IN THE JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION AT RANCHI

MP 04 of 2026

Case No. 05 of 2018 (Remand)

(Remand Order after Hon'ble APTEL's Judgement in Appeal No. 419 of 2022)

IN THE MATTER OF:

Tata Power Company Ltd.(Genco).....Petitioner

Versus

Tata Steel Limited (Discom) .....Respondent

CORAM: HON'BLE MR. JUSTICE NAVNEET KUMAR, CHAIRPERSON

HON'BLE MR. MAHENDRA PRASAD, MEMBER (LAW)

For the Petitioner: Mr. Shri Venkatesh, Advocate

Mr. Nihal Bhardwaj, Advocate

For the Respondent: Mr. P.A.S. Pati, Advocate

ORDER

Date: 05th November 2026

1. The present petition is filed in respect of Implementation of the Judgment dated 22.07.2026 ("Judgment") passed by the Hon'ble Appellate Tribunal for Electricity ("Tribunal") in Appeal No. 419 of 2022, arising out of the Commission's Order dated 27.12.2019 in Case No. 05 of 2018 ("Impugned Order"). The petition is filed by The Tata Power Company Limited ("TPCL") against Tata Steel Limited ("TSL") under Sections 62, 86(1)(a) and 94 of the Electricity Act, 2003 and the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2015 ("GTR 2015"). TPCL supplies power from Unit II and Unit III (120 MW each) of the Jojobera Thermal Power Station, commissioned on 01.02.2001 and 01.02.2002 respectively, to TSL, the distribution licensee in Jamshedpur.

2. The Commission, by its Order dated 27.12.2019 in Case No. 05 of 2018 ("Impugned Order"), determined the truing-up of tariff for FY 2016-17 and the Annual Performance Review for FY 2017-18 for Unit II and Unit III of the Jojobera Thermal Power Station.

3. TPCL challenged the Impugned Order before the Hon'ble Appellate Tribunal for Electricity ("Tribunal") in Appeal No. 419 of 2022. As per Judgment dated 22.07.2026 ("Judgment"), the Tribunal upheld the Commission's treatment of transit loss for washed coal (Issue C) and set aside or remanded the remaining issues (Issues A, B, D, E, F, G and H, as lettered in the body of the Judgment), for fresh consideration by this Commission.

4. The Tribunal had directed the Commission to pass consequential orders and directed TPCL to furnish any additional information the Commission may require. This Order gives effect to those directions. The Commission has decided the remanded issues on the existing record.

5. Accordingly, on the basis of the pleadings advanced in the implementation petition and the materials available on record, following issues are being framed for passing of order:

   Issue A - Water Charges

   Issue B - Secondary Fuel Oil Consumption

   Issue C - Transit Loss on Washed Coal

   Issue D - Additional Capitalisation

Issue E - Decapitalisation of original assets incorrectly considered for FY 2016-17 and computation of Interest on Loan

Issue F - Depreciation on Original Project Cost

Issue G - Tax Liability on O&M Savings

Issue H - Carrying Cost

6. The Generation Tariff Regulations relevant here are the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, which apply to the Second Control Period (FY 2016-17 to FY 2020-21), and the Commission's MYT Order dated 19.02.2018 (Case Nos. 16 of 2016 and 05 of 2017). Where this Order applies figures already on record in the Impugned Order, it refers to them by paragraph and table and the recomputed figures are set out in subsequent sections of this order

DIRECTIONS OF THE TRIBUNAL, PETITIONER'S SUBMISSION AND COMMISSION FINDINGS

Issue A - Water Charges for FY 2016-17

APTEL Order

7. Direction of the Tribunal (paras 15-16): Reconsider the water charges in accordance with law, keeping in view the water charges actually paid and/or ought to be payable, along with applicable carrying cost. TPCL is to submit the details sought by the Commission.

Petitioner's Submission

8. TPCL claimed Rs. 4.11 crore (Unit II) and Rs. 3.98 crore (Unit III). Consequent upon the dismissal of W.P. (C) No. 4544 of 2011, the Petitioner is eligible for allowance of the balance amount of Rs. 3.87 Crore (Rs. 1.97 Crore for Unit II and Rs. 1.90 Crore for Unit III) towards Raw Water Charges for FY 2016-17, along with applicable carrying cost.

Commission's analysis:

9. The Commission opines that under Regulation 7.46 of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations 2015, water charges are allowed on an actual basis, separately from normative O&M. The Commission holds that water charges for FY 2016-17 shall be allowed at the amount actually paid by TPCL to JUSCO/Tata Steel on account of

    a. Base water charges

    b. Water tax at the rate notified by the Government of Jharkhand on 01.04.2011, verified against invoices and payment proof.

10. It is to note, the Petitioner had filed Misc. Petition No. 02 of 2025 whose final order was passed on 10th March 2026. In the said order, the Commission had allowed claim of balance amount water charges and carrying costs by the Petitioner from TSL. The excerpts are reproduced as follows:

> *"Allow the claim of the Petitioner towards the deferred Water charges for period 01.04.2015 to 31.03.2023 amounting to Rs. 37.51 Cr. for Jojobera TPP Unit II and Unit III along with carrying cost, to be recovered from TSL"*

11. In line with the above order, the Petitioner is granted liberty to recover the differential amount, along with carrying cost and other consequential impact thereon, from TSL (Respondent).

12. Accordingly, for the purpose of the present Order, the water charges shall remain unchanged from those approved in the impugned Order. The differential amount, along with applicable carrying cost, shall be considered for pass-through in the Respondent's forthcoming True-up Order, subject to verification and submission of the requisite supporting documentation by the Respondent.

Issue B - Secondary Fuel Oil Consumption

APTEL Order

13. Direction of the Tribunal (paras 26-39): the Impugned Order is set aside and Hon'ble APTEL had directed the Commission is to work out secondary fuel oil consumption strictly in terms of the normative values specified in JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations 2015.

Petitioner's Submission

14. The Petitioner has claimed that as per the regulations and in line with directions of the Hon'ble APTEL Order, the specific fuel oil consumption for calculation of Energy Charge should be of 1 ml/kWh (in place of 0.5 ml/kWh). Accordingly, the Petitioner has claimed a differential of Rs. 1.68 Cr. for Unit II and Rs. 1.66 Cr. for Unit III.

15. The Petitioner has further claimed gain on tax liability on saving secondary fuel. The differential claim for Unit II and III is Rs. 0.45 Cr. each.

Commission's Analysis

16. Regulation 8.4 of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations 2015, specifies 1.00 ml/kWh for both Units 2 and 3 for every year of the Second Control Period. The Tribunal held that Regulations 8.5 (R&M), 6.11(d), 16.3 and 16.4 do not permit a lower norm on the present facts, and that the "lower of normative and actual" approach is not permitted. The Commission therefore adopts 1.00 ml/kWh for FY 2016-17 for both units, and the norm of 0.50 ml/kWh adopted in para 6.138 of the MYT Order is not applied in this true-up. Therefore, the energy charge rate for Unit II has been revised from Rs. 2.552 / unit to Rs. 2.570 / unit while the same for Unit II has been revised from Rs. 2.584 / unit to Rs. 2.603 / unit leading to an overall increase in the Energy charge of the plant.

17. The revised approved energy charge for Unit II has increase from Rs. 182.94 Cr. to Rs. 184.30 Cr. while the same for Unit III has increase from Rs. 182.67 to Rs. 184.01 Cr resulting in a differential of Rs. 1.36 Cr. for Unit II and Rs. 1.34 Cr. in Unit III. The revised Energy Charge is tabulated as follows:

Table 1: Revised Energy Charge Rate for Unit II (Rs. / kWh)

Particulars	UoM	Tariff Order dated 27.12.2019	Implementation Order
Net Generation	MU	716.98	716.98
Normative Auxiliary Consumption (AUX)	%	0.10	0.10
Normative Gross Station Heat Rate (SHR)	kCal/kWh	2,567.00	2,567.00
Normative Specific fuel Oil Consumption (SFC)	mL/kWh	0.50	1.00
Calorific Value of Oil (CVSF)	kCal/ml	9.10	9.10
GCV of Primary Fuel (CVPF)	kCal/kg	3,583.75	3,583.75
Landed Price of Primary Fuel (LPPF)	Rs./kg	3.18	3.18
Landed Price of Secondary Fuel (LPSFi)	Rs./ml	0.04	0.04
Energy Charge Rate (ECR)	**Rs/kWh**	**2.552**	**2.570**

Table 2: Summary of Fuel Charge for Unit II (Rs. Cr.)

Particulars	UOM	Tariff Order dated 27.12.2019	Implementation Order
Primary Fuel Cost	Rs. Cr.	181.26	180.94
Secondary Fuel Cost	Rs. Cr.	1.68	3.36
Energy Cost	**Rs. Cr.**	**182.94**	**184.30**

Table 3: Revised Energy Charge Rate for Unit III (Rs. / kWh)

Particulars	UOM	Tariff Order dated 27.12.2019	Implementation Order
Net Generation	MU	706.94	706.94
Normative Auxiliary Consumption (AUX)	%	0.10	0.10
Normative Gross Station Heat Rate (SHR)	kCal/kWh	2,577.00	2,577.00
Normative Specific fuel Oil Consumption (SFC)	mL/kWh	0.50	1.00
Calorific Value of Oil (CVSF)	kCal/ml	9.10	9.10
GCV of Primary Fuel (CVPF)	kCal/kg	3570.18	3,570.18
Landed Price of Primary Fuel (LPPF)	Rs./kg	3.20	3.20
Landed Price of Secondary Fuel (LPSFi)	Rs./ml	0.04	0.04
Energy Charge Rate (ECR)	**Rs/kWh**	**2.584**	**2.603**

Table 4: Summary of Fuel Charge for Unit III (Rs. Cr.)

Particulars	UOM	Tariff Order dated 27.12.2019	Implementation Order
Primary Fuel Cost	Rs. Cr.	181.00	180.68
Secondary Fuel Cost	Rs. Cr.	1.67	3.33
Energy Cost	**Rs. Cr.**	**182.67**	**184.01**

Issue C - Transit Loss on Washed Coal

18. The Tribunal upheld the Impugned Order (paras 40-48). No change is made. Transit loss remains as approved.

Issue D - Additional Capitalisation

APTEL Order

19. Direction of the Tribunal (paras 49-55): The issue deals with disallowance of Rs. 1.24 crore (Rs. 0.57 crore Unit II and Rs. 0.67 crore Unit III) across five schemes, being replacement of APH tubes, Flame Scanner Panel upgradation, Reheater coils, Fire Hydrant Line for CHP and extension work for Conveyor 5 and the same is set aside.

20. Hon'ble APTEL had directed the Commission to carry out a prudence check of the cost incurred, including the change in scope of work, and pass consequential orders.

Petitioner's Submission

21. The Petitioner in its True-up Petition (Case No. 05 of 2018) and in the Appeal, already placed on record item-wise justification for the increased cost/scope for each of the five schemes and the same was resubmitted.

22. Furthermore, the Petitioner has claimed that the entire disallowed amount of Rs. 1.24 Cr. be allowed upon prudence check, along with the consequential adjustments to Gross Fixed Assets (GFA), depreciation, Interest on Loan (IoL), Return on Equity (RoE), and other tariff components for FY 2016-17 and subsequent years, arising from the corresponding revision in the closing balances of GFA, loan and equity, together with applicable carrying cost.

Commission's Analysis

23. The Commission has not disallowed the amounts on the basis of the absence of prior approval, because the MYT Order was itself issued on 19.02.2018, after FY 2016-17 had closed, and the direction in para 5.89 of the Impugned Order operates prospectively only. The Commission has therefore examined each scheme on prudence, considering (a) necessity and relation to the generating station, (b) reasons for the cost or scope variation as recorded at

para 5.67 of the Impugned Order, (c) audited actual cost, and (d) reasonableness of the cost against the approved amount.

24. Having examined each of the five schemes the Commission admits the actual cost incurred, as shown in the table below. This is based on the item-wise justification for the increase in cost or scope placed on record by TPCL in its True-up Petition (Case No. 05 of 2018) and repeated in the present Petition, read with the reasons recorded at para 5.67 of the Impugned Order.

Table 5: Additional Capitalization approved by the Commission in implementation Order (Rs. Cr.)

Scheme	Tariff Order dated 27.12.2019	Implementation Order
APH Tubes replacement	2.03 (Unit III)	2.37 (Unit III)
Flame Scanner Panel upgradation	0.50 (Unit II and III each)	0.68 (Unit II) and 0.64 (Unit III)
Reheater coils	1.22 (Unit II)	1.41 (Unit II)
Fire Hydrant Line for CHP	0.32 (Unit II and III Common)	0.35 (Unit II and III common)
Extension work for Conveyor 5	Approved in MYT dated 31.05.2012.	0.35 (Unit II and III common)

Accordingly, the Petitioner's submission is allowed. Additional capitalisation of Rs. 6.17 Cr. for Unit-II and Rs. 7.40 Cr. for Unit-III for FY 2016-17 is allowed, and the disallowance of Rs. 1.24 Cr. is set aside, with the consequential impact on GFA, Interest on Loan, Return on Equity, depreciation and other tariff components incorporated in this Order.

Issue E - Decapitalisation of original assets considered for FY 2016-17 and computation of Interest on Loan.

APTEL Order

25. Directions of the Tribunal (paras 61-65):

    a. The historic value of each replaced item, for decapitalisation, shall be based on the actual cost of that item's additional capital expenditure as approved in this true-up, using the amount finally worked out.

    b. The normative debt/loan shall be worked out on the actual approved cost of ACE, without netting off decapitalisation, and decapitalisation shall be carried out in GFA/NFA with corresponding treatment of debt, if any, and equity for the original project cost.

Petitioner's Submission

26. The Petitioner submitted that Commission, in the Impugned Order, had considered the historical value of Rs. 2.31 Crore (Rs. 0.96 Crore for Unit 2 and Rs. 1.35 Crore for Unit 3) for the purpose of decapitalization on the basis of the proposed ACE of Rs. 13.57 Crore, instead of the historic value basis the actual ACE of Rs. 12.33 Crore approved in the Impugned Order itself. On a like-for-like re-computation based on the ACE of Rs. 12.33 Crore as approved, the decapitalisation works out to Rs. 1.98 Crore (Rs. 0.81 Crore for Unit 2 and Rs. 1.17 Crore for Unit 3).

27. Accordingly, the amount claimed in the instant Petition is on the basis of the ACE including the differential ACE of Rs 1.24 Crore as claimed under the Issue D above and are liable to be revised to the extent that the disallowance of Rs. 1.24 Crore agitated under Issue D above is reversed upon prudence check.

28. In relation to the Loan treatment of the plant, the Hon'ble Tribunal has held that since the actual loan on assets capitalised as on the Commercial Operation Date (i.e. the original project cost) has already been fully repaid (as recorded at Paragraph 5.127 of the Impugned Order) and the normative loan

approved pertains only to ACE from FY 2011-12 onwards, the decapitalisation of the original project cost on which there is no outstanding loan cannot be netted against the current Additional Capitalisation before applying the normative Debt: Equity ratio of 70:30. Accordingly, the Return on Equity has to be recomputed.

Commission's analysis

29. In accordance with the directions of Hon'ble APTEL and subsequent submissions of the Petitioner, the Commission has recomputed the Gross Fixed Asset (GFA), Interest on Loan (IoL) and Return on Equity (RoE) tabulated as follows:

Table 6: Recomputed GFA based on updated capitalization and de-capitalization for FY 16-17 (Rs. Cr.)

Particulars	Unit II		Unit III	
	Claimed	Implementation Order	Claimed	Implementation Order
Opening GFA	470.99	470.99	455.05	455.05
Capitalization	6.17	6.17	7.40	7.40
Decapitalization	0.96	0.96	1.35	1.35
Net	5.21	5.21	6.05	6.05
Closing GFA	**476.20**	**476.20**	**461.10**	**461.10**

30. In accordance with the above, the net addition to Debt : Equity for Unit II shall be Rs. 4.32:1.56 Cr. and the same for Unit III shall be Rs. 5.18:1.82 Cr.

31. Therefore, the now approved Interest on Loan, and Return on Equity are as follows:

Table 7: Recomputed Interest on Loan for FY 16-17 (Rs. Cr.)

Particulars	Unit II	Unit II	Unit III	Unit III
	Claimed	Implementation Order	Claimed	Implementation Order
Opening Loan	30.23	30.23	26.94	26.94
Addition	4.32	4.32	5.18	5.18
Deemed Repayment	2.84	2.84	2.55	2.55
Closing Loan	31.71	31.71	29.57	29.57
IoL (%)	13.02%	13.02%	12.33%	12.33%
IoL	**4.03**	**4.03**	**3.48**	**3.48**

32. As per the Tariff Order dated 27.12.2019, the approved Interest on Loan for Unit II and III was Rs. 3.96 Cr. and Rs. 3.40 Cr. respectively. Leading to a differential approval of Rs. 0.07 Cr. and Rs. 0.09 Cr. respectively.

Table 8: Recomputed Return on Equity for FY 16-17 (Rs. Cr.)

Return on Equity	Unit II	Unit II	Unit III	Unit III
	Claimed	Implementation Order	Claimed	Implementation Order
Opening Equity	141.3	141.3	136.51	136.51
Addition	1.56	1.56	1.82	1.82
Closing Equity	142.86	142.86	138.33	138.33
ROE	15.50%	15.50%	15.50%	15.50%
ROE	22.02	22.02	21.30	21.30
MAT	21.34%	21.34%	21.34%	21.34%
ROE Post MAT	19.71%	19.71%	19.71%	19.71%
ROE (Post Tax)	**28.00**	**28.00**	**27.08**	**27.08**

33. As per the Tariff Order dated 27.12.2019, the approved Return on Equity for Unit II and III was Rs. 27.98 Cr. and Rs. 27.06 Cr. respectively. Leading to a differential approval of Rs. 0.02 Cr. and Rs. 0.02 Cr. respectively.

34. The Commission therefore allows the Petitioner's submission and approves the differential Interest on Loan of Rs. 0.07 Cr. for Unit II and Rs. 0.09 Cr. for Unit III, and the differential Return on Equity of Rs. 0.02 Cr. for each of the two units. The consequential impact of the above shall be incorporated in this order for the relevant year, in compliance with the directions of Hon'ble APTEL.

Issue F/G - Depreciation on Original Project Cost

APTEL Order

35. Direction of the Tribunal (paras 66-73): consider the balance life of the project in terms of Regulations 7.29 and 7.32 of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations 2015, if not already done, or give reasons for the depreciation allowed on the Original Project Cost. The Tribunal did not decide the method of depreciation on Additional Capitalisation, because TPCL did not challenge the Commission's refusal to spread it over the 30-year PPA life and reserved liberty to approach the Commission on a residual-life study.

Petitioner's Submission

36. The Petitioner submitted that Since Unit 2 and Unit 3 were commissioned in FY 2000-01/2001-02, the useful life of 25 years prescribed under Regulation 2.1(58) of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations 2015 expires on 01.02.2026 in respect of Unit 2 and on 01.02.2027 in respect of Unit 3, and the remaining useful life as on 01.04.2016 accordingly works out to approximately 10 years for Unit 2 and approximately 11 years for Unit 3. However, the Commission, while computing depreciation on the Original Project Cost in the Impugned Order, spread the balance depreciable value as on 01.04.2016 over a balance life of 15 years i.e., treating the useful life as 30 years, corresponding to the balance PPA life even though this Hon'ble Commission had itself declined to extend the useful life to the 30-year PPA period for want of a residual-life study, and even though the Petitioner had never sought such extended life for spreading the balance depreciable value of the Original Project Cost.

37. Furthermore, at Paragraph 5.101 of the Impugned Order, the Commission declined to adopt the 30-year PPA life in respect of the Additional Capitalisation for want of a residual-life study, therefore, it is not open to this the Commission to apply sub silentio to the Original Project Cost the very extended life which it expressly refused to apply to the Additional Capitalisation. Thirdly, the Petitioner never sought such extended life in respect of the Original Project Cost, and the Impugned Order records no reason whatsoever for adopting it. Fourthly, and in any event, a departure from the normative prescription of the Regulations by way of a tariff order is impermissible in law, as held by the Hon'ble APTEL at Paragraphs 36 and 37 of the Judgment.

Commission's Analysis

38. Regulation 2.1(58) of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations 2015 fixes the useful life of a coal-based station at 25 years from COD. Under Regulation 7.32, the depreciation rates to continue until cumulative depreciation reaches 70%, after which the remaining depreciable value (to a maximum of 90%) is spread over the remaining useful life. For Unit II (COD 01.02.2001) and Unit III (COD 01.02.2002) the remaining life from 01.04.2016 is about 9.8 and 10.8 years respectively, so the balance depreciable value as on 01.04.2016 will be spread over that remaining life and not over a 30-year (PPA) horizon. Depreciation on Original Project Cost for FY 2016-17 is recomputed accordingly.

39. Depreciation on Original Project Cost, Unit II Rs. 3.36 Cr. and Unit III Rs. 5.11 Cr., against Rs. 2.27 crore and Rs. 3.77 crore previously allowed. The

Commission clarifies that depreciation on Additional Capitalisation from FY 2011-12 onwards remains as approved and is not reopened in this Order. The resultant Depreciation schedule is tabulated as follows:

Table 9: Depreciation schedule as per updated Original Capital Cost (Rs. Cr.)

Depreciation	Unit II		Unit III	
	Tariff Order dated 27.12.2019	Implementation Order	Tariff Order dated 27.12.2019	Implementation Order
Original Capital Cost	2.27	3.36	3.77	5.11
Additional Capitalization FY 12	0.43	0.43	0.38	0.38
Additional Capitalization FY 13	0.58	0.58	0.32	0.32
Additional Capitalization FY 14	0.43	0.43	0.81	0.81
Additional Capitalization FY 15	0.73	0.73	0.26	0.26
Additional Capitalization FY 16	0.51	0.52	0.59	0.59
Additional Capitalization FY 17	0.15	0.16	0.18	0.19
Net Depreciation	**5.10**	**6.21**	**6.31**	**7.66**

40. Therefore, there is a resultant differential cost approval for Unit II of Rs. 1.10 Cr. and for Unit II of Rs. 1.35 Cr.

41. Accordingly, the Commission allows the Petitioner's submission and approves the differential depreciation of Rs. 1.10 Cr. for Unit II and Rs. 1.35 Cr. for Unit III. The consequential impact of the above shall be incorporated in the revised True-up order for FY 2016-17, in compliance with the directions of Hon'ble APTEL.

Issue G/H - Tax Liability on O&M Savings

APTEL Order

42. In accordance with the above listed changes in O&M Costs, Hon'ble APTEL has directed to recompute the tax liability on savings in O&M in accordance with the Regulations, excluding actual water charges from the savings computation, since under Regulation 7.46 water charges are allowed on actuals and cannot generate savings against a normative benchmark.

Petitioner's Submission

43. In accordance with the above APTEL Order, the Petitioner had claimed tax liability savings due to change in Secondary Fuel Oil and change in O&M charges due to inclusion of Water Charges.

44. In this regards to water charges, the Petitioner submitted that excluding Water Charges from the savings computation, the correct savings under the normative O&M parameters for Unit 2 for FY 2016-17 stand at Rs. 3.74 Crore, and the tax liability thereon at Rs. 1.01 Crore, as against the savings of Rs. 1.78 Crore and tax liability of Rs. 0.48 Crore allowed in the Impugned Order i.e. resulting in an additional tax liability of Rs. 0.53 Crore.

Commission's Analysis

45. The Commission as per para 5.146 of the Impugned Order has noted that the tax liability is subject to the outcome of W.P.(C) No. 4544 of 2011, which has now been dismissed. Savings on O&M are therefore computed as normative O&M expenses less actual O&M expenses including newly approved water charges. The Commission, since is not approving the water charge in this order has deducted the same from Normative and Actual O&M expense to recompute. The tax on such savings is worked out at the applicable rate for FY 2016-17 and allowed on actuals tabulated for Unit III as follows:

Table 10: Recomputed Tax liability gain in O&M Expense due to Water Charges (Rs. Cr.)

Particular	Unit III	
	Tariff Order dated 27.12.2019	Implementation Order
Normative O&M Expenses	43.11	40.97
Actual O&M Expenses	41.33	37.23
Saving	1.78	3.74
Applicable Tax Rate	21.34%	21.34%
Tax liability Gain O&M Expenses	**0.48**	**1.01**

46. It can be observed that this has generated an additional approval of Rs. 0.53 Cr. for Unit II.

47. Secondly, the Commission has also increased the allowance of Secondary fuel oil in accordance with directions of Hon'ble APTEL. The resultant Tax Liability has been tabulated as follows:

Table 11: Recomputed Tax liability gain on Secondary Fuel (Rs. Cr.)

Particulars	UOM	Unit II		Unit III	
		Tariff Order dated 27.12.2019	Implementation Order	Tariff Order dated 27.12.2019	Implementation Order
Actual Gross Generation	MU	788.15	788.15	775.15	775.15
Normative LDO	ml/ kWh	0.50	1.00	0.50	1.00
LDO Consumption	kL	394.08	788.15	387.58	775.15
Actual LDO Consumption	kL	164.00	164.00	222.00	222.00
Difference in LDO	kL	230.08	624.15	165.58	553.15
Landed Price of Oil	Rs. / kL	42,152.33	42,152.33	42,394.00	42,394.00
Gain	Rs. Cr.	0.97	2.63	0.70	2.35
Applicable Tax Rate	%	21.34%	21.34%	21.34%	21.34%
Tax Liability on Secondary Fuel	**Rs. Cr.**	**0.26**	**0.71**	**0.19**	**0.64**

48. It can be observed that this has generated an additional approval of Rs. 0.45 Cr. for Unit II and III each.

49. Accordingly, the Commission notes that W.P.(C) No. 4544 of 2011 has been dismissed, so the tax liability mentioned in para 5.146 of the Impugned Order is no longer subject to any outcome and can be finalised. The Commission has recomputed the savings on O&M expenses for Unit III as normative O&M expenses less actual O&M expenses, after removing the water charges from both, since they are not approved in this Order. The savings now stand at Rs. 3.74 Cr. (earlier Rs. 1.78 Cr.), and the tax liability on them is Rs. 1.01 Cr. (earlier Rs. 0.48 Cr.

50. The Commission has also raised the normative secondary fuel oil (LDO) consumption from 0.50 ml/kWh to 1.00 ml/kWh in line with the directions of Hon'ble APTEL, so the tax liability on the secondary fuel gain rises from Rs. 0.26 Cr. to Rs. 0.71 Cr. for Unit II and from Rs. 0.19 Cr. to Rs. 0.64 Cr. for Unit III, an additional Rs. 0.45 Cr. for each unit. The total additional tax liability approved for FY 2016-17 is therefore Rs. 0.45 Cr. for Unit II and Rs. 0.98 Cr. for Unit III (Rs. 0.53 Cr. plus Rs. 0.45 Cr.), and its consequential impact shall be incorporated in this order for FY 2016-17, in compliance with the directions of Hon'ble APTEL.

Issue H/I - Carrying Cost

APTEL Order

51. Direction of the Tribunal (paras 77-82): TPCL is entitled to carrying cost on the approved gap for FY 2016-17, in terms of the applicable Regulation. The denial in para 5.152 of the Impugned Order on the ground of late filing of the true-up petition is set aside, because the MYT Order was issued on 19.02.2018, after the true-up filing date of 30.11.2017, and the petition was filed within about seven and a half months of it.

Petitioner's Submission

52. The Petitioner has submitted computation of carrying cost on four accounts:

    a. Carrying cost from FY 17-27 on differential approved amount of Annual Fixed Charge

    b. Carrying cost denied during Truing Up of FY 16-17 due to late filing of Petition

    c. Differential Claim in IoL, RoE, Depreciation, IoWC due to changes in GFA

    d. Carrying cost due to Differential Claim in IoL, RoE, Depreciation, IoWC due to changes in GFA

Commission's Analysis

53. Regulation 6.18 of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations 2015 provides for simple interest at the bank rate as on 1st April of the respective year on amounts under-recovered or over-recovered. Carrying cost is allowed on the total gap for FY 2016-17 as revised by this Order, which includes the gap of the Impugned Order and the additional amounts allowed under Issues 1 to 6, at the bank rate as on 1st April of the respective year (simple interest).

CONCLUSION

54. For the sake of brevity, the conclusions on the various issues of the order are tabulated as under:

Issue	UoM	Approved in Tariff Order dtd. 27.12.2019	Claimed by Petitioner	Now approved in Implementation Order
A. Raw water charges	Rs Cr	2.14 / 2.07	4.11 / 3.98	2.14 / 2.07
B. Energy cost (considering secondary fuel oil at 1 ml/kWh in implementation Order)	Rs Cr	182.94 / 182.67 SFOC – 0.50 mL/kWh	184.62 / 184.33 SFOC – 1.00 mL/kWh	184.30 / 184.01 SFOC – 1.00mL/kWh
B. Tax on secondary fuel gain	Rs Cr	0.26 / 0.19	0.71 / 0.64	0.71 / 0.64
C. Transit loss (washed coal)	-	Upheld by the Tribunal	Not pressed	No change
D. Additional capitalisation (asset value, not revenue)	Rs Cr	5.60 / 6.73	6.17 / 7.40	6.17 / 7.40
E. Decapitalisation (asset value, not revenue)	Rs Cr	0.96 / 1.35	0.96 / 1.35	0.96 / 1.35
E. Interest on loan	Rs Cr	3.96 / 3.40	4.03 / 3.48	4.03 / 3.48
E. Return on equity	Rs Cr	27.98 / 27.06	28.00 / 27.08	28.00 / 27.08
F. Depreciation	Rs Cr	5.10 / 6.31	6.20 / 7.66	6.21 / 7.66
G. Tax on O&M savings	Rs Cr	0.48 / nil	1.01 / nil	1.01 / nil
Interest on working capital (consequential)	Rs Cr	11.81 / 11.48	12.02 / 11.70	11.83 / 11.58
Total annual revenue requirement	Rs Cr	**276.64 / 269.22**	**282.67 / 274.92**	**280.22 / 272.57**

55. In accordance with the above listed changes the revised ARR for Unit II and III is tabulated as follows:

Table 12: Revised ARR for FY 16-17 of Unit II (Rs. Cr.)

Particular	Tariff Order dated 27.12.2019	Claimed	Implementation Order
O&M Expenses	43.11	45.07	43.11
Depreciation	5.10	6.21	6.21
Interest on Loan	3.96	4.03	4.03
Interest on Working Capital	11.80	12.02	11.83
Return on Equity	27.99	28.00	28.00
AFC	***91.96***	***95.33***	***93.19***
Availability	93.35%	93.35%	93.35%
AFC After Availability	91.96	95.33	93.19
Energy Charge	182.94	184.62	184.30
Annual Revenue Requirement	274.90	279.95	277.49
Tax on Gain (Secondary Fuel)	0.26	0.71	0.71
Tax on Gain (SHR)	0.47	0.47	0.47
Tax on Gain (Auxiliary)	0.53	0.53	0.53
Tax on Saving (O&M Expense)	0.48	1.01	1.01
Annual Revenue Requirement	**276.65**	**282.67**	**280.22**

Table 13: Revised ARR for FY 16-17 of Unit III (Rs. Cr.)

Particulars	Tariff Order dated 27.12.2019	Claimed	Implementation Order
O&M Expenses	36.79	38.69	36.79
Depreciation	6.31	7.66	7.66
Interest on Loan	3.40	3.48	3.48
Interest on Working Capital	11.47	11.70	11.58
Return on Equity	27.07	27.08	27.08
AFC	***85.04***	***88.61***	***86.59***
Availability	90.33%	90.33%	90.33%
AFC After Availability	85.04	88.61	86.59
Energy Charge	182.67	184.33	184.01
Annual Revenue Requirement	267.70	272.94	270.61
Tax on Gain (Secondary Fuel)	0.19	0.64	0.64
Tax on Gain (SHR)	0.68	0.68	0.68
Tax on Gain (Auxiliary)	0.65	0.65	0.65
Tax on Saving (O&M Expense)		0.00	
Annual Revenue Requirement	**269.22**	**274.91**	**272.57**

56. It can be observed that the there is a differential approval of Rs. 3.56 Cr. for Unit II and Rs. 3.35 Cr. for Unit III vice claim of Rs. 6.02 Cr. for Unit II and Rs. 5.68 Cr. for Unit III

57. Furthermore, the consequential differential approved amount on Interest on Loan, Return on Equity and Depreciation due to change in original project cost and depreciation schedule is tabulated as follows:

Table 14: Differential Claim on Interest on Loan, Return on Equity and Depreciation (Rs. Cr.)

Particulars	Unit II (Claimed)	Unit II (Approved)	Unit III (Claimed)	Unit III (Approved)
Differential claim in IoL	0.82	0.82	1.09	1.09
Differential claim in RoE	0.25	0.25	0.30	0.30
Differential claim in Depreciation	-0.2	-0.21	-0.26	-0.26
Impact on IoWC	0.02	0.01	0.02	0.02
Carrying Cost	0.75	0.76	0.95	0.95
Total consequential claim	**1.64**	**1.64**	**2.10**	**2.10**

58. The year-wise and unit-wise computation of consequential impact on RoE, IoL, Depreciation and IoWC along with carrying cost is annexed hereto and marked as Annexure 1

59. Based on the Gap Approved for FY 16-17 for Unit II of Rs. 3.56 Cr. and for Unit III of Rs. 3.35 Cr. above, the consequential carrying cost from FY 17-27 is tabulated in Annexure 2. While the Petitioner had claimed Rs. 7.57 Cr. for Unit II and Rs. 7.13 Cr. for Unit III, the same has been approved as Rs. 4.47 Cr. and Rs. 4.20 Cr. respectively.

60. The disallowance of carrying cost in the impugned order due to late filing has been allowed in this implementation order and the same is tabulated in Annexure 3. Furthermore, the subsequent impact of the change in carrying cost over FY 2019-27 is also included in Annexure 3.

ORDER

61. In view of the aforesaid concrete findings by this Commission, the Commission has revisited earlier Order dated 27.12.2019 passed by this Commission in Case (TARIFF) No 5 of 2018. Consequently, all the points are reconsidered and detailed analysis is given in individual sections itself. The summary of the Commission's stand is given in the following Table for all the issues raised by the Petitioner.

Table 15: Summary of Issues, Hon'ble APTEL directions and Commission's Analysis

Issue	APTEL Direction	Commission's Analysis
Water Charges for FY 2016-17	Issue is remanded to the State Commission for reconsideration in accordance with law keeping in view the water charges actually paid and/or ought to be payable.	The Commission vide order in Misc. Petition No. 02 of 2025 whose final order was passed on 10th March 2026. Further, the Petitioner is granted liberty to recover the differential amount, along with carrying cost and other consequential impact thereon, from TSL (Respondent). The differential amount, along with applicable carrying cost, shall be considered for pass-through in the Respondent's forthcoming True-up Order **No Financial Impact**
Disallowance of Cost of Secondary Fuel Oil on Normative Basis	Impugned Order is set aside. The matter is remanded to State Commission to work out Secondary Fuel Oil consumption for the subject units strictly in terms of the normative values so specified in the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations 2015.	Normative fuel consumption revised from 0.5 mL/kWh to 1 mL/kWh **Financial Impact**
Disallowance of Higher Transit Loss for FY 2016-17 for Washed Category of Coal	Impugned order upheld	No Change **No Financial Impact**
Disallowance of Additional Capitalisation	Disallowance on the elements under the issue is set aside and matter is remanded to the State Commission to undertake prudence check of the cost incurred including the change in scope of Work for these elements.	Additional Capitalization allowed and impact on IoL, RoE, Depreciation and interest on working Capital (IoWC) also changed in FY 16-17 and subsequent years **Financial Impact**
Decapitalisation of Original Assets for FY 2016- 17 and Consequent Reduction in Interest on Loan and Return on Equity	The issue is remanded to the State Commission for two sub-issue : i) to consider the decapitalisation of the item based on its ACE approved under True up. ii) The Debt/ normative loan should be considered on the actual cost of ACE approved for the purpose of calculating Interest on loan or other parameters under tariff determination and decapitalisation of that item should be carried out in Gross Fixed Asset/ net fixed asset with corresponding treatment of debt, if any and of equity in the Original Project Cost .	The Commission has considered the updated decapitalization value and made changes to Depreciation RoE, interest on working Capital (IoWC) also changed in FY 16-17 and subsequent years **Financial Impact**
Incorrect Computation of Depreciation on Original Project Cost	Issue is remanded to the State Commission to consider the balance life of project strictly in terms of Regulation 7.29 & 7.32 of GTR 2015, if not done already or assign the reasons for disallowance in the depreciation of Original Project Cost	AS per JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations 2015, the original project cost has been reaffirmed as per claim **Financial Impact**
Disallowance of Tax Liability on Savings due to	Issue is remanded to the State Commission for recomputation of tax	Tax liability has been recomputed for changes due to O&M expenses and Secondary fuel oil consumption

Issue	APTEL Direction	Commission's Analysis
Improved Performance in Normative Parameters of O&M Expenses	liability in savings in O&M in accordance with the Regulations.	**Financial Impact**
Denial of Carrying Cost	Appellant is entitled to carrying cost on the approved gap for FY 2016-17 in terms of applicable Regulation.	The Carrying costs have been approved as per JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations 2015 for FY 2016-17 **Financial Impact**

62. The financial impact of the remand Order is summarized issue-wise in the following table.

Recovery	Unit II		Unit III		Total	
	Claimed	Approved	Claimed	Approved	Claimed	Approved
Differential Recoverable amount	6.02	3.56	5.68	3.35	11.71	6.91
Carrying Cost 17-27	7.57	4.47	7.13	4.20	14.70	8.66
Error in Carrying Cost	1.50	1.50	2.07	2.07	3.57	3.57
Carrying Cost 19-27	1.60	1.60	2.20	2.20	3.80	3.80
Sub Total FY 17	***16.69***	***11.13***	***17.08***	***11.81***	***33.77***	***22.94***
Consequential Impact Issue (D to G)						
Differential Claim in IoL, RoE, Depreciation, IoWC	0.88	0.88	1.15	1.15	2.03	2.02
Carrying Cost	0.76	0.76	0.95	0.95	1.71	1.70
Sub Total Consequential Recovery	***1.64***	***1.64***	***2.10***	***2.09***	***3.74***	***3.73***
Grand Total	**18.33**	**12.77**	**19.18**	**13.90**	**37.51**	**26.67**

63. The Petitioner is permitted to recover the approved amount, along with the applicable carrying cost, through supplementary billing.

64. Accordingly, the petition is disposed off in terms of the above observations.

Sd/-

Member (L)

Sd/-

Chairperson

Annexure 1: Detailed Calculation of consequential impact on RoE, IoL, Depreciation and IoWC along with carrying cost

Table 16: Interest on Loan (FY 2017-18)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Opening Loan	31.74	30.65	31.71	31.71	29.73	28.17	29.57	29.57
Deemed Loan Addition	0.31	0.16	0.16	0.16	1.77	1.03	1.03	1.03
Deemed Loan Repayment	3.04	2.96	3.06	3.06	2.69	2.76	2.85	2.85
Closing Loan	29.01	27.86	28.81	28.81	28.81	26.44	27.75	27.75
Interest Rate	13.02%	13.02%	13.02%	13.02%	12.33%	12.33%	12.33%	12.33%
Interest on Loan	**3.96**	**3.81**	**3.94**	**3.94**	**3.61**	**3.37**	**3.53**	**3.53**

Table 17: Return on Equity (FY 2017-18)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Opening Equity	146.6	142.69	142.86	142.86	141.22	138.13	138.33	138.33
Addition	0.13	0.07	0.07	0.07	0.76	0.44	0.44	0.44
Closing Equity	146.73	142.76	142.93	142.93	141.98	138.57	138.77	138.77
Rate of Return	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
ROE (Pos-Tax)	22.73	22.12	22.15	22.15	21.95	21.44	21.48	21.47
MAT	21.34%	21.34%	21.34%	21.34%	21.34%	21.34%	21.34%	21.34%
ROE after MAT	19.71%	19.71%	19.71%	19.71%	19.71%	19.71%	19.71%	19.71%
ROE (Pre-Tax)	**28.90**	**28.12**	**28.16**	**28.17**	**27.90**	**27.26**	**27.31**	**27.31**

Table 18: Depreciation (FY 2017-18)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Original Capital Cost	3.38	2.27	2.27	2.27	5.11	3.77	3.77	3.77
Additional Capitalization FY12	0.36	0.41	0.41	0.41	0.31	0.38	0.38	0.38
Additional Capitalization FY13	0.49	0.58	0.58	0.58	0.23	0.32	0.32	0.32
Additional Capitalization FY14	0.49	0.43	0.43	0.43	0.81	0.81	0.81	0.81
Additional Capitalization FY15	0.74	0.73	0.73	0.73	0.24	0.26	0.26	0.26
Additional Capitalization FY16	0.56	0.51	0.51	0.51	0.61	0.59	0.59	0.59
Additional Capitalization FY17	0.39	0.29	0.39	0.39	0.43	0.35	0.43	0.43
Additional Capitalization FY18	0.01	0.01	0.01	0.01	0.07	0.06	0.06	0.06
Net Depreciation	**6.41**	**5.23**	**5.33**	**5.33**	**7.81**	**6.54**	**6.62**	**6.62**

Table 19: Interest on Loan (FY 2018-19)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Opening Loan	29.01	27.86	28.81	28.81	28.81	26.44	27.75	27.75
Deemed Loan Addition	7.86	7.82	7.82	7.82	0.84	0.81	0.81	0.81
Deemed Loan Repayment	3.34	3.56	3.59	3.59	2.77	2.85	2.89	2.89
Closing Loan	33.53	32.11	33.04	33.04	26.88	24.40	25.67	25.67
Interest Rate	**13.02%**	**13.02%**	**13.02%**	**13.02%**	**12.33%**	**12.33%**	**12.33%**	**12.33%**

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Interest on Loan	**4.07**	**3.90**	**4.03**	**4.03**	**3.43**	**3.13**	**3.29**	**3.29**

Table 20: Return on Equity (FY 2018-19)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Opening Equity	146.73	142.76	142.93	142.93	141.98	138.57	138.77	138.77
Addition	3.37	2.93	2.93	2.93	0.36	0.18	0.18	0.18
Closing Equity	150.1	145.69	145.86	145.86	142.34	138.75	138.95	138.95
Rate of Return	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
ROE (Post-Tax)	23.01	22.35	22.38	22.38	22.03	21.49	21.52	21.52
MAT	21.55%	21.55%	21.55%	21.55%	21.55%	21.55%	21.55%	21.55%
RoE with MAT	19.76%	19.76%	19.76%	19.76%	19.76%	19.76%	19.76%	19.76%
ROE (Pre-Tax)	**29.32**	**28.50**	**28.53**	**28.53**	**28.09**	**27.40**	**27.44**	**27.44**

Table 21: Depreciation (FY 2018-19)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Depreciation	6.72	5.83	5.86	5.86	7.88	6.40	6.44	6.44

Table 22: Interest on Loan (FY 2019-20)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Opening Loan	32.11	32.11	33.04	33.04	24.40	24.40	25.67	25.67
Deemed Loan Addition	1.66	1.66	1.66	1.66	1.39	1.39	1.39	1.39
Deemed Loan Repayment	6.66	3.88	3.92	3.92	4.60	2.83	2.87	2.87
Closing Loan	27.11	29.89	30.78	30.78	21.19	22.96	24.19	24.19
Interest Rate	13.02%	13.02%	13.02%	13.02%	12.33%	12.33%	12.33%	12.33%
Interest on Loan	**3.86**	**4.04**	**4.15**	**4.15**	**2.81**	**2.92**	**3.07**	**3.07**

Table 23: Return on Equity (FY 2019-20)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Opening Equity	145.69	145.69	145.86	145.86	138.75	138.75	138.95	138.95
Addition	-0.31	-0.64	-0.64	-0.64	0.01	0.55	0.55	0.55
Closing Equity	145.39	145.06	145.22	145.22	138.75	139.29	139.50	139.50
Rate of Return	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
ROE (Post-Tax)	22.56	22.53	22.56	22.56	21.51	21.55	21.58	21.58
MAT	17.47%	17.47%	17.47%	17.47%	17.47%	17.47%	17.47%	17.47%
RoE with MAT	18.78%	18.78%	18.78%	18.78%	18.78%	18.78%	18.78%	18.78%
ROE (Pre-Tax)	**27.33**	**27.30**	**27.33**	**27.33**	**26.06**	**26.11**	**26.15**	**26.15**

Table 24: Depreciation (FY 2019-20)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Depreciation	10.16	5.93	5.87	5.87	10.13	6.23	6.17	6.17

Table 25: Interest on Loan (FY 2020-21)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Opening Loan	29.89	29.89	30.78	30.78	22.96	22.96	24.19	24.19
Closing Debt	29.89	29.89	30.78	30.78	29.81	29.81	31.04	31.04
Average Loan Balance	29.89	29.89	30.78	30.78	26.39	26.39	27.61	27.62
Rate of Interest	13.02%	13.02%	13.02%	13.02%	12.33%	12.33%	12.33%	12.33%
Interest on Loan	**3.89**	**3.89**	**4.01**	**4.01**	**3.25**	**3.25**	**3.40**	**3.41**

Table 26: Return on Equity (FY 2020-21)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Opening Equity	145.06	145.06	145.23	145.23	139.29	139.29	139.49	139.49
Net Addition	1.53	1.53	1.53	1.53	2.67	2.67	2.67	2.67
Closing Equity	146.59	146.59	146.76	146.76	141.96	141.96	142.16	142.16
Average Equity	145.82	145.82	146.00	146.00	140.63	140.63	140.83	140.83
Rate of Return	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
ROE (Pre-Tax)	20.71%	20.71%	20.71%	20.71%	20.71%	20.71%	20.71%	20.71%
MAT	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%
ROE (Pre-Tax)	**30.20**	**30.20**	**30.24**	**30.24**	**29.13**	**29.13**	**29.17**	**29.17**

Table 27: Depreciation (FY 2020-21)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Depreciation	11.71	6.39	6.33	6.33	11.39	6.65	6.58	6.58

Table 28: Interest on Loan (FY 2021-22)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Opening Loan	24.32	29.89	30.78	30.78	23.95	29.81	31.04	31.04
Deemed Loan Addition	2.12	1.87	1.87	1.87	1.83	1.31	1.31	1.31
Deemed Loan Repayment	8.55	4.61	4.64	4.64	7.22	4.13	4.17	4.17
Closing Loan	17.89	27.15	28.01	28.01	18.56	26.99	28.18	28.19
Average Loan Balance	21.11	28.52	29.40	29.40	21.25	28.40	29.61	29.62
Interest Rate	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Interest on Loan	**1.90**	**2.57**	**2.65**	**2.65**	**1.91**	**2.56**	**2.67**	**2.67**

Table 29: Return on Equity (FY 2021-22)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Opening Equity	146.59	146.59	146.76	146.76	141.96	143.19	143.39	143.39
Net Addition	0.79	0.68	0.68	0.68	0.75	0.53	0.53	0.53
Closing Equity	147.38	147.27	147.44	147.44	142.71	143.72	143.92	143.92
Average Equity	146.98	146.93	147.10	147.10	142.34	143.45	143.66	143.66
Rate of Return	14.00%	15.00%	15.00%	15.00%	14.00%	15.00%	15.00%	15.00%
ROE (Pre-Tax)	18.71%	20.04%	20.04%	20.04%	18.71%	20.04%	20.04%	20.04%
MAT	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%
ROE (Pre-Tax)	27.50	29.45	29.48	29.48	26.63	28.75	28.79	28.79

Table 30: Depreciation (FY 2021-22)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Depreciation	12.56	6.80	6.74	6.74	13.03	7.51	7.44	7.44

Table 31: Interest on Loan (FY 2022-23)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Opening Loan	27.14	27.14	28.01	28.01	27.00	27.00	28.18	28.19
Deemed Loan Addition	0.36	0.36	0.36	0.36	0.49	0.49	0.49	0.49
Deemed Loan Repayment	10.73	4.77	4.80	4.80	8.49	4.24	4.28	4.28
Closing Loan	16.77	22.74	23.57	23.57	19	23.24	24.39	24.40

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Average Loan Balance	21.96	24.94	25.79	25.79	23	25.12	26.29	26.29
Interest Rate	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Interest on Loan	**1.98**	**2.24**	**2.32**	**2.32**	**2.07**	**2.26**	**2.37**	**2.37**

Table 32: Return on Equity (FY 2022-23)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Opening Equity	147.38	147.38	147.55	147.55	142.7	143.92	144.12	144.12
Net Addition	1.59	1.59	1.59	1.59	1.59	1.59	1.59	1.59
Closing Equity	148.97	148.97	149.14	149.14	144.29	145.52	145.71	145.71
Average Equity	148.18	148.18	148.35	148.35	143.5	144.72	144.92	144.92
Rate of Return	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
ROE (Pre-Tax)	20.05%	20.04%	20.04%	20.04%	20.05%	20.04%	20.04%	20.04%
MAT	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%
ROE (Pre-Tax)	29.70	29.70	29.73	29.73	28.76	29.01	29.04	29.04

Table 33: Depreciation (FY 2022-23)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Depreciation (Original Project Cost)	4.93	2.19	2.11	2.11	6.75	3.38	3.28	3.28

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Depreciation (Add Cap)	10.73	4.77	4.80	4.80	8.49	4.24	4.28	4.28
Net Depreciation	**15.66**	**6.96**	**6.91**	**6.91**	**15.24**	**7.62**	**7.56**	**7.56**

Table 34: Interest on Loan (FY 2023-24)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Opening Loan	22.74	22.74	23.57	23.57	23.24	23.24	24.39	24.40
Deemed Loan Addition	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Deemed Loan Repayment	13.85	5.19	5.22	5.22	10.42	4.63	4.67	4.67
Closing Loan	13.89	22.54	23.34	23.35	17.82	23.61	24.73	24.73
Average Loan Balance	18.31	22.64	23.46	23.46	20.53	23.43	24.56	24.56
Interest Rate	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
Interest on Loan	**1.92**	**2.38**	**2.46**	**2.46**	**2.16**	**2.46**	**2.58**	**2.58**

Table 35: Return on Equity (FY 2023-24)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Opening Equity	147.38	147.38	147.55	147.55	142.7	143.92	144.12	144.12
Net Addition	1.59	1.59	1.59	1.59	1.59	1.59	1.59	1.59

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Closing Equity	148.97	148.97	149.14	149.14	144.29	145.52	145.71	145.71
Average Equity	148.18	148.18	148.35	148.35	143.5	144.72	144.92	144.92
Rate of Return	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
ROE (Pre-Tax)	20.05%	20.04%	20.04%	20.04%	20.05%	20.04%	20.04%	20.04%
MAT	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%
ROE (Pre-Tax)	29.7	29.70	29.73	29.73	28.76	29.01	29.04	29.04

Table 36: Depreciation (FY 2023-24)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Depreciation (Original Project Cost)	5.60	2.10	2.01	2.01	7.4	3.29	3.19	3.19
Depreciation (Add Cap)	13.85	5.19	5.22	5.22	10.42	4.63	4.67	4.67
Net Depreciation	**19.45**	**7.30**	**7.24**	**7.24**	**17.82**	**7.92**	**7.86**	**7.86**

Table 37: Interest on Loan (FY 2024-25)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Opening Loan	22.54	22.49	23.34	23.35	23.61	23.56	24.73	24.73
Deemed Loan Addition	3.24	3.24	3.24	3.24	0.20	0.20	0.20	0.20
Deemed Loan Repayment	5.93	5.92	5.96	5.96	5.03	5.02	5.07	5.07

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Closing Loan	19.85	19.81	20.62	20.62	18.78	18.74	19.86	19.86
Average Loan Balance	21.19	21.15	21.98	21.98	21.19	21.15	22.29	22.30
Interest Rate	10.65%	10.65%	10.65%	10.65%	10.65%	10.65%	10.65%	10.65%
Interest on Loan	**2.26**	**2.25**	**2.34**	**2.34**	**2.26**	**2.25**	**2.37**	**2.37**

Table 38: Return on Equity (FY 2024-25)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Opening Equity	148.97	148.94	149.11	149.11	144.29	145.49	145.69	145.69
Net Addition	0.94	0.94	0.94	0.94	0.0038	0.00	0.00	0.00
Closing Equity	149.92	149.89	150.05	150.05	144.3	145.49	145.69	145.69
Average Equity	149.44	149.41	149.58	149.58	144.3	145.49	145.69	145.69
Rate of Return	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
ROE (Pre-Tax)	20.04%	20.04%	20.04%	20.04%	20.04%	20.04%	20.04%	20.04%
MAT	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%
ROE (Pre-Tax)	29.96	29.95	29.98	29.98	28.92	29.16	29.20	29.20

Table 39: Depreciation (FY 2024-25)

Particulars	Unit-2				Unit-3			
	True Up Petition	Approved	Claimed	Now Approved	True Up Petition	Approved	Claimed	Now Approved
Depreciation (Original Project Cost)	2.13	2.13	2.04	2.04	3.37	3.37	3.27	3.27
Depreciation (Add Cap)	5.93	5.92	5.96	5.96	5.03	5.02	5.07	5.07
Net Depreciation	**8.06**	**8.05**	**8.00**	**8.00**	**8.41**	**8.39**	**8.34**	**8.34**

Table 40: Impact on Interest on Working Capital (IoWC)

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Unit-2								
Total impact on AFC	0.27	0.18	0.09	0.10	0.05	0.06	0.05	0.07
Impact on Receivables	0.05	0.03	0.01	0.02	0.01	0.01	0.01	0.01
Interest rate on WC	12.60%	12.20%	12.55%	11.65%	10.50%	10.50%	12.00%	12.15%
Differential claim on IoWC	0.01	0.004	0.002	0.002	0.001	0.001	0.001	0.001
Unit-3								
Total impact on AFC	0.29	0.24	0.13	0.12	0.08	0.07	0.09	0.11
Impact on Receivables	0.05	0.04	0.02	0.02	0.01	0.01	0.01	0.02
Interest rate on WC	12.60%	12.20%	12.55%	11.65%	10.50%	10.50%	12.00%	12.15%
Differential claim on IoWC	0.01	0.005	0.003	0.002	0.001	0.001	0.002	0.002

Table 41: Carrying Cost (Unit II)

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	Total Interest
Amount	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	
Rate	12.60%	12.20%	12.55%	11.65%	10.90%	11.05%	13.60%	13.75%	13.90%	13.40%	
Carrying cost	0.02	0.03	0.04	0.03	0.03	0.03	0.04	0.04	0.04	0.02	0.32
Closing value	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	
Amount		0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	
Rate	12.60%	12.20%	12.55%	11.65%	10.90%	11.05%	13.60%	13.75%	13.90%	13.40%	
Carrying cost		0.01	0.02	0.02	0.02	0.02	0.03	0.03	0.03	0.01	0.19
Closing value		0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	
Amount			0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	
Rate	12.60%	12.20%	12.55%	11.65%	10.90%	11.05%	13.60%	13.75%	13.90%	13.40%	
Carrying cost			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.08
Closing value			0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	
Amount				0.10	0.10	0.10	0.10	0.10	0.10	0.10	
Rate	12.60%	12.20%	12.55%	11.65%	10.90%	11.05%	13.60%	13.75%	13.90%	13.40%	
Carrying cost				0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.07
Closing value				0.10	0.10	0.10	0.10	0.10	0.10	0.10	
Amount					0.05	0.05	0.05	0.05	0.05	0.05	
Rate	12.60%	12.20%	12.55%	11.65%	10.90%	11.05%	13.60%	13.75%	13.90%	13.40%	
Carrying cost					0.00	0.01	0.01	0.01	0.01	0.00	0.03

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	Total Interest
Closing value					0.05	0.05	0.05	0.05	0.05	0.05	
Amount						0.06	0.06	0.06	0.06	0.06	
Rate	12.60%	12.20%	12.55%	11.65%	10.90%	11.05%	13.60%	13.75%	13.90%	13.40%	
Carrying cost						0.00	0.01	0.01	0.01	0.00	0.03
Closing value						0.06	0.06	0.06	0.06	0.06	
Amount							0.05	0.05	0.05	0.05	
Rate	12.60%	12.20%	12.55%	11.65%	10.90%	11.05%	13.60%	13.75%	13.90%	13.40%	
Carrying cost							0.00	0.01	0.01	0.00	0.02
Closing value							0.05	0.05	0.05	0.05	
Amount								0.07	0.07	0.07	
Rate	12.60%	12.20%	12.55%	11.65%	10.90%	11.05%	13.60%	13.75%	13.90%	13.40%	
Carrying cost								0.00	0.01	0.00	0.02
Closing value								0.07	0.07	0.07	
Total											**0.76**

Table 42: Carrying Cost (Unit III)

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	Total Interest
Amount	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	
Rate	12.60%	12.20%	12.55%	11.65%	10.90%	11.05%	13.60%	13.75%	13.90%	13.40%	

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	Total Interest
Carrying cost	0.02	0.04	0.04	0.03	0.03	0.03	0.04	0.04	0.04	0.02	0.33
Closing value	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	
Amount		0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	
Rate	12.60%	12.20%	12.55%	11.65%	10.90%	11.05%	13.60%	13.75%	13.90%	13.40%	
Carrying cost		0.01	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.02	0.24
Closing value		0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	
Amount			0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	
Rate	12.60%	12.20%	12.55%	11.65%	10.90%	11.05%	13.60%	13.75%	13.90%	13.40%	
Carrying cost			0.01	0.02	0.01	0.01	0.02	0.02	0.02	0.01	0.12
Closing value			0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	
Amount				0.12	0.12	0.12	0.12	0.12	0.12	0.12	
Rate	12.60%	12.20%	12.55%	11.65%	10.90%	11.05%	13.60%	13.75%	13.90%	13.40%	
Carrying cost				0.01	0.01	0.01	0.02	0.02	0.02	0.01	0.09
Closing value				0.12	0.12	0.12	0.12	0.12	0.12	0.12	
Amount					0.08	0.08	0.08	0.08	0.08	0.08	
Rate	12.60%	12.20%	12.55%	11.65%	10.90%	11.05%	13.60%	13.75%	13.90%	13.40%	
Carrying cost					0.00	0.01	0.01	0.01	0.01	0.01	0.05
Closing value					0.08	0.08	0.08	0.08	0.08	0.08	
Amount						0.07	0.07	0.07	0.07	0.07	

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	Total Interest
Rate	12.60%	12.20%	12.55%	11.65%	10.90%	11.05%	13.60%	13.75%	13.90%	13.40%	
Carrying cost						0.00	0.01	0.01	0.01	0.01	0.04
Closing value						0.07	0.07	0.07	0.07	0.07	
Amount							0.09	0.09	0.09	0.09	
Rate	12.60%	12.20%	12.55%	11.65%	10.90%	11.05%	13.60%	13.75%	13.90%	13.40%	
Carrying cost							0.01	0.01	0.01	0.01	0.04
Closing value							0.09	0.09	0.09	0.09	
Amount								0.11	0.11	0.11	
Rate	12.60%	12.20%	12.55%	11.65%	10.90%	11.05%	13.60%	13.75%	13.90%	13.40%	
Carrying cost								0.01	0.02	0.01	0.03
Closing value								0.11	0.11	0.11	
Total Interest											**0.95**

Annexure 2

Unit II	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Total
Gap (Claimed)	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	
Interest (Claimed)	0.39	0.76	0.74	0.76	0.70	0.66	0.67	0.82	0.83	0.84	0.40	**7.57**
Gap (Approved)	3.56	3.56	3.56	3.56	3.56	3.56	3.56	3.56	3.56	3.56	3.56	
Interest (Approved)	0.23	0.45	0.43	0.45	0.42	0.39	0.39	0.48	0.49	0.50	0.24	**4.47**

Unit III	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Total
Gap (Claimed)	5.69	5.69	5.69	5.69	5.69	5.69	5.69	5.69	5.69	5.69	5.69	
Interest (Claimed)	0.36	0.72	0.69	0.71	0.66	0.62	0.63	0.77	0.78	0.79	0.38	**7.13**
Gap (Approved)	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	
Interest (Approved)	0.21	0.42	0.41	0.42	0.39	0.36	0.37	0.46	0.46	0.47	0.22	**4.20**

Annexure 3

For FY 17 - 18	Order	Order	Claimed	Claimed	Approved	Approved	Order	Order	Claimed	Claimed	Approved	Approved
	Unit II	Unit II	Unit II	Unit II	Unit II	Unit II	Unit III	Unit III	Unit III	Unit III	Unit III	Unit III
	FY 17	FY 18	FY 17	FY 18	FY 17	FY 18	FY 17	FY 18	FY 17	FY 18	FY 17	FY 18
Opening Gap	0	11.13	0	11.84	0	11.84	0	15.32	0	16.30	0	16.30
Addition	11.13	0	11.13	0	11.13	0	15.32	0	15.32	0	15.32	0
Closing Gap	11.13	11.13	11.13	11.84	11.13	11.84	15.32	15.32	15.32	16.30	15.32	16.3005
Carrying Cost Rate	0%	12.60%	12.80%	12.60%	12.80%	12.60%	0%	12.60%	12.80%	12.60%	12.80%	12.60%
Interest	0.00	0.70	0.71	1.49	0.71	1.49	0.00	0.97	0.98	2.05	0.98	2.05
Closing including Carrying Cost	11.13	11.83	11.84	13.33	11.84	13.33	15.32	16.29	16.30	18.35	16.30	18.35
Revenue Recovered in April, 2018	0	15.16	0	15.16	0	15.16	0	20.11	0	20.11	0	20.11
Net Closing Gap/(Surplus)	11.13	(3.33)	11.84	(1.83)	11.84	(1.83)	15.32	(3.82)	16.30	(1.76)	16.30	(1.76)
Differential				**(1.50)**		**(1.50)**				**(2.07)**		**(2.07)**

Unit II	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Total
Gap (Claimed)	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	
Interest (Claimed)	0.18	0.19	0.18	0.16	0.17	0.20	0.21	0.21	0.10	**1.60**
Gap (Approved)	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	
Interest (Approved)	0.18	0.19	0.18	0.16	0.17	0.20	0.21	0.21	0.10	**1.60**

Unit III	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Total
Gap (Claimed)	2.07	2.07	2.07	2.07	2.07	2.07	2.07	2.07	2.07	
Interest (Claimed)	0.25	0.26	0.24	0.23	0.23	0.28	0.28	0.29	0.14	**2.20**
Gap (Approved)	2.07	2.07	2.07	2.07	2.07	2.07	2.07	2.07	2.07	
Interest (Approved)	0.25	0.26	0.24	0.23	0.23	0.28	0.28	0.29	0.14	**2.20**