



Southern Power Distribution Company of Telangana Limited

#6-1-50, Corporate Office, Mint Compound, Hyderabad 500 063

Phone No.(040) 2343 1008 Fax Nos.(040) 2343 1395/1452 website www.tgsouthernpower.org

From

Chief Engineer (RAC),
TGSPDCL, Corporate Office,
6-1-50, Mint Compound,
Hyderabad – 500 063.

To

The Secretary,
Vidyut Niyantaran Bhavan,
G.T.S. Colony,
Kalyan Nagar,
Hyderabad – 500 045.

Lr.No.CE(RAC)/SE(RAC)/DE(RAC)/F.No.DBARR25-26/D.No.646/24, Dt.13.12.2024.

Sir,

Sub:- TGSPDCL – RAC – Aggregate Revenue Requirement for Distribution Business and determining of Wheeling Tariffs for FY 2025-26 – Compliance of remarks – Submitted – Reg.

Ref:-1.Regulation No.2 of 2023 notified by Hon'ble TGERC vide No.TGERC/ 849/2023, Dated:30.12.2023
2.Lr.No.CE(RAC)/SE(RAC)/DE(RAC)/F.NoDBARR25-26/D.No.623/24, Dt:30.11.2024.
3.Lr.No.S/RO – 59 / 57 / RO – 1 / D.No.776/2024 Dated: 09.12.2024 received on 10.12.2024.


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In compliance to the directions of the Hon'ble TGERC issued vide 3rd reference cited above, the petition of Aggregate Revenue Requirement for Distribution Business and determination of Wheeling Tariffs for FY 2025 - 2026 is herewith submitted by the Licensee for taking necessary further action please.

Yours faithfully,

Encl: Petition in 6 sets

along with forms


Chief Engineer (RAC),
TGSPDCL, Gr. Hyderabad.

Copy to:
Stock File


TGERC
Vidyut Niyantaran Bhavan, GTS Colony,
Hyderabad-500045.

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

(Distribution & Retail Supply Licensee)



Filing of ARR & Proposed Wheeling Tariffs

for

Distribution Business

for

FY 2025-26

December 13, 2024

**BEFORE THE HONOURABLE TELANGANA ELECTRICITY REGULATORY
COMMISSION**

At Its Office AT Vidyut Niyamtran Bhavan, G.T.S.Colony, Kalyan Nagar,

Hyderabad –500 045

FILING NO. _____/2024

CASE NO. _____/2024

In the matter of:

Filing of the ARR & Tariff applications for the Distribution Business for FY2025-26 in accordance with the Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation (Regulation No. 2 of 2023) by the Southern Power Distribution Company of Telangana Limited ('TGSPDCL' or 'the Company' or 'the Licensee') as the Distribution Supply Licensee.

In the matter of:

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

... Applicant

The Applicant respectfully submits as under:-

Introduction of MYT framework for determination of Tariff

1. The earlier Commission notified the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 2005 (Regulation No.4 of 2005) on 14.11.2005. This regulation introduced Multi-Year-Tariff framework and specified the principles and procedures of filings. Hon'ble TGERC revised the above regulations and published the Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation (Regulation No. 2 of 2023) (which supersedes the above mentioned APERC 2005 Regulation). Accordingly, the Licensee has to make the filing for their Aggregate Revenue Requirement (ARR) for Distribution Business for the ensuing year with the Commission for determination of Wheeling Charges for FY 2025-26.

2. Hon'ble TGERC has published the Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation (Regulation No. 2 of 2023) on

30.12.2023, where the timelines for submission of the Distribution Business ARR for each year of the control period i.e., for FY 2025-26 is 30.11.2024.

Past ARR & FPT Filings by Licensee for Distribution Business

3. The Southern Power Distribution Company of Telangana Limited (TGSPDCL) have submitted the filings for Distribution Business for 5th control period i.e., from FY 2024-25 to FY 2028-29 along with condonation of delay petition by TGSPDCL on 12.07.2024. Further corrigendum to the petition was filed by TGSPDCL on 27.09.2024.

4. After comprehensive public consultation process on the filings held on 23.10.2024, the Hon'ble Commission passed orders on 28.10.2024 for Distribution Business for the 5th control period i.e., from FY 2024-25 to FY 2028-29.

Present ARR & Tariff applications for FY 2025-26 of Distribution Business

5. Accordingly, this filing is made by TGSPDCL under section 61 of the Electricity Act, 2003 for determination of the ARR and Tariff for the Distribution Business for FY 2025-26.

6. The ARR and Tariff Proposals ("Wheeling Charges") for the Distribution Business for FY 2025-26, includes

- (a) Aggregate Revenue Requirement for FY2025-26 for the Distribution Business.
- (b) Wheeling Tariff Proposals for FY 2025-26 for the Distribution Business.

Capital Investment Plan for 5th control period

7. The licensee has considered capital investment plan for FY 2025-26 as considered by the Hon'ble Commission in Distribution MYT Order dated 28.10.2024 approved in the Resource Plan Dated: 29.12.2023.

The following table provides a summary of the investment plan as approved by the Hon'ble Commission in the Resource Plan/Distribution MYT Order dated: 28.10.2024

Figures in Rs Cr

Particulars	2025-26
Base Capex	1,668
New Base Capex proposed for Smart Meters	50
Other Capex	750
Total Capex for DISCOM	2,467

Aggregate Revenue Requirement (ARR) for FY 2025-26

8. The ARR for the Distribution business (with 90% of Distribution ARR allocated to wheeling business) for FY 2025-26 is proposed as follows.

Figures in Rs Cr

Particulars	2025-26
Operation and Maintenance Charges	3,823
Depreciation	831
Interest and finance charges on Loan	453
Interest on working capital	128
Return on Equity	307
Total Expenditure	5,541
Less	
Income from Open Access charges	1.19
Non-Tariff income	125
Income from Other Business	-
Net Distribution ARR	5,414

Wheeling Charges Proposals

9. Clause 79.2 of Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation (Regulation No. 2 of 2023) states that,

"The Wheeling Charges of the Distribution Licensee shall be determined by the Commission on the basis of a Petition for determination of Wheeling Tariff filed by the Distribution Licensee:

Provided that the Wheeling Charges shall be denominated in terms of Rupees/kVA/month for long-term and medium-term open access and in terms of Rupees/kVA/hr for short-term Open Access, for the purpose of recovery from the Distribution System User, or any such denomination, as may be stipulated by the Commission:

Provided further that the Wheeling Charges shall be determined separately for LT voltage, 11 kV voltage and 33 kV voltage, as applicable".

In line with Clause 79.2 of Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation (Regulation No. 2 of 2023), the licensee proposes the following wheeling charges for long-term and medium-term open access in Rs./kVA/Month and in terms of Rs/kVA/hr for short-term open access as below:

Sl. No.	Particulars	Voltage	UoM	Value
1	Wheeling charges for long-term and medium-term open access for FY 2025-26	33 kV	(Rs./kVA/Month)	53.20
		11 kV	(Rs./kVA/Month)	215.19
		LT	(Rs./kVA/Month)	705.06
2	Wheeling charges for short-term open access for FY 2025-26	33 kV	(Rs./kVA/hr)	0.0739
		11 kV	(Rs./kVA/hr)	0.2988
		LT	(Rs./kVA/hr)	0.9793

10. Based on the information available, the Applicant has made sincere efforts to comply with the Regulation of the Hon'ble Commission and discharge its obligations to the best of its abilities. However, should any further material information become available in the near future, the Applicant reserves the right to file such additional information and consequently amend/revise the application.

11. Sri K Sai Baba, Chief Engineer/RAC has been authorized to execute and file the said document on behalf of TGSPDCL. Accordingly, the current filing documents are signed and verified by and backed by the affidavit of Sri K Sai Baba, Chief Engineer/RAC of TGSPDCL.

12. In the aforesaid facts and circumstances, the Applicant request that this Hon'ble Commission may be pleased to:

- Take the accompanying ARR and Wheeling Tariff application of TGSPDCL on record for Distribution Business and treat it as complete
- Grant suitable opportunity to TGSPDCL within a reasonable time frame to file additional material information that may be subsequently available
- Consider and approve TGSPDCL's ARR and Tariff application including all requested regulatory treatments in the filing
- Pass such order as the Hon'ble Commission may deem fit and proper in the facts and circumstances of the case

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

...Applicant

Through

Place: Hyderabad

Dated: 13.12.2024


Chief Engineer/RAC
CHIEF ENGINEER
(RAC), TGSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500004.

**BEFORE THE HONOURABLE TELANGANA ELECTRICITY
REGULATORY COMMISSION**

At Its Office AT Vidyut Niyamtran Bhavan, G.T.S.Colony, Kalyan Nagar,

Hyderabad – 500 045

FILING NO. _____/2024

CASE NO. _____/2024

In the matter of:

Filing of the ARR & Tariff applications for the Distribution Business for FY 2025-26 in accordance with the Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation (Regulation No. 2 of 2023) by the Southern Power Distribution Company of Telangana Limited ('TGSPDCL' or 'the Company' or 'the Licensee') as the Distribution Supply Licensee.

In the matter of:

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

... Applicant

Affidavit of Applicant verifying the application filed under section 64 of the Electricity Act, 2003 and in accordance with the Regulation 2 of 2023.

I, Sri K Sai Baba, working for gain at the Southern Power Distribution Company of Telangana Limited do solemnly affirm and say as follows:

- 1 I am the Chief Engineer/RAC of Southern Power Distribution Company of Telangana Limited (TGSPDCL).
- 2 I am competent and duly authorized by TGSPDCL to affirm, swear, execute and file this affidavit in the present proceedings.
- 3 As such, I submit that I have been duly authorized to submit the application of TGSPDCL for determination of ARR and wheeling charges of Distribution Business for FY 2025-26 as per Terms and Conditions of Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation, 2023 (Regulation No. 2 of 2023), to the Hon'ble Commission.

- 4 I submit that I have read and understood the contents of the appended application of TGSPDCL. The facts stated in the application are true to the best of my knowledge, which are derived from the official records made available and certain facts stated are based on information and advice which, I believe to be true and correct.
- 5 I submit that for the reasons, and facts stated in the appended application this Applicant pray that the Hon'ble Commission may be pleased to
- a) Take the accompanying ARR and Tariff application of TGSPDCL on record and treat it as complete.
 - b) Grant suitable opportunity to TGSPDCL within a reasonable time frame to file additional material information that may be subsequently available.
 - c) Consider and approve TGSPDCL'S ARR and Tariff application including all requested regulatory treatments in the filing.
 - d) Pass such order as the Hon'ble Commission may deem fit and proper in the facts and circumstances of the case.

VERIFICATION:


DEPONENT
CHIEF ENGINEER
(RAC), TGSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500004.

I, the above named Deponent solemnly affirm at Hyderabad on this 13th day of December 2024 that the contents of the above affidavit are true to my knowledge, no part of it is false and nothing material has been concealed there from.

Solemnly affirmed and signed before me.


DEPONENT
CHIEF ENGINEER
(RAC), TGSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500004.

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Abbreviations

AB Cable	Aerial Bundled Cable
ARR	Aggregate Revenue Requirement
A&G	Administration & General
AMR	Automatic Meter Reading
AT&C	Aggregate Technical & Commercial
CAGR	Compound Annual Growth Rate
CC	Consumer Contributions
CEA	Central Electricity Authority
CPI	Consumer Price Index
CT/PT	Current Transformer- Potential Transformer
CWIP	Capital Work In Progress
DA	Dearness Allowance
DDUGJY	Deen Dayal Upadhaya Gram Jyoti Yojana
DISCOM	Distribution Company
DNR	Distribution Network Renovation
DTR	Distribution Transformer
D/E Ratio	Debt to Equity ratio
EE	Employee Expenses
EHT	Extra High Tension
ERP/IT	Enterprise Resource Planning – Information Technology
FDA	Fully Depreciated Assets
FPT	Filing for Proposed Tariff
FRP	Financial Restructuring Plan
FSA	Fuel Surcharge Adjustment
FY	Financial Year
GFA	Gross Fixed Assets
GIS	Geographic Information System
GoI	Government of India
GoTS	Government of Telangana
HT	High Tension
IDC	Interest During Construction
IE Rules	Indian Electricity Rules, 1956
IPDS	Integrated Power Development Scheme
JICA	Japan International Cooperation Agency
kV	Kilo Volt
LT	Low Tension
MAT	Minimum Alternate Tax
MRI	Meter Reading Instrument
MoP	Ministry of Power
MoU	Memorandum of Understanding
MU	Million Units
MVA	Mega Volt Ampere
MW	Mega Watt
MYT	Multi Year Tariff
NTI	Non Tariff Income
O&M	Operation and Maintenance
OCFA	Original Cost of Fixed Assets
OH line	Overhead power line
UG cable	Underground Cable
WACC	Weighted Average Cost of Capital

WC	Working Capital
WPI	Wholesale Price Index
PAA	Private Accounting Agencies
PFC	Power Finance Corporation Ltd.
PTR	Power Transformer
R&M	Repairs and Maintenance
RAPDRP	Restructured Accelerated Power Development & Reforms Programme
REC	Rural Electrification Corporation Ltd.
RoE	Return on Equity
RGGVY	Rajeev Gandhi Grameen Vidyutikaran Yojana
RMU	Ring Main Unit
RoCE	Return on Capital Employed
RoSC	Release of Services
RT-DAS	Real Time Data Acquisition System
RRB	Regulated Rate Base
SCADA	Supervisory Control & Data Acquisition
SS	Sub Station
ST&D	Sub-Transmission & Distribution
T&D	Transmission and Distribution
TGERC	Telangana Electricity Regulatory Commission
UDAY	Ujwal DISCOM Assurance Yojana

Glossary

"1st Control Period" refers to the period from FY 2006-07 to FY 2008-09.

"2nd Control Period" refers to the period from FY 2009-10 to FY 2013-14.

"3rd Control Period" refers to the period from FY 2014-15 to FY 2018-19.

"4th Control Period" refers to the period from FY 2019-20 to FY 2023-24.

"5th control period" refers to the period from FY 2024-25 to FY 2028-29.

"Aggregate Revenue Requirement (ARR)" means the revenue required to meet the costs pertaining to the licensed business; herein Distribution Business, for the control period, which would be permitted to be recovered through tariffs and charges by the Hon'ble Commission.

"Base Year" means the financial year immediately preceding the first year of the Control Period.

"Coincident Demand (CID)" in MW of a consumer category means estimated contribution of that category to the system peak demand i.e., the load of the corresponding consumer category at the system peak hour.

"Compound Annual Growth Rate (CAGR)" is the mean annual growth rate over a specified period of time longer than one year. CAGR is calculated as

$$N \text{ year CAGR} = (\text{Final value}/\text{Initial Value})^{1/N} - 1$$

"Control Period" means multi year period fixed by the Hon'ble Commission from time to time, usually 5 years.

"Current year" refers to FY: 2024-25.

"Consumer/User Contributions" means any contributions made by those using or intending to use the Distribution network of a licensee for supply or wheeling of electricity. Any grant received by the licensees would also be treated as Consumer/User Contribution.

“Distribution Business” means the business of operating and maintaining a distribution system for supplying electricity in the area of supply of the Distribution Licensee in terms of the Distribution and Retail Supply License.

“Distribution Licensee” means a licensee authorized to operate and maintain a distribution system for supplying electricity to the consumers in his area of supply.

“Distribution Cost” refers to the distribution cost borne by the licensee to serve the consumers within the area of supply and not availing supply under Open Access.

“Distribution Losses” means aggregate technical and commercial losses from LT level to 33kV voltage.

“Financial Year” means the period commencing on 1st April of a calendar year and ending on 31st March of the subsequent calendar year.

“Financial Restructuring Plan (FRP)” is a Government scheme formulated to enable the turnaround of the State DISCOMs and ensure their long term viability.

“Licensee” hereafter refers to TGSPDCL.

“LT” refers to a voltage of 415V (Three phase supply) and 230V (Single phase supply).

“HT” refers to a voltage of 11 kV and above but less than 132 kV.

“EHT” refers to a voltage of 132 kV and above.

“Non-Tariff Income” means income relating to the licensed business other than from tariffs for wheeling and retail sale, and excludes any income from other business and income on account of Fuel Surcharge Adjustment, Cross Subsidy Surcharge and Additional Surcharge.

“Operation & Maintenance Expenses” comprises Employee Expenses, Administrative & General expenses and Repairs and Maintenance (R&M) expenses

"Regulated Rate Base (RRB)" is the value of the fixed assets net off consumer contributions and accumulated depreciation.

"Wheeling tariff/charges" are the charges paid by a consumer for availing the facilities of a distribution system of a distribution licensee for conveyance of electricity.

"True up/down" refers to loss/gain to the Distribution Company due to under or over recovery of costs/revenue against Tariff Order approved values.

1 INTRODUCTION

Introduction of MYT framework for determination of Tariff

- a) The earlier Commission notified the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 2005 (RegulationNo.4 of 2005) on 14.11.2005. This regulation introduced Multi-Year-Tariff framework and specify the principles and procedures of filings. Hon'ble TGERC revised the above regulations and published the Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation (Regulation No. 2 of 2023) (which supersedes the above mentioned APERC 2005 Regulation)where the timelines for submission of the Distribution Business ARR is given as 30.11.2024. Accordingly, the Licensee has filed for their Aggregate Revenue Requirement (ARR) along with its Filings for Proposed Wheeling Charges Tariffs with the Hon'ble Commission for determination of Wheeling Charges for FY 2025 – 26
- b) Accordingly, this filing is made by the Southern Power Distribution Company of Telangana Limited (TGSPDCL) under section 61 of the Electricity Act, 2003 for determination of the ARR and Wheeling Charges Tariffs for the Distribution Business for FY 2025 – 26
- c) The ARR and Tariff Proposals (“Wheeling Charges”) for the Distribution Business of the licensee for FY 2025 – 26, includes
 - i. Aggregate Revenue Requirement for FY 2025 – 26 for the Distribution Business.
 - ii. Wheeling Tariff Proposals for FY 2025 – 26 for Distribution Business.

2 CAPITAL EXPENDITURE PLAN

The licensee has adopted the Distribution investment Plan as approved by Hon'ble Commission in the Resource Plan and considered in the Distribution MYT Tariff Order for 5th Control Period.

2.1 BASE CAPITAL INVESTMENT

The corresponding base capital investment required for FY 2025 – 26 which *inter alia* contains network elements such as sub-station additions, smart meters, PTR additions and up-gradations, feeder additions and DTR additions have been tabulated below:

Network Element	Unit	2025-26
Sub-Stations	Rs. Crs	565
Smart Meters	Rs Crs	50
PTR Addition & Upgradation	Rs. Crs	62
Feeder Addition	Rs. Crs	5
DTR Addition	Rs. Crs	1,036
Total	Rs. Crs	1,718

2.2 OTHER CAPITAL EXPENDITURE PLAN

Distribution MYT Tariff Order for 5th Control Period contains approved other capital expenditure which *inter alia* contains expenditure plan for AT&C Loss reduction, Reliability improvement, contingency measures, Renovation & Modernization of existing assets, network additions for new consumer additions, Technology up-gradation, civil infrastructure development. The details of Other Capital Expenditure approved for the FY 2025 – 26 has been summarized below:

Figures in Rs Cr

S.No	Investment Area	2025-26
a)	AT & C Loss Reduction	25
b)	Reliability Improvement & Contingency Schemes	306
c)	Renovation & Modernization	11
d)	Technology Upgradation	20
e)	New Consumer Capex	150

f)	Civil Infrastructure Development	2
g)	Misc. Project cost	58
h)	AGL feeder Segregation	178
	Total Other Capex	750

2.3 TOTAL CAPITAL EXPENDITURE

The total capital Expenditure projections for base and other capex has been summarized below:

Figures in Rs Cr

Particulars	2025-26
Base Capex	1,718
Other Capex	750
Total Capex for DISCOM	2,467

3 ARR OF DISTRIBUTION BUSINESS FOR FY 2025 – 26

Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation (Regulation No. 2 of 2023) states that

“Multi Year Tariff petition shall be filed by 30th November of the year preceding the first year of the Control Period by distribution licensee(for retail supply business) comprising:

- i. *True-up of preceding year;*
- ii. *Aggregate Revenue Requirement for each year of the Control Period;*
- iii. *Revenue from retail sale of electricity at existing tariffs & charges and projected revenue gap for the first year of the Control Period;*
- iv. *Proposal of consumer category wise retail supply tariff and charges for first year of the Control Period.*

..

..

..

“the Distribution Wheeling Business for the respective Years of the Control Period, as approved by the Commission and comprising the following components:

- a) *Operation and maintenance expenses;*
- b) *Depreciation;*
- c) *Interest and finance charges on Loan;*
- d) *Interest on working capital;*
- e) *Return on Equity;*

minus:

- f) *Income from Open Access charges;*
- g) *Non-Tariff income;*
- h) *Income from Other Business, to the extent specified in this Regulation;*

Add:

- i) *Impact of true-up for prior period as approved by the Commission”*

In accordance to the regulation, the DISCOM has computed the ARR of Distribution business against each cost element based on the Distribution MYT Tariff Order for 5th Control Period as approved by Hon'ble TGERC as elaborated below

3.1 GROSS FIXED ASSETS PROJECTIONS

The licensee has considered the Capital investment Plan as per Base Capex estimates of TGSPDCL and Other Capex in accordance with the Resource Plan order for 5th Control Period as approved by Hon'ble TGERC to compute the Fixed asset additions during the 5th control period. It is to submit that the licensee continues to lay utmost importance on timely completion of projects undertaken and has been following the practice of capitalizing (adding to fixed assets) only those works which have actually been completed. The capitalization for second year of the 5th Control Period is submitted as below.

Figures in Rs Cr

Details	2025-26
Opening Balance of Capital Work in Progress (CWIP)	1,650
Total Capital Expenditure	2,467
Expenses Capitalized	186
IDC	28
Transfer to fixed assets	2,570
Closing CWIP	1,762

3.2 DEPRECIATION

The depreciation has been calculated for every year considering the Depreciation rates approved by Hon'ble TGERC in the Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation (Regulation No. 2 of 2023) for each class of asset base and also Fully Depreciated Assets during the control period.

The following useful lives of the assets (as approved by Hon'ble TGERC in Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation (Regulation No. 2 of 2023)) are considered to arrive at depreciation for next 5 years :

Description of asset	Useful life (years)
Buildings and Other Civil Works (Offices & showrooms)	60
Power Transformer	25
DTR (<100 kVA)	15
DTR (>=100 kVA)	20
Lines (11 kV and above)	25

Description of asset	Useful life (years)
Lines (LT)	20
Meters	10
Office furniture and fittings	10
Office equipment	10
I.T. equipment	6
Software	5

The depreciation is computed considering the opening balance of the Gross Assets and capitalization of assets during the year. Besides, the fully depreciated assets in the Gross block at the end of the previous year are deducted from the opening balance of the Gross assets in the succeeding year before computation of depreciation costs.

Depreciation computation after adjusting Fully Depreciated Assets (FDA) balances is tabulated below:

Figures in Rs Cr

Particulars	2025-26
Opening Balance of assets	25364
Asset Additions during the Year	2570
Fully Depreciated assets Balance at the beginning of the year	595
Depreciation During the Year	923
Depreciation to Distribution business (90%)	831

3.3 CONSUMER CONTRIBUTION & GRANTS

The development charges and service line charges collected from the consumers will form part of the consumer contributions towards capital assets.

The consumer contribution additions have been estimated by considering the proportion of the consumer contributions in the total capital expenditure filed by TG Discoms in the Business Plan as part of the filings of Resource Plan for 5th Control Period.

The consumer contributions & grants planned to be received for FY 2025-26 are as follows:

Figures in Rs Cr

Particulars	2025-26
Consumer Contribution	798

Further, in proportion in which depreciation on consumer contributed assets has been charged during every year of the control period for the new assets, the same has been estimated in proportion to the ratio of contribution in the new capex addition. The depreciation contribution arising due to consumer contribution has been summarized below:

Figures in Rs Cr

Particulars	2025-26
Depreciation contribution due to consumer contribution for new capex added	106

3.4 OPERATION & MAINTENANCE EXPENSE PROJECTIONS

The Operation & Maintenance (O&M) Expenses consist of the following components:

- Employee Expenses (EE) including Salaries, wages and other employee costs;
- Administrative & General costs (A&G) including legal charges, audit fees, rent, rates and taxes;
- Repairs and Maintenance (R&M) including equipment maintenance, repairs, fault corrections, etc.

3.5 Methodology for Projection of O & M expenses

The O&M expenses for distribution licensee for each year of the 5th Control Period shall be calculated based on the formula approved by Hon'ble TGERC as shown below:

$$O\&M_n = EMP_n + R\&M_n + A\&G_n$$

Where,

- $O\&M_n$ - Operation and Maintenance expense for the nth year;
- EMP_n - Employee Costs for the nth year;
- $R\&M_n$ - Repair and Maintenance Costs for the nth year;
- $A\&G_n$ - Administrative and General Costs for the nth year;

The above components shall be computed in the manner specified below:

$$EMP_n = (EMP_{n-1}) \times (\text{CPI Inflation});$$

$$R\&M_n = K \times (GFA_n) \times (\text{WPI Inflation}) \text{ and}$$

$$A\&G_n = (A\&G_{n-1}) \times (\text{WPI Inflation})$$

Escalation factor (Inflation rate):

The escalation factors (inflation rates) have been considered as 5.79% for CPI and 4.93% for WPI as approved in the Distribution MYT Tariff Order for 5th Control Period

Employee Expenses:

The actual employee expenses for FY 2023-24 has been considered as per APR filings of TGSPDCL i.e., Rs 3166.15 Cr. Projections for FY 2024 – 25 have been considering base figures of FY 2023-24 APR filings of Rs 3166.15Cr projected cost for additional manpower requirement (New Recruitment) at an estimated cost of Rs 26.10 Cr escalated by CPI inflation twice.

The manpower cost of Rs 26.10 Cr have been estimated considering the following:

Additional Man power	No.	per month salary (Rs)	50% Rationalization Factor (Rs Cr)
JLM	600	20000	7.2
SUB-ENG	300	70000	12.6
AE	100	105000	6.3
Total			26.1

Employee cost projections for FY 2025-26 have been arrived by escalation of FY 2024 – 25 figures with CPI inflation

Administrative and General Expenses for FY 2025-26:

Administrative and General expenses for FY 2024-25 have been considered as per expenses approved in the Distribution MYT Tariff Order for 5th Control Period for FY 2024 – 25. Projections for FY 2025 – 26 have been estimated by escalating FY 2024 – 25 figures with WPI inflation.

Administrative and General Expenses	Unit	2025-26
A&G Expenses	Rs. Crs	228

Repairs and Maintenance expenses (R&M):

The R&M expenses are linked to Gross fixed assets (GFA). The ratio of the R&M expenses to the opening GFA for FY 2024-25 have been considered as the K-factor (as considered by the Hon'ble TGERC while approving the Distribution MYT Tariff for 5th Control period).

Norms for R&M expenses in % of GFA	0.90%
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The below table summarizes the projection of the Distribution Licensee GFA for FY 2025-26 and the associated R&M expenses

R&M Expenses	Unit	2025-26
GFA	Rs. Crs	25364
R&M Cost	Rs. Crs	240
R&M Cost to Distribution business (90%)	Rs. Crs	216

3.6 O&M cost for FY 2025-26 Control Period

O&M projections for FY 2025-26 are summarized in the table below.

O&M cost projection	Unit	2025-26
Employee Cost	Rs. Crs	3779
A&G Expenses	Rs. Crs	228
R&M Cost	Rs. Crs	240
Total O&M Expenses	Rs. Crs	4247
Total O&M Expenses to Distribution business (90%)	Rs. Crs	3,823

3.7 Interest and Financing charges on loan

TGSPDCL submit that the interest expenditure on account of long-term loans depends on the outstanding loan, repayments, and prevailing interest rates on the outstanding loans. Further, the projected capital expenditure and the funding of the same also have a major bearing on the long-term interest expenditure.

Clause 31.3 of the Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation (Regulation No. 2 of 2023) states that

“The loan repayment during each year of the Control Period shall be deemed to be equal to the depreciation allowed for that year, up to the ceiling of seventy five percent (75%) of asset cost or actual debt component used for funding such asset in case the debt funding is higher than seventy five percent (75%) of the asset cost.”

Considering the normative opening loan, normative loan addition during the year and loan repayment equal to depreciation and the weighted average interest rates, TGSPDCL have computed the interest expenses on normative basis for FY 2025-26 as summarized in table below:

Figures in Rs Cr

Particulars	2025-26
Opening Balance of long term loans	4,838
Receipt of New Loans (excl consumer contributions)	1,329
Repayment of loan (Depreciation for the year)	923
Equity portion of GFA of fully depreciated assets depreciated	6
Closing Balance of long-term loans	5,250
Rate of interest	10.0%
Interest cost on Long term loans	503
Interest cost on Long term loans to Distribution business (90%)	453

3.8 Return on Equity

TG Discoms submit that clauses 29 of Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation (Regulation No. 2 of 2023), provides for Return on Equity (RoE) for Distribution Licensee which is reproduced as under:

“Return on Equity shall be computed at the following base rates:

(e) Distribution licensee: Base Return on Equity of 14% and additional Return on Equity up to 2% linked to Licensee's performance towards meeting standards of performance:

Provided that the Commission at the time of true-up shall allow the additional Return on Equity up to 2% based on Licensee meeting the summary of overall performance standards as specified in Clause 1.11 of Schedule III of TGERC (Licensees' Standards of Performance) Regulations, 2016

29.3 The Return on Equity shall be computed in the following manner:

(a) Return at the allowable rate as per this clause, applied on the amount of equity capital at the commencement of the Year; plus

(b) Return at the allowable rate as per this Regulation, applied on 50 per cent of the equity capital portion of the allowable capital cost, for the investments put to use in generation business or transmission business or distribution business or SLDC, for such Year."

Considering the funding pattern, TGSPDCL have considered the equity addition during the year.

The return on equity has been computed as per the methodology specified in the Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation (Regulation No. 2 of 2023) and, the DISCOM is expecting Return on Equity at 14% and additional return on equity up to 2% p.a linked to TGSPDCL's performance towards meeting standards of performance for FY 2025 – 26.

The tax on the return on equity as per the below clause

"Rate of pre-tax Return on Equity shall be rounded off to three decimal places and shall be computed as per the formula given below:

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

Where "Base Rate" is the rate of Base Return on Equity in accordance with clause 29.2;

"t" is the effective Income Tax rate in accordance with clause 30.1."

Figures in Rs Cr

Particulars	2025-26
Regulatory Equity at the beginning of the year	1,917
Additions during the year	1772
Equity portion of capitalization during the year	443
Equity portion of fully depreciated assets added in that year	14
Reduction in Equity Capital on account of retirement / replacement of assets	0
Regulatory Equity at the end of the year	2,346
Base rate of Return on Equity	16%
Effective Income Tax rate	0%
Rate of Return on Equity	16%
Return on Regulatory Equity at the beginning of the year	307
Return on Regulatory Equity addition during the year	35
Total Return on Equity	341
Total Return on Equity to Distribution Business (90%)	307

3.9 Interest on Working Capital

TG Discoms submits that clause 33 of the Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation (Regulation No. 2 of 2023) provides for Interest on Working Capital. Clause 33.3 (a) of the said Regulation provides for the norms of computation of Working Capital for Distribution Wires Business.

TG Discoms further submits that clause 33.6 of the said Regulations provides that the normative rate of interest on working capital shall be equal to Base Rate as on the date on which the Petition for determination of Tariff is filed, plus 150 basis points. The relevant extract of the said Regulations is reproduced below:

"Rate of interest on working capital shall be on normative basis and shall be equal to the Base Rate as on the date on which the Petition for determination of Tariff is filed, plus 150 basis points:"

Accordingly, TG Discoms have calculated Interest on Working Capital for the control period @ 10.5% for Distribution Business.

Accordingly, TGSPDCL has calculated Interest on working capital for Distribution Business as below:

Figures in Rs Cr

Particulars	2025-26
O&M expenses	319
Maintenance spares	228
Receivables	667
Less:	
Security Deposits	0
Total Working Capital requirement	1,214
Interest rate %	10.50%
Interest on working capital to Distribution business	128

3.10 NON-TARIFF INCOME

TGSPDCL has considered the actual Non-Tariff income for FY 2023-24 (actuals) and escalated the item-wise NTI with a nominal growth rate of 2% year over year.

TGSPDCL has projected the Non-tariff income under Distribution Business under the following heads

Figures in Rs Cr

Particulars (Rs Cr)	2025-26
Income from rent of land or buildings	0.4
Net income from sale of de-capitalised assets	0.0
Income from sale of scrap	1.8
Income from statutory investments	0.0
Interest income on advances to suppliers/contractors	0.0
Income from rental from staff quarters	0.0
Income from rental from contractors	7.4
Income from hire charges from contractors and others	0.1
Income from consumer charges levied in accordance with Schedule of Charges approved by the Commission	0.6
Supervision charges for capital works	113.9
Income from advertisements	0.0
Income from sale of tender documents	0.3
Any other Non-Tariff Income	1.9
Total	125

3.11 DISTRIBUTION ARR

The anticipated Aggregate Revenue Requirement (ARR) for the Distribution business for FY 2025-26 Non-tariff income is determined as follows:

Figures in Rs Cr

Particulars	2025-26
Operation and Maintenance Charges	3,823
Depreciation	831
Interest and finance charges on Loan	453
Interest on working capital	128
Return on Equity	307
Total Expenditure	5,541
Less	
Income from Open Access charges	1.19
Non-Tariff income	125
Income from Other Business	-
Net Distribution ARR	5,414

4 WHEELING CHARGES

TGSPDCL has determined the ARR for the distribution wheeling business and that forms the basis for determination of wheeling charges. TGSPDCL has determined the wheeling charges voltage wise i.e., for LT, 11 kV and 33 kV consumers for long-term and medium-term open access in Rs./kVA/Month and in terms of Rs/kVA/hr for short-term open access as per Clause 79.2 of Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation (Regulation No. 2 of 2023) which states that,

“The Wheeling Charges of the Distribution Licensee shall be determined by the Commission on the basis of a Petition for determination of Tariff filed by the Distribution Licensee:

Provided that the Wheeling Charges shall be denominated in terms of Rupees/kVA/month for long-term and medium-term Open Access and in terms of Rupees/kVA/hr for short-term Open Access, for the purpose of recovery from the Distribution System User, or any such denomination, as may be stipulated by the Commission:

Provided further that the Wheeling Charges shall be determined separately for LT voltage, 11 kV voltage, and 33 kV voltage, as applicable”.

Accordingly, TGSPDCL has computed voltage wise wheeling charges by allocating cost expenditure for Distribution ARR across contracted capacities at the consumer end grossed up with losses for respective voltages.

The contracted capacities considered for computation are as approved in the Distribution MYT Tariff Order for FY 2025-26:

Contracted Capacities at Consumer end			
Sl. No.	Particulars	Units	2025-26
1	33 kV	MW	1,712
2	11 kV	MW	2,921
3	LT	MW	5,377
Total		MW	10,010

The losses considered for grossing up contracted capacities at each voltage level have been considered as approved in the Distribution MYT Tariff Order for FY 2025-26:

Voltage Wise Losses			
Sl. No.	Particulars	Units	2025-26
1	33 kV	%	3.16%
2	11 kV	%	4.04%
3	LT	%	4.65%

Basis the approved contracted capacities at the consumer end, and In line with Clause 79.2 of TGERC MYT Regulation 2 of 2023, the licensee proposes the following wheeling charges for long-term and medium-term open access in Rs./kVA/Month and in terms of Rs/kVA/hr for short-term open access as below:

Sl. No.	Particulars	Voltage	UoM	Value
1	Wheeling charges for long-term and medium-term open access for FY 2025-26	33 kV	(Rs./kVA/Month)	53.21
		11 kV	(Rs./kVA/Month)	215.23
		LT	(Rs./kVA/Month)	705.20
2	Wheeling charges for short-term open access for FY 2025-26	33 kV	(Rs./kVA/hr)	0.0739
		11 kV	(Rs./kVA/hr)	0.2989
		LT	(Rs./kVA/hr)	0.9794

5 NET ARR TO BE TRANSFERRED TO RETAIL BUSINESS

As per Telangana Electricity Regulatory Commission (Multi Year Tariff) Regulation (Regulation No. 2 of 2023), in case complete accounting segregation has not been done between the wheeling business and retail supply business of the distribution licensee, the ARR of the distribution licensee shall be apportioned between wheeling

and retail supply business with 10% of the O&M expense, depreciation, interest and finance charges on loan, return on equity being transferred to retail supply business.

Accordingly, the net ARR to be transferred to retail supply business has been summarized below:

Figures in Rs Cr

Particulars	2025-26
Operation and Maintenance Charges	425
Depreciation	92
Interest and finance charges on Loan	50
Interest on working capital	0
Return on Equity	34
Total Expenditure	601

A) Distribution Wheeling Business + Retail Supply Business

Rs Cr

S. No.	Particulars	Reference	FY 2025-26
			Projected
5	Operation & Maintenance Expenses	Form 15	4247
6	Depreciation	Form 17	923
7	Interest and finance charges on loan	Form 18	503
8	Interest on Working Capital	Form 19	135
9	Interest on Consumer Security Deposits	Form 19	0.00
10	Return on Equity	Form 20	341
11	Less:		
11.1	Income from Open Access charges	Form 23	1.19
11.2	Non-Tariff Income	Form 21	133
11.3	Income from Other Business	Form 22	0.00
12	Add:		
12.1	Impact of true-up for prior period	Form 28	0.00
13	Aggregate Revenue Requirement		6015

B) Distribution Wheeling Business

Rs Cr

S. No.	Particulars	Reference	FY 2025-26
			Projected
1	Operation & Maintenance Expenses	Form 15	3823
2	Depreciation	Form 17	831
3	Interest and finance charges on loan	Form 18	453
4	Interest on Working Capital	Form 19	135
5	Return on Equity	Form 20	307
6	Less:		
6.1	Income from Open Access charges	Form 23	1.19
6.2	Non-Tariff Income	Form 21	133.42
6.3	Income from Other Business	Form 22	0.00
7	Add:		
7.1	Impact of true-up for prior period	Form 28	
8	Aggregate Revenue Requirement		5,414

C) Retail Supply Business

Rs Cr

S. No.	Particulars	Reference	Control Period
			n+2
			Projected
5	Operation & Maintenance Expenses	Form 15	424.74
6	Depreciation	Form 17	92.31
7	Interest and finance charges on loan	Form 18	50.31
8	Interest on Working Capital	Form 19	0.00
9	Interest on Consumer Security Deposits	Form 19	0.00
10	Return on Equity	Form 20	34.10
11	Less:		
11.1	Income from Open Access charges	Form 23	0.00
11.2	Non-Tariff Income	Form 21	0.00
11.3	Income from Other Business	Form 22	0.00
12	Add:		
12.1	Impact of true-up for prior period	Form 28	
13	Aggregate Revenue Requirement		601

Southern Power Distribution Company of Telangana

Form 22: Income from Other Businesses

A) Distribution Wire Business + Retail Supply Business

(Rs. in Crs)

S. No.	Particulars	FY 2025-26
		Projected
1	NIL	0.00
	Total	0.00

B) Distribution Wire Business

S. No.	Particulars	FY 2025-26
		Projected
1	NIL	0.00
	Total	0.00

C) Retail Supply Business

S. No.	Particulars	FY 2025-26
		Projected
1	NIL	0
	Total	0.00

Southern Power Distribution Company of Telangana
Form 21: Non-Tariff Income

A) Distribution Wire Business

Rs Cr

S. No.	Particulars	FY 2025-26
		Projected
1	Income from rent of land or buildings	0.42
2	Net income from sale of de-capitalised assets	0.00
3	Income from sale of scrap	1.77
4	Income from statutory investments	0.00
5	Interest income on advances to suppliers/contractors	0.02
6	Income from rental from staff quarters	0.01
7	Income from rental from contractors	7.40
8	Income from hire charges from contractors and others	0.06
9	Income from consumer charges levied in accordance with Schedule of Charges approved by the Commission	0.63
10	Supervision charges for capital works	120.90
11	Income from advertisements	0.00
12	Income from sale of tender documents	0.30
13	Any other Non-Tariff Income	1.90
	Total	133.42

B) Distribution Wire Business

Rs Cr

S. No.	Particulars	FY 2025-26
		Projected
1	Regulatory Equity at the beginning of the year	1,724.92
2	Capitalisation during the year	1,594.60
3	Equity portion of capitalisation during the year	398.65
4	Reduction in Equity Capital on account of retirement / replacement of assets	0.00
5	Regulatory Equity at the end of the year	2,111.26
	Rate of Return on Equity	
6	Base rate of Return on Equity	16%
7	Effective Income Tax rate	100%
8	Rate of Return on Equity	16%
	Return on Equity Computation	
9	Return on Regulatory Equity at the beginning of the year	275.99
10	Return on Regulatory Equity addition during the year	31.89
11	Total Return on Equity	307.88

C) Retail Supply Business

Rs Cr

S. No.	Particulars	FY 2025-26
		Projected
1	Regulatory Equity at the beginning of the year	191.66
2	Capitalisation during the year	177.18
3	Equity portion of capitalisation during the year	44.29
4	Reduction in Equity Capital on account of retirement / replacement of assets	0.00
5	Regulatory Equity at the end of the year	234.58
	Rate of Return on Equity	
6	Base rate of Return on Equity	16%
7	Effective Income Tax rate	100%
8	Rate of Return on Equity	16%
	Return on Equity Computation	
9	Return on Regulatory Equity at the beginning of the year	30.67
10	Return on Regulatory Equity addition during the year	3.54
11	Total Return on Equity	34.21

Southern Power Distribution Company of Telangana

Form 19: Interest on working capital

A) Distribution Wire Business

S. No.	Particulars	Rs Cr
		FY 2025-26 Projected
1	O&M expenses	318.55
2	Maintenance spares	228.28
3	Receivables	666.49
	Less:	
4	Security Deposits	0.00
5	Power purchase cost including transmission charges and SLDC charges	0.00
6	Total Working Capital requirement	1,213.32
7	Interest rate	10.50%
8	Interest on working capital	127.40

Southern Power Distribution Company of Telangana
Form 18: Interest and finance charges on loan
Distribution Wire Business + Retail Supply Business
A. Normative Loan

Rs Cr

S. No.	Particulars	FY 2025-26
		Projected
1	Opening Balance of Gross Normative Loan	4838
2	Cumulative Repayment till the year	0
3	Opening Balance of Net Normative Loan	0
4	Less: Reduction of Normative Loan due to retirement or replacement of assets	0
5	Addition of Normative Loan due to capitalisation during the year	1329
6	Repayment of Normative loan during the year	923
7	Closing Balance of Net Normative Loan	5250
8	Closing Balance of Gross Normative Loan	0
9	Average Balance of Net Normative Loan	0
10	Weighted average Rate of Interest on actual Loans (%)	10.00%
11	Interest	503
12	Finance charges	0
13	Total Interest & Finance charges	503

B. Actual loan portfolio

S. No.	Particulars	FY 2025-26
		Projected
1	Loan 1 - REC Ltd	
	Opening Balance of Loan	6695.01
	Addition of Loan during the year	328.40
	Loan Repayment during the year	723.46
	Closing Balance of Loan	6299.95
	Average Loan Balance	6497.48
	Applicable Interest Rate (%)	10%
	Interest	643.59
	Finance charges	0
	Total Interest & Finance charges	643.59
2	Loan 2 - PFC Ltd	
	Opening Balance of Loan	6100.01
	Addition of Loan during the year	0
	Loan Repayment during the year	499.95
	Closing Balance of Loan	5926.45
	Average Loan Balance	6014.23
	Applicable Interest Rate (%)	10%
	Interest	597.49
	Finance charges	0
	Total Interest & Finance charges	597.49
3	Loan 3 - Transco	
	Opening Balance of Loan	457.93
	Addition of Loan during the year	0.00
	Loan Repayment during the year	319.56
	Closing Balance of Loan	138.37
	Average Loan Balance	298.15
	Applicable Interest Rate (%)	11%
	Interest	31.94
	Finance charges	0
	Total Interest & Finance charges	31.94
4	Loan 4 - PFS Ltd	
	Opening Balance of Loan	279.98
	Addition of Loan during the year	0.00
	Loan Repayment during the year	80.49
	Closing Balance of Loan	199.48
	Average Loan Balance	239.73
	Applicable Interest Rate (%)	12%
	Interest	28.84
	Finance charges	0
	Total Interest & Finance charges	28.84
5	Loan 5 - IREDA	
	Opening Balance of Loan	0.00
	Addition of Loan during the year	0.00
	Loan Repayment during the year	0.00
	Closing Balance of Loan	0.00
	Average Loan Balance	0.00
	Applicable Interest Rate (%)	0%
	Interest	0.00
	Finance charges	0
	Total Interest & Finance charges	0.00
6	Loan 6 - FRP Bonds	
	Opening Balance of Loan	2024.65
	Addition of Loan during the year	0.00
	Loan Repayment during the year	0.00
	Closing Balance of Loan	2024.65
	Average Loan Balance	2024.65
	Applicable Interest Rate (%)	10%
	Interest	201.74
	Finance charges	0
	Total Interest & Finance charges	201.74
	Total	
	Opening Balance of Loan	15,557.58
	Addition of Loan during the year	328.40
	Loan Repayment during the year	1,623.46
	Closing Balance of Loan	14,590.91
	Average Loan Balance	15,074.24
	Applicable Interest Rate (%)	9%
	Interest	1,320.15
	Finance charges	0
	Total Interest & Finance charges	1,320.15

S.No.	Asset Group	A/c Code	Rate of Depreciation	Gross fixed Assets					Provisions for depreciation					Net fixed Assets	
				At the beginning of the year	Additions during the year	Adj. & deductions	At the end of the year	Cumulative upto the beginning of the year	Additions during the year	Adjust. during the year	Cumulative at the end of the year	At the beginning of the year	At the end of the year		
1	Land			102.00	49.11	0.00	151.11	0.00	0.00	0.00	0.00	0.00	102.00	151.10	
2	Land held under lease			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3	Buildings & CIVIL engineering works			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	a) office and showrooms			416.61	41.60	0.00	458.21	142.84	17.89	0.00	160.73	273.78	297.48		
	b.) Temporary erection such as wooden structures			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	c.) Road other than Kutchra roads			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	d) Others			198.97	0.00	0.00	198.97	39.97	0.00	0.00	39.97	159.00	159.00		
4	Transformer			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	i) Power Transformer			9983.60	987.94	0.00	10971.44	4966.77	380.37	0.00	5347.15	5016.83	5624.29		
	ii) Distribution Transformer			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	<100KVA			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	>=100KVA			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5	Switchgear			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Circuit breaker(3kV S/s)			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Isolators			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Bus couplers			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6	Lighting Arrestors			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7	Batteries			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
8	Overhead lines including supports:			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	i) 11kV and above			10013.16	1147.15	0.00	11160.31	4404.85	364.13	0.00	4768.98	5608.31	6391.33		
	ii) LT Lines			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
9	Underground lines including joint box and disconnected boxes			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Meters			1790.99	76.30	0.00	1867.30	1139.33	53.55	0.00	1192.87	651.67	22.76		
11	Self-propelled vehicles			6.37	0.00	0.00	6.37	5.75	0.00	0.00	5.75	0.62	0.00		
12	Air conditioning plants:			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	i) Static			2.34	0.00	0.00	2.34	1.53	0.00	0.00	1.53	0.81	0.00		
	ii) Portable			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
13	Office furniture and fittings			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	i) Office furniture			15.53	0.00	0.00	15.53	11.29	0.43	0.00	11.72	4.24	-0.43		
	ii) Office equipment			46.50	0.14	0.00	46.64	32.75	1.43	0.00	34.17	13.76	-1.29		
	iii) Internal wiring including fittings and apparatus			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	iv) Street Light fittings			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
14	Communication equipment:			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	i) Radio and high frequency carrier system			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	ii) Telephone lines and telephones			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	iii) Five Optic			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
15	IT equipment			188.05	10.97	0.00	199.03	154.36	8.99	0.00	163.35	33.69	1.98		
16	Software			63.72	0.00	0.00	63.72	52.58	4.02	0.00	56.60	11.14	-4.02		
17	Any other assets not covered above			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Total			22827.85	2313.10	0.00	25140.96	10952.02	830.81	0.00	11782.83	11876.83	12642.21		

A) Retail Supply Business

R5 Cr

S No.	Asset Group	A/c Code	Rate of Depreciation	Gross fixed Assets				Provisions for depreciation				Net fixed Assets	
				At the beginning of the year	Additions during the year	Adjust & deductions	At the end of the year	Cumulative upto the beginning of the year	Additions during the year	Adjust. during the year	Cumulative at the end of the year	At the beginning of the year	At the end of the year
1	Land			11.33	5.46	0.00	16.79	0.00	0.00	0.00	0.00	11.33	16.79
2	Land held under lease			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Buildings & Civil engineering works			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	a) Office and showrooms			46.29	4.62	0.00	50.91	15.87	1.99	0.00	17.86	30.42	33.05
	b) Temporary erection such as wooden structures			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	c) Road other than Kutcha roads			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	d) Others			22.11	0.00	0.00	22.11	4.44	0.00	0.00	4.44	17.67	17.67
4	Transformer			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	i) Power Transformer			1109.29	109.76	0.00	1219.05	551.86	42.26	0.00	594.13	557.43	624.92
	ii) Distribution Transformer			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<100KVA			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	>=100KVA			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Switchgear			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Circle breaker(3KV S/S)			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Circuit breaker(V)			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Isolators			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Bus couplers			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	Lighting Arrestors			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Batteries			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	Overhead lines including supports:			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	i) 11KV and above			1112.57	127.46	0.00	1240.03	489.43	40.46	0.00	529.89	623.15	710.15
	ii) LT Lines			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Underground lines including joint box and disconnected boxes			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Meters			199.00	8.48	0.00	207.48	126.59	5.95	0.00	132.54	72.41	2.53
11	Self-propelled vehicles			0.71	0.00	0.00	0.71	0.64	0.00	0.00	0.64	0.07	0.00
12	Air conditioning plants:			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	i) Static			0.26	0.00	0.00	0.26	0.17	0.00	0.00	0.17	0.09	0.00
	ii) Portable			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Office furniture and fittings			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	i) Office furniture and fittings			1.73	0.00	0.00	1.73	1.25	0.05	0.00	1.30	0.47	-0.05
	ii) Office equipment			5.17	0.02	0.00	5.19	3.64	0.16	0.00	3.80	1.53	-0.14
	iii) Internal wiring including fittings and apparatus			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	iv) Street light fittings			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	Communication equipment:			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	i) Radio and high frequency carrier system			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	ii) Telephone lines and telephones			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	iii) Fibre Optic			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15	IT equipment			20.89	1.22	0.00	22.11	17.15	1.00	0.00	18.15	3.74	0.22
16	Software			7.08	0.00	0.00	7.08	5.84	0.45	0.00	6.29	1.24	-0.45
17	Any other assets not covered above			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total			2536.43	257.01	0.00	2793.44	1216.89	92.31	0.00	1309.20	1319.54	1404.69

Southern Power Distribution Company of Telangana
Form 16.1: Statement of Capitalisation

S. No.	FY	Name of the Scheme	Capital expenditure during the year (Rs. Crore)	Capitalisation during the year (Rs. Crore)
	2025-26	Capex & Others	2,681.67	2,570.12
1		SPA- PE Scheme	134.12	128.54
2		HVDS	342.98	328.71
3		Release of New Services	149.86	143.63
4		Civil Infrastructure Development	2.28	2.19
5		P:SI - Bulk Scheme PTR, Meteres, DTRs and Conductor	1,487.86	1,425.97
6		Technology Upgradation	19.61	18.79
7		AT & C Loss Reduction	24.82	23.79
8		Reliability Improvement	305.89	293.17
9		Expenses Capitalised	185.99	178.25
10		IDC	28.26	27.08
	Total		2681.67	2570.12

Southern Power Distribution Company of Telangana
Form 16.2: Financing of Capitalisation

S. No.	Particulars	2025-26
		Projected
1	Additional Capitalisation	2570.12
2	Financing Details	
	(a) REC LTD	6299.95
	(b) PFC LTD.	5928.45
	(c) TSTRANSCO	138.37
	(d) PFS LTD	199.48
	(e) IREDA	0.00
	(f) FRP Bonds	2024.65
	Total Loan	14590.91
3	Equity	
4	Internal Resources	0
5	Others (Please Specify)	
6	Total (2+3+4+5)	14590.91

Employee Expense

A) Distribution Wire Business + Retail Supply Business

Rs Cr

S.No.	Particulars	FY 2025-26
		Projected
21	Gross Employee Expenses	3901.52
22	Less: Expenses Capitalised	-122.05
23	Net Employee Expenses	3779.47

Distribution Wire Business

Rs Cr

S.No.	Particulars	FY 2025-26
		Projected
21	Gross Employee Expenses	3511.36
22	Less: Expenses Capitalised	-109.84
23	Net Employee Expenses	3401.52

Retail Supply Business

Rs Cr

S.No.	Particulars	FY 2025-26
		Projected
21	Gross Employee Expenses	390.15
22	Less: Expenses Capitalised	-12.20
23	Net Employee Expenses	377.95

Southern Power Distribution Company of Telangana
Form 15.2: Administration & General Expenses

A) Distribution Wire Business + Retail Supply Business

		Rs Cr
S. No.	Particulars	FY 2025-26
		Projected
29	Gross A &G Expenses	255.52
30	Less: Expenses Capitalised	27.15
31	Net A &G Expenses	228.37

Distribution Wire Business

		Rs Cr
S. No.	Particulars	FY 2025-26
		Projected
29	Gross A &G Expenses	229.97
30	Less: Expenses Capitalised	24.43
31	Net A &G Expenses	205.53

Retail Supply Business

		Rs Cr
S. No.	Particulars	FY 2025-26
		Projected
29	Gross A &G Expenses	25.55
30	Less: Expenses Capitalised	2.71
31	Net A &G Expenses	22.84

Southern Power Distribution Company of Telangana
Form 15.3: Repair & Maintenance Expenses

A) Distribution Wire Business + Retail Supply Business

Rs Cr

S. No.	Particulars	FY 2025-26
		Projected
11	Gross R&M Expenses	240
12	Gross Fixed Assets at beginning of year	25364
13	R&M Expenses as % of GFA at beginning of year	0.9%

B) Distribution Wire Business

Rs Cr

S. No.	Particulars	FY 2025-26
		Projected
11	Gross R&M Expenses	215.58

C) Retail Supply Business

Rs Cr

S. No.	Particulars	FY 2025-26
		Projected
11	Gross R&M Expenses	23.95