

1 Executive Summary

1.1 Background

Maharashtra State Electricity Transmission Company Limited (MSETCL) is a State Transmission Utility with a dedicated responsibility of planning, developing, operating and maintaining the State Transmission System to facilitate transmission of electricity from its source to load centres. MSETCL is filing the current Petition for Truing up of Aggregate Revenue Requirement (ARR) for FY 2019-20 as per Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2015 (hereinafter referred to as “MYT Regulations, 2015”), Truing-up of FY 2020-21 and FY 2021-22 and Provisional Truing up of ARR for FY 2022-23 as per Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019 (hereinafter referred to as “MYT Regulations, 2019”) and Revised Projections of ARR for FY 2023-24 and FY 2024-25 of the balance Control Period in accordance with MYT Regulations, 2019 along with the impact of claim for disallowed Capitalization for past period from FY 2010-11 to FY 2018-19 and along with impact of ATE judgement in the matter of Delayed payment charge and other elements (242/2015)

MSETCL had filed Petition for Truing up of ARR for FY 2011-12, Annual Performance Review (APR) of FY 2012-13 & Multi Year Tariff (MYT) determination from FY 2013-14 to FY 2015-16 against which the Hon’ble Commission has issued Order in Case No. 39 of 2013 dated 13 February, 2014. Aggrieved by the directives and certain error apparent in the impugned Order issued by the Hon’ble Commission, MSETCL subsequently had filed a Review Petition under Affidavit (listing specific grounds on which it sought review against specific aspects of the detailed Tariff Order) with the Hon’ble Commission. After validation of the plea made by MSETCL, the Hon’ble Commission has issued Review Tariff Order under Case No. 79 of 2014 dated 24 June 2014.

Subsequently, the Hon’ble Commission issued the *suo moto* amendment of Intra State Transmission Tariff Order on 14 August 2014 in Case No. 123 of 2014 revising the tariff for MSETCL for FY 2014-15 and FY 2015-16.

MSETCL submitted the Petition to MERC for Truing up of ARR for FY 2012-13, provisional True up for FY 2013-14 and approval of Revised Estimates of ARR for FY 2014-15 and FY 2015-16. The Hon'ble Commission issued the Order in Case No. 207 of 2014 in this respect on 26 June 2015. MSETCL submitted Review Petition (Case No. 105 of 2015) to the Hon'ble Commission in respect of the Order and an appeal with Hon'ble Appellate Tribunal for Electricity on 7th August 2015 (Case No. 242 of 2015) so that the resultant Revenue Gap after Final Truing up for FY 2012-13 and FY 2013-14, Provisional Truing up for FY 2014-15 and Revised Estimates of ARR for FY 2015-16 was appropriately restated. Hon'ble Commission passed an order in Case No. 105 dated 22nd December, 2015 related to the Review petition.

The Hon'ble Appellate Tribunal for Electricity on 29th August, 2022 passed a judgement (oral) directing Hon'ble Commission to take up by the matter for fresh consideration at an early date and further mentioned that needless to add the State Commission shall approach the matter in such respect feeling uninfluenced by the view previously taken in the matter (para 28). Accordingly, MSETCL has tentatively computed the impact of such judgement (oral) and has requested Hon'ble Commission to consider the claim as per directions of Hon'ble Commission.

Hon'ble Commission issued the MERC (MYT) Regulations 2015, which was published in Gazette on 8th December, 2015. MSETCL submitted the Petition for True-up for FY 2014-15, Provisional True-up for FY 2015-16 based on MERC (MYT) Regulations, 2011 and ARR for FY 2016-17 to FY 2019-20 based on MERC (MYT) Regulations 2015, on February 10, 2016. After the Technical Validation Session (TVS) MSETCL submitted the revised Petition to the Hon'ble Commission on 13th April, 2016. The Hon'ble Commission issued the Order in Case No. 31 of 2016 dated 7th July, 2016 with respect to the revised MYT Petition filed by MSETCL on 13th April, 2016.

MSETCL submitted Review Petition (Case No. 281 of 2018) to the Hon'ble Commission in respect of the Order (in case No. 31 of 2016) and an appeal with Hon'ble Appellate Tribunal for Electricity on 11th August 2016 (Case No. 67 of 2017) over various issues in the said Order. MSETCL also submitted the MTR Petition for True-up for FY 2015-16 & FY 2016-17, Provisional True-up for FY 2017-18 and Revised forecast for ARR for FY 2018-19 and FY

2019-20 based on MERC (MYT) Regulations 2015, on 30th November 2017 and subsequently submitted revised Petition to the Hon'ble Commission on 11th June, 2018. The Hon'ble Commission issued the Order in Case No. 168 of 2017 dated 12th September, 2018 with respect to the revised MTR Petition filed by MSETCL.

MSETCL submitted a Review Petition (Case No. 313 of 2018) to the Hon'ble Commission in respect of the Order (in case No. 168 of 2017) and an appeal with Hon'ble Appellate Tribunal for Electricity on 4th February 2019 (Appeal no.379 of 2019) over various issues in the said Order.

On 1st August, 2019 the Hon'ble Commission notified the MYT Regulations, 2019 which are applicable for the 4th Control Period from FY 2020-21 to FY 2024-25.

MSETCL submitted the Multi Year Tariff (MYT) Petition for Truing-up of Aggregate Revenue Requirement (ARR) for FY 2017-18 & FY 2018-19 and Provisional Truing up of ARR for FY 2019-20 under the MYT Regulations, 2015 and approval of ARR for the 4th MYT Control Period from FY 2020-21 to FY 2024-25 under the MYT Regulations, 2019, including the impact of past period disallowed capitalisation for FY 2010-11 to FY 2016-17 on 9th December 2019. The Hon'ble Commission issued the Order in Case No. 302 of 2019 dated 30th March 2020 with respect to the revised MTR Petition filed by MSETCL.

MSETCL filed an appeal (in case 302 of 2019) with Hon'ble Appellate Tribunal for Electricity on 4th December, 2020 and is registered as Appeal no.107 of 2021.

1.2 The Present Petition

MSETCL is filing the Mid-Term Review (MTR) 2022 petition considering the provisions given in the MYT regulation 2015 for true-up of FY 2019-20 and MYT regulation 2019 for true-up of FY 2020-21 and FY 2021-22, provisional true-up of FY 2022-23 and revised ARR for FY 2023-24 and FY 2024-25.

MSETCL has worked out Final Truing up for FY 2019-20, FY 2020-21 and FY 2021-22 in the present Petition. The Audited Accounts and principles stipulated in the (MYT) Regulations, 2015 have formed the basis for carrying out the Truing up for FY 2019-20 and (MYT) Regulations, 2019 for truing up for FY 2020-21 and FY 2021-22. MSETCL has also claimed the disallowed capitalization of previous years and impact of ATE judgement (242/2015) in the current Petition.

MSETCL has further worked out provisional Truing up for FY 2022-23 in this Petition. The provisional Accounts and principles stipulated in the (MYT) Regulations, 2019 are considered basis for carrying out the provisional Truing up.

MSETCL has also computed revised ARR projections for FY 2023-24 to FY 2024-25 in accordance with the provisions of the (MYT) Regulations, 2019 and incorporated the implications of the Truing up carried out for FY 2019-20, FY 2020-21 and FY 2021-22 and provisional truing up for FY 2022-23 and other impacts and past gaps and carrying cost etc.

1.2.1 Impact of Disallowed Capitalisation of Assets for Previous years

MSETCL in its previous MYT petition in case no. 302/ 2019 had provided details of Impact of disallowed capitalisation of assets for previous years and Hon'ble Commission had approved a gross amount of Rs.112.20 Cr (against MSETCL claim of Rs.323.79 Cr). MSETCL submits that the primary reason for disallowance of such capitalisation was unutilised bays and other capital expenditure schemes not put to use. MSETCL submits that during the period from MYT order and current MTR petitions certain schemes have been put to use and accordingly has claimed the capitalisation of Rs.158.46Cr along with impact of ARR for the relevant years.

Table 1: Claim of Disallowed Capitalisation for past period

Rs.Crore

Particulars	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	Total
Capitalisation Claimed	40.43	8.17	9.46	3.30	12.53	9.83	0.67	22.47	79.34	186.19

Table 2: Impact of Disallowed Capitalisation for past period

Impact of Disallowed Capitalisation now being claimed - Total						Rs.Cr
Capitalisation Claimed in FY	Depreciation + AAD	Interest on Loan	Return on Equity	Total before Incentive	Incentive	Total
FY 2010-11	0.57	1.57	0.57	2.70	0.05	2.75
FY 2011-12	1.40	3.84	1.25	6.48	0.11	6.60
FY 2012-13	1.41	4.23	1.49	7.13	0.13	7.27
FY 2013-14	2.31	4.93	1.85	9.10	0.18	9.28
FY 2014-15	2.61	5.48	2.10	10.19	0.20	10.39
FY 2015-16	2.58	6.10	2.44	11.13	0.21	11.34
FY 2016-17	3.27	6.19	1.26	10.72	0.08	10.80
FY 2017-18	3.74	6.40	1.44	11.58	0.07	11.65
FY 2018-19	5.69	9.87	4.70	20.26	0.10	20.35
Total	23.57	48.61	17.10	89.28	1.14	90.42

The carrying cost on the above has also been computed considering respective years' interest rate and it totals to Rs. 68.04 Cr. The total impact including carrying cost claimed in ARR of disallowed capitalisation is Rs. 186.19 Cr.

1.2.2 Impact against Appeal No.242 of 2015

MSETCL had preferred an appeal against MERC order dated 26.06.2015 on petition registered as case no.207/2014 for mid-term performance review for Multi-Year Tariff (MYT) second control period for FY 2012-13 to FY 2015-16. The appeal was registered as Appeal No.242 of 2015 and the judgement (oral) is pronounced vide dated 29.08.2022. In the judgement (oral), Hon'ble Appellate Tribunal for Electricity has remitted the issues for fresh consideration by Hon'ble Commission at an early date.

- Disallowance of efficiency gain in Operation & Maintenance (O&M) expenses for FY 2013-14 due to consideration of wage revision as controllable expenses (**the amount in dispute being Rs.142.03 crores**);
- Non-consideration of income tax as part of ARR while approving of incentive for higher availability for FY 2012-13 and FY 2013-14 (**the amount in issue being Rs.16.96 crores**);
- Treatment of Delayed Payment Charges (DPC) for ARR in FY 2015-16 (**the amount denied being Rs. 854.99 crores**).

MSETCL has computed an amount of **Rs.1760.54 Cr** (presently claimed in ARR) and final amount along with carrying cost would be as approved by Hon'ble Commission in this petition and allowed under revision of transmission charges / ARR for FY 2023-24 and FY 2024-25. MSETCL has computed the claim amount along with carrying cost till FY 2022-23 and added the total amount in the opening revenue gap of FY 2023-24. The total opening revenue gap including ATE impact is spread over 2 years i.e. FY 2023-24 and FY 2024-25 to minimize the impact on beneficiaries. MSETCL has claimed the carrying cost also on the same for spread of recovery over 2 years as per approach in MYT order.

1.2.3 Seeking Directions for Utilisation/ Treatment of Special Reserve amount

MSETCL has been maintaining the Special Reserve vide Regulation 19 of MERC (Terms and Conditions of Tariff) Regulations 2005, which pertains to the mechanism for sharing of gains and losses on account of controllable factors and had made contributions upto FY 2014-15 as recommended by Hon'ble Commission from time to time.

The reserve fund now stands at Rs.139.39 Crs as on 31.3.2022 in the balance sheet of MSETCL and the subsequent MERC MYT Regulations 2011, 2015 and 2019 are also silent on the alternative utilisation/ treatment of the such special reserve. MSETCL now through this MTR petition once again seeks direction from Hon'ble Commission with regards to utilisation/ treatment of Special Reserve amount of Rs.139.39 Crs.

MSETCL submits that alternatively Hon'ble Commission may consider below proposition for Utilisation/ Adjustment of Special Reserve amount.

MSETCL would utilize the said amount subject to approval from Hon'ble Commission for any Innovative idea/ technologies / for any emergency works arising due to natural calamities.

1.2.4 Revision of Policy related to treatment of standby spares as PPE instead of Inventory

MSETCL submits that to meet the emergency situations arising due to failure of equipments, it had framed a policy wherein certain equipments are to be kept as critical spares at sub-stations levels which were earlier treated as Inventory.

Later, as per Ind AS 16 policy such items are to be treated as Property Plant and Equipments (PPE) and was qualified by the Statutory Auditor in the Audit Report for all items pertaining to PPE, Inventory, R&M, Deferred tax, etc. Hon'ble Commission in case no.302/ 2019, had disallowed capitalisation claim of Rs.98.99 Crs (under Non-DPR) as the assets were not put to use and were merely spares.

MSETCL submits that if such expenses are not allowed by Hon'ble Commission as they are not put to use it would cause a financial loss to MSETCL.

Hence, MSETCL would procure such critical spares as R&M expenses and the Standby equipments previously capitalized in the financials needs to be reversed along with its corresponding depreciation.

MSETCL would like to submit that as a result of above reinstatement of R&M expenses, the scenario of adjustment in gross fixed assets and R&M expenses in FY 2021-22 is tabulated below:

Table 3: Adjustments done in FY 2021-22 Audited Accounts

Adjustment in GFA done in FY 21-22 (change in Policy) - Rs.Cr

Financial Year	Adjustment/ Reduction in GFA	Adjustment/ Addition in R&M Expenses	Balance is in Inventory
FY 2014-15	17.09	-	17.09
FY 2015-16	11.53	7.23	4.30
FY 2016-17	27.13	21.41	5.72
FY 2017-18	29.09	29.13	(0.04)
FY 2018-19	98.99	102.96	(3.97)
FY 2019-20	61.37	55.58	5.79
FY 2020-21	199.19	199.17	0.01
Total	444.40	415.49	28.91

As mentioned above for change in policy in FY 2021-22 and need for claim of R&M expenses for FY 2018-19, FY 2019-20 and FY 2020-21, MSETCL has claimed R&M expenses separately here for FY 2018-19 (in line with truing-up done in MYT order). The R&M expenses of Rs.55.58 Cr and Rs.199.17 for FY 2019-20 and FY 2020-21 respectively would be claimed in true-up chapters discussed subsequently. The table below shows the net entitlement

of R&M expenses for FY 2018-19 considering same normative amount as approved in 302/2019 and difference being claimed in the current petition.

Table 4: R&M Expenses claim for FY 2018-19 (Net entitlement)

Claim of R&M Expenses for FY 2018-19						Rs.Cr
Particulars	MTR order	Normative	Actual	Efficiency Gain / (Loss)	Efficiency Gain / (Loss) shared with TSUs	Net Entitlement after sharing of gains
O&M Expenses (approved in 302/2019)	1,439.00	2,049.38	1,429.63	619.75	413.17	1,636.21
Add: Rectification of IND-AS16 entry (R&M Debit to PPE Credit)			102.96			
Revised O&M Expenses	1,439.00	2,049.38	1,532.59	516.79	344.53	1,704.85
Deviation to be claimed now (Rs.1704.85 Cr - Rs.1636.21 Cr)						68.64

MSETCL requests Hon'ble Commission to approve the net R&M expenses of Rs.68.64 Cr as per entitlement in this petition.

1.2.5 Truing-up of ARR for FY 2019-20

MSETCL is filing this Petition for True-up of ARR for FY 2019-20 as the Audited Annual Accounts for FY 2019-20 are available. ARR filed in this petition is more than that approved by Hon'ble Commission in Order in case no.302 of 2019 majorly on account of Pass through of gains in O&M Expenses and Return on Equity due to RoE rate (MERC – 7.50%, MSETCL – 15.50%).

Table 5: Truing-up Summary for FY 2019-20

Particular	MYT Order	Normative	FY 2019-20 (Actuals)	Rs. Crore
				Net Entitlement of MSETCL
Operation & Maintenance Expenses	1,572.96	2,567.26	1,916.96	2,150.19
Depreciation Expenses	1,051.35		1,076.04	1,076.04
Interest on Loan Capital	778.77		786.84	786.84
Other Interest and Finance Charges	1.00		0.55	0.55
Interest on Working Capital	10.00	89.46	14.79	39.68
Income Tax	96.79		114.95	114.95
Contribution to contingency reserves	66.14		66.61	66.61
Total Revenue Expenditure	3,577.00		3,976.74	4,234.85
Add: Return on Equity Capital	474.68		988.81	988.81
Aggregate Revenue Requirement	4,051.67		4,965.55	5,223.66
Less: Non-Tariff Income	262.67		371.43	371.43
Less: Income from Wheeling Charges	110.09		112.08	112.08
Less: Income from PoC charges	5.99		-	-
Aggregate Revenue Requirement from Transmission	3,672.92		4,482.04	4,740.15
Add: Impact of Disallowed Non-DPR Capitalisation and issue of IND AS-16. Claim of R&M expenses reduced earlier in FY 2018-19	-		-	68.64
Add: Incentives on higher transmission system	-		-	34.92
Net Aggregate Revenue Requirement from Transmission Tariff including Incentive and impact	3,672.92		4,482.04	4,843.71
Revenue from transmission tariff and Additional Transmission & Regulatory Charges	3,525.47			3,571.96
Revenue Gap/(Surplus)	147.45			1,271.75
Revenue Gap/(Surplus) till previous year	236.63			236.63
Cumulative Revenue Gap/(Surplus) till the year	384.09			1,508.38

1.2.6 Truing-up of ARR for FY 2020-21 and FY 2021-22

MSETCL is filing this Petition for True-up of ARR for FY 2020-21 and FY 2021-22 as the Audited Annual Accounts for both years are available. ARR filed in this petition is more than that approved by Hon'ble Commission in Order in case no.302 of 2019 majorly on account of Pass through of gains in O&M Expenses and Return on Equity grossed up due to Income Tax rate @ ~35% (except for FY 2021-22 for which effective tax rate is 24.72%).

Table 6: Truing- up Summary for FY 2020-21 and FY 2021-22

Rs Crore

Particulars	FY 2020-21			
	MYT Order	Normative	FY 2020-21 (Actuals)	Net Entitlement of MSETCL
Operation & Maintenance Expenses	1,719.74	2,068.45	1,768.25	1,886.81
Depreciation Expenses	1,094.10	-	976.53	976.53
Interest on Loan Capital	741.70	-	757.13	757.13
Other Interest and Finance Charges	1.00	-	7.78	7.78
Interest on Working Capital and on Consumer Security Deposits	95.20	87.72	5.52	32.92
Income Tax	-	-	-	-
Contribution to contingency reserves	68.40	-	68.97	68.97
Total Revenue Expenditure	3,720.14		3,584.18	3,730.14
Add: Return on Equity Capital	1,111.67		1,530.26	1,530.26
Aggregate Revenue Requirement	4,831.81		5,114.44	5,260.40
Less: Non-Tariff Income	210.47		240.82	240.82
Less: Income from Wheeling Charges	115.60		133.12	133.12
Less: Income from PoC charges for Inter-State lines	5.99		-	-
Aggregate Revenue Requirement from Transmission	4,499.75		4,740.50	4,886.46
Add: Carrying Cost (Holding Cost) on past revenue(gap)/surplus	52.34		-	52.34
Add: Carrying Cost (Holding Cost) on account of spreading of gaps	16.67		-	16.67
Add: Past Revenue Gaps / (Surplus) spread over control period	34.95		-	34.95
Net Aggregate Revenue Requirement from Transmission Tariff inclu. Incentive and impact	4,603.71		4,740.50	4,990.42
Revenue from transmission tariff	4,603.71		4,603.62	4,603.62
Revenue Gap/(Surplus) for current year	-		-	386.80
Revenue Gap/(Surplus) till previous year			-	1,508.38
Cumulative Revenue Gap/(Surplus) till the year			-	1,895.18

Rs Crore

Particulars	FY 2021-22			
	MYT Order	Normative	FY 2021-22 (Actuals)	Net Entitlement of
Operation & Maintenance Expenses	1,654.46	2,196.26	1,945.11	2,049.89
Depreciation Expenses	1,134.46		1,137.14	1,137.14
Interest on Loan Capital	696.84		640.34	640.34
Other Interest and Finance Charges	1.00		21.29	21.29
Interest on Working Capital	96.61	89.49	0.00	29.83
Income Tax	-		-	-
Contribution to contingency reserves	70.79		70.97	70.97
Total Revenue Expenditure	3,654.16		3,814.86	3,949.47
Add: Return on Equity Capital	1,148.67		1,373.56	1,373.56
Aggregate Revenue Requirement	4,802.83		5,188.43	5,323.03
Less: Non-Tariff Income	214.68		306.34	306.34
Less: Income from Wheeling Charges	121.38		131.92	131.92
Less: Income from PoC charges for Inter-State lines	5.99		-	-
Aggregate Revenue Requirement from Transmission	4,460.79		4,750.17	4,884.78
Add: Carrying Cost (Holding Cost) on account of spreading of gaps	29.18		-	29.18
Add: Past Revenue Gaps / (Surplus) spread over control period	87.29		-	87.29
Net Aggregate Revenue Requirement from Transmission Tariff inclu. Incentive and impact	4,577.25		4,750.17	5,001.25
Revenue from transmission tariff	4,577.25		4,689.45	4,689.45
Revenue Gap/(Surplus) for current year				311.79
Revenue Gap/(Surplus) till previous year				1,895.18
Cumulative Revenue Gap/(Surplus) till the year				2,206.98

1.2.7 Provisional True-up of ARR for FY 2022-23

MSETCL is filing this Petition for Provisional True-up of ARR for FY 2022-23 based on actual financial figures for April to August, 2022 and estimated financial figures for September 2022 to March 2023 for FY 2022-23. From the summary it can be seen that ARR as filed in this petition is higher than that approved by Hon'ble Commission in Order in case no.302 of 2019 majorly on account of claim of O&M expenses on normative basis and Return on Equity being claimed with grossed up Income Tax rate @ ~35% (against MAT rate assumed by Hon'ble Commission in 302/2019). There is increase in Non-tariff income to large extent as MSEDCL has remitted back the partial open access charges to the extent of ~Rs.402 Cr.

Table 7: Provisional Truing- up Summary for FY 2022-23

Particulars	MYT Order	Normative	FY 2022-23 (Provisional)	Rs. Crores
				Provisional True-Up requirement
Operation & Maintenance Expenses	1,737.18	2,330.38	2,330.38	593.20
Depreciation Expenses	1,182.83		1,206.16	23.33
Interest on Loan Capital	658.74		653.01	-5.73
Other Interest and Finance Charges	1.00		1.00	-
Interest on Working Capital	99.59	101.91	101.91	2.32
Income Tax	-		-	-
Contribution to contingency reserves	72.84		73.97	1.13
Total Revenue Expenditure	3,752.19		4,366.42	614.23
Add: Return on Equity Capital	1,189.64		1,547.75	358.11
Aggregate Revenue Requirement	4,941.82		5,914.18	972.36
Less: Non-Tariff Income	218.97		702.29	483.32
Less: Income from Wheeling Charges	127.45		127.45	-
Less: Income from PoC charges	5.99		5.99	-
Aggregate Revenue Requirement from Transmission	4,589.42		5,078.45	489.03
Add: Carrying Cost (Holding Cost) on account of spreading of gaps	20.84		20.84	
Add: Past Revenue Gaps / (Surplus) spread over control period	87.29		87.29	
Net Aggregate Revenue Requirement from Transmission Tariff inclu. Incentive and impact	4,697.54		5,186.58	
Revenue from transmission tariff	4,697.54		4,697.54	
Revenue Gap/(Surplus) for current year			489.04	
Revenue Gap/(Surplus) till previous year			2,206.98	
Cumulative Revenue Gap/(Surplus) till the year			2,696.01	

1.2.8 Revised Projections of ARR for FY 2023-24 and FY 2024-25

MSETCL is filing this Petition for Revised Projections of ARR for FY 2023-24 and FY 2024-25 based on normative principles and considering all past revenue gaps, impact of disallowed capitalisation and carrying cost on the same.

Table 8: Revised Projections of ARR for FY 2023-24 and FY 2024-25

Particulars	FY2023-24		FY2024-25	
	MYT Order	Projected	MYT Order	Projected
Operation & Maintenance Expenses	1,824.04	2,468.52	1,915.24	2,603.36
Depreciation Expenses	1,224.31	1,284.16	1,254.54	1,359.69
Interest on Loan Capital	608.87	657.48	533.23	650.92
Other Interest and Finances charges	1.00	1.00	1.00	1.00
Interest on Working Capital	102.70	152.24	104.70	155.26
Income Tax	-	-	-	-
Contribution to contingency reserves	75.91	78.28	77.53	82.43
Total Revenue Expenditure	3,836.84	4,641.67	3,886.25	4,852.66
Add: Return on Equity Capital	1,228.18	1,633.39	1,255.42	1,718.11
Aggregate Revenue Requirement	5,065.02	6,275.06	5,141.67	6,570.77
Less: Non Tariff Income	223.35	343.37	227.82	360.54
Less: Income from Other Business	133.82	133.82	140.51	140.51
Less: Income from Poc charges for InSTS	5.99	5.99	5.99	5.99
Aggregate Revenue Requirement from Transmission Business	4,701.87	5,791.88	4,767.35	6,063.73
Add: Impact of Disallowed Capitalisation and Carrying cost on the same		-		
Add: Carrying Cost (Holding Cost) on past revenue(gap)/surplus		351.71		117.24
Add: Carrying Cost (Holding Cost) on account of spreading of gaps	12.50	12.50	4.17	4.17
Add: Past Revenue Gaps / (Surplus) spread over control period	87.29	87.29	87.29	87.29
Net Aggregate Revenue Requirement from Transmission Tariff inclu. Incentive and impact	4,801.66	6,243.38	4,858.81	6,272.43
Revenue Gap/(Surplus)		6,243.38		6,272.43
Revenue Gap/(Surplus) till previous year		2,481.18		2,481.18
Cumulative Revenue Gap/(Surplus) till the year		8,724.56		8,753.61