability**

#### **Petitioner's Submission:**

The Petitioner has submitted its transmission system availability of 100% for FY 2024-25. The Petitioner has requested that the incentive for higher transmission system availability of Rs. 0.47 Crore may be allowed.

#### **Commission's Analysis:**

As per JERC (MYT) Regulations, 2021, incentive on achieving the higher transmission system availability shall be in accordance with the CERC Tariff regulations, 2024.

The Commission has reviewed and verified the transmission system availability report submitted by the Petitioner and approves the transmission system availability of the Licensee for FY 2024-25 at 99.97%, as against the target availability of 98.50%. The Commission observes that the Petitioner has not deducted Non-Tariff Income (NTI) while computing the Annual Fixed Charges (AFC), resulting in an overstatement of the incentive claimed.

Accordingly, the Commission has recomputed the incentive after duly considering the AFC after adjusting for NTI, and has determined the incentive for achieving higher transmission system availability for FY 2024-25 in accordance with the provisions of the CERC Tariff Regulations, 2024 as under:

**TABLE 3-72 INCENTIVE ON TRANSMISSION SYSTEM AVAILABILITY FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Net ARR (Rs. Crore)	<b>28.09</b>	<b>26.37</b>
Actual System Availability (%)	100.00%	99.97%
Target Availability for Incentive (%)	98.50%	98.50%
<b>Incentive (Rs. Crore)</b>	<b>0.47</b>	<b>0.33</b>

Accordingly, the Commission approves an incentive of Rs. 0.33 Crore towards higher transmission system availability for the True-Up of FY 2024-25.

### 3.49 Aggregate Revenue Requirement (ARR)

#### Petitioner's Submission:

Based on the expenses detailed above, the Petitioner has submitted a net Aggregate Revenue Requirement (ARR) of Rs. 28.09 Crore for approval in the True-Up of FY 2024-25.

**TABLE 3-73 NET ARR SUBMITTED BY THE PETITIONER FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Actual
O&M Expense	7.79	9.34
Depreciation	15.68	12.98
Interest cost on long-term capital Loans	0.19	0.00
Interest on Working Capital Loans	0.62	0.65
Return on Equity	8.47	8.48
Incentive for Transmission availability	0.00	0.47
Sharing of Gains / (Loss)	0.00	0.00
<b>Aggregate Revenue Requirement</b>	<b>32.75</b>	<b>31.91</b>
Less: Non-Tariff Income	0.15	3.82
<b>Net ARR</b>	<b>32.60</b>	<b>28.09</b>

#### Commission's Analysis:

The Commission has reviewed the performance of the Petitioner under Regulation 12 of the JERC (MYT) Regulations, 2021, for FY 2024-25. Based on the parameters actuals claimed by the Petitioner in truing up and as now approved by the Commission in accordance with the JERC (MYT) Regulations, 2021 are given in the Table below:

**TABLE 3-74 NET ARR APPROVED BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
O&M Expense	9.34	7.62
Depreciation	12.98	12.96
Interest cost on long-term capital Loans	0.00	0.19
Interest on Working Capital Loans	0.65	0.53
Return on Equity	8.48	8.48
Sharing of Gains / (Loss)	0.00	0.08
Incentive for Transmission availability	0.47	0.33
<b>Aggregate Revenue Requirement</b>	<b>31.91</b>	<b>30.20</b>
Less: Non-Tariff Income	3.82	3.82
<b>Net ARR</b>	<b>28.09</b>	<b>26.37</b>

The Commission approves net Aggregate Revenue Requirement of Rs. 26.37 Crore in the true-up of FY 2024-25.

### 3.50 Revenue for FY 2024-25

#### **Petitioner's Submission:**

The Petitioner has submitted an actual revenue to the tune of Rs. 27.26 Crore for FY 2024-25, against Rs. 26.29 Crore approved by the Commission vide its Tariff Order dated.

**TABLE 3-75 REVENUE CLAIMED BY THE PETITIONER FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Actual
Revenue from transmission of power	26.29	27.26

#### **Commission's Analysis:**

The Commission has observed that the revenue recovered by the Petitioner during FY 2024-25, as per the Audited Accounts, amounts to Rs. 27.26 Crore excluding non-tariff income and excluding rebate of Rs. 0.17 Crore. However, the Commission has considered the revenue as per the Audited Accounts excluding non-tariff income and including rebate of Rs. 0.17 Crore in accordance with the provisions of the JERC MYT Regulations, 2021, wherein the total revenue from sale of power for the purpose of True-up is to be considered on billed basis without deduction of prompt

payment rebate. Accordingly, the Commission approves the revenue from approved tariff for FY 2024-25 at Rs. 27.43 Crore, as given in the table below.:

**TABLE 3-76 REVENUE APPROVED BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Revenue from transmission of power	27.26	27.43

### 3.51 Standalone Revenue Gap/(Surplus)

#### Petitioner's Submission:

Based on the ARR and the revenue from retail tariff, the standalone revenue gap of Rs. 0.83 Crore is arrived in the true-up of FY 2024-25.

**TABLE 3-77 GAP/(SURPLUS) SUBMITTED BY PETITIONER FOR FY 2024-25 (RS. CRORE)**

Particulars	Approved in the Tariff Order	Actual
Annual Revenue Requirement	32.60	28.09
Revenue from transmission of power	26.29	27.26
<b>Revenue Gap/(Surplus)</b>	<b>6.31</b>	<b>0.83</b>

#### Commission's Analysis:

Based on the component-wise approved in aforesaid paragraphs of this Chapter, the Commission has approved overall Net Revenue gap/(surplus) for FY 2024-25 as per table below:

**TABLE 3-78 STANDALONE GAP/(SURPLUS) APPROVED BY COMMISSION FOR FY 2024-25 (RS. CRORE)**

Particulars	Petitioner's Submission	Approved by Commission
Annual Revenue Requirement	28.09	26.37
Revenue from transmission of power	27.26	27.43
<b>Revenue Gap/(Surplus)</b>	<b>0.83</b>	<b>-1.06</b>

Accordingly, the Commission, in the true-up of FY 2024-25 approves a surplus of Rs. 1.06 Crore.

### 3.52 Consolidated Revenue Gap/(Surplus) at the end of FY 2024-25

The overall consolidated Annual Revenue Requirement for FY 2024-25 for the merged entity is tabulated as under.

**TABLE 3-79 CONSOLIDATED NET ARR APPROVED BY THE COMMISSION FOR FY 2024-25 (Rs. CRORE)**

Sl. No.	Particulars	DNHDDPCL	ED-DD	ED-DNH	Total
1	O&M Expense	31.02	43.06	7.62	81.70
2	Depreciation	9.48	10.36	12.96	32.80
3	Interest cost on long-term capital Loans	0.34	0.01	0.19	0.55
4	Interest on Working Capital Loans	1.50	1.77	0.53	3.80
5	Return on Equity	15.57	2.56	8.48	26.61
6	Incentive for Transmission availability	0.17	0.67	0.33	1.17
7	Sharing of Gains / (Losses)	-	-	0.08	0.08
<b>8</b>	<b>Aggregate Revenue Requirement</b>	<b>58.08</b>	<b>58.43</b>	<b>30.20</b>	<b>146.71</b>
9	Less: Non-Tariff Income	2.79	4.90	3.82	11.51
<b>10</b>	<b>Net ARR</b>	<b>55.29</b>	<b>53.53</b>	<b>26.37</b>	<b>135.20</b>

Accordingly, the impact of the Hon'ble APTEL Order along with carrying cost has been considered under Section 3.15, while the surplus at the end of FY 2021-22 has been considered under Section 3.32. The overall consolidated Annual Revenue Requirement for FY 2024-25 for the merged entity is tabulated below.:

**TABLE 3-80 CONSOLIDATED NET ARR APPROVED BY THE COMMISSION FOR FY 2024-25 (Rs. CRORE)**

Sl. No.	Particulars	DNHDDPCL	ED-DD	ED-DNH	Total
1	Aggregate Revenue Requirement (a)	55.29	53.53	26.37	135.20
2	Revenue (b)	57.60	40.37	27.43	125.40
3	Gap/(Surplus) (c=a-b)	-2.31	13.16	-1.06	9.80
4	APTEL Order Impact with carrying cost	-20.66	-	-	-20.66
5	Previous year Gap/(Surplus) at the end of FY 2021-22	-	-12.13	-	-12.13
<b>6</b>	<b>Cumulative Gap/(Surplus) at the end of FY 2024-25</b>	<b>-22.97</b>	<b>1.03</b>	<b>-1.06</b>	<b>-22.99</b>

The consolidated revenue gap/(surplus) at the end of FY 2024-25 is being carried forward to FY 2026-27.

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## Chapter 4: Consolidated Gap / (Surplus) to be Adjusted through Surcharge / Rebate for FY 2026-27

### 4.1 Consolidated Gap / (Surplus) to be Adjusted through Rebate / Surcharge for FY 2026-27

#### Petitioner's Submission:

The Petitioner has submitted the consolidated Gap / (Surplus) arising on account of the True-up for FY 2024-25 and proposed adjustment of the same in FY 2026-27. The Petitioner submitted that the Annual Revenue Requirement for FY 2026-27 was earlier approved at Rs. 171.37 Crore vide Tariff Order dated 17<sup>th</sup> September, 2025. Further, the petitioner based on a reply dated 28<sup>th</sup> April, 2026 has proposed the cumulative gap of Rs. 16.08 Crores. Accordingly, the Petitioner has proposed adjustment of the Gap / (Surplus) pertaining to FY 2024-25 through the Revised ARR for FY 2026-27 as given in the table below:

**TABLE 4-1 REVISED ARR CLAIMED FOR FY 2026-27 (RS. CRORE)**

Sl. No.	Particulars	Claimed
1	Approved ARR as per Tariff Order dated 17.09.2025	171.37
2	Gap/(Surplus) for FY 2024-25	16.08
3	<b>Total Revised ARR for FY 2026-27</b>	<b>187.45</b>
4	Transmission Capacity (MW)	1448.71
5	<b>Long / Medium Term Transmission Charges (Rs./MW/Month)</b>	<b>110297.41</b>
6	<b>Short Term Open Access Transmission Charges (Rs. MW/Day)</b>	<b>3626.22</b>

#### Commission's Analysis:

The Commission has examined the submissions of the Petitioner. The Commission notes that the Annual Revenue Requirement and tariff for FY 2026-27 were already approved vide Tariff Order dated 17<sup>th</sup> September, 2025.

The Commission further notes that as per Regulation 9.7 of the JERC MYT Regulations, 2024, the approved Multi Year Tariff for the Control Period is required to remain sacrosanct and any Gap / (Surplus) arising on account of Review / True-

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up is to be adjusted through surcharge / rebate over and above the approved tariff. As regards to surcharge / rebate, Regulation 9.7 of the JERC MYT Regulations, 2024 stipulates as follows:

*“9.7 The Multi Year Tariff approved by the Commission shall be sacrosanct for the entire control period and shall not be tampered mid-way in any case. Any gap/surplus, if any, arising on account of review/true up duly admitted by the Commission shall be levied as surcharge/rebate over & above the approved tariff.”*

The Commission further notes that as per Period is required to remain sacrosanct and any Gap / (Surplus) arising on account of Review / True-up is to be adjusted through surcharge / rebate over and above the approved tariff.

The Commission has considered the impact of the True-up for FY 2024-25 based on the approved values as detailed in Table 3.78 above, resulting in a cumulative surplus of Rs. 22.99 Crore at the end of FY 2024-25.

The Commission further observes that the Petitioner, while computing the Gap / (Surplus) to be adjusted in FY 2026-27, has inadvertently not considered the carrying cost on the impact of the True-up for FY 2024-25 in accordance with Regulation 12.5 of the JERC MYT Regulations, 2024. Accordingly, the Commission has computed and incorporated the carrying cost on the impact of the True-up for FY 2024-25 in line with the provisions of Regulation 12.5 of the JERC MYT Regulations, 2024:

*“12.5 Carrying Cost shall be allowed for a Generating Company, Transmission Licensee or Distribution Licensee on the amount of revenue gap for the period from which such gap has become due till year in which it is addressed, on the basis of actual rate of loan taken by the Licensee to fund the deficit in revenue:*  
*[Clarification: If the true-up of ARR for FY 2021-22 is done in FY 2023-24, then carrying cost shall be computed for ½ yrs of FY 2021-22, full year of FY 2022-23 & ½ yrs of FY 2023-24.]*

*Provided that Carrying Cost on the amount of revenue gap shall be allowed subject to prudence check and submission of documentary evidence for having incurred the carrying cost in the years prior to the year in which the revenue gap is addressed:*

*Provided also that if no loan has been taken to fund revenue deficit, the Commission shall allow Carrying Cost on simple interest basis at one (1) Year State Bank of India (SBI) MCLR /any replacement thereof as notified by RBI for the time being in effect applicable for 1 Year period, as may be, applicable as on 1st April of the relevant Year plus 100 basis points;*

*Provided further that in case of revenue surplus, the Commission shall charge the Licensee a Carrying Cost for the period from which such surplus has become due, till the Year in which it is addressed on simple interest basis at one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for 1 Year period, as may be, applicable as on 1st April of the relevant Year plus 100 basis points.”*

Accordingly, the cumulative surplus approved in the True-up for FY 2024-25 along with applicable carrying cost shall be adjusted through rebate in FY 2026-27 over and above the approved tariff, as presented in the table below:

**TABLE 4-2 GAP / (SURPLUS) APPROVED FOR FY 2026-27 (RS. CRORE)**

Sl. No.	Particulars	FY 2026-27	
		Claimed	Approved
1	Revenue Gap/(Surplus) at the end of FY 2024-25	16.08	-22.99
2	Holding cost calculated at an interest rate for FY 2024-25 [(SBI MCLR + 1%) @ 9.65%] for a period of half year		-1.11
3	Holding cost calculated at an interest rate for FY 2025-26 [(SBI MCLR + 1%) @ 10%] for a period of one year	-	-2.30
4	Holding cost calculated at an interest rate for FY 2026-27 [(SBI MCLR + 1%) @ 9.70%] for a period of half year	-	-1.12
5	<b>Total Gap / (Surplus) to be adjusted as surcharge / (Rebate) in FY 2026-27</b>	<b>16.08</b>	<b>-27.51</b>

Accordingly, the Commission approves the total surplus of Rs. 27.51 Crore to be adjusted through rebate in FY 2026-27. The Commission, vide MYT Order dated

17th September, 2025, had approved transmission charges of Rs. 98,573/MW/Month against the approved ARR of Rs. 171.37 Crore and transmission capacity of 1448.71 MW. Since the Licensee had already recovered transmission charges at the approved rate from April 2026 to June 2026 prior to issuance of the present Order, no rebate could be provided for the said period. Accordingly, the rebate applicable for these three months has been proportionately adjusted over the remaining nine months from 1st July, 2026 to 31st March, 2027. After considering the approved monthly rebate of Rs. 15,827.12/MW/Month along with adjustment of the unrecovered rebate for April 2026 to June 2026 over the balance nine months, the effective transmission charges recoverable from 1st July, 2026 onwards work out to Rs. 77,470.18/MW/Month, translating to an effective regulatory rebate of approximately 21% over the transmission charges approved vide MYT Order dated 17th September, 2025. Accordingly, a regulatory rebate of 21% shall be applicable from 1st July, 2026 for the remaining period of FY 2026-27. The detailed calculation is provided below:

**TABLE 4-3 TRANSMISSION SURCHARGE / (REBATE) APPROVED FOR FY 2026-27 (Rs. Crore)**

Sl. No.	Particulars	FY 2026-27 Approved
1	Surcharge / (Rebate) in (Rs. Crore) (a)	-27.51
2	Transmission Capacity (MW) (b)	1448.71
3	Transmission Charges (Rs./MW/Month) (c)=(a*10 <sup>7</sup> )/(b))/12	-15827.12
4	3-month rebate distributed through remaining months of FY 2026-27 (d) =(c*3)/9	-5275.71
3	<b>Surcharge / (Rebate) on Transmission Charges (Rs./MW/Month) from 1st July,2026 (e) =c+d</b>	<b>-21102.82</b>
4	Transmission Charges as per the MYT Order dated 17th September 2025 in (Rs./MW/Month) (f)	98573.00
4	<b>Surcharge / (Rebate) on Transmission Charges (Rs./MW/Month) from 1st July,2026 in % (g) = (e/f)*100</b>	<b>-21%</b>

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## Chapter 5: Directives

### 5.1 Earlier Directives

#### Directive No. 1: Capital Expenditure:

<b>Originally Issued in Tariff Order dated 31<sup>st</sup> July, 2012</b>
<b>Commission's direction in Tariff Order Dated 30<sup>th</sup> March 2023</b> The Commission has noted with concern that the Petitioner is yet to submit the details sought by the Commission. The Commission now directs the Petitioner to ensure compliance with this directive and submit the desired reports on a quarterly basis, failing which the Commission shall be constrained to take appropriate action against the Petitioner.
<b>Petitioner's submission in previous Tariff Petition:</b> The DNHDDPCL would like to submit that it has initiated the process of compiling the desired information. However, due to the complexity and volume of data required, we need some additional time to ensure accuracy and completeness.
<b>Commission's direction in previous MYT Order Dated 17<sup>th</sup> September, 2025</b> The Commission directs the Petitioner for timely submission of quarterly progress report to the Commission.
<b>Petitioner's submission in present Tariff Petition:</b> The DNHDDPCL would like to inform that we have initiated the process of compiling the requested information. The Corporation has already filed a petition with detailed DPR of five schemes and petition is pending with Hon'ble Commission. Apart from the said five schemes, the Corporation is under-process to file a combined petition of all approved schemes as per the approved Business plan by the Hon'ble Commission after getting order of pending petition of five schemes.
<b>Commission's Directive in present Order:</b> The Commission has noted the submissions of the Petitioner. However, the Commission observes that despite repeated directions in successive Tariff Orders, the Petitioner has yet to furnish complete details and quarterly progress reports as directed by the Commission.  The Commission further notes that the Petitioner has already filed a Petition with DPRs of five schemes. Accordingly, the Petitioner is directed to file the combined Petition for all remaining approved schemes under the approved Business Plan before the Hon'ble Commission at the earliest, without awaiting issuance of the Tariff Order for the aforesaid five schemes. The Petitioner shall also submit quarterly progress reports regarding these schemes in compliance with the present directive before the Commission.

#### Directive 2: Separate Accounting of Solar Plants

<b>Originally Issued in Tariff Order dated 30<sup>th</sup> March 2023</b>
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**Commission's direction in MYT Tariff Order Dated 30th March 2023**

The Commission directs the Petitioner to prepare the separate accounts for Solar Plant for FY 2022-23 duly certified by statutory Auditor and submit the same along with True-Up for FY 2022-23. The Accounts shall clearly include the following details:

- i. Revenue earned from sale of solar power
- ii. O&M expenses incurred
- iii. Gross Fixed Assets
- iv. Loan and Equity
- v. Interest on Loan and Return on Equity
- vi. Depreciation
- vii. Interest on Working Capital

**Petitioner's submission in previous Tariff Petition:**

The DNHDDPCL acknowledges the impending merger of its Transmission Division ED-DNH and ED-DD. In anticipation of this merger, the Corporation will formulate a plan for the segregation of the Renewable Energy (i.e., Solar Plants) income and expense. Accordingly, the same will be submitting a separate petition data to the Commission in due course.

**Commission's Directive in previous MYT Order Dated 17<sup>th</sup> September, 2025:**

The Commission directs the Petitioner for compliance of the aforesaid directive within 90 days of issuance of this Order.

**Petitioner's submission in Present Tariff Petition:**

The DNHDDPCL acknowledges the impending merger of its Transmission Division ED-DNH and ED-DD. In anticipation of this merger, the Corporation will formulate a plan for the segregation of the Renewable Energy (i.e. Solar Plants) income and expenses. Accordingly, the same will be submitting a separate data to the Commission after finalizing of final closing transferred balance sheet FY 2024-25 and the Corporation will be able to provide separate data of whole UT from FY 2025-26 with the true-up petition of FY 2025-26.

**Commission's Directive in present Order:**

The Commission has noted the submissions of the Petitioner. The Petitioner is directed to ensure compliance of the aforesaid directive and submit separate audited data/details pertaining to Renewable Energy activities along with the True-up Petition for FY 2025-26.

**Directive 3: Reconciliation of Actual Interest on Security Deposit Paid****Originally Issued in Tariff Order dated 30<sup>th</sup> March 2023****Commission's direction in MYT Tariff Order Dated 30th March 2023**

The Commission directs the Petitioner to submit reconciliation of actual interest on security deposit paid and computation of security deposit considering the opening and closing values of security deposit for the last 5 years i.e., FY 2017-18 to FY 2021-22 within 3 months of issuance of this order.

**Petitioner's submission in previous Tariff Petition:**

The Corporation are committed to fulfilling the requirements of the Commission's directive. However, due to the complexity of the task and the volume of data involved, the data retrieval may require significant time and effort as all data related to security deposit is transferred to

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new DISCOM i.e., DNHDDPDCL under privatization. Therefore, it is requested to Commission to allow more for submission of data.

**Commission’s Directive in previous MYT Order Dated 17<sup>th</sup> September, 2025:**

The Commission directs the Petitioner for submission of the details for actual interest on security deposit within 90 days of issuance of this Order.

**Petitioner’s submission in Present Tariff Petition:**

The Corporation are committed to fulfilling the requirements of the Commission’s directive. However, due to the complexity of the task and the volume of data involved, the data retrieval may require significant time and effort as all data related to security deposit is transferred to new DISCOM i.e., DNHDDPDCL under privatization. Therefore, it is requested to Commission to allow more for submission of data.

**Commission’s Directive in present Order:**

The Petitioner, in the first and second set of data gaps, submitted that pursuant to the Transfer Scheme, 2022, all Consumer Security Deposits along with associated liabilities pertaining to interest on security deposits for the period commencing from FY 2022-23 onwards stand transferred to DNHDDPDCL and that the requisite provision amount for FY 2021-22 has already been transferred to the DISCOM for onward disbursement to consumers. The Petitioner further submitted that detailed reconciliation statements for the period from FY 2017-18 to FY 2021-22 have been prepared and furnished based on legacy records of the erstwhile DNHDPCL.

The Commission has noted the submissions and supporting reconciliation statements furnished by the Petitioner. In view of the above, the Commission considers the compliance of the aforesaid directive to be satisfactory and accordingly the directive is dropped.

#### **Directive 4: Creation of SLDC**

**Originally Issued in Tariff Order dated 11<sup>th</sup> June 2024**

**Commission’s direction in Tariff Order Dated 11<sup>th</sup> June 2024**

The Commission directs the Petitioner for segregation of SLDC from its present business on priority. Further, a detailed report shall be furnished within 60 days from the issuance of this Tariff Order and a separate tariff petition should be filed from next true-up of FY 2023-24.

**Petitioner’s submission in Present Tariff Petition:**

The DNHDDPCL acknowledges the impending merger of its Transmission Divisions ED-DNH and ED-DD. In anticipation of this merger, the Corporation shall formulate a plan for future segregation of the State Load Dispatch Centre (SLDC) income and expenses. The Petitioner further submitted that separate data shall be submitted to the Commission after finalisation of the closing transferred balance sheet for FY 2024-25 and that separate data for the entire UT shall be made available from FY 2025-26 onwards along with the True-up Petition for FY 2025-26.

**Commission’s Directive in present MYT Order:**

The Commission has noted the submissions of the Petitioner. The Petitioner is directed to ensure compliance with the aforesaid directive and segregate SLDC from its present business

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operations and submit separate audited data pertaining to SLDC income and expenses along with the True-up Petition for FY 2025-26.

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## Annexures

### Annexure 1: List of stakeholders/public attended Public Hearing

The following is the list of the stakeholders who have attended the Public Hearing on 9<sup>th</sup> & 16<sup>th</sup> April, 2026.

**TABLE ANNEXURE-1 LIST OF STAKEHOLDER**

Sr. No.	Name of persons (Mr./Mrs.)
1.	Tulsidas Bamaniya
2.	Ramesh. D Patel
3.	Mitesh Lad
4.	Dilip Jha
5.	Mukesh Patel
6.	Mithun Dhal
7.	Wilson Ajick
8.	Rahul P. Dhodi
9.	Rajesh Shukla
10.	Manish Kurkutiya
11.	Pankaj Bhathela
12.	Dhirubhai R. Dhodi
13.	Parvin Dhodi
14.	Faheem Khan
15.	Sandeep Chauhan
16.	Pavan Agarwal
17.	Chandrain Loha
18.	Khalpa Bha
19.	Shailesh Patel
20.	Hiral Patel
21.	Kenal Patel
22.	Manilal B. Par
23.	Rajesh Patel
24.	Mukesh Gosavi
25.	SP Tiwari
26.	Sunil Ijari
27.	Sanjay Singh
28.	Narendra Trivedi
29.	Atul Shah
30.	Satyendra Kumar
31.	Paresh Gajjar
32.	Girish Vaghela
33.	Kiran Joshi
34.	Khusman Dhimar

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Sr. No.	Name of persons (Mr./Mrs.)
35.	H.B Panchal
36.	Shashikant Ved Pathak
37.	Umeshbhai Patel
38.	Tulsidas Bamaniya