

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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CASE No. 204 of 2024

In the matter of

**Case of M/s. SEZ Bio-Tech Services Pvt. Ltd. – Manjari SEZ (SEZ Bio-Tech Manjari)
for Provisional Truing-up of FY 2024-25, and Approval of Aggregate Revenue
Requirement (ARR) and Tariff determination for the 5th Control period from FY 2025-
26 to FY 2029-30**

Coram

**Sanjay Kumar, Chairperson
Anand M. Limaye, Member
Surendra J. Biyani, Member**

ORDER

Dated: 28 March 2025

M/s. SEZ Bio-Tech Services Pvt. Ltd. – Manjari SEZ ('SEZ Bio-Tech Manjari') has filed its Multi Year Tariff (MYT) Petition for the Provisional Truing-up of FY 2024-25, and determination of Aggregate Revenue Requirement (ARR) and Tariff for FY 2025-26 to FY 2029-30, for its Electricity Distribution Business. Said Petition has been submitted in accordance with the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019 ('MYT Regulations 2019') and MERC (Multi Year Tariff) Regulations 2024 ('MYT Regulations 2024') as amended thereof. SEZ Bio-Tech Manjari filed its original Petition on 25 November 2024 and revised Petition on 22 December 2024. The Commission finally admitted the Petition on 26 December 2024.

The Commission, in exercise of its powers vested under Sections 61, 62 and 86 of the Electricity Act, 2003 (EA, 2003) and all other powers enabling it in this behalf and after taking into consideration of all the submission made by SEZ Bio-Tech Manjari and in the public consultation process, and all other relevant material, has approved the Provisional Truing-up of ARR for FY 2024-25 and determination of the ARR and Tariff for the Control Period from FY 2025-26 to FY 2029-30.

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LIST OF ABBREVIATIONS

Abbreviations	
A&G	Administrative & General
ABR	Average Billing Rate
ACoS	Average Cost of Supply
AMR	Automatic Meter Reading
APP	Agreement of Power Purchase
ARR	Aggregate Revenue Requirement
BUA	Built-up Area
CPI	Consumer Price Index
CSD	Consumers' Security Deposit
CSS	Cross Subsidy Surcharge
DPR	Detailed Project Report
EON SEZ I	EON Kharadi Infrastructure Private Limited (EON SEZ Phase I)
EON SEZ II	EON Kharadi Infrastructure Private Limited (EON SEZ Phase II)
EA	Electricity Act
FCA	Fuel Cost Adjustment
GFA	Gross Fixed Asset
HPO	Hydropower Obligation
HT	High Tension
IoWC	Interest on Working Capital
IT	Information Technology
ITeS	Information Technology Enabled Services
kV	kilo Volt
kVA	kilo Volt Ampere
kVAh	kilo Volt Ampere hour
kW	kilo Watt
kWh	kilo Watt hour
LT	Low Tension
MAT	Minimum Alternate Tax
MCLR	Marginal Cost of Lending Rate
MERC	Maharashtra Electricity Regulatory Commission
MIDC	Maharashtra Industrial Development Corporation
MSEDCL	Maharashtra State Electricity Distribution Company Limited
MSETCL	Maharashtra State Electricity Transmission Company Limited
MSLDC	Maharashtra State Load Despatch Centre
MU	Million Units
MW	Mega Watt
MVA	Mega Volt Ampere
MYT	Multi Year Tariff
O&M	Operation & Maintenance
PBT	Profit Before Tax
PPA	Power Purchase Agreement

Abbreviations	
RA	Resource Adequacy
R&M	Repair & Maintenance
RCoS	Retail Cost of Supply
RE	Renewable Energy
REC	Renewable Energy Certificate
RPO	Renewable Purchase Obligation
RTC	Round the Clock
SBI	State Bank of India
SCADA	Supervisory Control and Data Acquisition
SEZ	Special Economic Zone
STOA	Short Term Open Access
STU	State Transmission Utility
ToD	Time of Day
TSU	Transmission System User
TTSC	Total Transmission System Cost
WPI	Wholesale Price Index

1. BACKGROUND AND SALIENT FEATURES OF THE ORDER

1.1. Background

- 1.1.1. The Special Economic Zone (SEZ) Bio-Tech Manjari at Village Manjari Budruk, Taluka Haveli, District Pune is a Company incorporated under the provisions of the Companies Act, 1956, having its registered office at 212/2, Off Soli Poonawalla Road, Hadapsar Pune, Maharashtra, India.
- 1.1.2. SEZ Bio-Tech Services Private Limited has been notified as the ‘Developer’ for the sector specific SEZ for Biotechnology at Village Manjari Budruk, Taluka Haveli, District Pune vide Notification No. S.O. 651(E) dated 29th March 2012 issued by the Government of India (GoI), Ministry of Commerce and Industry, Department of Commerce (SEZ Section), New Delhi, consisting of an area of 11.50675 hectares.
- 1.1.3. Subsequently, based on the request of SEZ Bio-Tech Manjari, the Ministry issued the following notifications for additional areas:

Notification No.	Date of Notification	Additional area (Hectares)
S.O 341(E)	7 February 2013	4.613355
S.O 1399 (E)	2 May 2017	0.97
S.O 3872 (E)	1 August 2018	4.1925
S.O 2380 (E)	24 May 2022	1.1400

- 1.1.4. Thus, through the aforesaid SEZ notifications, the total area of the SEZ Bio-Tech Manjari has become 22.4226 Hectare.
- 1.1.5. The Ministry of Commerce & Industry (Department of Commerce), Government of India, vide its Notification under clause (b) of sub-section (1) of Section 49 of the Special Economic Zones Act, 2005 dated 3 March 2010, specified that the Developer of the SEZ is deemed to be a Distribution Licensee under the provisions of the Electricity Act, 2003 (EA 2003). The proviso inserted in clause (b) of Section 14 of the EA vide Notification No. S.O. 528(E) is as under:

" (f) "Co-Developer" means a person who, or a State Government which, has been granted by the Central Government a letter of approval under sub-section (12) of section 3;

(g) "Developer" means a person who, or a State Government which, has been granted by the Central Government a letter of approval under sub-section (10) of section 3 and includes an Authority and a Co-Developer;"

- 1.1.6. In view of the above, SEZ Bio-Tech Manjari is a deemed Distribution Licensee in its SEZ area at Village Manjari Budruk, Taluka Haveli, District Pune, Maharashtra, India. The Commission vide combined Order dated 8 December, 2023 in Case No. 179 and Case No. 180 of 2023, has taken on record the deemed Distribution Licensee status of SEZ Bio-Tech Manjari and subsequently notified the Specific Conditions of Distribution Licence by way of Regulations ('Specific Conditions Regulations') for SEZ Bio-Tech Manjari on 24 July, 2024.
- 1.1.7. SEZ Bio-Tech Manjari has commenced operations as a Distribution Licensee from 1 July 2024, i.e., in FY 2024-25.
- 1.1.8. The Commission vide its Order dated 8 December 2023 in Case No. 179 of 2023 allowed SEZ Bio-Tech Manjari to charge consumers in its licence area, the tariff as is applicable for the respective category of consumers in the MSEDCL's area of supply without FAC component. Accordingly, from 1 July, 2024, SEZ Bio-Tech Manjari has charged tariff as applicable to respective categories of MSEDCL's consumers with effect from 1 April 2024 for retail sale of electricity in its licence area, except for FAC.
- 1.1.9. **Multi Year Tariff Regulations, 2019:** On 1 August 2019, the Commission notified the applicable provisions for determination of ARR and Tariff for the 4th Control Period from FY 2020-21 to FY 2024-25.
- 1.1.10. **Multi Year Tariff Regulations, 2024:** On 19 August 2024, the Commission notified the applicable provisions for determination of ARR and Tariff for the 5th Control Period from FY 2025-26 to FY 2029-30.
- 1.1.11. SEZ Bio-Tech Manjari has filed the present MYT Petition on 25 November 2024 for Provisional Truing-up for FY 2024-25 in accordance with provisions of the MYT Regulations, 2019, and determination of ARR and Tariff for FY 2025-26 to FY 2029-30 in accordance with provisions of the MYT Regulations, 2024.
- 1.1.12. SEZ Bio-Tech Manjari has prayed the Commission as follows:
- i. *To admit the MYT Petition as per the provisions of MERC (MYT) Regulations 2024, consider for further proceedings before the Hon'ble Commission;*
 - ii. *To approve the provisional truing up and Revenue Gap/(Surplus) for FY 2024-25 and recovery of the same through tariff, as proposed by Manjari SEZ;*
 - iii. *To approve the ARR for FY 2025-26 to FY 2029-30 and its recovery through revised tariff as proposed by Manjari SEZ;*
 - iv. *To determine Manjari SEZ's share of the InSTS Charges, MSLDC Charges, and STU Charges and consider the same while approving the ARR for Manjari SEZ for the Control Period;*

- v. *To approve Retail Supply Tariff for the Control Period and the Tariff schedule, as proposed by Manjari SEZ;*
- vi. *To approve Green Energy Tariff as proposed by the Petitioner;*
- vii. *To determine CSS for the Petitioner in accordance with the formula stipulated under the Tariff Policy 2016;*
- viii. *To exempt all SEZ Deemed Distribution Licensees with Peak Load < 20 MW from provisions of MERC Resource Adequacy Regulations;*
- ix. *To grant additional time for assessment of self-consumption;*
- x. *Condone any inadvertent omissions, errors, short comings and permit Manjari SEZ to add/change/modify/alter this filing and make further submissions as may be required at a future date; and*
- xi. *Pass such other and further Orders as deemed fit and proper in the facts and circumstances of the case.*

1.2. Technical Validation Session

- 1.2.1. On 9 December 2024, the Commission raised preliminary data gaps. SEZ Bio-Tech Manjari submitted its replies to data gaps vide letter dated 14 December 2024.
- 1.2.2. The Commission held a Technical Validation Session (TVS) on 18 December 2024. The list of persons who attended the TVS is annexed herewith as **Appendix-I**. Further data gaps in the petition were explained to SEZ Bio-Tech Manjari and were asked to submit the replies along with the revised Petition. SEZ Bio-Tech Manjari submitted its Revised MYT Petition vide letter dated 22 December 2024.
- 1.2.3. The Commission sought certain additional information/ clarifications vide additional data gaps on 11 February 2025 and directed SEZ Bio-Tech Manjari to address the additional data gaps and other concerns raised. SEZ Bio-Tech Manjari submitted its replies on 17 February 2025 respectively.

1.3. Admission of Petition and Public Consultation Process

- 1.3.1. SEZ Bio-Tech Manjari filed the revised Petition on 22 December 2024 after incorporating the replies to data gaps raised by the Commission.
- 1.3.2. The Commission admitted the present Petition on 26 December 2024. In accordance with Section 64 (2) of the EA, 2003, the Commission directed SEZ Bio-Tech Manjari to publish its Petition in the prescribed abridged form and manner, to ensure public participation. The Commission also directed it to reply expeditiously to the suggestions and objections received. SEZ Bio-Tech Manjari issued a Public Notice inviting suggestions and objections from the public on 27 December 2024 in the daily newspapers Economic Times /Indian Express (English) and Loksatta / Maharashtra

Times (Marathi). Copies of Petition and its Executive Summary were made available to public at SEZ Bio-Tech Manjari's offices. The Public Notice and Petition was made available on SEZ Bio-Tech Manjari's website (www.eropower.in) in downloadable format. The Executive Summary of the Petition and Public Notice were also made available on the website of the Commission (www.merc.gov.in) in downloadable format.

1.3.3. The Commission did not receive any written or oral suggestions or objections on the Petition during the public consultation process in response to the Public Notice. An E-Public Hearing was held on 20 January 2025 through virtual mode on MS-Teams platform. The list of persons who participated in the e-Public Hearing is annexed at **Appendix-II**.

1.3.4. The Commission has ensured that the due process contemplated under law to ensure transparency and public participation was followed at every stage and an adequate opportunity was given to all concerned to express their views. No written suggestion or objections were received by SEZ Bio-Tech Manjari nor were any raised during the Public Hearing. Therefore, the Commission has not recorded suggestions and objections as separate Section in this Order.

1.4. Organization of the Order

1.4.1. This Order is organized in the following Sections:

- **Section 1** provides a brief background of the quasi-judicial regulatory process undertaken by the Commission. A list of abbreviations with their expanded forms is included.
- **Section 2** deals with approval of Provisional Truing-up of ARR for FY 2024-25 as per MYT Regulations, 2019.
- **Section 3** deals with the approval of ARR and determination of Tariff for the 5th Control Period from FY 2025-26 to FY 2029-30 as per MYT Regulations, 2024.
- **Section 4** details the Commission's Tariff Philosophy and the category-wise Tariff applicable for the 5th Control Period from FY 2025-26 to FY 2029-30, including determination of Wheeling Charges, Cross-Subsidy Surcharge and Cross Subsidy Trajectory.
- **Section 5** details the Schedule of Charges.
- **Section 6** deals with Directives issued by the Commission in this Order.

- **Section 7** details the Applicability of the Order followed by the approved Tariff Schedule in Annexure-I to Annexure-VII.

In order to ensure that precision and transparency is maintained in the approved values of the ARR, the Commission has mentioned them upto 4 decimal points.

2. PROVISIONAL TRUE-UP OF FY 2024-25

2.1. Energy Sales

SEZ Bio-Tech Manjari's Submission

- 2.1.1. SEZ Bio-Tech Manjari has submitted that it has only two consumer categories and seven consumers. Furthermore, SEZ Bio-Tech Manjari has reported actual sales from 1 July 2024 to 30 September 2024, amounting to 21.06 MU.
- 2.1.2. SEZ Bio-Tech Manjari has also stated that, since it commenced operations on 1 July, 2024, there is no baseline data available for estimation purposes. Therefore, it has estimated the monthly sales for the remaining months of FY 2024-25, from October 2024 to March 2025, by considering the average sales from July 2024 to September 2024.
- 2.1.3. The summary of the consumer categories and the number of consumers in each category for FY 2024-25, along with the summary of category-wise energy sales (actual and estimated) for FY 2024-25 as submitted by the SEZ Bio-Tech Manjari, is provided in the Tables below:

Table 2-1: Number of Consumers in FY 2024-25 as submitted by SEZ Bio-Tech Manjari (as on 30 September, 2024)

Category	No of Consumers
HT Category	
HT I	6
HT II	1
Total	7

Table 2-2: Estimated Energy Sales for FY 2024-25 as submitted by SEZ Bio-Tech Manjari (MU)

Consumer Category	July-September (Actual)	October-March (Estimated)	April – March (Estimated)
HT Category			
HT-I	21.01	42.01	63.02
HT-II	0.05	0.10	0.15
Total	21.06	42.11	63.17

Commission's Analysis and Rulings

- 2.1.4. The Commission has noted SEZ Bio-Tech Manjari's submission and has reviewed the actual monthly sales from July 2024 to September 2024. Further, the Commission has

analyzed the projections calculated for October 2024 to March 2025, which were derived using the average sales for each category based on actual monthly sales from July 2024 to September 2024.

2.1.5. Given that the SEZ Bio-Tech Manjari commenced operations only in July 2024 and lacks historical data to support the projections, the Commission has provisionally approved the sales for FY 2024-25. Since it is the first Tariff Order for the SEZ Bio-Tech Manjari, there is no approved sales data for comparison. The actual energy sales for FY 2024-25 will be considered at the time of truing-up, subject to a necessary prudence check.

2.1.6. The category-wise energy sales (in MU as well as MkVAh) as projected by SEZ Bio-Tech Manjari and provisionally approved by the Commission are summarized in the Table below:

Table 2-3: Category-wise Estimated Energy Sales provisionally approved by the Commission for FY 2024-25 (MU and MkVAh)

Consumer Category	Approved Energy Sales (MU)		Approved Energy Sales (MkVAh)	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
HT I Industry	63.02	63.02	63.83	63.83
HT II Commercial	0.15	0.15	0.15	0.15
Total	63.17	63.17	63.98	63.98

2.1.7. Thus, the Commission provisionally approves the Energy Sales of 63.17 MU or 63.98 MkVAh for FY 2024-25.

2.2.Distribution Loss

SEZ Bio-Tech Manjari's Submission

2.2.1. SEZ Bio-Tech Manjari has submitted that actual Distribution Losses in FY 2024-25 (July to September 2024) were found to be (0.55%) and attributed the negative losses in the period from July to September 2024 to the manual reading of meters.

2.2.2. SEZ Bio-Tech Manjari further submitted that in order to get accurate reading, and minimise human errors in meter reading, it has installed AMR System. The effect of the AMR system is likely to be observed from the month of November 2024. Hence, for the purposes of provisional truing up for FY 2024-25, SEZ Bio-Tech Manjari considered the Distribution Loss level of (0.55%) for the period from July to October 2024 and the assessed Distribution Loss level of 1.50% for the period from November 2024 to March 2025.

- 2.2.3. The effective distribution losses for nine months of FY 2024-25, as calculated by the SEZ Bio-Tech Manjari, amount to 0.60%. The estimated Distribution Loss for FY 2024-25 as submitted by the SEZ Bio-Tech Manjari is as shown in the Table below:

Table 2-4: Distribution Loss for FY 2024-25 as submitted by SEZ Bio-Tech Manjari

Particulars	Provisional Truing up
Distribution Loss (%)	0.60%

Commission's Analysis and Rulings

- 2.2.4. In response to Commission's query, SEZ Bio-Tech Manjari has submitted that it has no history of operation and hence, it does not have past experience to assess/project Loss. Any Distribution loss level projected would be without any kind of valid basis. Against this background, SEZ Bio-Tech Manjari has assessed the technical and inherent losses in its Distribution Network. SEZ Bio-Tech Manjari has considered 1.50% loss level as a reasonable loss level for efficient distribution networks, where the losses primarily arise from technical factors such as line resistance, transformer losses, and minimal distribution network losses. Accordingly, SEZ Bio-Tech Manjari has projected the same as a reasonable target Distribution loss for FY 2024-25 and the Control Period.
- 2.2.5. Considering the actual level of distribution loss of 0.55% recorded by SEZ Bio-Tech Manjari in July to September 2024 and as this is the first tariff order for it, the Commission has provisionally approved the distribution losses for FY 2024-25 as submitted by the SEZ Bio-Tech Manjari as follows:

Table 2-5: Distribution Loss for FY 2024-25 provisionally approved by the Commission

Particulars	MYT Petition	Approved in this Order
Distribution Loss	0.60%	0.60%

- 2.2.6. The Commission shall consider the actual distribution losses for FY 2024-25 at the time of truing-up, subject to a necessary prudence check.

2.3. Energy Balance

SEZ Bio-Tech Manjari's Submission

- 2.3.1. SEZ Bio-Tech Manjari has submitted that it has considered the Energy Balance for FY 2024-25 after considering the estimated energy sales, Distribution Loss and energy purchase.

2.3.2. Further, SEZ Bio-Tech Manjari has submitted that there is no impact of the InSTS loss for FY 2024-25, as the Commission is yet to approve the share of Transmission Charges and State Load Dispatch Centre (SLDC) Charges for it, and hence, all power purchase transactions are based on delivery at the Distribution Licensee's periphery.

2.3.3. The estimated Energy Balance for FY 2024-25 as submitted by the SEZ Bio-Tech Manjari is shown in the following Table:

Table 2-6: Energy Balance for FY 2024-25 as submitted by SEZ Bio-Tech Manjari

Particulars	Provisional truing up
Energy Sales (MU)	63.17
Distribution loss (%)	0.60%
Energy Requirement at T<D (MU)	63.55
Intra-State Transmission Loss (%)	0%
Energy Requirement at G<T (MU)	63.55
Total Power Purchase at State Periphery (MU)	63.55

Commission's Analysis and Rulings

2.3.4. The Commission has noted the submission made by SEZ Bio-Tech Manjari that the entire power purchase is contracted at the periphery of the Distribution Licensee. Consequently, there is no Inter-State or Intra-State Transmission losses applicable to SEZ Bio-Tech Manjari. Accordingly, for the purpose of provisional truing-up and considering the prevailing power purchase arrangements, the Commission has excluded InSTS losses from the Energy Balance for FY 2024-25. The Commission has considered the provisionally approved sales, distribution loss level for FY 2024-25. The Energy Balance provisionally approved for FY 2024-25, is summarized in the table below:

Table 2-7: Energy Balance for FY 2024-25 provisionally approved by the Commission

Particulars	Unit	FY 2024-25	
		MYT Petition	Approved in this Order
Energy Sales	MU	63.17	63.17
Distribution loss	%	0.60%	0.60%
Energy Requirement at T<D	MU	63.55	63.55
Intra-State Transmission Loss	%	0.00%	0.00%
Energy Requirement at G<T	MU	63.55	63.55
Total Power Purchase at State Periphery	MU	63.91	63.79
Imbalance Pool	MU	-0.36	-0.24
Less: Surplus Energy Traded	MU	0.00	0.00

Particulars	Unit	FY 2024-25	
		MYT Petition	Approved in this Order
Total Power Available at G<>T (MU)	MU	63.55	63.55

2.4.Power Purchase Expenses

SEZ Bio-Tech Manjari's Submission

- 2.4.1. The power purchase cost of the SEZ Bio-Tech Manjari includes the purchase from conventional and Renewable sources for meeting its Base Load and Peak Load requirement, RE power purchase, and net purchase from DSM.
- 2.4.2. SEZ Bio-Tech Manjari also provided the details of month-wise and source-wise power purchase quantum and cost for FY 2024-25.
- 2.4.3. **Power Purchase for Base Load and Peak Load**
- 2.4.4. SEZ Bio-Tech Manjari has submitted that the Commission, vide its Combined Order dated 16 August 2024 in Case No. 66 of 2024 & Case No. 92 of 2024, adopted the tariff discovered through competitive bidding and approved the PPA with M/s Ideal Energy Projects Limited (IEPL) for base load at the rate of Rs. 6.42/kWh and with Maharashtra State Power Generation Co. Ltd (MSPGCL) for peak load at the rate of Rs. 3.50/kWh.
- 2.4.5. SEZ Bio-Tech Manjari has estimated the quantum and cost of thermal power purchase from IEPL of 47.05 MU at an average Tariff of Rs. 6.42/kWh and the quantum and cost of RE Solar power purchase from MSPGCL of 4.86 MU at an average Tariff of Rs. 3.50/kWh, based on actual purchase from July to September 2024 and estimated purchase from October 2024 to March 2025. The rate of power purchase of Rs. 3.51/kWh considered by SEZ Bio-Tech Manjari includes the SLDC scheduling fees.
- 2.4.6. SEZ Bio-Tech Manjari has also estimated the quantum and cost of power purchase from EON SEZ II and Indian Energy Exchange (IEX) of 10.25 MU and 1.74 MU at the Tariff of Rs. 5.00/kWh and average rate of Rs. 4.98/kWh, respectively, based on actual purchase from July to October 2024 and estimated purchase from October 2024 to March 2025. The rate of power purchase considered includes the SLDC scheduling fees.
- 2.4.7. SEZ Bio-Tech Manjari has submitted that the average rate of short-term power procurement is Rs. 5.97/kWh for FY 2024-25.

DSM

2.4.8. SEZ Bio-Tech Manjari has submitted that it has considered the actual quantum and cost of power purchase from DSM for the first half of FY 2024-25. SEZ Bio-Tech Manjari has further submitted that as purchase from DSM cannot be projected as a source of supply, the same has not been estimated for the second half of FY 2024-25.

2.4.9. The estimated power purchase quantum and cost for FY 2024-25 as submitted by SEZ Bio-Tech Manjari is shown in the following Table:

Table 2-8: Estimated Power Purchase Quantum and Cost as submitted by SEZ Bio-Tech Manjari for FY 2024-25

Source	Quantum (MU)	Cost (Rs. Crore)	Per unit cost (Rs. /kWh)
Ideal Energy (Thermal Power)	47.05	30.22	6.42
Mahagenco (Solar Power)	4.86	1.71	3.50
EON SEZ II	10.25	5.12	5.00
IEX power Purchase	1.74	0.87	4.97
DSM	(0.36)	-	-
Total	63.55	37.91	5.97

2.4.10. SEZ Bio-Tech Manjari also submitted copies of energy bills for the procured energy from the generators and IEX power purchase for the month from July 2024 to September 2024.

Commission's Analysis and Rulings

2.4.11. The Commission, vide its Combined Order dated 16 August 2024 in Case No. 66 of 2024 & Case No. 92 of 2024, adopted the tariff discovered through competitive bidding and approved the PPA with IEPL for 8MW of Base Load with at the rate of Rs. 6.42/kWh and with MSPGCL for 6 MW of peak load at the rate of Rs. 3.50/kWh for the period from 1 July 2024 to 30 June 2025.

2.4.12. The Commission noted discrepancy in the Power Purchase quantum claimed by SEZ Bio-Tech Manjari and the bills submitted along with the revised Petition for MSPGCL. In response to Commission's query, SEZ Bio-Tech Manjari submitted the reconciliation of Power purchase for FY 2024-25. The Commission observed that the Power Purchase quantum claimed in the Petition matches with the reconciliation statement but differs from the bills submitted by the Petitioner. For the current Order, the Commission has considered the figures submitted in the reconciliation statement and directs SEZ Bio-Tech Manjari to submit detailed justification for the discrepancy and reconciliation statement along with the bills during True-up in the MTR Petition.

- 2.4.13. As the actual sales submitted by SEZ Bio-Tech Manjari are available only from July 2024 to September 2024, the Commission has considered the actual Power Purchase quantum and cost as submitted by SEZ Bio-Tech Manjari in the reconciliation only till September 2024. The Commission has also considered the estimated Power Purchase quantum and cost submitted by SEZ Bio-Tech Manjari for H2 of FY 2024-25.
- 2.4.14. With respect to procurement of power from EON II, SEZ Bio-Tech Manjari in response to Commission's queries submitted that in order to meet the additional power requirement for August and September 2024, it analysed the market scenario in July 2024 and observed that the IEX rate was Rs. 4.96/kWh Market Clearing Price (MCP) and including the Central Transmission Utility (CTU) charges of approximately 70 paise per unit, the total cost came to Rs. 5.66/kWh. Accordingly, SEZ Bio-Tech Manjari negotiated with EON II and agreed to procure power at rate of Rs. 5/kWh, which was lower than IEX rate. The Commission provisionally considers the power procured from EON II for August and September 2024 based on the invoices submitted. The Commission has considered the average of these two months as power procured from EON II in the remaining months of FY 2024-25, verifying the same with the submission of EON II and the Commission provisionally accepts the submission of SEZ Bio-Tech Manjari for procuring power from EON II for FY 2024-25 at Rs. 5/kWh.
- 2.4.15. Further, in response to Commission's query, SEZ Bio-Tech Manjari has submitted that it has considered the weighted average rate of Rs. 4.93/kWh based on the actual rate of Rs. 5.68/kWh for the first 3 months of FY 2024-25 and the estimated rate of Rs. 4.68/kWh for H2 of FY 2024-25, derived from the actual average rate of IEX for last 6 months. SEZ Bio-Tech Manjari has also submitted that it has considered the SLDC scheduling charges of Rs. 7,500 per month for 9 months of FY 2024-25 and hence the effective weighted average rate of purchase from IEX is estimated as Rs. 4.97/kWh for FY 2024-25. The Commission provisionally approves the submissions of SEZ Bio-Tech Manjari for procuring power from IEX at Rs. 4.97/kWh.
- 2.4.16. In this context, the Commission provisionally approves the power purchase quantum and cost for FY 2024-25 as submitted by SEZ Bio-Tech Manjari, subject to prudence check at the time of true-up. The Commission further directs SEZ Bio-Tech Manjari to submit the details of all the invoices towards power purchase for FY 2024-25 duly reconciled with its audited accounts at the time of Mid-term review for final true up of FY 2024-25.

Renewable Purchase Obligation (RPO)

2.4.17. Regulation 7.5(A) of (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) (First Amendment) Regulations, 2024 states as follows:

“7.5 (A) Every Obligated Entity shall procure electricity generated from eligible RE sources to the extent of the percentages, out of its total procurement of electricity from all sources in a year, set out in the following Table:

...

...

Provided also that, Distribution Licensee with peak demand less than 20 MW, a Captive User of a Captive Generating Plant with installed capacity of 1 MW and above, and Open Access Consumers with Contract Demand of 1 MW and above, shall be required to meet only their composite RPO target set out in column (e) of the Table above annually”

2.4.18. Further, Regulation 7.5 (A) of (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) (First Amendment) Regulations, 2024 mandates the total RPO target for FY 2024-25 as 29.91%

2.4.19. As the peak demand projected for SEZ Bio-Tech Manjari is 11MW i.e. less than 20 MW, it has to achieve the composite RPO target of 29.91% for FY 2024-25.

2.4.20. In response to Commission’s query, SEZ Bio-Tech Manjari has submitted that for FY 2024-25, it has tied up power procurement through one Solar power producer i.e. MSPGCL. Out of the total Power Purchased of 21.18 MU in H1 of FY 2024-25, SEZ Bio-Tech Manjari has procured renewable power of 1.62 MU from MSPGCL (solar) and 2.56 MU from EON II which is entirely RE power. Further, SEZ Bio-Tech Manjari has estimated additional Solar power purchase from MSPGCL of 3.24 MU and RE purchase from EON II of 7.69 MU in H2 of FY 2024-25. Therefore, it has estimated almost 24% of power procurement from RE sources in FY 2024-25.

2.4.21. The Commission has provisionally considered SEZ Bio-Tech Manjari’s proposal of meeting its composite RPO through RE sources. However, the Commission directs SEZ Bio-Tech Manjari to procure such power through transparent process of competitive bidding under Section 63 of EA 2003.

DSM

2.4.22. In response to Commission’s queries, SEZ Bio-Tech Manjari has submitted the bills for DSM for the month of July 2024 to January 2025. The Commission has noted discrepancy in the DSM units claimed by the SEZ Bio-Tech Manjari in reconciliation of Power purchase details and the bills submitted along with the revised petition. For

the months of July to September 2024, the Commission has considered the remaining power requirement fulfilled by DSM. Since SEZ Bio-Tech Manjari did not claimed any expenses towards DSM, the Commission has also not considered the same and shall be taken into account during True-up of FY 2024-25.

2.4.23. The Commission directs SEZ Bio-Tech Manjari to submit the detailed reconciliation of difference in DSM units claimed vis-à-vis the weekly DSM bills and the actual cost incurred and paid for FY 2024-25 during the final True-up in its Mid Term Review Petition.

2.4.24. The summary of the provisionally approved power purchase cost for FY 2024-25 is provided as under:

Table 2-9: Power Purchase Quantum & Cost for FY 2024-25 provisionally approved by the Commission (Rs. Crore)

Source of Power (Station wise)	MYT Petition			Approved in this Order		
	Quantum (MU)	Cost (Rs. Crore)	Per unit cost (Rs./ kWh)	Quantum (MU)	Cost (Rs. Crore)	Per unit cost (Rs./ kWh)
Ideal Energy (Thermal Power)	47.05	30.22	6.42	47.05	30.22	6.42
MSPGCL (Solar Power)	4.86	1.71	3.51	4.50	1.58	3.52
EON SEZ II(RE)	10.25	5.12	5.00	10.25	5.12	5.00
IEX power Purchase	1.74	0.87	4.97	1.99	0.99	4.96
DSM	-0.36	0.00	0.00	-0.24	0.00	0.00
Total	63.55	37.91	5.97	63.55	37.91	5.96

2.5. Transmission Charges and SLDC Charges

SEZ Bio-Tech Manjari's Submission

2.5.1. SEZ Bio-Tech Manjari has submitted that it has estimated the Transmission Charges and MSLDC Charges for FY 2024-25 based on the actual intra-state transmission charges and MSLDC charges paid from July 2024 to September 2024., For the period from October 2024 to March 2025, these charges have been estimated based on the power purchase requirement at State Periphery.

2.5.2. Further, the estimated amounts for the intra-state transmission charges and MSLDC charges for the FY 2024-25, , are Rs. 2.64 Crore and Rs. 0.06 Crore, respectively.

2.5.3. The summarized Intra-State Transmission Charges and MSLDC Charges submitted by the SEZ Bio-Tech Manjari for FY 2024-25 are presented in the table below:

Table 2-10: Transmission and MSLDC Charges as submitted by SEZ Bio-Tech Manjari for FY 2024-25 (Rs. Crore)

Particulars	MYT Petition
Intra-State Transmission Charges	2.64
MSLDC Charges	0.06

Commission's Analysis and Rulings

2.5.4. The Commission provisionally accepts the InSTS charges and MSLDC charges estimated by SEZ Bio-Tech Manjari for FY 2024-25 as the same are based on actuals for the 3 months of FY 2024-25. The InSTS charges and MSLDC charges approved by Commission for FY 2024-25 are as follows:

Table 2-11: Transmission and MSLDC Charges for FY 2024-25 provisionally approved by the Commission (Rs. Crore)

Particulars	FY 2024-25	
	MYT Petition	Approved in this Order
Intra-State Transmission Charges	2.64	2.64
MSLDC Charges	0.06	0.06

2.6.Operation and Maintenance Expenses

SEZ Bio-Tech Manjari's Submission

2.6.1. SEZ Bio-Tech Manjari has submitted that Regulation 75.3 of the MERC MYT Regulations, 2019 specifies that the O&M expenses are to be computed on the basis of normative O&M expenses escalated by Wholesale Price Index (WPI) and Consumer Price Index (CPI) indices of the last 5 years in the ratio 70:30 respectively, including the year of Truing-up and mentioned that Similar provisions are applicable for their Retail Supply Business as well.

2.6.2. The relevant extract of the Regulation 75.3 of the MYT Regulations, 2019 is as follows:

“75.3 The Operation and Maintenance expenses for each subsequent year shall be determined by escalating these Base Year expenses of FY 2019-20 by an inflation factor with 30% weightage to the average yearly inflation derived based on the monthly Wholesale Price Index of the respective past five financial years as per the Office of Economic Advisor of Government of India and 70% weightage to the average yearly inflation derived based on the monthly Consumer Price Index for Industrial Workers (all-India) of the past five financial years as per the Labour Bureau, Government of India, as reduced by an efficiency factor of 1% or as may be stipulated by the Commission from time

to time, to arrive at the permissible Operation and Maintenance expenses for each year of the Control Period:

Provided that, in the Truing-up of the O&M expenses for any particular year of the Control Period, an inflation factor with 30% weightage to the average yearly inflation derived based on the monthly Wholesale Price Index of the respective past five financial years (including the year of Truing-up) and 70% weightage to the average yearly inflation derived based on the monthly Consumer Price Index for Industrial Workers (all-India) of the respective past five financial years (including the year of Truing-up), as reduced by an efficiency factor of 1% or as may be stipulated by the Commission from time to time, shall be applied to arrive at the permissible Operation and Maintenance Expenses for that year.”

- 2.6.3. SEZ Bio-Tech Manjari has further submitted that it started its operations from July 2024 and hence, there is no past data available for estimation of O&M expenses, as specified in the Regulations. Accordingly, the SEZ Bio-Tech Manjari has requested the Commission to estimate its O&M expenses based on actuals and other considerations and based on projected head-wise O&M expenses.
- 2.6.4. SEZ Bio-Tech Manjari has considered actual A&G expenses and R&M expenses for the months of July 2024 to September 2024 and accordingly estimated the expenses for October 2024 to March 2025.
- 2.6.5. SEZ Bio-Tech Manjari has also budgeted an Adhoc expense of Rs. 10 lakh in H2 of FY 2024-25, this are allotted for the studies required to be conducted for complying with MERC (Demand Flexibility and Demand Side Management - Implementation Framework, Cost-effectiveness Assessment; and Evaluation; Measurement and Verification) Regulations, 2024. SEZ Bio-Tech Manjari has also submitted that it would submit the detailed Demand Flexibility/Demand Side Management (DF/DSM) portfolio and implementation plan to meet the specified trajectory of Demand Flexibility Program (DFPO), within three months of notification of these Regulations, i.e., by 18th February, 2025.
- 2.6.6. SEZ Bio-Tech Manjari has submitted that at present, no employees are enrolled under its payroll and is currently outsourcing its workforce. The corresponding expenses are considered under A&G expenses. Accordingly, SEZ Bio-Tech Manjari has considered ‘Nil’ Employee expenses for the year and the segregation of expenses between the Wires and Retail Supply Business is based on the Allocation Matrix specified in the MYT Regulations, 2019.

2.6.7. In view of the above, the actual O&M expenses as claimed by SEZ Bio-Tech Manjari for FY 2024-25 are as shown in the following Table:

Table 2-12: Normative O&M Expenses for FY 2024-25 as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Particulars	Provisional Truing up
Distribution Wires Business	
Employee Expenses	0.00
A&G Expenses	1.30
R&M Expenses	0.06
Total O&M Expenses	1.36
Retail Supply Business	
Employee Expenses	0.00
A&G Expenses	0.70
R&M Expenses	0.03
Total O&M Expenses	0.73

Commission's Analysis and Rulings

2.6.8. Regulations 75.8 and 84.8 of the MYT Regulations, 2019 specifies that:

“75.8 In case of a Deemed Distribution Licensee whose tariff is yet to be determined by the Commission till the date of coming into effect of these Regulations, the Commission may determine the O&M expenses on case-to-case basis.”

“84.8 In case of a Deemed Distribution Licensee whose tariff is yet to be determined by the Commission till the date of coming into effect of these Regulations, the Commission may determine the O&M expenses on case-to-case basis.”

2.6.9. The Commission has provisionally accepted the methodology adopted by SEZ Bio-Tech Manjari to determine the O&M expenses for the Distribution Wires Business and Retail Supply Business respectively for FY 2024-25.

2.6.10. The Commission notes that SEZ Bio-Tech Manjari has commenced its operations in July 2024 only, therefore the Commission has considered the actual expenses of SEZ Bio-Tech Manjari for July 2024 to September 2024 and verified it with the provisional accounts submitted in response to the query raised by the Commission.

2.6.11. In response to Commission's queries, SEZ Bio-Tech Manjari has submitted that it has conducted the transparent competitive bidding process to outsource all activities related to distribution licensee business. In support of its claim, SEZ Bio-Tech Manjari has submitted the schedule of activities undertaken for selection of the third-party agency/ vendor, notice inviting tender published in the newspapers, the Tender

Documents and report of the tender evaluation committee. As a result of this process M/s ERO Power LLP was selected as third-party agency/ vendor for carrying out all activities related to distribution licensee business.

2.6.12. Further, the Commission has also considered the adhoc expense of Rs. 10 lakh in H2 of FY 2024-25, against studies required to be conducted for complying with MERC (Demand Flexibility and Demand Side Management - Implementation Framework, Cost-effectiveness Assessment; and Evaluation; Measurement and Verification) Regulations, 2024.

2.6.13. Based on the prudence check of the above mentioned documents, the Commission provisionally approves following O&M Expenses for FY 2024-25:

Table 2-13: O&M Expenses for FY 2024-25 provisionally approved by the Commission (Rs. Crore)

Particulars	MYT Petition	Approved in this Order
Total O&M Expenses for Wires Business	1.3573	1.3573
Total O&M Expenses for Supply Business	0.7308	0.7308
Total O&M Expenses	2.0881	2.0881

2.7.Capital Expenditure and Capitalisation

SEZ Bio-Tech Manjari's Submission

2.7.1. SEZ Bio-Tech Manjari has submitted that it incurred Capital Expenditure prior to commencing its operations as a deemed distribution licensee, which has been capitalised in, H1 of FY 2024-25. The capex items include SCADA systems, ABT Metering, Consumer metering etc. For FY 2024-25, SEZ Bio-Tech Manjari has estimated Capitalisation of Rs. 1.07 Crore and Rs. 0.22 Crore for its Wires Business and Supply Business, respectively.

2.7.2. SEZ Bio-Tech Manjari further submitted that it is yet to obtain the post-facto approval of the Commission for the capex already undertaken and prior approval for the capex planned for H2 of FY 2024-25.

2.7.3. The details of the actual and estimated GFA addition for H1 and H2, respectively, for FY 2024-25, as submitted by the SEZ Bio-Tech Manjari are as follows:

Table 2-14: Details of Assets for FY 2024-25 as submitted by SEZ Bio-Tech Manjari (Rs.)

Particulars	FY 2024-25		
	H1 (Actual)	H2 (Estimated)	Total
ABT Metering Work	44,32,242	-	44,32,242
SCADA Work	15,21,100	-	15,21,100
Consumer Metering	22,12,305	-	22,12,305
Consultancy and Professional charges for Power distribution licensee	47,50,000	-	47,50,000
Total	1,29,15,647	-	1,29,15,647

2.7.4. The following table shows the amount of Capital Expenditure and Capitalization as claimed by the SEZ Bio-Tech Manjari in the provisional true-up for FY 2024-25.

Table 2-15: Capital Expenditure & Capitalisation for FY 2024-25 (Rs. Crore)

Particulars	Provisional Truing up
Distribution Wires Business	
Capital Expenditure	1.07
Capitalisation	1.07
Retail Supply Business	
Capital Expenditure	0.22
Capitalisation	0.22

Commission's Analysis and Rulings

2.7.5. The Commission has observed that the opening balance for FY 2024-25 has been 'nil' pertaining to the fact that SEZ Bio-Tech Manjari has started the business only in July 2024.

2.7.6. In response to Commission's query related to Clause 3.12 of MERC (Approval of Capital Investment Schemes) Regulation, 2022 dealing with actual asset loading for recovery of costs related to capex already undertaken, SEZ Bio-Tech Manjari has submitted that it will provide the rated capacity of the distribution system that is currently operational along with actual peak rated capacity achieved during FY 2024-25. It will also calculate the actual loading in percentage and submit it to the Commission soon, however the Commission has not yet received.. The Commission directs SEZ Bio-Tech Manjari to submit the above mentioned details along with the Detailed Project Report that reflects the loading.

2.7.7. Meanwhile, the Commission provisionally allows the addition of Rs. 1.07 Crores and Rs. 0.22 Crores on distribution wires business and Retail supply business respectively.

2.7.8. The Capital Expenditure and Capitalisation provisionally approved by the Commission for FY 2024-25 is as follows:

Table 2-16: Capital Expenditure & Capitalisation for FY 2024-25 provisionally approved by the Commission (Rs. Crore)

Particulars	MYT Petition	Approved
Distribution Wires Business		
Capital Expenditure	1.07	1.07
Capitalisation	1.07	1.07
Retail Supply Business		
Capital Expenditure	0.22	0.22
Capitalisation	0.22	0.22

2.7.9. Further, the Commission directs SEZ Bio-Tech Manjari to obtain the post-facto approval of the Commission for the capex already undertaken and prior approval for the capex planned for H2 of FY 2024-25 as per prevalent MERC Regulations.

2.8. Depreciation

SEZ Bio-Tech Manjari's Submission

2.8.1. SEZ Bio-Tech Manjari has submitted that it has computed the depreciation for FY 2024-25 in accordance with Regulation 28 of the MYT Regulations, 2019, by applying the asset class wise depreciation rate specified in the MYT Regulations, 2019 on the average asset class-wise GFA during the year. Since SEZ Bio-Tech Manjari commenced its operations as a Distribution Licensee on 1 July 2024, there is no opening GFA for FY 2024-25. The addition of GFA for FY 2024-25 has been considered by SEZ Bio-Tech Manjari to be equal to the capitalisation for the year.

2.8.2. Further, SEZ Bio-Tech Manjari has submitted that the entire addition to the GFA claimed are pertaining relate to the pre-operational expenses, including metering, etc., and hence, these assets are considered as fully utilised/loaded, for the purposes of cost recovery and tariff determination.

2.8.3. The summary of depreciation claimed by SEZ Bio-Tech Manjari for FY 2024-25 is as shown in the following Table:

Table 2-17: Depreciation for FY 2024-25 as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Particulars	Amount
Distribution Wires Business	
Opening GFA	0.00
Additions during the Year	1.07
Closing GFA	1.07
Depreciation	0.03
Retail Supply Business	
Opening GFA	0.00
Additions during the Year	0.22
Closing GFA	0.22
Depreciation	0.01

Commission's Analysis and Rulings

2.8.4. The Commission has worked out the depreciation for FY 2024-25 in accordance with Regulation 28 of the MYT Regulations, 2019. The Commission has considered the addition towards capitalisation during the year, as approved in the above section. The Commission has calculated the Depreciation by applying the asset class-wise depreciation rates as specified in the MYT Regulations, 2019 on the average asset class-wise GFA during the year. The depreciation has been pro-rated for 274 days in FY 2024-25.

2.8.5. In view of the above, the Commission has provisionally approved depreciation for FY 2024-25 as shown in the table below:

Table 2-18: Depreciation for FY 2024-25 provisionally approved by the Commission (Rs. Crore)

Particulars	FY 2024-25	
	MYT Petition	Approved in this Order*
Distribution Wires Business		
Opening GFA	1.07	1.07
Additions during the Year	0.00	0.00
Retirement during the year	0.00	0.00
Closing GFA	1.07	1.07
Depreciation**	0.0282	0.0212
Retail Supply Business		
Opening GFA	0.22	0.22
Additions during the Year	0.00	0.00
Retirement during the year	0.00	0.00

Particulars	FY 2024-25	
	MYT Petition	Approved in this Order*
Closing GFA	0.22	0.22
Depreciation**	0.0099	0.0074

*FY 2024-25 means period from 1 July 2024 to 31 March 2025.

**For FY 2024-25, pro-rated for 274 days

2.9. Interest on Long-Term Loan Capital

SEZ Bio-Tech Manjari's Submission

- 2.9.1. SEZ Bio-Tech Manjari has submitted that it has computed the Interest on Long Term Loan Capital in accordance with Regulation 30 of the MERC MYT Regulations, 2019. It has submitted that as the operation of the SEZ Bio-Tech Manjari as a Distribution Licensee started from 1 July 2024, there is no opening balance of normative loan. SEZ Bio-Tech Manjari has considered normative debt:equity ratio of 70:30 on the addition to GFA. SEZ Bio-Tech Manjari has considered the depreciation as normative repayment of loan during the year and the calculated Interest on Loan on the average normative loan for the year by applying the rate of 8.65% prevailing, as on April 1st of FY 2024-25, in accordance with Regulation 30.5 of the MERC MYT Regulations, 2019. SEZ Bio-Tech Manjari further submitted that it has no actual loans, and hence, it has considered the normative interest rate equal to the SBI 1-year MCLR prevalent at the beginning of the year, i.e., 8.65%. Further, it has considered the weighted average rate of interest during the year at the time of true-up for FY 2024-25, in accordance with the MERC MYT Regulations, 2019.
- 2.9.2. The Interest on Long Term Loan capital as claimed by SEZ Bio-Tech Manjari for FY 2024-25 is shown in the following tables:

Table 2-19: Estimated Interest on Long Term Loan Capital for Wires Business for FY 2024-25 as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Particulars	Amount
Opening Balance of Net Normative Loan	-
Addition of Normative Loan due to capitalisation during the year	0.75
Repayment of Normative loan during the year	0.03
Closing Balance of Net Normative Loan	0.72
Average Balance of Net Normative Loan	0.36
Weighted average Rate of Interest on actual Loans	8.65%
Interest Expenses	0.03

Particulars	Amount
Financing Charges	0.00
Total Interest & Financing Charges	0.03

Table 2-20: Estimated Interest on Long-Term Loan Capital for Retail Supply Business for FY 2024-25 as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Particulars	Amount
Opening Balance of Net Normative Loan	-
Addition of Normative Loan due to capitalisation during the year	0.15
Repayment of Normative loan during the year	0.01
Closing Balance of Net Normative Loan	0.14
Average Balance of Net Normative Loan	0.07
Weighted average Rate of Interest on actual Loans	8.65%
Interest Expenses	0.01
Financing Charges	0.00
Total Interest & Financing Charges	0.006

Commission's Analysis and Rulings

- 2.9.3. As SEZ Bio-Tech Manjari started operations in July 2024, the Commission has considered the opening balance of normative loan for FY 2024-25 as Nil. For the Additional Capitalisation allowed during FY 2024-25, the Commission has considered the normative Debt:Equity of 70:30.
- 2.9.4. In accordance with the Regulation 30.5 of MYT Regulations, 2019, the rate of interest has been considered as 8.65% based on the prevalent weighted average rate of interest as on 1 April 2024.
- 2.9.5. The repayment of loan is considered equal to the depreciation allowed during the year, in accordance with Regulation 30.3 of MYT Regulations, 2019. The Interest on Loan has been pro-rated for 274 days in FY 2024-25.
- 2.9.6. The Interest on Loan provisionally approved by the Commission for FY 2024-25 is summarized in the table below:

Table 2-21: Interest on Normative Loan for FY 2024-25 provisionally approved by the Commission (Rs. Crore)

Particulars	MYT Petition	Approved in this Order*
Distribution Wires Business		
Opening Normative Loan	0.00	0.00
Addition of Normative Loan during the year	0.75	0.75
Less: Repayment during the year	0.03	0.02

Particulars	MYT Petition	Approved in this Order*
Closing Normative Loan	0.72	0.73
Average Normative Loan	0.36	0.36
Rate of Interest (per annum)	8.65%	8.65%
Interest on Loan for Wires Business**	0.0312	0.0236
Retail Supply Business		
Opening Normative Loan	0.0000	0.0000
Addition of Normative Loan during the year	0.1540	0.1540
Less: Repayment during the year	0.0099	0.0074
Closing Normative Loan	0.1441	0.1466
Average Normative Loan	0.0721	0.0733
Rate of Interest (per annum)	8.65%	8.65%
Interest on Loan for Supply Business**	0.0062	0.0048

*FY 2024-25 means period from 1 July 2024 to 31 March 2025.

**For FY 2024-25, pro-rated for 274 days

2.10. Interest on Working Capital & on Consumer's Security Deposit

SEZ Bio-Tech Manjari's Submission

2.10.1. SEZ Bio-Tech Manjari has submitted that it has computed the normative working capital requirement in accordance with Regulation 32 of the MERC MYT Regulations, 2019. For the computation of IoWC, SEZ Bio-Tech Manjari has considered the rate of interest of 10.50% (9.00% + 150 basis points) for FY 2024-25, in accordance with the MERC MYT Regulations, 2019 as the SBI MCLR as on date of filing this Petition, i.e., November 30, 2024, is 9.00%.

2.10.2. SEZ Bio-Tech Manjari has submitted that the majority of the Consumers have provided Consumer Security Deposit (CSD) for FY 2024-25 in the form of Bank Guarantee, as the consumption of most of the consumers is exceeding of 1 lakh units per month and for remaining consumers, the CSD held in cash, for purpose of computing the working capital. SEZ Bio-Tech Manjari has also considered the applicable RBI Bank Rate as on 1st April 2024, i.e., 6.50% as the rate of interest for CSD.

2.10.3. The computation of IoWC and interest on CSD as claimed by SEZ Bio-Tech Manjari for FY 2024-25 is shown in the following tables:

Table 2-22: IoWC and Interest on CSD for FY 2024-25 as submitted by SEZ Bio-Tech Manjari – Wires Business (Rs. Crore)

Particulars	Amount
O&M Expenses for a month	0.15
Maintenance Spares at 1 % of Opening GFA	0.00
One and half month's equivalent of the expected revenue from charges for use of Distribution Wires	0.48
Less: Amount held as Security Deposit from Distribution System Users	0.02
Total Working Capital Requirement	0.61
Computation of Working Capital Interest	
Interest Rate (%) - SBI Base Rate + 150 basis points	10.50%
Interest on Working Capital	0.06
Interest on Security Deposit	
Interest Rate (%) - SBI Base Rate+ 150 basis points	6.50%
Interest on Security Deposit	0.002

Table 2-23: IoWC and Interest on CSD as submitted by SEZ Bio-Tech Manjari for FY 2024-25 – Retail Supply Business (Rs. Crore)

Particulars	Amount
O&M Expenses for a month	0.06
Maintenance Spares at 1 % of Opening GFA	0.00
One and half month's equivalent of the expected revenue from charges for use of Distribution Wires	7.15
Less: Amount held as Security Deposit	0.22
Less: One month equivalent of cost of power purchase, transmission charges and MSLDC Charges	3.38
Total Working Capital Requirement	3.61
Computation of Working Capital Interest	
Interest Rate (%) - SBI Base Rate + 150 basis points	10.50%
Interest on Working Capital	0.38
Interest on Security Deposit	
Interest Rate (%) - SBI Base Rate+ 150 basis points	6.50%
Interest on Security Deposit	0.01

Commission's Analysis and Rulings

2.10.4. The Commission has worked out the normative IoWC in accordance with the MYT Regulations, 2019. The Commission has considered SBI MCLR Rate as on the date of filing Petition (9.00%) plus 150 basis points that is 10.50% as the rate applicable for calculation of IoWC.

2.10.5. The Commission has considered CSD of the consumers, held in cash, for the purpose of estimating working capital requirement of FY 2024-25.

2.10.6. The Commission has considered interest rate on CSD equal to the Bank Rate of Reserve Bank of India (RBI) i.e. 6.50%, as of 1st April 2024 in accordance with the Regulation 30.11 of the MYT Regulations, 2019. The Interest on Working Capital and Consumer's Security Deposit has been pro-rated for 274 days in FY 2024-25.

2.10.7. The Interest on Working Capital and Consumer's Security Deposit as approved by the Commission for the Wires Business and the Retail Supply Business is as shown in the table below:

Table 2-24: IoWC and Interest on CSD for FY 2024-25 provisionally approved by the Commission (Rs. Crore)

Particulars	MYT Petition	Approved in this Order*
Distribution Wires Business		
O&M expenses for a month	0.15	0.15
Maintenance Spares at 1% of Opening GFA	0.00	0.00
One and half month's equivalent of the expected revenue from charges for use of Distribution Wires	0.48	0.64
Less: Amount held as Security Deposit from Distribution System Users	0.02	0.02
Total Working Capital Requirement	0.6068	0.7660
Interest Rate (%) - SBI Base Rate +150 basis points	10.50%	10.50%
Interest on Working Capital**	0.0637	0.0604
Interest Rate (%) - Bank Rate	6.50%	6.50%
Interest on Security Deposit**	0.0016	0.0012
Retail Supply Business		
O&M expenses for a month	0.06	0.0811
Maintenance Spares at 1% of Opening GFA	0.00	0.0000
One and half month's equivalent of the expected revenue from sale of electricity including revenue from CSS and Additional Surcharge	7.15	9.5180
Less: Amount held as security deposit	0.22	0.2152
Less: One month equivalent of cost of power purchase, transmission charges and MSLDC Charges	3.38	3.3839
Total Working Capital Requirement	3.61	6.00
Interest Rate (%) - SBI Base Rate +150 basis points	10.50%	10.50%
Interest on Working Capital**	0.3787	0.4729
Interest Rate (%) - Bank Rate	6.50%	6.50%
Interest on Security Deposit**	0.0140	0.0105

*FY 2024-25 means period from 1 July 2024 to 31 March 2025.

**For FY 2024-25, pro-rated for 274 days

2.11. Return on Equity

SEZ Bio-Tech Manjari's Submission

- 2.11.1. SEZ Bio-Tech Manjari has submitted that it has computed the RoE for FY 2024-25 in accordance with Regulation 29 of the MYT Regulations, 2019. SEZ Bio-Tech Manjari has considered the Base RoE for the Wires Business at 14%, as the Income Tax has not been considered, in the absence of trued-up Income Tax rate for FY 2023-24. Similarly for Retail supply Business, SEZ Bio-Tech Manjari has considered the Base RoE and Pre-tax rate of RoE as 15.5%. The actual Income Tax rate shall be considered for computing the effective RoE rate at the time of truing up for FY 2024-25.
- 2.11.2. Since operations for SEZ Bio-Tech Manjari have recently started in July 2024, there is no opening Equity for FY 2024-25. SEZ Bio-Tech Manjari has computed the RoE on 50% of the equity component of asset addition during the year and it has considered normative equity addition during the year as 30% of the projected asset addition for FY 2024-25.
- 2.11.3. The summary of RoE claimed by SEZ Bio-Tech Manjari for FY 2024-25 for the Wires Business and Retail Supply Business is shown in the following tables:

Table 2-25: RoE for Distribution Wires Business for FY 2024-25 as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Particulars	Provisional Truing up
Regulatory Equity at the beginning of the year	0.00
Equity portion of capitalisation during the year	0.32
Regulatory Equity at the end of the year	0.32
Return on Equity Computation	
Rate of Return on Equity	14%
Pre-tax Rate of Return	14%
Return on Regulatory Equity at the beginning of the year	0.00
Return on Regulatory Equity addition during the year	0.02
Total Return on Equity	0.02

Table 2-26:RoE for Retail Supply Business for FY 2024-25 as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Particulars	Provisional Truing up
Regulatory Equity at the beginning of the year	0.00
Equity portion of capitalisation during the year	0.07
Regulatory Equity at the end of the year	0.07
Return on Equity Computation	
Rate of Return on Equity	15.50%
Pre-tax Rate of Return	15.50%
Return on Regulatory Equity at the beginning of the year	0.00

Particulars	Provisional Truing up
Return on Regulatory Equity addition during the year	0.01
Total Return on Equity	0.01

Commission's Analysis and Rulings

2.11.4. As SEZ Bio-Tech Manjari started operations in July 2024, the Commission has considered the opening balance of normative loan for FY 2024-25 as Nil. For the Additional Capitalisation allowed during FY 2024-25, the Commission has considered the normative Debt:Equity of 70:30.

2.11.5. Regulation 34.4 of the MERC MYT Regulations 2019 provides that the effective tax rate shall be estimated for future year based on actual tax paid as per the latest available Audited Accounts. As the operations started in July 2024, the Commission has considered Nil tax rate applicable for FY 2024-25 for the purpose of projecting pre-tax RoE on the Base rate of 14% for Wires Business and 15.50% for the Retail Supply Business, in accordance with the MYT Regulations, 2019. The RoE has been pro-rated for 274 days in FY 2024-25.

2.11.6. The RoE provisionally approved by the Commission for the Wires Business and Supply Business is summarized in the following table:

Table 2-27: Return on Equity for Distribution Wires Business and Retail Supply Business provisionally approved by the Commission for FY 2024-25 (Rs. Crore)

Particulars	MYT Petition	Approved in this Order*
Distribution Wires Business		
Regulatory Equity at the beginning of the year	0.00	0.00
Equity portion of capitalisation during the year	0.32	0.32
Regulatory Equity at the end of the year	0.32	0.32
Base Return on Equity (per annum)	14.00%	14.00%
Pre-tax Return on Equity after considering effective Tax rate (per annum)	14.00%	14.00%
Return on Equity for Wires Business**	0.0225	0.0169
Retail Supply Business		
Regulatory Equity at the beginning of the year	0.00	0.00
Equity portion of capitalisation during the year	0.07	0.07
Regulatory Equity at the end of the year	0.07	0.07
Base Return on Equity (per annum)	15.50%	15.5%
Pre-tax Return on Equity after considering effective Tax rate (per annum)	15.50%	15.5%
Return on Equity for Supply Business**	0.0051	0.0038

*FY 2024-25 means period from 1 July 2024 to 31 March 2025.

***For FY 2024-25, pro-rated for 274 days*

2.12. Provisioning of Bad Debts

SEZ Bio-Tech Manjari's Submission

2.12.1. SEZ Bio-Tech Manjari has submitted that it has not estimated any provision towards bad debts for FY 2024-25. SEZ Bio-Tech Manjari has submitted that in case any such provisioning is done, the same shall be claimed at the time of truing up based on actuals and in accordance with the MYT Regulations 2019.

Commission's Analysis and Rulings

2.12.2. Since SEZ Bio-Tech Manjari has not envisaged any provisioning for bad debts, the Commission has also not approved any amount towards provision for Bad and doubtful debts for FY 2024-25.

2.13. Contribution to Contingency Reserves

SEZ Bio-Tech Manjari's Submission

2.13.1. In accordance with Regulation 35 of the MYT Regulations, 2019, SEZ Bio-Tech Manjari has considered the Contribution to Contingency Reserve at 0.5% of Opening GFA for FY 2024-25. SEZ Bio-Tech Manjari further submitted that since the opening GFA has been zero for both Wires and Retail Supply Business, Contribution to Contingency Reserve has not been claimed for FY 2024-25.

Commission's Analysis and Rulings

2.13.2. Since the opening GFA has been zero for both Wires and Retail Supply Business, the Commission has allowed Nil amount towards contribution to contingency reserves for FY 2024-25.

2.14. Non-Tariff Income

SEZ Bio-Tech Manjari's Submission

2.14.1. SEZ Bio-Tech Manjari has not considered any Non-Tariff Income for the Distribution Wires Business and Retail Supply Business for FY 2024-25, based on the actuals in the first 3 months of operation. The actual Non-Tariff Income, if any, shall be claimed in the true-up for FY 2024-25 based on the audited accounts.

Commission's Analysis & Rulings

2.14.2. Considering the submission of SEZ Bio-Tech Manjari, the Commission has provisionally approved Nil Non-Tariff Income for FY 2024-25

2.15. Summary of ARR for FY 2024-25

SEZ Bio-Tech Manjari's Submission

2.15.1. The summary of the ARR claimed by SEZ Bio-Tech Manjari for the provisional true-up towards Distribution Wires Business and Retail Supply Business is as shown in the table below:

Table 2-28: ARR Summary for Distribution Wires Business for FY 2024-25 as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Sl.	Particulars	Provisional Truing up
1	Operation & Maintenance Expenses	1.36
2	Depreciation	0.03
3	Interest on Loan Capital	0.03
4	Interest on Working Capital	0.06
5	Interest on deposit from Distribution System Users	0.002
6	Provision for bad and doubtful debts	-
7	Contribution to Contingency Reserves	-
8	Total Revenue Expenditure	1.48
9	Add: Return on Equity Capital	0.02
10	Aggregate Revenue Requirement	1.50
11	Less: Non-Tariff Income	-
12	Less: Income from other business	-
13	Total Aggregate Revenue Requirement	1.50

Table 2-29: ARR Summary for Distribution Retail Supply Business for FY 2024-25 as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Sl.	Particulars	Amount
1	Power Purchase Expenses	37.91
2	Operation & Maintenance Expenses	0.73
3	Depreciation	0.01
4	Interest on Loan Capital	0.01
5	Interest on Working Capital	0.38
6	Interest on Consumer Security Deposit	0.01
7	Provision for bad and doubtful debts	-
8	Contribution to Contingency Reserves	-
9	Intra-State Transmission Charges	2.64
10	MSLDC Fees & Charges	0.06
11	Total Revenue Expenditure	41.75

Sl.	Particulars	Amount
12	Add: Return on Equity Capital	0.01
13	Aggregate Revenue Requirement	41.76
14	Less: Non-Tariff Income	-
15	ARR of Retail Supply Business	41.76

Commission's Analysis and Rulings

2.15.2. Based on the analysis in the previous paragraphs, the Commission has provisionally approved the ARR for FY 2024-25, as summarized in the table below:

Table 2-30: ARR provisionally approved by the Commission for Distribution Wires Business for FY 2024-25 (Rs. Crore)

Particulars	MYT Petition	Approved in this Order
Operation & Maintenance Expenses	1.3573	1.3573
Depreciation	0.0282	0.0212
Interest on Loan Capital	0.0312	0.0236
Interest on Working Capital	0.0637	0.0604
Interest on deposit from Consumers and Distribution System Users	0.0016	0.0012
Provision for bad and doubtful debts	0.0000	0.0000
Contribution to contingency reserves	0.0000	0.0000
Total Revenue Expenditure	1.4820	1.4636
Add: Return on Equity Capital	0.0225	0.0169
Aggregate Revenue Requirement	1.5044	1.4805
Less: Non-Tariff Income	0.0000	0.0000
Less: Income from other business	0.0000	0.0000
Aggregate Revenue Requirement from Distribution Wires	1.5044	1.4805

Table 2-31: ARR provisionally approved by the Commission for Retail Supply Business for FY 2024-25 (Rs. Crore)

Particulars	MYT Petition	Approved in this Order
Power Purchase Expenses (including Inter-State Transmission Charges)	37.9139	37.9060
Operation & Maintenance Expenses	0.7308	0.7308
Depreciation	0.0099	0.0074
Interest on Loan Capital	0.0062	0.0048
Interest on Working Capital	0.3787	0.4729
Interest on Consumer Security Deposit	0.0140	0.0105
Write-off of Provision for bad and doubtful debts	0.0000	0.0000
Contribution to contingency reserves	0.0000	0.0000
Intra-State Transmission Charges	2.6390	2.6390
MSLDC Fees & Charges	0.0621	0.0621
Total Revenue Expenditure	41.7545	41.8336
Add: Return on Equity Capital	0.0051	0.0038

Particulars	MYT Petition	Approved in this Order
Aggregate Revenue Requirement	41.7597	41.8374
Less: Non-Tariff Income	0.0000	0.0000
Less: Income from other business	0.0000	0.0000
Less: Receipts on account of Cross-Subsidy Surcharge	0.0000	0.0000
Less: Receipts on account of Additional Surcharge, if any	0.0000	0.0000
Aggregate Revenue Requirement from Retail Supply	41.7597	41.8374

2.16. Revenue from Sale of Electricity and Revenue Gap/(Surplus) for FY 2024-25

SEZ Bio-Tech Manjari's Submission

2.16.1. The summary of estimated revenue from sale of electricity for FY 2024-25 submitted by SEZ Bio-Tech Manjari is shown in the following tables:

Table 2-32: Requirement & Gap/(Surplus) of Wires Business for FY 2024-25 as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Sr. No.	Particulars	Provisional Truing up
1	ARR for Distribution Wires Business	1.50
2	Revenue from tariff	3.84
3	Revenue Gap/(Surplus) of Wires Business	(2.33)

Table 2-33: Revenue Gap/(Surplus) of Supply Business for FY 2024-25 as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Sr. No.	Particulars	Provisional Truing up
1	ARR for Retail Supply Business	41.76
2	Revenue from tariff	57.16
3	Revenue Gap/(Surplus) of Supply Business	(15.40)

Table 2-34: Combined Revenue Gap/(Surplus) for FY 2024-25 as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Sr. No.	Particulars	Provisional Truing up
1	ARR for Distribution Wires Business	1.50
2	ARR for Retail Supply Business	41.76
3	Combined ARR for Wires and Retail Supply Business	43.26
4	Revenue from tariff	61.00
5	Revenue Gap/(Surplus) of Licensed Business	(17.74)

2.16.2. SEZ Bio-Tech Manjari has submitted that there is a Revenue Surplus in FY 2024-25 for the Wires Business and the Supply Business, as the ceiling tariff approved for MSEDCL has been levied.

2.16.3. SEZ Bio-Tech Manjari further submitted that the revenue Surplus in FY 2024-25 has been adjusted in the revenue requirement of the MYT Control Period from FY 2025-26 to FY 2029-30, without any holding cost as this is based on Provisional True-up.

Commission's Analysis and Rulings

2.16.4. The Commission accepts SEZ Bio-Tech Manjari's submission regarding estimated revenue for FY 2024-25 which is based on actual revenue for the 3 months of FY 2024-25 and projected revenue for the second half of FY 2024-25. The Commission shall be reviewed at the time of Truing-up.

2.16.5. In view of above the Commission has estimated Rs. 61.00 crore as the provisional revenue from sale of electricity for FY 2024-25.

Table 2-35: Revenue from Sales of Electricity for FY 2024-25 provisionally approved by the Commission (Rs. Crore)

Particulars	MYT Petition	Approved in this Order
Revenue from Sale of Electricity	61.00	61.00

2.16.6. The Commission carried out computation of the combined Revenue Gap/ (Surplus) for FY 2024-25. The conclusion is as shown in the following table:

Table 2-36: Revenue Gap/ (Surplus) for FY 2024-25 approved by the Commission (Rs. Crore)

Particulars	MYT Petition	Approved in this Order
ARR for Wires Business	1.5044	1.4805
ARR for Retail Supply Business	41.7597	41.8374
Combined ARR for Wires and Retail Supply Business	43.2641	43.3179
Less: Revenue at Existing Tariff - Wires Business	3.8390	3.8390
Less: Revenue at Existing Tariff - Supply Business	57.1604	57.1604
Less: Revenue at Existing Tariff - Combined for Wires and Retail Supply Business	60.9994	60.9994
Revenue Gap/ (Surplus) - Wires Business	(2.3345)	(2.3345)
Revenue Gap/ (Surplus) - Supply Business	(15.4008)	(15.3230)
Revenue Gap/ (Surplus) - Combined Wires and Retail Supply Business	(17.7353)	(17.6815)

3. AGGREGATE REVENUE REQUIREMENT FOR THE MYT CONTROL PERIOD FROM FOR FY 2025-26 TO FY 2029-30

3.1. Background

3.1.1. The Commission issued the MYT Regulations, 2024 on 19 August, 2024, covering the Control Period from FY 2025-26 to FY 2029-30. According to Regulation 5.1 (a) (iii) of these regulations, the ARR must be projected for each year within the Control Period. In this section, SEZ Bio-Tech Manjari has outlined the ARR projections for the Control Period from FY 2025-26 to FY 2029-30, detailing various components such as O&M expenses, Depreciation, Interest on Loan, Interest on Working Capital (IoWC), and others, following the prescribed formats.

3.2. Energy Sales

SEZ Bio-Tech Manjari's Submission

3.2.1. SEZ Bio-Tech Manjari has considered the estimated energy sales for FY 2024-25 as the base for projecting the energy sales for the Control Period.

3.2.2. In the Resource Adequacy (RA) Plan submitted to the Commission, SEZ Bio-Tech Manjari has projected the sales for the next 5 years based on certain assumptions of business growth. However, in the RA Petition, the sales projections were based on only 1 month (July 2024) data. Now that 3 months actual sales data is available, SEZ Bio-Tech Manjari has revised the sales projections for the Control Period from FY 2025-26 to FY 2029-30.

3.2.3. In accordance with the directions of the Commission, SEZ Bio-Tech Manjari has submitted the revised Resource Adequacy (RA) Plan.

3.2.4. SEZ Bio-Tech Manjari has initiated the process to contract for the total power procurement on medium/long-term basis, to minimise the price fluctuations/volatility, and to have assured power supply contracts. SEZ Bio-Tech Manjari filed a Petition before the Commission in Case No. 137 of 2024 for approval of the power purchase plan and for undertaking combined power purchase for procuring Round the Clock (RTC) power on long-term basis for the period from FY 2025-26 to FY 2044-45. The Commission approved the procurement plan of the SEZ Bio-Tech Manjari vide Order dated 22 January 2025.

3.2.5. Relevant extracts of the Order dated 22 January 2025 in Case No. 137 of 2024 is reproduced below:

“12.8. Accordingly, the Commission allows Manjari SEZ and Hadapsar SEZ for undertaking combined, transparent competitive bidding process for procurement of RTC Power of 11 MW for Manjari SEZ and 14 MW for Hadapsar SEZ on long term basis i.e. FY 2025-26 to FY 2045-46, for a period of 20 Years, in accordance with power procurement Guidelines.”

3.2.6. SEZ Bio-Tech Manjari submitted that they are in the process of preparing the Bid Documents for the following procurement of power to meet its energy requirement:

1. Long-term bid for Solar power purchase for 25 Years
2. Medium-term bid for Thermal power purchase for 7 years
3. Medium-term bid Wind power purchase for 7 Years

3.2.7. The above tie-ups will enable the SEZ Bio-Tech Manjari to procure most of its energy requirement through long/medium-term RE contracts, with the balance quantum being met through short-term power purchase (conventional and RE power) through bilateral contracts/Power Exchange.

3.2.8. SEZ Bio-Tech Manjari also submitted that it is also in the process of preparing the Draft Bid Documents (RfS and PPA) for the above proposed Tenders and also intends to seek the approval of the Commission for the proposed deviations from the Standard Bidding Documents. Once the approval of the Commission is received, the Tenders will be floated and bids will be invited. The entire competitive bidding processes will take some time to fructify and the energy flow against these PPA's will take some more time.

3.2.9. SEZ Bio-Tech Manjari further submitted that it intends to complete the bidding process for the above by mid- 2026 and hopes to tie-up competitively priced RE and conventional power for the long-term and medium-term Power for the above-mentioned periods. It is envisaged that the power flow from the contracted source/s will flow into their distribution system by end of 2026. Till such time, SEZ Bio-Tech Manjari has submitted that it will continue to procure conventional and RE power through short-term contracts at rates discovered through competitive bidding, with the shortfall being managed by purchase from the Power Exchange.

3.2.10. SEZ Bio-Tech Manjari has submitted that considering its extremely small load, the aspects such as incorporation of Capacity Credit and Planning Reserve Margin, may not really be relevant.

3.2.11. Thus, SEZ Bio-Tech Manjari in line the directions of the Commission to ensure majority of the power requirement through long/medium-term contracts, is on course to comply with the same. Hence, SEZ Bio-Tech Manjari has requested the Commission

to consider them as compliant with the MERC RA Regulations, 2024 and not levy any penalty for the noncompliance in the strictest sense for some months of FY 2025-26.

3.2.12. SEZ Bio-Tech Manjari has further submitted that as noted by the Commission in the communication to all Distribution Licensees dated 18th November 2024, the maximum Demand of most of the SEZ Distribution Licensees is lesser than 20 MW. SEZ Bio-Tech Manjari has submitted that the time and effort involved in preparation of the RA Plan by the SEZ Bio-Tech Manjari and review of the same by the Commission may not be commensurate with the perceived benefits of undertaking the detailed process envisaged for such small SEZ Distribution Licensees.

3.2.13. Referring to the MERC RPO Regulations, 2019, SEZ Bio-Tech Manjari has highlighted that the Commission has given relaxation to the Small Distribution Licensees with Peak Demand lesser than 20 MW, who are permitted to achieve the RPO in a composite manner, as against the RPO targets for larger Distribution Licensees, who are required to meet separate RPO targets for Wind, Hydro, and Other sources. Along similar lines, the SEZ Bio-Tech Manjari has requested the Commission to exercise its 'Power to Relax' under Regulation 26 of the MERC (Framework for Resource Adequacy) RA Regulations, 2024, and exempt SEZ Distribution Licensees with Peak Demand lesser than 20 MW, from the stringent provisions of the MERC RA Regulations, 2024.

3.2.14. SEZ Bio-Tech Manjari further referred to Regulation 104.3 of the MERC MYT Regulations, 2024, and highlighted that the Distribution Licensee is required to submit its existing level of own energy consumption and Energy Conservation measures at the beginning of the Control Period and provide the trajectory for the reduction of such own energy consumption through the implementation of Energy Efficiency improvement scheme/ plan under Capital Expenditure or Opex Expenditure as part of the MYT Petition along with the target of Energy Efficiency savings, an monitoring plan.

3.2.15. For projecting the energy sales for the 5th Control Period, SEZ Bio-Tech Manjari has considered the estimated energy sales for FY 2024-25 as the base and escalated the same at a rate of 5% every year. The summary of the projected category-wise energy sales for FY 2025-26 to FY 2029-30 is provided in the table below:

Table 3-1: Energy Sales Projected by SEZ Bio-Tech Manjari for 5th Control Period (MU)

Consumer Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
HT Category					
HT-I	88.22	92.63	97.26	102.13	107.23

Consumer Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
HT-II	0.21	0.22	0.23	0.24	0.26
Total	88.43	92.86	97.50	102.37	107.49

Table 3-2: Energy Sales Projected by SEZ Bio-Tech Manjari for 5th Control Period (MkVAh)

Consumer Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
HT Category					
HT I	89.36	93.83	98.52	103.45	108.62
HT II	0.21	0.22	0.24	0.25	0.26
Total	89.58	94.06	98.76	103.70	108.88

3.2.16. SEZ Bio-Tech Manjari requests the Commission to approve the projected category-wise sales for FY 2025-26 to FY 2029-30. It shall claim any deviation from the projected sales at the time of Truing-up of respective year.

Commission's Analysis and Rulings

3.2.17. In response to a query raised by the Commission, SEZ Bio-Tech Manjari has submitted the 10 year sales projection upto FY 2034-35.

3.2.18. In response to a query raised by the Commission regarding addition of new consumers but no increase in sales, SEZ Bio-Tech Manjari has submitted that it has just started its operations as a Distribution Licensee in July 2024 and currently has no data to reliably project the load/ contract demand expected in the next 10-year period.

3.2.19. As regards the projections for the new consumer categories, there are no pending applications at this stage, and SEZ Bio-Tech Manjari has sought approval of tariff for these categories only in order to ensure that it is actually able to release such connections, if and when the need arises, and so that there is no practical difficulty. Hence, there is no basis on which the sales or load of such future consumers in the newly proposed categories can be projected.

3.2.20. However, the SEZ Bio-Tech Manjari does not expect significant impact on account of these additional consumers in the future. As the SEZ Bio-Tech Manjari onboards new consumers in its Licence Area, it expects to have a clearer vision regarding the number of consumers it may be able to onboard and the load of these new consumers. Hence, the SEZ Bio-Tech Manjari respectfully submits that it is unable to provide the data sought by the Hon'ble Commission in this regard, at the present point of time.

3.2.21. The Commission has noted the submission of SEZ Bio-Tech Manjari and accepts the proposed sales for FY 2025-26 to FY 2029-30 as submitted by SEZ Bio-Tech Manjari.

3.2.22. The Commission also notes that, SEZ Bio-Tech Manjari has proposed kVAh based tariff across all its consumer categories. Since SEZ Bio-Tech Manjari is a SEZ mainly catering to high end consumers and SEZ Bio-Tech Manjari itself has expressed its readiness for kVAh based billing for all its consumer categories, the Commission accepts the proposal of kVAh based billing across all consumer categories and accordingly approves the sales in kVAh as well.

3.2.23. The summary of the energy sales approved for 5th Control Period both in terms of MU and MkVAh is provided in the following table:

Table 3-3: Category-wise Energy Sales for 5th Control Period approved by the Commission (MU)

Consumer Category	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
HT Category						
HT I Industry	88.22	88.22	92.63	92.63	97.26	97.26
HT II Commercial	0.21	0.21	0.22	0.22	0.23	0.23
Total	88.43	88.43	92.86	92.86	97.50	97.50

Consumer Category	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
HT Category				
HT I Industry	102.13	102.13	107.23	107.23
HT II Commercial	0.24	0.24	0.26	0.26
Total	102.37	102.37	107.49	107.49

Table 3-4: Category-wise Energy Sales for 5th Control Period approved by the Commission (MkVAh)

Consumer Category	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
HT Category						
HT I Industry	89.36	89.36	93.83	93.83	98.52	98.52
HT II Commercial	0.21	0.21	0.22	0.22	0.24	0.24
Total	89.58	89.58	94.06	94.06	98.76	98.76

Consumer Category	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
HT Category				
HT I Industry	103.45	103.45	108.62	108.62

Consumer Category	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
HT II Commercial	0.25	0.25	0.26	0.26
Total	103.70	103.70	108.88	108.88

3.3.Distribution Loss

SEZ Bio-Tech Manjari's Submission

3.3.1. SEZ Bio-Tech Manjari submitted that 1.50% loss level can be considered as a reasonable loss level for efficient distribution networks, where the losses primarily arise from technical factors such as line resistance, transformer losses, and minimal distribution network losses. Hence, SEZ Bio-Tech Manjari has projected the distribution loss of 1.50% for each year of the Control Period, for projecting the energy requirement for the Control Period. In case of any variation in the distribution losses, SEZ Bio-Tech Manjari shall approach the Commission for necessary relief at the time of Mid-term Review and/ or truing up at the end of the Control Period, as applicable.

Table 3-5: Projection of Distribution Loss for the Control Period as submitted by SEZ Bio-tech Manjari

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Distribution Loss	1.50%	1.50%	1.50%	1.50%	1.50%

Commission's Analysis and Rulings

3.3.2. The Commission has considered the distribution loss trajectory as proposed by SEZ Bio-Tech Manjari. The actual Distribution loss for each year shall be considered at the time of Truing-up subject to necessary prudence check.

3.3.3. The Distribution Loss approved by the Commission for the Control period from FY 2025-26 to FY 2029-30 is shown the following table:

Table 3-6: Distribution Loss approved by the Commission from FY 2025-26 to FY 2029-30

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Distribution Loss	1.50%	1.50%	1.50%	1.50%	1.50%

3.4.Own Energy Consumption

SEZ Bio-Tech Manjari's Submission

3.4.1. SEZ Bio-Tech Manjari is assessing its own energy consumption and the future trajectory of such consumption. Since it has commenced operations as a Distribution Licensee only in July 2024, it does not have sales and consumption data for the entire year. SEZ Bio-Tech Manjari has highlighted that it has already implemented the energy efficiency schemes like efficient lighting, cooling, Distribution Transformer efficiency management, voltage management and Power factor management. SEZ Bio-Tech Manjari also submitted that it shall soon conclude the study to assess its own consumption, and submit the same, along with the desired trajectory for possible reduction in such self-consumption.

Commission's Analysis and Rulings

3.4.2. The Commission directs SEZ Bio-Tech Manjari to approach the Commission within three months of issuance of this Order and submit the list of energy efficient schemes that are proposed to be undertaken in the next Control Period. Further, SEZ Bio-Tech Manjari is directed to conduct the study for assessment of self-consumption and submit the findings of such study. The Commission has considered FY 2024-25 as base year for self-consumption assessment. During the Control Period, SEZ Bio-Tech Manjari shall reduce its self-consumption by 0.5% each year, which translates to 2.5% over the control period.

3.5. Energy Balance

SEZ Bio-Tech Manjari's Submission

- 3.5.1. SEZ Bio-Tech Manjari has arrived at the Energy Balance for the entire Control Period based on the projected sales and Distribution Loss.
- 3.5.2. SEZ Bio-Tech Manjari has requested the Commission to include it as a pool participant in the intra-State transmission system, and to consider the intra-State Transmission Losses as being approved in the MYT Order of STU for the SEZ Bio-Tech Manjari also, while computing the Energy Balance for the Control Period from FY 2025-26 to FY 2029-30.
- 3.5.3. SEZ Bio-Tech Manjari has further submitted that although the Commission is yet to make the intra-State Transmission Losses applicable for it, as it has commenced operations in July 2024 only, for the purposes of projecting the Energy Balance for the Control Period from FY 2025-26 to FY 2029-30, SEZ Bio-Tech Manjari has considered the InSTS losses as projected by the STU in its MYT Petition, as shown in the Table below:

Table 3-7: Energy Loss projected by STU

Year	Transmission Loss (%)
FY 2025-26	3.28%
FY 2026-27	3.26%
FY 2027-28	3.24%
FY 2028-29	3.21%
FY 2029-30	3.16%

3.5.4. Accordingly, SEZ Bio-Tech Manjari has projected the energy requirement for FY 2025-26 to FY 2029-30, as under:

Table 3-8: Projected Energy Balance for 5th Control Period as submitted by SEZ Bio-Tech Manjari (MU)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Energy Sales	88.43	92.86	97.50	102.37	107.49
Distribution Loss (%)	1.50%	1.50%	1.50%	1.50%	1.50%
Energy Requirement at T<D	89.78	94.27	98.98	103.93	109.13
Intra-State Transmission Loss (%)	3.28%	3.26%	3.24%	3.21%	3.16%
Energy Requirement at G<T	92.82	97.45	102.30	107.38	112.69
Total Power Purchase at Maharashtra State Periphery	92.82	97.45	102.30	107.38	112.69

Commission's Analysis and Rulings

3.5.5. For projecting the energy requirement, the Commission has considered approved energy sales and distribution loss for each year. The Commission has taken approved InSTS loss levels of 3.28%, 3.26%, 3.24%, 3.22% and 3.20% for the years FY 2025-26, FY 2026-27, FY 2027-28, FY 2028-29 and FY 2029-30 respectively as per the InSTS Tariff Order dated **28 March 2025 in Case No. 208 of 2024**.

3.5.6. Accordingly, the total energy requirement approved by the Commission for the Control period from FY 2025-26 to FY 2029-30 is as shown in the table below:

Table 3-9: Energy Balance for FY 2025-26 to FY 2029-30 approved by the Commission

Particulars	Unit	FY 2025-26		FY 2026-27		FY 2027-28	
		MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Energy Sales	MU	88.43	88.43	92.86	92.86	97.50	97.50
Distribution loss	MU	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Energy Requirement at T<D	MU	89.78	89.78	94.27	94.27	98.98	98.98
Intra-State Transmission Loss	MU	3.28%	3.28%	3.26%	3.26%	3.24%	3.24%

Particulars	Unit	FY 2025-26		FY 2026-27		FY 2027-28	
		MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Energy Requirement at G<>T	MU	92.82	92.82	97.45	97.45	102.30	102.30
Total Power Purchase at State Periphery	MU	92.82	92.82	97.45	97.45	102.30	102.30
Imbalance Pool	MU	0.00	0.00	0.00	0.00	0.00	0.00
Less: Surplus Energy Traded	MU	0.00	0.00	0.00	0.00	0.00	0.00
Total Power Available at G<>T (MU)	MU	92.82	92.82	97.45	97.45	102.30	102.30

Particulars	Unit	FY 2028-29		FY 2029-30	
		MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Energy Sales	MU	102.37	102.37	107.49	107.49
Distribution loss	MU	1.50%	1.50%	1.50%	1.50%
Energy Requirement at T<D	MU	103.93	103.93	109.13	109.13
Intra-State Transmission Loss	MU	3.21%	3.22%	3.16%	3.20%
Energy Requirement at G<>T	MU	107.38	107.39	112.69	112.74
Total Power Purchase at State Periphery	MU	107.38	107.39	112.69	112.74
Imbalance Pool	MU	0.00	0.00	0.00	0.00
Less: Surplus Energy Traded	MU	0.00	0.00	0.00	0.00
Total Power Available at G<>T (MU)	MU	107.38	107.39	112.69	112.74

3.6.Resource Adequacy Plan

Background

3.6.1. Under Rule 16 of Electricity (Amendment) Rules, 2022, the Ministry of Power, Government of India, in consultation with the CEA, issued the guidelines for Resource Adequacy in June 2023. As per these guidelines, The CEA is mandated to publish the national-level Planning Resource Margin (PRM) as a guide for all the States/UTs while undertaking their RA exercises. (clause 3.1) and also to publish the capacity credits for different resource types on a regional basis. (clause 3.1)

- 3.6.2. Each Distribution licensee shall undertake a Resource Adequacy Plan (RAP) for a 10-year horizon (Long-term Distribution Licensee Resource Adequacy Plan (LT-DRAP) to meet their peak and electrical energy requirement. (clause 3.7). The distribution licensees shall refer to LT-NRAP if required for inputs like PRM, capacity credits, etc. while formulating their LT-DRAP and shall submit their plans to CEA. (clause 3.7.1)
- 3.6.3. The Commission has notified the MERC (Framework for Resource Adequacy) Regulations, 2024 on 20 June, 2024, to enable the implementation of the RA Framework to reliably meet the projected demand within the state. The objective of the Regulations is to enable the implementation of Resource Adequacy framework by outlining a mechanism for resource adequacy in generation and transmission, for reliably meeting the projected demand in compliance with specified reliability standards for serving the load with an optimum generation mix.
- 3.6.4. These regulations outline the development and preparation of an RA Plan for the LT-DRAP for up to 10 years, Medium-term Distribution Resource Adequacy Plan (MT-DRAP) for up to 5 years and Short-Term Resource Adequacy Plan (ST-DRAP) for up to one year by distribution licensees. The Regulation covers a mechanism for long term, medium term and short-term forecasting and demand assessment using scientific modelling tools, generation resource planning, procurement planning, and monitoring and compliance.
- 3.6.5. In compliance to the provisions of Regulation 5.4 of the MERC (Framework for Resource Adequacy) Regulations, 2024, SEZ Bio-Tech Manjari had submitted its RA Plan on 30 September 2024. The Commission scrutinized the proposal submitted by EON II and noted certain data discrepancies in demand forecasting and shortcomings in compliance to the provisions of the MERC RA Regulations, 2024.
- 3.6.6. Further, the Commission had noted that, as per the MoP guidelines for RA, the CEA is mandated to publish a Long-term National Resource Adequacy Plan (LT-NRAP), which shall determine the optimal Planning Reserve Margin (PRM) requirement at the All-India level conforming to the reliable supply targets. The LT-NRAP shall allocate the share in the national peak for each State, and in States where there are multiple distribution licensees, the respective STU / SLDC shall allocate each distribution licensee's share in the national peak within 15 days of the publication of LT-NRAP.
- 3.6.7. Further, these guidelines also require NLDC to annually publish a one-year look-ahead Short-term National Resource Adequacy Plan (ST-NRAP). The Commission had also noted that, the CEA/NLDC are yet to publish the LT-NRAP and ST-NRAP results, including reliability indices (LOLP/NENS) and, PRM, Capacity Credit (CC) factors, as

per its Guidelines. Hence, allocation factors for the contribution of States to National CPD are not readily available for assessment. Meanwhile, the CEA had published a Discussion Paper dated 18 October 2024 for a methodology for demand contribution and CC factor assessment and invited comments.

- 3.6.8. In view of above developments at the national level on RA planning, critical observations on RA plans submitted by SEZ Bio-Tech Manjari and considering the forthcoming MYT proceedings as per MYT Regulations 2024, the Commission directed SEZ Bio-Tech Manjari to revisit the RA planning in light of the methodology specified by the CEA in the discussion paper published by CEA dated 18 October 2024 for computation of Capacity Credit of Generation Resources & Coincident Peak Requirement of Utilities under RA Framework.
- 3.6.9. As per the Regulation No. 12.13 of MERC RA Regulations, 2024, for planning RA requirement, the distribution licensee is required to duly factor in the allocation of RA requirement to the distribution licensee as may be suggested by the STU/SLDC, as the case may be, based on average of share in state coincident peak demand (CPD) and share in state non-coincident peak demand (NCPD) for MT-RA and ST-RA.
- 3.6.10. Further, as per Regulation No. 16.3 of MERC RA Regulations, 2024, while approving the RA plans of distribution licensees the Commission is required to seek inputs from STU/SLDC to ensure consistency with the state-level aggregation carried out by STU/SLDC.
- 3.6.11. In view of the above directions of the Commission, SEZ Bio-Tech Manjari submitted its revised RA planning as a part of its MYT Tariff Petition for the 5th control period in this Petition.

Scrutiny of the RA Planning as per the provisions of the MERC RA Regulations 2024.

SEZ Bio-Tech Manjari's submission

- 3.6.12. SEZ Bio-Tech Manjari has projected sales and peak demand for the Control Period based on the Short-term and Medium-term Distribution Resource Adequacy Plans (ST-DRAP and MT-DRAP) submitted to the Commission on 22 December, 2024 along with the revised Petition. The RA Plan outlines a framework to ensure reliable power supply for consumers for the 5th Control Period (FY 2025-26 to FY 2029-30).
- 3.6.13. The RA plan provides analysis of SEZ Bio-Tech Manjari's demand forecast, generation resources, capacity credits, and strategies to meet Resource Adequacy Requirement

(RAR) over the short-term and medium-term horizons, including integration of RE sources and compliance with Renewable Purchase Obligations (RPO).

3.6.14. As per the provisions of the Regulation 6.4 of the MERC RA Regulations, 2024, the demand forecasting carried out by utilizing the category wise consumption data for various categories.

3.6.15. The RA plan has envisaged SEZ Bio-Tech Manjari's overall consumption to grow at a CAGR of 10%.

Commission's Analysis and Ruling

3.6.16. With notification of Resource Adequacy Regulations, there has been remarkable shift in the planning approach to demand forecasting particularly, in terms of following aspects:

- a) **Hourly/Sub-hourly profiling:** Focus on hourly/sub-hourly demand assessment (MW) than merely energy projections (MWh) (*Ref. Reg 6.1, 6.2 and 7.1, 7.2*)
- b) **Planning Horizon:** Demand forecasts to cover across planning horizons Long term (10 year), Medium term (5 year) and Short term (upto 1 year) (*Ref. Reg 6 and 7*)
- c) **Best fit Methodologies:** Methodology for demand/energy forecast to include combination of various statistical methodologies, tools and econometric modelling approaches rather than CAGR based method and adopt best fit approach (*Ref. Reg 6.5, 6.7 and 7.3, 7.4*)
- d) **Scenario Planning:** Adoption of probabilistic modelling approach with multiple scenarios of forecasts (viz. most probable, business as usual, aggressive) rather than deterministic scenario. EPS projections could be one of the scenario with due reference to influence of other factors (*Ref. Reg. 6.6 and 6.15*)
- e) **Integral approach to Demand side measures:** Demand and energy forecast to include energy efficiency, energy conservation and demand side measures their impacts as integral part of demand assessment in terms of change in load shape, load curve, variation in peak/off-peak hours, seasonal variations etc. (*Ref. Reg. 6.9, 6.10 and 7.6*)
- f) **Influence of State/National Policy measures:** Adoption of several state/national policy measures such as PM-Surya Ghar, PM-KUSUM/MSKVY2.0, penetration of LED /BLED fan, EV policy, Green Hydrogen, Data Centre policy, captive policy, open access/ green energy open access policy etc. to be factored in the LT/MT/ST demand forecasts and energy forecasts (*Ref. Reg. 6.9 and 6.10*)

3.6.17. The Commission has scrutinized the SEZ Bio-Tech Manjari's submission as regards Demand / Energy forecasts with reference to provisions under MERC RA Regulations.

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	SEZ Bio-Tech Manjari 's Submissions	Commission's Observations and Remarks
1.	Resource Adequacy Framework	<ul style="list-style-type: none"> Distribution Licensee (DL) to develop and prepare LT-DRAP, MT-DRAP and ST-DRAP (Reg 5.1) 	<ul style="list-style-type: none"> The Commission had sought LT-DRAP plan of SEZ Bio-Tech Manjari. It has submitted its Long-term Forecast in Form 1. 	<ul style="list-style-type: none"> The Commission approved the LT-DRAP, MT-DRAP and ST-DRAP plan of SEZ Bio-Tech Manjari.
2.	Demand Assessment and Forecasting	<ul style="list-style-type: none"> ST: hourly/sub-hourly MT: hourly LT: monthly peak/off-peak load assessment and forecasts along with category-wise energy forecasts (Reg 6.1). submit the methodology developed for demand forecast and provide a detailed explanation for refinement in ascertaining hourly load profile. (Reg 6.1) DL shall determine the load forecast for a consumer category by adopting any or a combination of the following methodologies: 	<ul style="list-style-type: none"> The Commission had sought a revised demand assessment and forecasting based on actual data available till Dec 2024 using methodologies specified in the Regulations. SEZ Bio-Tech Manjari has submitted its long -term forecast using CAGR of 10% for both HT I Industry and HT II Commercial. It is also submitted that due to its limited license area comprising 22.4226 hectares and 6 pharmaceutical units, the nature of load/consumption is quite uniform and there is no great deviation from 	<ul style="list-style-type: none"> The Commission has noted that Short Term (ST), Medium Term (MT) and Long Term (LT) demand forecasts are submitted by SEZ Bio-Tech Manjari. The Commission notes that SEZ Bio-Tech Manjari submitted its revised Long-term Demand Forecast rectifying the discrepancy, projected in YoY increase in energy consumption between RA plan and Form 1. Observations are noted on consideration of consumer category-wise growth factors as 2.5% growth in billing demand in correlation to the 5% sales growth as

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	SEZ Bio-Tech Manjari's Submissions	Commission's Observations and Remarks
		1. CAGR on annual basis or long-term average; 2. End use of partial end use; 3. Trend analysis; 4. ARIMA 5. AI 6. Econometric 7. Any other methodology prescribed by the Authority. (Reg 6.5)	period to period or between different categories. <ul style="list-style-type: none"> SEZ Bio-Tech Manjari submitted its revised demand assessment and forecasting based on actual consumption data available for the period from July 2024 to December 2024. However, it has requested that the prescriptions in the MERC RA Regulations may not be adopted in the 'one-size fits all' approach and should not be uniformly applied on small SEZ Licensees. 	projected by SEZ Bio-Tech Manjari. <ul style="list-style-type: none"> The Commission notes that the nature of load/consumption is quite uniform, there is no great deviation from period to period or between different categories. Since there is no historical data of consumption, the Commission agrees with the assessment of the consumers' expected load. Therefore, the Commission is not applying MERC RA Regulations, 2024 to its fullest extent as SEZ Bio-Tech Manjari is a small SEZ. The Commission expects SEZ Bio-Tech Manjari to apply the same as its sales increase over the upcoming years. Further, premise for hourly/sub-hourly MW forecast, impact of shift in load shape, load curve due to EV load, RTPV penetration, GEOA, demand side measures are not clearly known.

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	SEZ Bio-Tech Manjari's Submissions	Commission's Observations and Remarks
3	Forecast Scenarios	<ul style="list-style-type: none"> Distribution Licensee (DL) must conduct statistical analysis and shall select the method for which standard deviation is the lowest and R-square is the highest (Reg 6.7) utilize state-of-the-art tools, scientific and mathematical methodologies, and comprehensive database such as but not limited to weather data, historical data, demographic and econometric data, consumption profiles, impact of policies and drivers etc. as may be applicable to their control area (Reg 6.8) 	<ul style="list-style-type: none"> SEZ Bio-Tech Manjari submitted that since it commenced its operations from July 1, 2024, there is no historical data of consumption and demand for even full one year. However, it has revised demand assessment and forecasting based on actual consumption data available for the period from July 2024 to December 2024. 	<ul style="list-style-type: none"> The Commission finds SEZ Bio-Tech Manjari to be compliant with Reg 6.7 of MERC RA Regulations. In response to the Commission's query, SEZ Bio-Tech Manjari submitted that because of its new operations, historical data is not available and actual consumption data is available for the period from July 2024 to December 2024. Although the Commission is not applying MERC RA Regulations, 2024 to its fullest extent as SEZ Bio-Tech Manjari is a small SEZ. The Commission expects SEZ Bio-Tech Manjari to apply the same as its sales increase over the upcoming years. Detailed observations on forecast methodology are provided under section 3.2.
4	Assessment of Peak Demand	<ul style="list-style-type: none"> Peak demand (in MW) shall be determined by considering the average load factor, load diversity factor, seasonal variation factors for the last three years and the load forecasts (in MWh) obtained in Regulation 6.13 	<ul style="list-style-type: none"> No change is envisaged in average Load factor, Load diversity factor for the future period. Same is considered constant over the projection period. No seasonal variation factor is considered as data is not available. 	<ul style="list-style-type: none"> Although the Commission is not applying MERC RA Regulations, 2024 to its fullest extent as SEZ Bio-Tech Manjari is a small SEZ. The Commission expects SEZ Bio-Tech Manjari to apply the same as its sales increase over the upcoming years.

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	SEZ Bio-Tech Manjari's Submissions	Commission's Observations and Remarks
		<ul style="list-style-type: none"> If any other appropriate load factor is considered for future years, a detailed explanation shall be provided. (Reg 6.14) 		
5	Demand Assessment and Forecasting	<ul style="list-style-type: none"> Develop trajectories based on economic parameters, policies, historical data, and future projections as mentioned in the Regulation, such as: <ol style="list-style-type: none"> Energy efficiency measures Energy savings and conservation interventions Demand response programs Demand-side management measures DSM (Demand-Side Management) Electric vehicles Tariff signals Changes in specific energy consumption Increase in commercial activities with electrification Changes in consumption pattern from seasonal consumers 	<ul style="list-style-type: none"> SEZ Bio-Tech Manjari has submitted that it is currently in the early stages of its distribution operations and its small consumer base, there may not be any significant impact of Demand Response Programmes and Demand Side Management measures. Hence it has not considered any impact due to such measures in the RA Plan. SEZ Bio-Tech Manjari has submitted following elements in its RA Plan: <ol style="list-style-type: none"> Energy Efficiency Measures: SEZ Bio-Tech Manjari is a modern Biotechnology based SEZ. It has incorporated energy efficiency measures in its offices. It is submitted that effect of any new 	<p>The Commission</p> <ul style="list-style-type: none"> notes the submission of SEZ Bio-Tech Manjari and is therefore not applying MERC RA Regulations, 2024 to its fullest extent as SEZ Bio-Tech Manjari is a small SEZ. However, the Commission expects SEZ Bio-Tech Manjari to apply the same as its sales and operations mature over the upcoming years.

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	SEZ Bio-Tech Manjari's Submissions	Commission's Observations and Remarks
		<p>xi. Availability of supply</p> <ul style="list-style-type: none"> Policy influences including: <ul style="list-style-type: none"> 24 x 7 supply to all customers LED penetration Storage policies Develop separate trajectories for each customer category for each policy. Distribution licensees are free to consider the impact of consumer migration in demand forecasting and include it in the analysis if deemed appropriate. (Reg 6.9) 	<p>energy efficiency measures may not be significant.</p> <p>2. Energy Saving and Conservation SEZ Bio-Tech Manjari has to be operate 24*7, any new interventions based on existing energy savings and conservation policies will have negligible effect on the demand pattern.</p> <p>3. Open Access No consumers are opting for open access in the license area. It submits that it provides competitive prices, hence there will be no open access going forward in the short-term and medium-term.</p> <p>4. Demand Response Programmes, Demand Side Management measures: its impact is submitted to be insignificant due to small load profile of the SEZ.</p> <p>5. Electric Vehicles (EV): SEZ Bio-Tech Manjari has submitted to encourage EV adoption. However, so far, no separate EV connections have been released in the area. Thus, no variation can be projected.</p>	

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	SEZ Bio-Tech Manjari's Submissions	Commission's Observations and Remarks
6	Load Research analysis	<ul style="list-style-type: none"> ST: Load research analysis to be conducted with inputs from SLDC and detailed explanation for refinement. MT: MT forecast may be revised with a detailed explanation of refinement. (Reg 6.11) 	<ul style="list-style-type: none"> The Commission sought a Medium-term load profile of the consumer categories for which load research is conducted and refined on basis of load research analysis. SEZ Bio-Tech Manjari submitted that since it is a new Deemed Distribution Licensee, having started its operations in July 2004. Since even one complete year's data is not available. No load research has yet been undertaken in the license area. 	<ul style="list-style-type: none"> The Commission also directs SEZ Bio-Tech Manjari to fulfil Regulation 6.11 while submitting the next RA plan.
7	Demand Forecasting	<ul style="list-style-type: none"> The DL must calculate load forecasts (in MWh) by adding either the loss trajectory approved by the Commission in the latest tariff order or the actual loss from the previous year, whichever is lower. If the Commission has not approved a loss trajectory for the planning horizon, an appropriate trajectory from State or National policies should be used, with a detailed explanation provided. (Reg 6.13) 	<ul style="list-style-type: none"> SEZ Bio-Tech Manjari has submitted that it has calculated the load forecast by considering loss trajectory keeping in mind minimum Technical Loss likely to be incurred in the System for the future years. It is submitted that this calculation has been carried out in accordance MERC RA Regulations, 2024, ensuring compliance with Regulation 6.13. 	<ul style="list-style-type: none"> The Commission has considered the loss trajectory as claimed by SEZ Bio-Tech Manjari.

- 3.6.18. The Commission observes that for sales projections under MYT petition the SEZ Bio-Tech Manjari has extensively relied on consumer-category-wise energy forecasts (MWh) using CAGR based approach for long term/medium forecasts.
- 3.6.19. The forecast of demand (MW) and shift in hourly/sub-hourly Demand forecasts (MW) is equally important particularly for adoption of other policy measures such as PM-Surya Ghar/Rooftop PV, Demand side and EE/EC measures etc. While the impact of some of these measures in energy terms (MWh) and broad capacity addition/shift have been taken into account but its influence on Hourly/Sub-hourly Demand, which is not known
- 3.6.20. It is not clear if any econometric or statistical modelling approach or partial end use method has been used for the demand/energy forecasts during current RA planning exercise. The Commission would encourage SEZ Bio-Tech Manjari to explore use of various methodologies and statistical tools and use best fit approach for demand forecasting.

3.6.21. The Commission would encourage the SEZ Bio-Tech Manjari to factor in adjustment in sales forecasts on account of energy efficiency measures, demand side management measures, DSM, EV, etc. The comparison of Demand/Sales forecasts proposed by SEZ Bio-Tech Manjari and approved by the Commission for 5th Control Period is summarized in earlier section.

Generation Resource Planning

SEZ Bio-Tech Manjari's submission

3.6.22. In overall compliance under Generation Resource Planning, the Commission requested for more clarity on SEZ Bio-Tech Manjari's strategy on medium-term and long-term power procurement plans. SEZ Bio-Tech Manjari is requested to comply with Regulation 12.10 of MERC RA Regulations, 2024 and keep minimum 70% of RAR through Long-term contracts, minimum 20% of RAR through Medium-term contracts, and the rest to be met through Short-term contracts.

3.6.23. Additionally, the Commission sought more clarification as per the above Regulation on:

- a) Capacity crediting of generation resources,
- b) Assessment of Planning Reserve Margin (PRM) and
- c) Ascertaining Resource Adequacy Requirement (RAR) and Allocation for Control Area.

3.6.24. In response to the Commission's query, SEZ Bio-Tech Manjari submitted that because of its extremely small load and operational limitations, the practical applicability of these measures is constrained. SEZ Bio-Tech Manjari submitted that the incorporation of capacity crediting, PRM assessment, and RAR allocation, as specified in Regulation 9.1, may not be directly relevant to its operational scale.

3.6.25. Additionally, SEZ Bio-Tech Manjari has sought relaxation against Regulations 9.1 and 12.10 while considering the unique challenges posed by its small-scale operations.

Commission's Analysis and Ruling

3.6.26. With notification of Resource Adequacy Regulations, there has been remarkable shift in the planning approach to Generation Resource Planning, particularly, in terms of following aspects:

- a) **Capacity Crediting of Generation Resources and its contribution to Solar/Non-Solar hours:** Focus on assessing the contribution of generation resource to meet the demand at various hours particularly, variable renewable generation resources such as wind/ solar, storage resources (*Ref. Reg 9.1, 9.3 and 10*)
- b) **Gestation period of various Generation Resource technologies and contracting arrangements:** Different technologies (such as wind, solar, PSP, BESS, nuclear, coal etc.) have different gestation periods. Further, variety of contracting arrangements (e.g. RE-RTC, FDRE, Hybrid) are emerging and would have variety of characteristic generation profile and associated costs. (*Ref. Reg 9.1, 9.2, 9.4 and 10*)
- c) **Planning Reserve Margin:** Need to include PRM factor to comply with reliability indices (such as LOLP, NENS) notified by CEA and PRM to be evaluated thru iterative process to meet with reliability standards (*Ref. Reg 9.5, and 11*)
- d) **Assessment of Resource Adequacy Requirement (Shortfall/Surplus):** Identification of RA requirement and resource gap/surplus (both quantum and duration) is crucial. Adoption of probabilistic modelling approach with multiple scenarios of forecasts (viz. most probable, business as usual, aggressive) for RA Gap/ Surplus assessment in LT/MT/ST rather than deterministic scenario. (*Ref. Reg. 12*)
- e) **Integrated approach guided by CEA/STU/SLDC for control area and distribution licensee:** In order to optimal planning of resources inputs from LT-NRAP and ST-NRAP to be published by CEA as also allocation of RA requirement to concerned Distribution Licensee by STU/SLDC RA (*Ref. Reg. 6.9 and 6.10*)

3.6.27. The Commission has scrutinized the SEZ Bio-Tech Manjari's submission as regards **Assessment of Generation Resources and its proposed mix** with reference to provisions under MERC RA Regulations.

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	SEZ Bio-Tech Manjari's Submissions	Commission's Observations and Remarks
1	Generation Resource Planning Assessment	<ul style="list-style-type: none"> Capacity crediting (CC) of generation resources, Assessment of Planning Reserve Margin (PRM) and Ascertaining Resource Adequacy Requirement (RAR) and Allocation for Control Area. (Reg 9.1) 	<ul style="list-style-type: none"> SEZ Bio-Tech Manjari submitted CC are computed for Long-Term and Medium-Term Sources only. Since it has commenced its operations in July 2024, it is yet to tie up with Long/Medium term sources and therefore it is unable to compute CC for past resources. SEZ Bio-Tech Manjari has submitted to have computed its adequacy of future Long term/ Medium Term resources based on estimated average energy available over the year. Accordingly, the overall power availability has been computed for each hour and compared with hour-wise demand forecast. 	<ul style="list-style-type: none"> The Commission directs SEZ Bio-Tech Manjari to comply with the Regulations in subsequent years as its demand picks up.
2	Planning Reserve Margin	<ul style="list-style-type: none"> PRM factor is computed based on the reliability Indices in terms of LoLP (0.2%) and NENS (0.05%) as specified by Authority or Commission (Reg 11.2) Capacity planning by DLs /STU /MSLDC shall factor 	<ul style="list-style-type: none"> The Commission had sought clarification on SEZ Bio-Tech Manjari considering 7% PRM based on the PRM considered for Maharashtra in "Report on Resource Adequacy Plan for Maharashtra by MSEDCL for FY 2024-25 to FY 2033-34." 	<ul style="list-style-type: none"> CEA has not specified any PRM numbers, however, it has specified Loss of Load Probability (LOLP) as 0.2% and Normalized Energy Not Served (NENS) at 0.05% in the RA guidelines. The Commission has considered the same.

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	SEZ Bio-Tech Manjari's Submissions	Commission's Observations and Remarks
		PRM while developing state-level Resource Plan (Reg 11.3)	<ul style="list-style-type: none"> • SEZ Bio-Tech Manjari has submitted that determination of PRM is not possible as it is a small Licensee with limited resources. • Since Determination of PRM involves Stochastic Formulations over a very large dataset considering several scenarios. In absence of historical data, PRM is not relevant. 	
3	RA Requirement and Allocation	<ul style="list-style-type: none"> • DLs RA plan is based on the sum of adjusted contracted generation capacities, calculated with CC factors over time intervals (15 minutes to one hour) as specified by the Commission. (Reg 12.1)	<ul style="list-style-type: none"> • SEZ Bio-Tech Manjari has submitted achieving its 85%-95% power procurement via Long Term/ medium Term Contracts only. Balance power is to be achieved through Short-Term bilateral contracts and Power Exchanges. • However, it is still in the process of floating its Long Term/ Medium Term and Short Term tenders. 	<ul style="list-style-type: none"> • CEA has not yet published the LT-NRAP plan which is expected to outline RA requirement of each State to meet the National Peak alongwith planning for reserve requirements. • However, CEA has published Discussion Paper which outline the methodology for allocation of RA requirement based on contribution to national coincident peak demand by different states, which provide fair indication of Maharashtra's contribution to the national peak. • Similar exercise is required to undertaken at state level by STU/SLDC for allocation of RA requirement amongst distribution licensees at state

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	SEZ Bio-Tech Manjari's Submissions	Commission's Observations and Remarks
				level. The Commission expects that the exercise of RA requirement assessment for State and its allocation between distribution licensees shall be completed before Annual RA Rolling plan exercise for next year taking into consideration LT-NRAP studies to be published by CEA.
4	Resource Gap or Resource Surplus	<ul style="list-style-type: none"> Identify the resource gap by subtracting the RA plan from the demand forecast, addressing RA compliance for long-term, medium-term, and short-term as per the regulations. (Reg 12.2) Submits the Resource Gap in 3 scenarios (Most Probable, Business as usual and Aggressive). (Reg 12.3) 	<ul style="list-style-type: none"> No details submitted 	<ul style="list-style-type: none"> Non-Compliant to Reg 12.2 of MERC RA Regulations
5	Plan to contract capacity meet RA Requirement	<ul style="list-style-type: none"> Plan Contract capacities to meet Resource Adequacy Requirements (RAR), ensuring coverage of peak demand plus PRM. (Reg 12.9) 	<ul style="list-style-type: none"> SEZ Bio-Tech Manjari has submitted to procure 8 MW base load power through short-term bilateral contract from Ideal Energy at ₹6.42/kWh and 6 MW RE peak load power from MSPGCL at ₹3.50/kWh based on short term bilateral contract from DEEP Portal. RTC procurement of Conventional 	<ul style="list-style-type: none"> The Commission approves the Power Procurement plan of SEZ Bio-Tech Manjari. The PPA with Ideal Energy Projects Limited (IEPL) from 1 July 2024 to 30 June 2025 which has been approved by the Commission.

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	SEZ Bio-Tech Manjari's Submissions	Commission's Observations and Remarks
			<p>and Renewable Power and Purchase from IEX.</p> <ul style="list-style-type: none"> For FY 2026-27 to FY 2029-30, sources include RTC Long term and short term including both Conventional and Renewable Power and power purchase from IEX. 	<ul style="list-style-type: none"> Similarly, PPA with MSPGCL is approved for time period 1 July 2024 to 30 June 2025. now finalized its Power Procurement Plan. In FY 2025-26, Power Purchase from short term sources with a mix of Thermal Power from. The Commission has adopted the tariff through its Order dated August 16, 2024 in Case No. 66 of 2024 and 92 of 2024.

3.6.28. SEZ Bio-Tech Manjari has submitted that the current load projection is approximately 11 MW, which is significantly lower than the overall load-serving capability of 50 MW within its supply area. Due to the minimal increase in load, the Resource Adequacy (RA) Planning is currently a mix of long-term/medium term and short-term procurement for an 8-year period, covering the present 5th Multi-Year Tariff (MYT) Control Period. SEZ Bio-Tech Manjari has assured that it will be able to achieve 100% of its demand through the long-term and short-term arrangements it has submitted in the revised RA plan. It will reassess its RA Plan for both Short-Term (ST) and Medium-Term (MT) Demand Response and Adequacy Planning (DRAP). Since the RA Plan is submitted on a rolling basis, SEZ Bio-Tech Manjari will provide updates during the Mid-Term Review (MTR) Petition as it is anticipating an increase in reasonable load.

3.6.29. Meanwhile, SEZ Bio-Tech Manjari has requested the Commission to exercise its 'Power to Relax' under Regulation 26 of the MERC (Framework for Resource Adequacy) RA Regulations, 2024 and exempt it from the stringent provisions of the MERC RA Regulations, 2024.

3.6.30. However, the Commission would highlight that one of the important objective of RA Regulations is resource planning with optimal resource mix to optimize overall cost of power for the utility and its end consumers while reliably meeting the forecasting load requirements. The relevant extract of objective of MERC RA Regulations, 2024 is provided as under:

*2.1 The objective of these Regulations is to enable the implementation of Resource Adequacy framework by outlining a mechanism for planning of generation and transmission resources for **reliably meeting the projected demand** in compliance with **specified reliability standards** for serving the load with an **optimum generation mix**.*

*Provided that the planning of transmission resources shall be consistent with "MERC (State Grid Code) Regulations, 2020" and amendments thereof.
(emphasis added)*

3.6.31. The Commission expects SEZ Bio-Tech Manjari to comply with the provision of the MERC RA Regulations, 2024 as its sales increase over the upcoming years.

3.6.32. To optimize the cost of power procurement during evening peak/ non-solar hours, SEZ Bio-Tech Manjari should evaluate and explore Storage (incl. BESS) solutions (2hr/4hr) to store surplus solar generation to be utilized during non-solar (evening peak) hours rather than procuring expensive power from market during non-solar (evening peak) hours. SEZ Bio-Tech Manjari should explore and evaluate development of distributed storage solutions and its procurement plan through competitive route at early date.

3.6.33. Specific schemes of Demand side management measures could act as optimal resource and the SEZ Bio-Tech Manjari should develop DSM schemes for various consumer categories as such effective load management tool. It should also encourage and facilitate consumers who wish to invest in energy storage and support the grid during Non-solar (evening peak) hours provided it is viable business opportunity. Specific schemes under Demand Side Management framework can be designed and submitted for further regulatory scrutiny and approval.

Power Procurement Planning

SEZ Bio-Tech Manjari's submission

3.6.34. SEZ Bio-Tech Manjari has submitted that since its overall demand as per the RA Plan is marginally increased from 12.10 MW in FY 2025-26 to 17.72 MW in FY 2029-30. SEZ Bio-Tech Manjari currently procures its entire requirement through short-term bilateral contracts at competitively discovered prices through DEEP Portal. It has submitted that it is still in the process of floating its Long term/ Medium term/ Short term tender documents.

3.6.35. Accordingly, in line with the RA Plan submitted, SEZ Bio-Tech Manjari has proposed the procurement of its consumer demand estimated for the 5th Control Period through Short Term Power Procurement at the rate ranging between Rs. 3.50/kWh to Rs. 6.42/kWh as decided by the Commission. It has submitted that the cost of day-ahead power in the Power Exchanges has ranged from Rs. 3/kWh to Rs/ 10/kWh.

3.6.36. SEZ Bio-Tech Manjari has filed a Petition before the Commission in Case No. 137 of 2024 for approval of the power purchase plan and for undertaking combined power purchase for procuring Round the Clock (RTC) power on long-term basis for the period from FY 2025-26 to FY 2044-45. The same is under consideration.

3.6.37. For FY 2025-26 to FY 2029-30, SEZ Bio-Tech Manjari has submitted that it has considered the RPO targets specified in the MERC (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) Regulations, 2019, amended from time to time as shown in the Table below:

Table 3-10: RPO Target for the Control Period

Year	Wind RPO	HPO	Distributed RPO	Other RPO	Total
2025-26	1.45%	1.22%	2.10%	28.24%	33.01%
2026-27	1.97%	1.34%	2.70%	29.94%	33.95%
2027-28	2.45%	1.42%	3.30%	31.64%	35.95%
2028-29	2.95%	1.42%	3.90%	33.10%	38.81%
2029-30	3.48%	1.33%	4.50%	34.02%	43.33%

3.6.38. SEZ Bio-Tech Manjari has proposed to meet the composite RPO compliance as per the above referred Regulations, accordingly, the RPO projected for the 5th Control Period is provided as under:

Table 3-11: RPO Achievement plan for the Control Period as submitted by SEZ Bio-Tech Manjari

Financial Year	RPO Achievement plan
FY 2025-26	Procurement of 15.68 MU of thermal power from IEPL at average Tariff of Rs. 6.42/kWh for the period from July 2024 to June 2025 as approved and procurement of 1.62 MU of RE Solar power from MSPGCL at the Tariff of Rs. 3.50/kWh for the period from July 2024 to June 2025. Balance requirement of power for FY 2025-26 has been projected to be met through purchase of 48.73 MU of RTC power through short-term competitive bidding (mix of conventional and RE power) and 26.79 MU from IEX at an average rate of Rs. 5.50/kWh.
FY 2026-27	Purchase of 48.81 MU of RTC power through short-term competitive bidding (mix of conventional and RE power) and 18.94 MU from IEX at the rate of Rs. 6/kWh. SEZ Bio-Tech Manjari has also considered purchase of 16.83 MU of long-term conventional RTC power at the rate of Rs. 6.50/kWh and purchase of 12.87 MU of long-term RE RTC power at the rate of Rs. 4.50/kWh, based on the long-term power purchase processes initiated by the SEZ Bio-Tech Manjari.
FY 2027-28	Power requirement to be met through long-term conventional RTC power at the rate of Rs. 6.50/kWh and purchase of long-term RE RTC power at the rate of Rs. 4.50/kWh, as well as purchase of short-term RE RTC power at the rate of Rs. 6.00/kWh
FY 2028-29	
FY 2029-30	

3.6.39. SEZ Bio-Tech Manjari has submitted that it has plans to procure long term Procurement of RTC power for 20 years, with or without storage, accommodating both renewable energy (RE) and conventional power. SEZ Bio-Tech Manjari is uncertain about the availability of long-term RE and will decide on the mix based on market conditions to fulfill its RE obligations. To assess suitable power procurement, they have simulated a 50:50 ratio of RE and conventional RTC power for 11 MW, considering different procurement levels (10 MW, 11 MW, and 12 MW) to meet three forecasted demand scenarios.

3.6.40. The projected rate for both conventional and RE RTC power is Rs. 5/kWh, close to current market rates. SEZ Bio-Tech Manjari is opting for RTC contracts, eliminating the need for auxiliary consumption or outage considerations. The power seller will manage supply from the market to fulfil contractual obligations. Short-term contracts

or power exchanges are planned to meet peak load demands, with an expected rate of Rs. 5.50/kWh for these purchases. Any variations in peak power requirements will be met through power exchanges.

Commission's Analysis and Ruling

3.6.41. The Commission has scrutinized the SEZ Bio-Tech Manjari's submission as regards **Power Procurement Planning and its proposed mix** with reference to provisions under MERC RA Regulations.

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	SEZ Bio-Tech Manjari's Submissions	Commission's Observations and Remarks
1	Composition of LT, MT and ST along with details of procurement of existing and planned capacity and Firm Capacity	<ul style="list-style-type: none"> Percentage Shares of LT, MT and ST are as follows: LT = 70%, MT = 20% and ST = 10% (Remaining of LT and MT) (Reg 12.10) Submission of the list of all existing generating stations (Conventional + RE) along with RA plan. (Reg 17.4) 	<ul style="list-style-type: none"> SEZ Bio-Tech Manjari submitted that it is still in the process of floating its Long term/ Medium term/ Short term tender documents. It is submitted in the revised RA plan how the aforesaid contracts will meet 100% of its demand. 	<ul style="list-style-type: none"> The Commission directs SEZ Bio-Tech Manjari to comply with the Regulations. The Commission also notes that the Assessment of Firm capacity is linked to contracted capacity, technology/ type of resource and its Capacity credit factor. CEA is yet to publish its CC factors under LT-NRAP for various resources across regions. However, it has indicated CC factors in its Discussion Paper published and also provided CC factors separately for Wind and Solar technologies during Solar and Non-Solar hours separately. Upon publication of the LT-NRAP study by CEA and CC factors thereof, SEZ Bio-Tech Manjari should undertake comprehensive exercise for assessment of Firm Capacity, and RA Gap/Surplus during

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	SEZ Bio-Tech Manjari's Submissions	Commission's Observations and Remarks
				Annual RA Rolling plan exercise.

3.6.42. The Commission has ensured that the power procurement planning based on merit order dispatch also factors in the renewable energy purchase obligation targets (RPO) as specified under MERC RPO Regulations. Further, the hourly shortfall/ surplus is expected to be traded in the optimal manner and cost/revenue implications of the same have also been factored in while projecting the power purchase planning for the 5th Control Period.

3.6.43. A detailed estimation of the source-wise projected quantum and cost along with basis for cost assumptions thereof, has been covered extensively under relevant section of this Order.

3.6.44. SEZ Bio-Tech Manjari also emphasized on the communication, dated 18th November 2024, between the Commission and SEZ Distribution Licensees with maximum Demand lesser than 20 MW. SEZ Bio-Tech Manjari, under this has submitted that the time and effort involved in preparation of the RA Plan and review of the same by the Commission may not be commensurate with the perceived benefits of undertaking the detailed process envisaged for such small SEZ Distribution Licensees. Thus, SEZ Bio-Tech Manjari has sought a general relaxation under the provisions of the MERC RA Plan Regulations, 2024.

3.6.45. After considering SEZ Bio-Tech Manjari's submission, the Commission decides that no penalty is imposed for this year. However, in the next assessment penalty is to be levied based on the efforts taken by EON II to comply with the MERC RA Regulations, 2024. Penalty is to be imposed as per the following Regulation 19.4 of the MERC RA Regulations, 2024:

“19.4. The rate of Non-compliance charges shall be equivalent to 1.1 times the Marginal Capacity Charge (Rs/kW/month) or 1.25 times the Average Capacity Charge (Rs/kW/month) whichever is higher, as approved by the Commission for the power procurement by concerned distribution licensee under its ARR/Tariff Order for the relevant financial year, unless separately specified by the Commission.”

3.6.46. In pursuance of foregoing and in accordance with the provisions under MERC RA Regulations, 2024, the Commission hereby directs the SEZ Bio-Tech Manjari to submit the Annual RA Rolling Plan during each year of the Control Period strictly in

accordance with the provisions outlined under MERC RA Regulations and CEA Guidelines for Resource Adequacy in the matter. SEZ Bio-Tech Manjari is directed to factor in the guidelines, CC factors, reliability indices (LOLP, NENS) and PRM as may be stipulated by CEA from time to time. SEZ Bio-Tech Manjari should provide detailed model assumptions and computations to STU/SLDC in timely manner to enable them undertake state level assessment of RA compliance as well as reserve planning at the state level.

3.6.47. The Commission is not imposing any penalty for now. However, the Commission expects that the annual RA rolling plan would ensure consistency in the approach for demand/energy forecasting exercise and power procurement planning.

3.6.48. Some of the specific actions that are required to be followed by SEZ Bio-Tech Manjari are outlined below:

- a) SEZ Bio-Tech Manjari should undertake realistic estimation of hourly demand and energy forecast upon verifying/validating the base year consumption and growth factor assumptions thereof.
- b) SEZ Bio-Tech Manjari should undertake load survey for various consumer categories and assess the impact in change in load shape due to load side measures, adoption of new ToD tariff regime, agriculture load shift to day-time hours, demand side measures, proliferation of EV, RTPV, GEOA, industrial load growth, growth in data centres etc.
- c) SEZ Bio-Tech Manjari should explore advancing the procurement of storage resources (2 hr / 4 hr) to meet Non-solar (evening peak) requirement and such procurement through competitive route as well as distributed storage facilities.
- d) SEZ Bio-Tech Manjari should encourage and facilitate consumers who intend to invest in storage facilities and support grid during non-solar (evening peak) hours and design and develop DSM schemes to facilitate the same.
- e) SEZ Bio-Tech Manjari should explore advance tie up / contracting arrangement with generating stations and other distribution licensees for trade of surplus power to optimize and reduce the burden of the fixed cost of contracted thermal generating stations.
- f) SEZ Bio-Tech Manjari should resort to firm contracted power and utilize power from exchanges only during exigency situations.

3.6.49. In addition, following actions in line with requirements of Annual RA Rolling plan exercise shall be adhered to by SEZ Bio-Tech Manjari:

- a) SEZ Bio-Tech Manjari shall submit demand forecasts to MSLDC by 30th April of each year for the ensuring year(s).
- b) SEZ Bio-Tech Manjari shall perform MT-DRAP and ST-DRAP exercise by 31st August of each year for the ensuring year(s).
- c) The monthly/weekly/day-ahead/intraday power procurements/sale by the SEZ Bio-Tech Manjari and generator schedule shall be made available on the websites of SEZ Bio-Tech Manjari.
- d) SEZ Bio-Tech Manjari shall establish a planning cell for Resource Adequacy as per Regulation 23.1 of Resource Adequacy Regulation.
- e) Another round the clock dedicated cell shall also be constituted by SEZ Bio-Tech Manjari for power purchase/sell in real-time, and also undertake intra-day, day ahead, week ahead power procurement through Power Exchanges or any other means as per Regulation 23.2 of Resource Adequacy Regulation.

3.7.Power Purchase Expenses

SEZ Bio-Tech Manjari's Submission

- 3.7.1. SEZ Bio-Tech Manjari has submitted that as per Regulation 20.1 of the MERC MYT Regulations, 2024, it is required to submit the plan for procurement of power for meeting the demand of electricity in its area of supply. The relevant extracts are as follows:

"20.1 The Distribution Licensee shall prepare a plan for procurement of power to serve the demand for electricity in its area of supply considering the provisions of the MERC (Framework for Resource Adequacy) Regulations, 2024 and submit such plan to the Commission for approval:

Provided that while preparing power procurement plan, the Distribution Licensee shall ensure availability of adequate inter-state and intra-state transmission network as per STU transmission plan or highlight transmission constraints or network augmentation requirements to cater to its proposed power procurement arrangements outlined under their procurement plan.

Provided further that such power procurement plan approved under MERC (Framework for Resource Adequacy) Regulations, 2024 for the Control Period commencing on April 1, 2025, shall be filed along with the Petition for determination of Tariff for the Control Period from April 1, 2025 to March 31, 2030, in accordance with Part A of these Regulations"

- 3.7.2. SEZ Bio-Tech Manjari had filed a Petition before the Commission in Case No. 137 of 2024 for approval of the power purchase plan and for undertaking combined power purchase for procuring Round the Clock (RTC) power on long-term basis for the period from FY 2025-26 to FY 2044-45. The hearing on the same was held on 10th December 2024.

Power Purchase for FY 2025-26

- 3.7.3. SEZ Bio-Tech Manjari entered into a PPA on 15 April 2024 with IEPL for Base Load of 10 MW at a rate of Rs. 6.42/kWh from 1 July 2024 to 30 June 2025, which had been approved by the Commission. Hence, SEZ Bio-Tech Manjari has considered procurement of 15.68 MU of thermal power from IEPL at average Tariff of Rs. 6.42/kWh for the period from July 2024 to June 2025.
- 3.7.4. Similarly, SEZ Bio-Tech Manjari entered into a PPA on 5 June 2024 with MSPGCL for Peak Load at a rate of Rs. 3.50/kWh from 1 July 2024 to 30 June, 2025 for supplying 6 MW Solar Power, which had been approved by the Commission. Hence, the SEZ Bio-Tech Manjari has considered procurement of 2.43 MU of RE Solar power from MSPGCL at the Tariff of Rs. 3.50/kWh for the period from July 2024 to June 2025.
- 3.7.5. SEZ Bio-Tech Manjari has projected that the balance requirement of power for FY 2025-26 is to be met through purchase of 48.73 MU of RTC power through short-term competitive bidding (mix of conventional and RE power) and 26.79 MU from IEX at an average rate of Rs. 5.50/kWh.
- 3.7.6. Hence, SEZ Bio-Tech Manjari has submitted that the projected average rate of short-term power procurement is Rs. 5.62/kWh for FY 2025-26.

Power Purchase for FY 2026-27 to FY 2029-30

- 3.7.7. As mentioned above, SEZ Bio-Tech Manjari had filed a Petition before the Commission in Case No. 137 of 2024 for approval of the power purchase plan and for undertaking combined power purchase for procuring RTC power on long-term basis for the period from FY 2025-26 to FY 2044-45. The hearing on the same was held on 10th December 2024.
- 3.7.8. SEZ Bio-Tech Manjari further submitted that it is also in the process of preparing the Bid Documents for the following procurement of power to meet its energy requirement. The power flow from the Medium/Long-Term Contracts is projected to start from end of FY 2025-26.

3.7.9. Thus, from FY 2026-27 onwards, SEZ Bio-Tech Manjari has projected most of the energy requirement to be met from the long/medium-term RE sources, with only the small balance quantum being projected from Power Exchange and an even smaller quantum of RE purchase being projected from Power Exchange.

3.7.10. SEZ Bio-Tech Manjari has projected its energy requirement for FY 2026-27 to be met through purchase of 48.81 MU of RTC power through short-term competitive bidding (mix of conventional and RE power) and 18.94 MU from IEX at the rate of Rs. 6/kWh. SEZ Bio-Tech Manjari has also considered purchase of 16.83 MU of long-term conventional RTC power at the rate of Rs. 6.50/kWh and purchase of 12.87 MU of long-term RE RTC power at the rate of Rs. 4.50/kWh, based on the long-term power purchase processes initiated by SEZ Bio-Tech Manjari.

3.7.11. For the period from FY 2027-28 to FY 2029-30, SEZ Bio-Tech Manjari has projected the power requirement to be met through long-term conventional RTC power at the rate of Rs. 6.50 /kWh and purchase of long-term RE RTC power at the rate of Rs. 4.50/kWh, as well as purchase of short-term RE RTC power at the rate of Rs. 6.00/kWh.

3.7.12. SEZ Bio-Tech Manjari, hence, requested the Commission to allow it to procure short-term power until it is able to tie up with a supplier in the medium/long-term for power supply.

Renewable Purchase Obligation

3.7.13. For FY 2025-26 to FY 2029-30, SEZ Bio-Tech Manjari has submitted that it has considered the RPO targets specified in the MERC (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) Regulations, 2024, amended from time to time as shown in the Table below:

Table 3-12: RPO Target for the Control Period

Year	Wind RPO	HPO	Distributed RPO	Other RPO	Total
2025-26	1.45%	1.22%	2.10%	28.24%	33.01%
2026-27	1.97%	1.34%	2.70%	29.94%	33.95%
2027-28	2.45%	1.42%	3.30%	31.64%	35.95%
2028-29	2.95%	1.42%	3.90%	33.10%	38.81%
2029-30	3.48%	1.33%	4.50%	34.02%	43.33%

3.7.14. However, the SEZ Bio-Tech Manjari referring to the Commission's allowance for Distribution Licensees with less than 20 MW, it is required for them to meet their Composite RPO target only.

Table 3-13: Estimated Power Purchase Quantum and Cost for FY 2025-26 as submitted by SEZ Bio-Tech Manjari

Source	Power Purchase Quantum (MU)	Total Cost (Rs. Crore)	Average Power Purchase Cost (Rs/kWh)
Short term Sources			
Ideal Energy (Thermal Power)	15.68	10.07	6.42
MSPGCL (Solar Power)	1.62	0.57	3.50
RTC (Conventional + Renewable Power)	48.73	26.80	5.50
Purchase from IEX	26.79	14.73	5.50
Total	92.82	52.17	5.62

3.7.15. SEZ Bio-Tech Manjari has projected the source-wise power purchase quantum and cost from FY 2026-27 to FY 2029-30 as under:

Table 3-14: Projected Power Purchase Cost for FY 2026-27 to FY 2029-30 as submitted by SEZ Bio-Tech Manjari

Particulars	Source	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Power Purchase Quantum (MU)	Long term / Medium term Sources				
	Long term Conventional RTC Power	16.83	40.39	40.39	42.77
	Long term RE RTC Power	12.87	30.89	30.89	42.77
	Short term sources				
	RTC (Conventional + RE Power)	48.81	31.02	36.10	27.15
	Purchase from IEX	18.94	-	-	-
	Total	97.45	102.30	107.38	112.69
Power Purchase Cost (Rs. Crore)	Long term / Medium term Sources				
	Long term Conventional RTC Power	10.94	26.25	26.25	27.80
	Long term RE RTC Power	5.79	13.90	13.90	19.25
	Short term sources				
	RTC (Conventional + Renewable Power)	29.28	18.61	21.66	16.29
	Purchase from IEX	11.37	-	-	-
	Total	57.38	58.76	61.81	63.34
Average Power Purchase Cost (Rs./kWh)	Long term / Medium term Sources				
	Long term Conventional RTC Power	6.50	6.50	6.50	6.50
	Long term RE RTC Power	4.50	4.50	4.50	4.50
	Short term sources				
	RTC (Conventional + Renewable Power)	6.00	6.00	6.00	6.00
	Purchase from IEX	6.00	-	-	-
	Total	5.89	5.74	5.76	5.62

Commission's Analysis and Rulings

- 3.7.16. The Commission, vide Combined Order dated 16 August 2024 in Case No. 66 of 2024 and Case No. 92 of 2024, adopted the tariff discovered through competitive bidding and approved the PPA with M/s Ideal Energy Projects Limited (IEPL) for 8MW of Base Load with at the rate of Rs. 6.42/kWh and with MSPGCL for 6 MW of peak load at the rate of Rs. 3.50/kWh for the period from 1 July 2024 to 30 June 2025. The Commission has considered the same.
- 3.7.17. The Commission analysed the prevailing Market Clearing Price (MCP) of power traded at the Power Exchanges during the period from 1 April 2023 to 31 March 2024 and accordingly considered the power purchase from IEX at Rs. 4.33/kWh for the 5th Control Period.
- 3.7.18. The Commission has noted and considered the Quantum of Power procured from RTC power through short-term competitive bidding (mix of conventional and RE power) at Rs. 5.50/kWh for the 5th Control Period.
- 3.7.19. The Commission has noted and considered SEZ Bio-Tech Manjari's submission under the Petition before the Commission in Case No. 137 of 2024 for approval of the power purchase plan and for undertaking combined power purchase for procuring Round the Clock (RTC) power on long-term basis for the period from FY 2025-26 to FY 2044-45. The same shall be considered in the MTR Petition based on the rulings of Case No. 137 of 2024.
- 3.7.20. Further, the Commission directs SEZ Bio-Tech Manjari to fulfil its composite RPO requirement for the Control Period in accordance with MERC (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) Regulations, 2024, amended from time to time.
- 3.7.21. Accordingly, the power purchase quantum and cost for 5th Control Period as approved by the Commission is shown in the table below:

Table 3-15: Power Purchase Quantum and Cost for 5th Control Period approved by the Commission (Rs. Crore)

Particulars	Source of Power	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Power Purchase Quantum (MU)	Ideal Energy (Thermal Power)	15.68	0.00	0.00	0.00	0.00
	MSPGCL (Solar Power)	1.50	0.00	0.00	0.00	0.00
	RTC (Conventional+Renewable)	48.73	48.81	31.02	36.11	27.20

Particulars	Source of Power	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	Power) (July 2025 to June 2026)					
	IEX power Purchase	26.91	18.94	0.00	0.00	0.00
	Long term Conventional RTC Power	0.00	16.83	40.39	40.39	42.77
	Long term RE RTC Power	0.00	12.87	30.89	30.89	42.77
	Total	92.82	97.45	102.30	107.39	112.74
Power Purchase Cost (Rs. Crore)	Ideal Energy (Thermal Power)	10.07	0.00	0.00	0.00	0.00
	MSPGCL (Solar Power)	0.52	0.00	0.00	0.00	0.00
	RTC (Conventional+Renewable Power) (July 2025 to June 2026)	26.80	29.28	18.61	21.67	16.32
	IEX power Purchase	11.65	8.21	0.00	0.00	0.00
	Long term Conventional RTC Power	0.00	10.94	26.25	26.25	27.80
	Long term RE RTC Power	0.00	5.79	13.90	13.90	19.25
	Total	49.05	54.22	58.76	61.82	63.36
Power Purchase Rate (Rs/kWh)	Ideal Energy (Thermal Power)	6.42	-	-	-	-
	MSPGCL (Solar Power)	3.50	-	-	-	-
	RTC (Conventional+Renewable Power) (July 2025 to June 2026)	5.50	6.00	6.00	6.00	6.00
	IEX power Purchase	4.33	4.33	-	-	-
	Long term Conventional RTC Power	-	6.50	6.50	6.50	6.50
	Long term RE RTC Power	-	4.50	4.50	4.50	4.50
	Total	5.28	5.56	5.74	5.76	5.62

3.7.22. Further, Regulation 10.5 of MYT Regulations 2024 states as follows:

“10.5 Distribution Licensee shall submit the details of variation in fuel costs relating to power generated from its own generation stations, cost of power procured, Inter-State Transmission Charges and Intra-State Transmission Charges on a quarterly basis within 60 days of the close of each quarter, for post facto approval:

Provided also that the Distribution Licensee shall submit the ZFAC levied to all consumers for the preceding quarter vis-a-vis the ZFAC recoverable, along with the detailed computations and supporting documents as may be required, for verification by the Commission:

Provided also that the Distribution Licensee shall provide details of the Commission's approval of levy of ZFAC on its internet website.”

3.7.23. The Commission directs SEZ Bio-Tech Manjari to submit the FAC as required as per Regulation 10.2 of MYT Regulations 2024 , Further the FAC will not be permitted, if there is any delay in submission. the FAC will not be permitted.

3.8. Transmission Charges and MSLDC Charges

SEZ Bio-Tech Manjari's Submission

- 3.8.1. SEZ Bio-Tech Manjari has submitted that in accordance with Regulation 2(102) of the MERC MYT Regulations, 2024, being a Distribution Licensee, it is also a Transmission System User (TSU) for the purpose of transmission tariff determination. Further, Regulations 83 and 84 of the MERC MYT Regulations, 2024 specify the mechanism for sharing of Total Transmission System Cost (TTSC) amongst the Transmission System Users. In a similar manner, Regulation 123 and Regulation 134 of the MERC MYT Regulations, 2024 specify the mechanism for sharing of MSLDC charges and STU charges, respectively, amongst Transmission System Users.
- 3.8.2. Being a Distribution Licensee, SEZ Bio-Tech Manjari is required to share the TTSC MSLDC Charges, and STU Charges in accordance with the MYT Regulations, 2024 and is not required to pay any additional Transmission Charges and MSLDC charges per transaction.
- 3.8.3. However, the Commission is yet to stipulate the SEZ Bio-Tech Manjari's share of the intra-State Transmission Charges and MSLDC Charges, as the SEZ Bio-Tech Manjari has commenced operations in July 2024 only. The STU Charges shall be determined for the first time by the Commission in the MYT Order. SEZ Bio-Tech Manjari has requested the Commission to include it as a pool participant in the intra-State transmission system and determine the SEZ Bio-Tech Manjari's share of intra-State Transmission Charges, MSLDC Charges and STU Charges in the InSTS Order, MSLDC Order, and STU Order respectively, while approving the power purchase cost for the Control Period from FY 2025-26 to FY 2029-30.
- 3.8.4. SEZ Bio-Tech Manjari has considered the Intra-State Transmission Charges, MSLDC Charges and STU Fees & Charges for the Control Period from FY 2025-26 to FY 2029-30 in line with the share of the SEZ Bio-Tech Manjari as proposed in the respective Petitions by STU (for InSTS Charges and STU Charges) and SLDC, as shown in the Table below:

Table 3-16: Projected Intra-State Transmission Charges, MSLDC Charges and STU Charges for FY 2025-26 to FY 2029-30 as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Intra-State Transmission Charges	4.90	4.87	5.61	6.19	6.62
MSLDC Charges	0.02	0.02	0.03	0.04	0.05
STU Charges	0.004	0.004	0.004	0.003	0.003

Commission Analysis and Rulings

3.8.5. The Commission has noted the submission of SEZ Bio-Tech Manjari. For the period FY 2025-26 to FY 2029-30 the Commission has approved the Intra-State Transmission Charges vide its Order dated **28 March 2025 in Case No. 208 of 2024**, MSLDC Charges vide its Order dated **28 March 2025 in Case No.186 of 2024** and STU Charges vide its Order dated **28 March 2025 in Case No.183 of 2024**.

3.8.6. The Transmission and MSLDC Charges for FY 2025-26 to FY 2029-30 as approved by the Commission are shown in the table below:

Table 3-17: Intra-state Transmission Charges and MSLDC Charges for 5th Control Period approved by the Commission (Rs. Crore)

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
InSTS Charges	4.9000	4.5105	4.8700	4.2647	5.6100	4.5918
MSLDC Charges	0.0170	0.0130	0.0236	0.0133	0.0345	0.0151
STU Charges	0.0036	0.0037	0.0036	0.0040	0.0035	0.0040

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
InSTS Charges	6.1900	4.7369	6.6200	4.8246
MSLDC Charges	0.0419	0.0167	0.0473	0.0180
STU Charges	0.0034	0.0039	0.0032	0.0037

3.9.Operations and Maintenance Expenses

SEZ Bio-Tech Manjari's Submission

3.9.1. SEZ Bio-Tech Manjari has submitted that, as its case is governed by the last proviso of Regulation 93 MYT Regulations 2024, it has considered the normative O&M expenses for FY 2024-25 as the base. It has then escalated these expenses using the escalation indices specified in the MYT Regulations 2024. SEZ Bio-Tech Manjari has considered

following data on the Wholesale Price Index (WPI) and Consumer Price Index (CPI) for the past seven years.

Table 3-18: WPI data for past seven years

Month	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Apr	117.3	121.1	119.20	132.00	152.30	151.10	152.90
May	118.3	121.6	117.50	132.70	155.00	149.40	153.50
Jun	119.1	121.5	119.30	133.70	155.40	148.90	154.00
Jul	119.9	121.2	121.00	135.00	154.00	152.10	155.20
Aug	120.1	121.50	122.00	136.20	153.20	152.50	154.50
Sep	120.9	121.30	122.90	137.40	152.10	151.80	154.60
Oct	122.0	122.00	123.60	140.7	152.50	152.50	-
Nov	121.6	122.30	125.10	143.7	152.50	152.90	-
Dec	119.7	123.00	125.40	143.3	150.50	151.60	-
Jan	119.2	123.40	126.50	143.8	150.70	151.20	-
Feb	119.5	122.20	128.10	145.3	150.90	151.20	-
Mar	119.9	120.40	129.90	148.9	151.00	151.40	-
Average	119.79	121.79	123.38	139.39	152.51	151.38	154.12
YoY	4.28%	1.67%	1.30%	12.98%	9.41%	-0.74%	1.81%

Table 3-19: CPI data for past seven years

Month	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Apr	288	312	329	346	368	386	401
May	289	314	330	347	372	388	403
Jun	291	316	332	350	372	393	407
Jul	301	319	336	354	374	402	411
Aug	301	320	338	354	375	401	411
Sep	301	322	340	355	378	396	413
Oct	302	325	344	360	382	399	-
Nov	302	328	345	362	382	401	-
Dec	301	330	342	361	381	400	-
Jan	307	330	340	360	382	400	-
Feb	307	328	343	360	382	401	-
Mar	309	326	344	363	384	400	-
Average	299.92	322.50	338.69	356.06	377.62	397.20	407.66
YoY	5.45%	7.53%	5.02%	5.13%	6.05%	5.19%	2.63%

Table 3-20: Escalation rate for O&M Expenses

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
CPI (%)	5.84%	5.78%	4.80%

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
WPI (%)	5.93%	4.92%	4.94%
CPI: WPI: 70:30	5.86%	5.53%	4.85%

3.9.2. Since the operation of the SEZ Bio-Tech Manjari as a Distribution Licensee commenced from 1 July 2024, it has not considered the efficiency factor as the growth in number of consumers cannot be assessed. Further, SEZ Bio-Tech Manjari has requested the Commission to not consider the Efficiency Factor while computing the escalation factor, as the consumers in its licence area cannot keep on increasing. Hence, SEZ Bio-Tech Manjari has escalated the estimated O&M expenses for FY 2024-25 by the escalation index of 4.85%, to project the normative O&M expenses for each year of the Control Period from FY 2025- 26 to FY 2029-30.

3.9.3. The proposed normative O&M expenses for FY 2025-26 to FY 2029-30 are shown in the following table.

Table 3-21: Projected Normative O&M Expenses by SEZ Bio-Tech Manjari for the Control Period (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
O&M Expenses for Wires Business	1.42	1.49	1.56	1.64	1.72
O&M Expenses for Supply Business	0.77	0.80	0.84	0.88	0.93
Total O&M Expenses	2.19	2.30	2.41	2.52	2.65

Commission's Analysis and Rulings

3.9.4. MYT Regulations 2024 do not mention any O&M norms for arriving at normative O&M expenses for SEZ Bio-Tech Manjari. Regulation 93.2 of the MYT Regulations 2024 has following provisions:

“93.2 ...

Provided that in case of the Distribution Licensee or the Deemed Distribution Licensee tariff is yet to be determined by the Commission till coming into force of these Regulations, the Commission may determine the O&M Norms on case-to-case basis.”

3.9.5. In line with the above provisions, the Commission has determined normative O&M expenses for SEZ Bio-Tech Manjari for the 5th Control Period in this Order.

3.9.6. The Commission has considered similar methodology as per the Statement of Reasons (SOR) of the MYT Regulations 2024, used to derive O&M Expense norms of other Distribution Licensees to arrive at the specific normative O&M expenses of SEZ Bio-Tech Manjari for the 5th Control Period.

3.9.7. The Commission has followed the following steps to determine normative O&M expenses for SEZ Bio-Tech Manjari:

a) The Commission has estimated the O&M Expenses for the 5th Control Period by pro-rating the actual approved O&M expenses of FY 2024-25 to arrive at the full Base Year O&M Expenses of FY 2024-25. The Commission has observed that SEZ Bio-Tech Manjari has escalated the O&M expenses for 9 months instead of 12 months of FY 2024-25 to determine the annual O&M expenses for the Control Period.

b) Such derived O&M expense (separately for distribution wires business and retail supply business) for the base year i.e. FY 2024-25 is further escalated over the 5th Control Period with the inflation rate of 4.97% (arrived after applying 30% weight to 5 year average WPI of 5.04% and 70% weight to 5 year average of CPI of 4.93% for FY 2024-25). The Commission has not considered the 1.00% efficiency factor for SEZ Bio-Tech Manjari as per its submission that the numbers of consumers shall not increase considering the type of consumers operating in the SEZ premises.

3.9.8. The O&M Expenses approved for FY 2025-26 to FY 2029-30 are as follows:

Table 3-22: Total O&M Expenses for FY 2025-26 to FY 2029-30 approved by the Commission (Rs. Crore)

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
O&M Expenses for Wires Business	1.4231	1.8996	1.4921	1.9939	1.5644	2.0929
O&M Expenses for Supply Business	0.7663	1.0228	0.8034	1.0736	0.8424	1.1270
Total O&M Expenses	2.1893	2.9224	2.2955	3.0676	2.4068	3.2199

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
O&M Expenses for Wires Business	1.6403	2.1969	1.7198	2.3060
O&M Expenses for Supply Business	0.8832	1.1829	0.9261	1.2417
Total O&M Expenses	2.5235	3.3798	2.6459	3.5477

3.10. Capital Expenditure and Capitalisation

SEZ Bio-Tech Manjari's Submission

3.10.1. SEZ Bio-Tech Manjari has not planned any DPR and Non-DPR scheme for the Control Period and accordingly requested the Commission to approve Nil capital expenditure and Capitalisation for the Control Period from FY 2025-26 to FY 2029-30.

3.10.2. SEZ Bio-Tech Manjari has further submitted that in case any capital expenditure is required to be undertaken, it will seek the Commission at the appropriate time in accordance with the MERC Capex Approval Regulations, 2022 and claim the impact of such capitalisation at the time of true-up for the respective years.

Commission's Analysis and Rulings

3.10.3. Since SEZ Bio-Tech Manjari has not proposed any Capital Expenditure and Capitalisation for the Distribution Wires Business and Retail Supply Business, the Commission has approved 'Nil' Capital Expenditure and Capitalisation for the Control Period from FY 2025-26 to FY 2029-30.

3.11. Depreciation

SEZ Bio-Tech Manjari's Submission

3.11.1. SEZ Bio-Tech Manjari has submitted that it has calculated depreciation for the Distribution Wires and Retail Supply Business in accordance with Regulation 28 of the MYT Regulations, 2024. Since no new asset additions are envisaged during the Control Period, SEZ Bio-Tech Manjari has computed asset-wise depreciation solely for the existing assets as per Annexure-I of the MYT Regulations, 2024.

3.11.2. SEZ Bio-Tech Manjari has submitted that it has considered closing GFA of FY 2024-25 as per provisional true-up proposed by it as the opening GFA for FY 2025-26 to onwards. Further, no new addition of assets is considered over the control period which is in line with nil capitalization proposed by it over the control period.

3.11.3. The following table shows the depreciation computed for FY 2025-26 to FY 2029-30, based on Opening GFA and addition to GFA during the respective years:

Table 3-23: Projected Depreciation for 5th Control Period as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Distribution Wires Business					
Opening GFA	1.07	1.07	1.07	1.07	1.07
Additions during the Year	0.00	0.00	0.00	0.00	0.00
Closing GFA	1.07	1.07	1.07	1.07	1.07
Depreciation	0.06	0.06	0.06	0.06	0.06
Retail Supply Business					
Opening GFA	0.22	0.22	0.22	0.22	0.22
Additions during the Year	0.00	0.00	0.00	0.00	0.00
Closing GFA	0.22	0.22	0.22	0.22	0.22
Depreciation	0.01	0.01	0.01	0.01	0.01

Commission's Analysis and Rulings

3.11.4. The Commission has computed the depreciation in accordance with Regulation 28 of the MYT Regulations, 2024 for the Distribution Wires and Retail Supply Business separately.

3.11.5. The Commission has considered the asset wise closing GFA of FY 2024-25 as the asset wise opening GFA for FY 2025-26. The Commission has considered approved 'nil' capitalisation for FY 2025-26 to FY 2029-30 towards addition of assets during the year. The Commission has calculated the depreciation by applying the asset class-wise depreciation rate as specified in the MYT Regulations 2024 on the average asset class-wise GFA during the year.

3.11.6. The Depreciation approved for FY 2025-26 to FY 2029-30 for the Distribution Wires and Retail Supply Businesses for SEZ Bio-Tech Manjari is as shown in the table below:

Table 3-24: Depreciation for FY 2025-26 to FY 2029-30 approved by the Commission (Rs. Crore)

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Distribution Wires Business						
Opening GFA	1.07	1.07	1.07	1.07	1.07	1.07
Additions during the Year	0.00	0.00	0.00	0.00	0.00	0.00
Retirement during the year	0.00	0.00	0.00	0.00	0.00	0.00
Closing GFA	1.07	1.07	1.07	1.07	1.07	1.07
Depreciation	0.0565	0.0565	0.0565	0.0565	0.0565	0.0565
Retail Supply Business						
Opening GFA	0.22	0.22	0.22	0.22	0.22	0.22
Additions during the Year	0.00	0.00	0.00	0.00	0.00	0.00
Retirement during the year	0.00	0.00	0.00	0.00	0.00	0.00
Closing GFA	0.22	0.22	0.22	0.22	0.22	0.22

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Depreciation	0.0116	0.0116	0.0116	0.0116	0.0116	0.0116

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Distribution Wires Business				
Opening GFA	1.07	1.07	1.07	1.07
Additions during the Year	0.00	0.00	0.00	0.00
Retirement during the year	0.00	0.00	0.00	0.00
Closing GFA	1.07	1.07	1.07	1.07
Depreciation	0.0565	0.0565	0.0565	0.0565
Retail Supply Business				
Opening GFA	0.22	0.22	0.22	0.22
Additions during the Year	0.00	0.00	0.00	0.00
Retirement during the year	0.00	0.00	0.00	0.00
Closing GFA	0.22	0.22	0.22	0.22
Depreciation	0.0116	0.0116	0.0116	0.0116

3.12. Interest on Long-Term Loan Capital

SEZ Bio-Tech Manjari's Submission

3.12.1. SEZ Bio-Tech Manjari has submitted that it has computed the interest on long-term loan as per Regulation 30 of the MYT Regulations, 2024. It has considered the closing net normative loan of FY 2024-25 considered in Provisional Truing-up as the opening net normative loan for FY 2025-26 and onwards. SEZ Bio-Tech Manjari has submitted that the computation of interest on long-term loan capital was done on the basis of opening normative loan in a year and the normative repayment of loan has been considered equal to the projected depreciation for the respective year, in accordance with the Regulations.

3.12.2. Further, SEZ Bio-Tech Manjari has submitted that for arriving at the debt component, the debt: equity ratio of 70:30 has been considered on the proposed capitalisation for respective year, which has been projected as Nil. SEZ Bio-Tech Manjari has submitted that does not have any actual loans, hence, the interest rate has been considered same as the rate of interest considered in the provisional truing up for FY 2024-25, i.e., SBI 1-year MCLR of 8.65%, prevalent as on 1st April of FY 2024-25.

3.12.3. Interest on long-term loan capital projected for FY 2025-26 to FY 2029-30 is shown in the following Table:

Table 3-25: Projected Interest on Loan for Wires Business for the 5th Control Period as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Balance of Net Normative Loan	0.72	0.66	0.61	0.55	0.49
Addition of Normative Loan due to capitalisation during the year	0.00	0.00	0.00	0.00	0.00
Repayment of Normative Loan during the year	0.06	0.06	0.06	0.06	0.06
Closing Balance of Net Normative Loan	0.66	0.61	0.55	0.49	0.44
Average Balance of Net Normative Loan	0.69	0.64	0.58	0.52	0.47
Weighted Average Rate of Interest on Actual Loans (%)	8.65%	8.65%	8.65%	8.65%	8.65%
Interest Expenses	0.06	0.06	0.05	0.05	0.04
Financing Charges	0.00	0.00	0.00	0.00	0.00
Total Interest and Financing Charges	0.06	0.06	0.05	0.05	0.04

Table 3-26: Projected Interest on Loan for Retail Supply Business for the 5th Control Period as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Balance of Net Normative Loan	0.14	0.13	0.12	0.11	0.10
Addition of Normative Loan due to capitalisation during the year	0.00	0.00	0.00	0.00	0.00
Repayment of Normative loan during the year	0.01	0.01	0.01	0.01	0.01
Closing Balance of Net Normative Loan	0.13	0.12	0.11	0.10	0.09
Average Balance of Net Normative Loan	0.14	0.13	0.12	0.10	0.09
Weighted average Rate of Interest on actual Loans (%)	8.65%	8.65%	8.65%	8.65%	8.65%
Interest Expenses	0.01	0.01	0.01	0.01	0.01
Financing Charges	0.00	0.00	0.00	0.00	0.00
Total Interest and Financing Charges	0.01	0.01	0.01	0.01	0.01

Commission's Analysis and Rulings

3.12.4. The Commission has approved interest on long term loan capital in accordance with Regulation 30 of MYT Regulations 2024. The Commission has considered provisionally approved closing balance of normative loans as on FY 2024-25 as the opening balance of the normative loan for FY 2025-26. Since the approved Capitalisation for the control period is nil the Commission has not considered any addition to the normative loan during the control period. The loan repayment is considered equal to the depreciation allowed during the year in line with Regulation 30.3 of MYT Regulations 2024.

3.12.5. Since SEZ Bio-Tech Manjari does not have actual loans, the rate of interest for calculating interest on normative loan capital has been considered based on the prevalent weighted average rate of interest as on 1 April 2024 i.e. 8.65%, in accordance with Regulation 30.5 of the MYT Regulations 2024.

3.12.6. The Commission has considered weighted average rate of interest of 8.65% throughout for all years of the control period.

3.12.7. The Interest on Loan approved by the Commission is summarized in the table below:

Table 3-27: Interest on Loan for FY 2025-26 to FY 2029-30 approved by the Commission (Rs. Crore)

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Distribution Wires Business						
Opening Normative Loan	0.72	0.73	0.66	0.67	0.61	0.61
Addition of Normative Loan during the year	0.00	0.00	0.00	0.00	0.00	0.00
Less: Repayment during the year	0.06	0.06	0.06	0.06	0.06	0.06
Closing Normative Loan	0.66	0.67	0.61	0.61	0.55	0.56
Average Normative Loan	0.69	0.70	0.64	0.64	0.58	0.59
Rate of Interest	8.65%	8.65%	8.65%	8.65%	8.65%	8.65%
Interest on Loan for Wires Business	0.0599	0.0605	0.0550	0.0556	0.0501	0.0507
Retail Supply Business						
Opening Normative Loan	0.14	0.15	0.13	0.13	0.12	0.12
Addition of Normative Loan during the year	0.00	0.00	0.00	0.00	0.00	0.00
Less: Repayment during the year	0.01	0.01	0.01	0.01	0.01	0.01
Closing Normative Loan	0.13	0.13	0.12	0.12	0.11	0.11
Average Normative Loan	0.14	0.14	0.13	0.13	0.12	0.12
Rate of Interest	8.65%	8.65%	8.65%	8.65%	8.65%	8.65%
Interest on Loan for Supply Business	0.0120	0.0122	0.0110	0.0112	0.0100	0.0102

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Distribution Wires Business				
Opening Normative Loan	0.55	0.56	0.49	0.50
Addition of Normative Loan during the year	0.00	0.00	0.00	0.00
Less: Repayment during the year	0.06	0.06	0.06	0.06

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Closing Normative Loan	0.49	0.50	0.44	0.45
Average Normative Loan	0.52	0.53	0.47	0.47
Rate of Interest	8.65%	8.65%	8.65%	8.65%
Interest on Loan for Wires Business	0.0452	0.0459	0.0404	0.0410
Retail Supply Business				
Opening Normative Loan	0.11	0.11	0.10	0.10
Addition of Normative Loan during the year	0.00	0.00	0.00	0.00
Less: Repayment during the year	0.01	0.01	0.01	0.01
Closing Normative Loan	0.10	0.10	0.09	0.09
Average Normative Loan	0.10	0.11	0.09	0.09
Rate of Interest	8.65%	8.65%	8.65%	8.65%
Interest on Loan for Supply Business	0.0089	0.0092	0.0079	0.0082

3.13. Interest on Working Capital & on Consumer's Security Deposit

SEZ Bio-Tech Manjari's Submission

3.13.1. SEZ Bio-Tech Manjari has submitted that it has calculated the normative Interest on Working Capital in accordance with Regulation 32 of the MYT Regulations, 2024. SEZ Bio-Tech Manjari has submitted that it has maintained the CSD at the same level as the actual CSD of FY 2024-25.

3.13.2. According to Regulations 32.3 (b) and 32.4 (b), the rate of interest applicable for calculating the Interest on Working Capital is specified. The relevant provisions have been duly considered in this computation.

“(b) 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:”

3.13.3. SEZ Bio-Tech Manjari has considered one-year SBI MCLR prevalent as on 15 November 2024, i.e., 9.00% as the Base Rate. Accordingly, for computation of IoWC, SEZ Bio-Tech Manjari has considered the rate of interest of 10.50% (9.00% plus 1.5%) for FY 2025-26 to FY 2029-30, in accordance with the MYT Regulations, 2024.

3.13.4. The interest rate used for calculating the interest on the Consumer Security Deposit (CSD) has been set to match the Reserve Bank of India's (RBI) Bank Rate as of April 1, 2024 i.e. 6.50%, in accordance with the MYT Regulations, 2024.

3.13.5. The projected IoWC and interest on CSD for the Control Period is shown in the tables below:

Table 3-28: Projected IoWC and Interest on CSD for FY 2025-26 to FY 2029-30 as submitted by SEZ Bio-Tech Manjari (Rs. Crore) – Wires Business

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
O&M expenses for a month	0.12	0.12	0.13	0.14	0.14
Maintenance Spares at 1% of Opening GFA	0.01	0.01	0.01	0.01	0.01
Receivables	0.20	0.21	0.22	0.23	0.24
Less: Amount held as Security Deposit	0.02	0.02	0.02	0.02	0.02
Total Working Capital Requirement	0.31	0.32	0.34	0.35	0.37
Computation of Working Capital Interest					
Interest Rate (%) - SBI MCLR +150 basis points	10.50%	10.50%	10.50%	10.50%	10.50%
Interest on Working Capital	0.03	0.03	0.04	0.04	0.04
Interest on CSD	-	-	-	-	-
Interest Rate (%) - Bank Rate	6.50%	6.50%	6.50%	6.50%	6.50%
Interest on CSD	0.002	0.002	0.002	0.002	0.002

Table 3-29: Projected IoWC and Interest on CSD for FY 2025-26 to FY 2029-30 submitted by SEZ Bio-Tech Manjari (Rs. Crore) – Retail Supply Business

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
O&M expenses for a month	0.06	0.07	0.07	0.07	0.08
Maintenance Spares at 1% of Opening GFA	0.002	0.002	0.002	0.002	0.002
Receivables	7.27	7.93	8.20	8.66	8.91
Less: Amount held as Security Deposit	0.22	0.22	0.22	0.22	0.22
Less: one month equivalent of cost of power purchase, transmission charges and MSLDC Charges	4.76	5.19	5.37	5.67	5.83
Total Working Capital Requirement	2.36	2.59	2.69	2.85	2.94
Computation of Working Capital Interest					
Interest Rate (%) - SBI MCLR +150 basis points	10.50%	10.50%	10.50%	10.50%	10.50%
Interest on Working Capital	0.25	0.27	0.28	0.30	0.31
Interest on CSD	-	-	-	-	-

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Interest Rate (%) - Bank Rate	6.50%	6.50%	6.50%	6.50%	6.50%
Interest on CSD	0.01	0.01	0.01	0.01	0.01

Commission's Analysis and Rulings

3.13.6. The Commission has computed the normative IoWC in accordance with the Regulation 32.3 and 32.4 of the MYT Regulations, 2024. The Commission has considered the rate of IoWC equal to prevailing SBI MCLR Rate (9.00%) plus 150 basis points. i.e. 10.50%

3.13.7. The Commission has considered 2 months of Revenue from proposed tariff as CSD. Further rate of interest for CSD is considered as RBI Bank Rate as of April 1, 2024 which is 6.50%.

3.13.8. The Interest on Working Capital and on CSD as approved by the Commission for the Wires Business and the Retail Supply Business is as shown in the table below:

Table 3-30: IoWC for FY 2025-26 to FY 2029-30 approved by the Commission (Rs. Crore)

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Distribution Wires Business						
O&M expenses for a month	0.12	0.16	0.12	0.17	0.13	0.17
Maintenance Spares at 1% of Opening GFA	0.01	0.01	0.01	0.01	0.01	0.01
One and half month's equivalent of the expected revenue from charges for use of Distribution Wires	0.20	0.20	0.21	0.20	0.22	0.21
Less: Amount held as Security Deposit from Distribution System Users	0.02	0.02	0.02	0.02	0.02	0.02
Total Working Capital Requirement	0.3086	0.3403	0.3226	0.3527	0.3372	0.3742
Interest Rate (%) - SBI Base Rate +150 basis points	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
Interest on Working Capital	0.0324	0.0357	0.0339	0.0370	0.0354	0.0393
Interest Rate (%) - Bank Rate	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
Interest on Security Deposit	0.0016	0.0016	0.0016	0.0016	0.0016	0.0016
Retail Supply Business						

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
O&M expenses for a month	0.06	0.09	0.07	0.09	0.07	0.09
Maintenance Spares at 1% of Opening GFA	0.00	0.00	0.00	0.00	0.00	0.00
One and half month's equivalent of the expected revenue from sale of electricity including revenue from CSS and Additional Surcharge	7.27	6.79	7.93	7.11	8.20	7.45
Less: Amount held as security deposit	0.22	0.22	0.22	0.22	0.22	0.22
Less: One month equivalent of cost of power purchase, transmission charges and MSLDC Charges	4.76	4.46	5.19	4.87	5.37	5.28
Total Working Capital Requirement	2.36	2.19	2.59	2.11	2.69	2.05
Interest Rate (%) - SBI Base Rate +150 basis points	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
Interest on Working Capital	0.2481	0.2304	0.2719	0.2216	0.2822	0.2150
Interest Rate (%) - Bank Rate	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
Interest on Security Deposit	0.0140	0.0140	0.0140	0.0140	0.0140	0.0140

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Distribution Wires Business				
O&M expenses for a month	0.14	0.18	0.14	0.19
Maintenance Spares at 1% of Opening GFA	0.01	0.01	0.01	0.01
One and half month's equivalent of the expected revenue from charges for use of Distribution Wires	0.23	0.23	0.24	0.24
Less: Amount held as Security Deposit from Distribution System Users	0.02	0.02	0.02	0.02
Total Working Capital Requirement	0.3526	0.3961	0.3688	0.4164
Interest Rate (%) - SBI Base Rate +150 basis points	10.50%	10.50%	10.50%	10.50%
Interest on Working Capital	0.0370	0.0416	0.0387	0.0437
Interest Rate (%) - Bank Rate	6.50%	6.50%	6.50%	6.50%
Interest on Security Deposit	0.0016	0.0016	0.0016	0.0016

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Retail Supply Business				
O&M expenses for a month	0.07	0.10	0.08	0.10
Maintenance Spares at 1% of Opening GFA	0.00	0.00	0.00	0.00
One and half month's equivalent of the expected revenue from sale of electricity including revenue from CSS and Additional Surcharge	8.66	7.80	8.91	8.18
Less: Amount held as security deposit	0.22	0.22	0.22	0.22
Less: One month equivalent of cost of power purchase, transmission charges and MSLDC Charges	5.67	5.55	5.83	5.68
Total Working Capital Requirement	2.85	2.14	2.94	2.38
Interest Rate (%) - SBI Base Rate +150 basis points	10.50%	10.50%	10.50%	10.50%
Interest on Working Capital	0.2992	0.2248	0.3089	0.2502
Interest Rate (%) - Bank Rate	6.50%	6.50%	6.50%	6.50%
Interest on Security Deposit	0.0140	0.0140	0.0140	0.0140

3.14. Return on Equity

SEZ Bio-Tech Manjari's Submission

3.14.1. SEZ Bio-Tech Manjari has submitted that it has computed the Return on Equity Capital for FY 2025-26 to FY 2029-30 in accordance with Regulation 29 of the MERC MYT Regulations, 2024 for Distribution Wires Business and Retail Supply Business, separately.

3.14.2. SEZ Bio-Tech Manjari has further submitted that it has considered the Closing Equity of FY 2024-25 as Opening Equity of FY 2025-26 and onwards and the addition to equity is considered equal to 30% of the capitalization proposed for respective year of the Control Period as specified in the MYT Regulations, 2024, which is Nil in the case of SEZ Bio-Tech Manjari. Further, since FY 2024-25 is the first year of operation for the SEZ Bio-Tech Manjari, there is no approved Income Tax rate for FY 2023-24, hence, SEZ Bio-Tech Manjari has claimed pre-tax RoE same as Base rate of RoE for the Control Period from FY 2025-26 to FY 2029-30.

3.14.3. The following Table shows the RoE computed and claimed for Wires Business and Retail Supply Business:

Table 3-31: Projected Return on Equity Capital for Wires Business as submitted by SEZ Bio-Tech Manjari for FY 2025-26 to FY 2029-30 (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Regulatory Equity at the beginning of the year	0.32	0.32	0.32	0.32	0.32
Equity portion of capitalisation during the year	0.00	0.00	0.00	0.00	0.00
Regulatory Equity at the end of the year	0.32	0.32	0.32	0.32	0.32
Return on Equity Computation					
Base Rate of Return on Equity	15.50%	15.50%	15.50%	15.50%	15.50%
Pre-tax Return on Equity after considering effective Tax rate	15.50%	15.50%	15.50%	15.50%	15.50%
Return on Regulatory Equity at the beginning of the year	0.05	0.05	0.05	0.05	0.05
Return on Regulatory Equity addition during the year	0.00	0.00	0.00	0.00	0.00
Total Return on Equity	0.05	0.05	0.05	0.05	0.05

Table 3-32: Projected Return on Equity Capital for Retail Supply Business as submitted by SEZ Bio-Tech Manjari for FY 2025-26 to FY 2029-30 (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Regulatory Equity at the beginning of the year	0.07	0.07	0.07	0.07	0.07
Equity portion of capitalisation during the year	0.00	0.00	0.00	0.00	0.00
Regulatory Equity at the end of the year	0.07	0.07	0.07	0.07	0.07
Return on Equity Computation					
Base Rate of Return on Equity	17.50%	17.50%	17.50%	17.50%	17.50%
Pre-tax Return on Equity after considering effective Tax rate	17.50%	17.50%	17.50%	17.50%	17.50%
Return on Regulatory Equity at the beginning of the year	0.01	0.01	0.01	0.01	0.01
Return on Regulatory Equity addition during the year	0.00	0.00	0.00	0.00	0.00
Total Return on Equity	0.01	0.01	0.01	0.01	0.01

Commission's Analysis and Rulings

3.14.4. The Commission has approved RoE based on Regulation 29.1 and 29.2 of the MYT Regulations 2024. The Commission has considered the approved closing balance of equity at the end of FY 2024-25 as the opening balance of regulatory equity at the beginning of the year for FY 2025-26. Since no capitalisation is approved for the control period the Commission has considered no equity addition over the control period.

3.14.5. First proviso to Regulation 34.1 of the MYT Regulations 2024 provides that the Income tax rate shall be allowed as the latest available Income Tax Rate approved by the Commission. Accordingly, as elaborated in earlier section above, the Commission has considered Nil tax rate applicable for FY 2024-25 for the purpose of projecting pre-tax RoE on the Base rate of 15.50% for Wires Business and 17.50% for the Retail Supply Business.

3.14.6. The RoE approved by the Commission for the Wires Business and Supply Business is summarized in the following table:

Table 3-33: RoE for FY 2025-26 to FY 2029-30 approved by the Commission (Rs. Crore)

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Distribution Wires Business						
Regulatory Equity at beginning of the year	0.32	0.32	0.32	0.32	0.32	0.32
Equity portion of capitalisation during the year	0.00	0.00	0.00	0.00	0.00	0.00
Regulatory Equity at the end of the year	0.32	0.32	0.32	0.32	0.32	0.32
Base Return on Equity (per annum)	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
Pre-tax Return on Equity after considering effective Tax rate	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
Return on Equity for Wires Business	0.0498	0.0498	0.0498	0.0498	0.0498	0.0498
Retail Supply Business						
Regulatory Equity at beginning of the year	0.07	0.07	0.07	0.07	0.07	0.07
Equity portion of capitalisation during the year	0.00	0.00	0.00	0.00	0.00	0.00
Regulatory Equity at the end of the year	0.07	0.07	0.07	0.07	0.07	0.07
Base Return on Equity (per annum)	17.50%	17.50%	17.50%	17.50%	17.50%	17.50%
Pre-tax Return on Equity after considering effective Tax rate (per annum)	17.50%	17.50%	17.50%	17.50%	17.50%	17.50%
Return on Equity for Supply Business	0.0116	0.0116	0.0116	0.0116	0.0116	0.0116

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Distribution Wires Business				
Regulatory Equity at beginning of the year	0.32	0.32	0.32	0.32
Equity portion of capitalisation during the year	0.00	0.00	0.00	0.00
Regulatory Equity at the end of the year	0.32	0.32	0.32	0.32
Base Return on Equity (per annum)	15.50%	15.50%	15.50%	15.50%
Pre-tax Return on Equity after considering effective Tax rate	15.50%	15.50%	15.50%	15.50%
Return on Equity for Wires Business	0.0498	0.0498	0.0498	0.0498
Retail Supply Business				
Regulatory Equity at beginning of the year	0.07	0.07	0.07	0.07
Equity portion of capitalisation during the year	0.00	0.00	0.00	0.00
Regulatory Equity at the end of the year	0.07	0.07	0.07	0.07
Base Return on Equity (per annum)	17.50%	17.50%	17.50%	17.50%
Pre-tax Return on Equity after considering effective Tax rate (per annum)	17.50%	17.50%	17.50%	17.50%
Return on Equity for Supply Business	0.0116	0.0116	0.0116	0.0116

3.15. Provisioning for Bad Debts

SEZ Bio-Tech Manjari's Submission

3.15.1. SEZ Bio-Tech Manjari has submitted that it has not considered provisioning for bad debts as it has not envisaged any outstanding receivables during FY 2025-26 to FY 2029-30. SEZ Bio-Tech Manjari has submitted that if any provisions for bad debts become necessary, they will be claimed during the truing-up process for the respective year.

Commission's Analysis & Rulings

3.15.2. Since SEZ Bio-Tech Manjari has not envisaged any provisioning for bad debts, the Commission has also not approved any amount towards provision for bad and doubtful debts during FY 2025-26 to FY 2029-30.

3.16. Contribution to Contingency Reserves

SEZ Bio-Tech Manjari's Submission

3.16.1. SEZ Bio-Tech Manjari has considered the Contribution to Contingency Reserves in accordance with Regulation 35 of the MYT Regulations, 2024 at 0.25% of original cost of fixed assets as shown in the Table below:

Table 3-34: Projected Contribution to Contingency Reserves for Control Period (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening GFA of Wire Business	1.07	1.07	1.07	1.07	1.07
Contribution to Contingency Reserves for Wires Business	0.003	0.003	0.003	0.003	0.003
Opening GFA of Retail Supply Business	0.22	0.22	0.22	0.22	0.22
Contribution to Contingency Reserves for Retail Supply Business	0.001	0.001	0.001	0.001	0.001

Commission's Analysis and Rulings

3.16.2. The Commission has considered the Contribution to Contingency Reserves in accordance with Regulation 35 of the MYT Regulations, 2024 at 0.25% of original cost of fixed assets as shown in the Table below:

Table 3-35: Projected Contribution to Contingency Reserves for Control Period as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening GFA of Wire Business	1.07	1.07	1.07	1.07	1.07
Contribution to Contingency Reserves for Wires Business	0.003	0.003	0.003	0.003	0.003
Opening GFA of Retail Supply Business	0.22	0.22	0.22	0.22	0.22
Contribution to Contingency Reserves for Retail Supply Business	0.001	0.001	0.001	0.001	0.001

3.17. Non-Tariff Income

SEZ Bio-Tech Manjari's Submission

3.17.1. SEZ Bio-Tech Manjari has not considered Non-Tariff Income for the Distribution Wires Business and Retail Supply Business for FY 2025-26 to FY 2029-30, based on the actual/ estimated Non-Tariff Income for FY 2024-25.

Commission's Analysis and Rulings

3.17.2. Since SEZ Bio-Tech Manjari has not envisaged any non-tariff income, the Commission has also allowed 'nil' non-Tariff income for the 5th control period.

3.18. Summary of Aggregate Revenue Requirement

SEZ Bio-Tech Manjari's Submission

3.18.1. SEZ Bio-Tech Manjari has submitted the projected ARR for the Distribution Wires Business for FY 2025-26 to FY 2029-30 as summarized in the table below:

Table 3-36: Projected ARR for Distribution Wires Business for 5th Control Period as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Operation & Maintenance Expenses	1.42	1.49	1.56	1.64	1.72
Depreciation	0.06	0.06	0.06	0.06	0.06
Interest on Loan Capital	0.06	0.06	0.05	0.05	0.04
Interest on Working Capital	0.03	0.03	0.04	0.04	0.04
Interest on Security Deposit	0.002	0.002	0.002	0.002	0.002
Provision for bad and doubtful debt	0.00	0.00	0.00	0.00	0.00
Contribution to contingency reserves	0.003	0.003	0.003	0.003	0.003
Total Revenue Expenditure	1.58	1.64	1.71	1.78	1.86
Add: Return on Equity Capital	0.05	0.05	0.05	0.05	0.05
Aggregate Revenue Requirement	1.63	1.69	1.76	1.83	1.91
Less: Non-Tariff Income	0.00	0.00	0.00	0.00	0.00
Aggregate Revenue Requirement from Distribution Wires	1.63	1.69	1.76	1.83	1.91

3.18.2. The projected ARR for the Retail Supply Business for the Control Period is summarized in the table below:

Table 3-37: Projected ARR for Retail Supply Business for 5th Control Period as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Power Purchase Expenses	52.17	57.38	58.76	61.81	63.34
Operation & Maintenance Expenses	0.77	0.80	0.84	0.88	0.93
Depreciation	0.01	0.01	0.01	0.01	0.01
Interest on Loan Capital	0.01	0.01	0.01	0.01	0.01
Interest on Working Capital	0.25	0.27	0.28	0.30	0.31
Interest on Consumer Security Deposit	0.01	0.01	0.01	0.01	0.01
Write-off of bad and doubtful debts	0.00	0.00	0.00	0.00	0.00
Contribution to contingency reserves	0.001	0.001	0.001	0.001	0.001
Intra-State Transmission Charges	4.90	4.87	5.61	6.19	6.62
MSLDC Fees & Charges	0.02	0.02	0.03	0.04	0.05
STU Charges	0.004	0.004	0.004	0.003	0.003
Total Revenue Expenditure	58.15	63.39	65.57	69.27	71.28
Add: Return on Equity Capital	0.01	0.01	0.01	0.01	0.01
Aggregate Revenue Requirement	58.16	63.40	65.58	69.28	71.29
Less: Non-Tariff Income	0.00	0.00	0.00	0.00	0.00

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Aggregate Revenue Requirement from Retail Supply	58.16	63.40	65.58	69.28	71.29

Commission Analysis and Rulings

3.18.3. Based on the analysis in the previous paragraphs, the Commission has approved the ARR for FY 2025-26 to FY 2029-30, as summarized in the Table below:

Table 3-38: ARR for Distribution Wires Business approved by the Commission for 5th Control Period (Rs. Crore)

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Operation & Maintenance Expenses	1.4231	1.8996	1.4921	1.9939	1.5644	2.0929
Depreciation	0.0565	0.0565	0.0565	0.0565	0.0565	0.0565
Interest on Loan Capital	0.0599	0.0605	0.0550	0.0556	0.0501	0.0507
Interest on Working Capital	0.0324	0.0357	0.0339	0.0370	0.0354	0.0393
Interest on deposit from Consumers and Distribution System Users	0.0016	0.0016	0.0016	0.0016	0.0016	0.0016
Provision for bad and doubtful debts	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Contribution to contingency reserves	0.0027	0.0027	0.0027	0.0027	0.0027	0.0027
Total Revenue Expenditure	1.5761	2.0565	1.6417	2.1473	1.7107	2.2437
Add: Return on Equity Capital	0.0498	0.0498	0.0498	0.0498	0.0498	0.0498
Aggregate Revenue Requirement	1.6259	2.1063	1.6914	2.1971	1.7604	2.2935
Less: Non-Tariff Income	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Less: Income from other business	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Aggregate Revenue Requirement from Distribution Wires	1.6259	2.1063	1.6914	2.1971	1.7604	2.2935

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Operation & Maintenance Expenses	1.6403	2.1969	1.7198	2.3060
Depreciation	0.0565	0.0565	0.0565	0.0565
Interest on Loan Capital	0.0452	0.0459	0.0404	0.0410
Interest on Working Capital	0.0370	0.0416	0.0387	0.0437

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Interest on deposit from Consumers and Distribution System Users	0.0016	0.0016	0.0016	0.0016
Provision for bad and doubtful debts	0.0000	0.0000	0.0000	0.0000
Contribution to contingency reserves	0.0027	0.0027	0.0027	0.0027
Total Revenue Expenditure	1.7833	2.3451	1.8596	2.4514
Add: Return on Equity Capital	0.0498	0.0498	0.0498	0.0498
Aggregate Revenue Requirement	1.8330	2.3948	1.9094	2.5012
Less: Non-Tariff Income	0.0000	0.0000	0.0000	0.0000
Less: Income from other business	0.0000	0.0000	0.0000	0.0000
Aggregate Revenue Requirement from Distribution Wires	1.8330	2.3948	1.9094	2.5012

Table 3-39: ARR for Retail Supply Business approved by the Commission for 5th Control Period (Rs. Crore)

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Power Purchase Expenses	52.1723	49.0485	57.3830	54.2200	58.7646	58.7646
Operation & Maintenance Expenses	0.7663	1.0228	0.8034	1.0736	0.8424	1.1270
Depreciation	0.0116	0.0116	0.0116	0.0116	0.0116	0.0116
Interest on Loan Capital	0.0120	0.0122	0.0110	0.0112	0.0100	0.0102
Interest on Working Capital	0.2481	0.2304	0.2719	0.2216	0.2822	0.2150
Interest on Consumer Security Deposit	0.0140	0.0140	0.0140	0.0140	0.0140	0.0140
Write-off of Provision for bad and doubtful debts	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Contribution to contingency reserves	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006
Intra-State Transmission Charges	4.9000	4.5105	4.8700	4.2647	5.6100	4.5918
MSLDC Fees & Charges	0.0170	0.0130	0.0236	0.0133	0.0345	0.0151
STU Charges	0.0036	0.0037	0.0036	0.0040	0.0035	0.0040
Total Revenue Expenditure	58.1454	54.8673	63.3927	59.8346	65.5733	64.7539
Add: Return on Equity Capital	0.0116	0.0116	0.0116	0.0116	0.0116	0.0116
Aggregate Revenue Requirement	58.1570	54.8789	63.4042	59.8461	65.5849	64.7654
Less: Non-Tariff Income	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Less: Income from other business	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Aggregate Revenue Requirement from Retail Supply	58.1570	54.8789	63.4042	59.8461	65.5849	64.7654

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Power Purchase Expenses	61.8135	61.8202	63.3367	63.3647
Operation & Maintenance Expenses	0.8832	1.1829	0.9261	1.2417
Depreciation	0.0116	0.0116	0.0116	0.0116
Interest on Loan Capital	0.0089	0.0092	0.0079	0.0082
Interest on Working Capital	0.2992	0.2248	0.3089	0.2502
Interest on Consumer Security Deposit	0.0140	0.0140	0.0140	0.0140
Write-off of Provision for bad and doubtful debts	0.0000	0.0000	0.0000	0.0000
Contribution to contingency reserves	0.0006	0.0006	0.0006	0.0006
Intra-State Transmission Charges	6.1900	4.7369	6.6200	4.8246
MSLDC Fees & Charges	0.0419	0.0167	0.0473	0.0180
STU Charges	0.0034	0.0039	0.0032	0.0037
Total Revenue Expenditure	69.2664	68.0207	71.2763	69.7372
Add: Return on Equity Capital	0.0116	0.0116	0.0116	0.0116
Aggregate Revenue Requirement	69.2779	68.0323	71.2878	69.7487
Less: Non-Tariff Income	0.0000	0.0000	0.0000	0.0000
Less: Income from other business	0.0000	0.0000	0.0000	0.0000
Aggregate Revenue Requirement from Retail Supply	69.2779	68.0323	71.2878	69.7487

3.19. Revenue at existing tariff and Revenue Gap/(Surplus)

SEZ Bio-Tech Manjari's Submission

3.19.1. SEZ Bio-Tech Manjari has submitted that it has computed the Revenue from the existing tariff based on the projected category-wise sales and tariff presently being charged to the consumers, i.e., ceiling Tariff applicable for FY 2024-25.

3.19.2. The revenue from existing tariff for the Wires Business and Supply Business as projected by SEZ Bio-Tech Manjari is as shown in the Table below:

Table 3-40: Projected Revenue from existing tariff for the Control Period as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Revenue of Wires Business at existing tariff	5.37	5.64	5.93	6.22	6.53
Revenue of Supply Business at existing tariff	80.53	84.38	88.41	92.65	97.08
Total Revenue at existing tariff	85.91	90.02	94.34	98.87	103.62

Commission Analysis and Rulings

3.19.3. Based on the Tariff being levied for FY 2024-25, the projected revenue from existing tariff for the 5th Control Period is as follows:

Table 3-41: Projected Revenue from existing tariff for the Control Period as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26		2026-27		2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Revenue of Wires Business at existing tariff	5.37	5.37	5.64	5.64	5.93	5.93
Revenue of Supply Business at existing tariff	80.53	80.53	84.38	84.38	88.41	88.41
Total Revenue at existing tariff	85.91	85.91	90.02	90.02	94.34	94.34

Particulars	2028-29		2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Revenue of Wires Business at existing tariff	6.22	6.22	6.53	6.53
Revenue of Supply Business at existing tariff	92.65	92.65	97.08	97.08
Total Revenue at existing tariff	98.87	98.87	103.62	103.62

Table 3-42: Revenue Gap/(Surplus) approved by the Commission for 5th Control Period (Rs Crore)

Particulars	FY 2025-26		2026-27		2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
ARR for Wires Business	1.6259	2.1063	1.6914	2.1971	1.7604	2.2935
ARR for Retail Supply Business	58.1570	54.8789	63.4042	59.8461	65.5849	64.7654

Particulars	FY 2025-26		2026-27		2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Combined ARR for Wires and Retail Supply Business	59.7828	56.9852	65.0957	62.0432	67.3453	67.0589
Less: Revenue at Existing Tariff - Wires Business	5.3746	5.3746	5.6434	5.6434	5.9255	5.9255
Less: Revenue at Existing Tariff - Supply Business	80.5333	80.5333	84.3797	84.3797	88.4140	88.4140
Less: Revenue at Existing Tariff - Combined Wires & Retail Supply Business	85.9079	85.9079	90.0231	90.0231	94.3395	94.3395
Revenue Gap/ (Surplus) - Wires Business	(3.7488)	(3.2683)	(3.9519)	(3.4463)	(4.1651)	(3.6321)
Revenue Gap/ (Surplus) - Supply Business	(22.3763)	(25.6544)	(20.9755)	(24.5336)	(22.8291)	(23.6486)
Revenue Gap/ (Surplus) - Combined Wires & Retail Supply Business	(26.1251)	(28.9227)	(24.9274)	(27.9799)	(26.9942)	(27.2807)

Particulars	2028-29		2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
ARR for Wires Business	1.8330	2.3948	1.9094	2.5012
ARR for Retail Supply Business	69.2779	68.0323	71.2878	69.7487
Combined ARR for Wires and Retail Supply Business	71.1110	70.4271	73.1972	72.2499
Less: Revenue at Existing Tariff - Wires Business	6.2218	6.2218	6.5329	6.5329
Less: Revenue at Existing Tariff - Supply Business	92.6454	92.6454	97.0836	97.0836
Less: Revenue at Existing Tariff - Combined Wires & Retail Supply Business	98.8672	98.8672	103.6165	103.6165
Revenue Gap/ (Surplus) - Wires Business	(4.3888)	(3.8270)	(4.6235)	(4.0317)
Revenue Gap/ (Surplus) - Supply Business	(23.3674)	(24.6131)	(25.7958)	(27.3348)
Revenue Gap/ (Surplus) - Combined Wires & Retail Supply Business	(27.7562)	(28.4401)	(30.4193)	(31.3666)

4. TARIFF PHILOSOPHY, TARIFF DESIGN AND PROPOSED CATEGORY WISE TARIFF FOR FY 2025-26 TO FY 2029-30

4.1.Overall approach of Tariff Design

4.1.1. In this Order, the Commission has determined the Retail Supply Tariff and Wheeling Charges for SEZ Bio-Tech Manjari for FY 2025-26 to FY 2029-30. The Commission has kept in view the principles of tariff determination as set out under Section 61 and 62 of the Electricity Act, 2003, the Tariff Policy and the MYT Regulations, 2024 and has considered SEZ Bio-Tech Manjari's submissions in its MYT Petition.

4.2.Cumulative ARR for MYT Control Period

SEZ Bio-Tech Manjari's Submission

4.2.1. SEZ Bio-Tech Manjari has computed the Revenue Gap/(Surplus) at the existing tariff based on the projected ARR of the Distribution Wires and Retail Supply Business, and the revenue based on the projected category-wise sales and tariff presently being charged to the consumers, i.e., Tariff for FY 2024-25, which is the tariff approved by the Commission for MSEDCL licence area.

4.2.2. SEZ Bio-Tech Manjari has added the Revenue Gap/(Surplus) after provisional true-up of FY 2024-25, as computed in the earlier sections, to the projected ARR for FY 2025-26. Further, in order to smoothen the impact of the past period Revenue Gap/(Surplus), rather than recovering the entire Revenue Gap/(Surplus) in a single year, i.e., FY 2025-26, SEZ Bio-Tech Manjari has proposed to spread the Revenue Gap/(Surplus) across the MYT Control Period from FY 2025-26 to FY 2029-30, in such a manner that the increase/decrease in ACoS is smoothened. SEZ Bio-Tech Manjari has shown the average tariff increase required by considering the previous year's revised tariff as the existing tariff for the ensuing year, to show appropriate year-on-year increase.

4.2.3. The overall projected Revenue Gap/(Surplus) based on projected ARR and Revenue from existing tariff for each year of the Control Period is summarised in the Table below.

Table 4-1: Cumulative ARR for the Wires Business for FY 2025-26 to FY 2029-30 as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Standalone ARR	1.63	1.69	1.76	1.83	1.91

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
True-up Gap/(Surplus) after provisional truing up for FY 2024-25	(2.33)				
Cumulative ARR	(0.71)	1.69	1.76	1.83	1.91
Spreading of Revenue Gap/(Surplus) over 5 years	(0.47)	(0.47)	(0.47)	(0.47)	(0.47)
Carrying/(Holding) Cost due to spreading of Gap/(Surplus) over 5 years	(0.20)	(0.15)	(0.10)	(0.05)	-
Revised Cumulative ARR for recovery	0.96	1.08	1.20	1.32	1.44
Revenue from existing tariff (FY 2024-25 Tariff)	5.37	5.64	5.93	6.22	6.53
Revenue Gap/(Surplus) with existing tariff	(4.41)	(4.57)	(4.73)	(4.90)	(5.09)
Revenue Gap/(Surplus) with revised tariff applicable for previous year	(4.41)	0.11	0.12	0.12	0.13
Annual Tariff Increase Required (%)	-82%	11.9%	11.0%	10.2%	9.5%

Table 4-2: Cumulative ARR for the Supply Business for FY 2025-26 to FY 2029-30 as submitted by SEZ Bio-Tech Manjari (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Standalone ARR	58.16	63.40	65.58	69.28	71.29
True-up Gap/(Surplus) after provisional truing up for FY 2024-25	(15.40)				
Cumulative ARR	42.76	63.40	65.58	69.28	71.29
Spreading of Revenue Gap over 5 years for smoothening tariff impact	(5.08)	(6.08)	(3.08)	(3.08)	1.92
Carrying/(Holding) Cost due to spreading of Gap/(Surplus) over 5 years	(1.08)	(0.45)	(0.12)	0.20	-
Revised Cumulative ARR for recovery	51.99	56.88	62.38	66.40	73.21
Revenue from existing tariff (FY 2024-25 Tariff)	80.53	84.38	88.41	92.65	97.08
Revenue Gap/(Surplus) with existing tariff	(28.54)	(27.50)	(26.03)	(26.25)	(23.88)
Revenue Gap/(Surplus) with revised tariff applicable for previous year	(28.54)	4.89	5.50	4.02	6.81
Annual Tariff Increase Required (%)	-35%	9.4%	9.7%	6.4%	10.3%

4.2.4. SEZ Bio-Tech Manjari has further submitted that there is a Revenue Surplus for each year of the Control Period, as the revenue at the existing tariff is higher than the ARR

of the Wires Business and Supply Business, on account of levy of ceiling tariff as approved for MSEDCL. Hence, the tariff is required to be reduced in order to match the ARR of the Wires Business and Supply Business. SEZ Bio-Tech Manjari has proposed category-wise tariffs for FY 2025-26 to FY 2029-30, such that the expected revenue from proposed tariff is enough to realise the revised Net ARR computed in the Table above.

Commission Analysis and Rulings

- 4.2.5. For estimating the revenue from sale of electricity at the existing tariff, the Commission has taken the approved sales for the 5th Control Period and consumer category wise tariff approved for MSEDCL.
- 4.2.6. The Commission has computed the Revenue Gap/ (Surplus) at the existing Tariff based on the approved ARR of the Distribution Wires Business and Retail Supply Business, and the revenue estimated by it from sale of electricity at the existing tariff.
- 4.2.7. The Commission has calculated the aggregate Revenue Gap/ (Surplus) by adding approved Revenue Gap/ (Surplus) of FY 2024-25 along with the Carrying cost and spread it over period of 5 years to smoothen tariff impact for Distribution Wires and Retail Supply Business. The Commission has calculated carrying cost at the rate equal to the rate of interest on working capital applicable for the respective year, i.e., 10.50% for FY 2024-25 and half-year of FY 2025-26.
- 4.2.8. The Commission has calculated Revised ARR for the recovery over the 5th Control Period as per methodology discussed above. The summary of the Revised ARR for the recovery over the 5th Control Period as approved by the Commission is given in the table below:

Table 4-3: Revised Cumulative ARR for Recovery for Distribution Wires Business for the 5th Control Period from FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Standalone ARR	2.11	2.20	2.29	2.39	2.50
True-up Gap/(Surplus) after provisional truing up for FY 2024-25	(2.36)				
Cumulative ARR	(0.25)	2.20	2.29	2.39	2.50
Spreading of Revenue Gap over 5 years for smoothening tariff impact	(0.33)	(0.43)	(0.47)	(0.52)	(0.60)
Carrying/(Holding) Cost due to spreading of Gap/(Surplus) over 5 years	(0.21)	(0.17)	(0.12)	(0.06)	-

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Cumulative ARR for recovery	1.56	1.60	1.70	1.81	1.90

Table 4-4: Revised Cumulative ARR for Recovery for Distribution Retail Supply Business for the 5th Control Period from FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Standalone ARR	54.88	59.85	64.77	68.04	69.75
True-up Gap/(Surplus) after provisional truing up for FY 2024-25	(15.32)				
Cumulative ARR	39.56	59.85	64.77	68.04	69.75
Spreading of Revenue Gap/(Surplus) over 5 years for smoothening tariff impact	0.60	(1.85)	(4.41)	(5.29)	(4.35)
Carrying/(Holding) Cost due to spreading of Gap/(Surplus) over 5 years	(1.67)	(1.48)	(1.01)	(0.46)	-
Cumulative ARR for recovery	53.80	56.51	59.34	62.28	65.39

4.3. Cost of Supply

SEZ Bio-Tech Manjari's Submission

4.3.1. In line with the MYT Regulations, 2024, the Commission has specified that the cross-subsidy shall be computed with reference to the Retail Cost of Supply (RCoS).

4.3.2. The relevant extract of the MYT Regulations, 2024 is reproduced below:

“111.4 The Commission shall endeavour to gradually reduce the cross-subsidy between consumer categories with respect to the Average Cost of Supply in accordance with the provisions of the Act:

Provided that Average Cost of Supply of Retail Supply Business shall be considered for determining cross-subsidy of consumer category.

111.5 While determining the tariff, the Commission shall also keep in view the cost of supply at different voltage levels and the need to minimise tariff shock to consumers.” (Emphasis added)

4.3.3. SEZ Bio-Tech Manjari has also submitted that it has computed ACoS as well as RCoS, and has proposed category-wise Fixed/Demand Charges and Energy Charges in such a manner that there is Nil cross-subsidy w.r.t. RCoS over the Control Period.

4.3.4. The RCoS and ACoS computed by SEZ Bio-Tech Manjari for each year of the Control Period from FY 2025-26 to FY 2029-30 is shown in the Table below:

Table 4-5: ACoS and RCoS from FY 2025-26 to FY 2029-30 as submitted by SEZ Bio-Tech Manjari

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Cumulative ARR for Supply Business	51.99	56.88	62.38	66.40	73.21
Sales (MkVAh)	89.58	94.06	98.76	103.70	108.88
Retail Cost of Supply (Rs/kVAh)	5.80	6.05	6.32	6.40	6.72
Cumulative ARR of Distribution Business (Rs. Crore)	52.96	57.96	63.58	67.72	74.65
Average Cost of Supply (Rs/kVAh)	5.91	6.16	6.44	6.53	6.86

Commission's Analysis and Ruling

4.3.5. The Commission has noted the submission made by SEZ Bio-Tech Manjari regards to RCoS and category-wise tariff.

4.3.6. Based on the approved sales and Revised Cumulative ARR for Recovery for Retail Supply business, the Commission has determined RCoS for the Control period given in the table below:

Table 4-6: ACoS and RCoS as approved by the Commission for the 5th Control Period from FY 2025-26 to FY 2029-30

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Cumulative ARR for Recovery approved for Supply Business (Rs. Crore)	53.80	56.51	59.34	62.28	65.39
Approved Sales (MkVAh)	89.58	94.06	98.76	103.70	108.88
Retail Cost of Supply (Rs/kVAh)	6.01	6.01	6.01	6.01	6.01
Cumulative ARR of Distribution Wires Business (Rs. Crore)	1.56	1.60	1.70	1.81	1.90
Cumulative ARR of Distribution Business (Rs. Crore)	55.36	58.11	61.04	64.09	67.29
Average Cost of Supply (Rs/kVAh)	6.18	6.18	6.18	6.18	6.18
Effective year on year increase / Decrease (%)	-8.71%	0.00%	0.00%	0.00%	0.00%
Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Cumulative ARR for Recovery approved for Supply Business (Rs. Crore)	53.80	56.51	59.34	62.28	65.39
Approved Sales (MkVAh)	89.58	94.06	98.76	103.70	108.88
Retail Cost of Supply (Rs/kVAh)	6.01	6.01	6.01	6.01	6.01
Cumulative ARR of Distribution Wires Business (Rs. Crore)	1.56	1.60	1.70	1.81	1.90
Cumulative ARR of Distribution Business (Rs. Crore)	55.36	58.11	61.04	64.09	67.29
Average Cost of Supply (Rs/kVAh)	6.18	6.18	6.18	6.18	6.18
Effective year on year increase / Decrease (%)	-8.71%	0.00%	0.00%	0.00%	0.00%

4.4. Wheeling Charges

SEZ Bio-Tech Manjari's Submission

4.4.1. Business and projected energy sales, as shown in the table below:

Table 4-7: Composite Wheeling Charges for FY 2025-26 to FY 2029-30 (Rs/kVAh) as submitted by SEZ Bio-Tech Manjari

Sr. No.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1.	Wires ARR (Rs. Crore)	0.96	1.08	1.20	1.32	1.44

Sr. No.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
2.	GFA attributable to HT Network (%)	100.00%	100.00%	100.00%	100.00%	100.00%
3.	GFA attributable to LT Network (%)	0.00%	0.00%	0.00%	0.00%	0.00%
4.	Charge recoverable from HT consumers (Rs. Crore)	0.96	1.08	1.20	1.32	1.44
5.	Charge recoverable from LT consumers (Rs. Crore)	0.00	0.00	0.00	0.00	0.00
6.	Total HT Sales (MkVAh)	89.58	94.06	98.76	103.70	108.88
7.	Total LT Sales (MkVAh)	0.00	0.00	0.00	0.00	0.00
8.	Charge recoverable from HT consumers (Rs. Crore)	0.96	1.08	1.20	1.32	1.44
9.	Charge recoverable from LT consumers (Rs. Crore)	0.00	0.00	0.00	0.00	0.00
10.	HT Wheeling Charge (Rs./kVAh)	0.11	0.11	0.12	0.13	0.13
11.	LT Wheeling Charge (Rs./kVAh)	0.00	0.00	0.00	0.00	0.00
12.	Composite Wheeling Charges (Rs/kVAh)	0.11	0.11	0.12	0.13	0.13

Commission's Analysis and Rulings

4.4.2. The Commission has approved the Distribution Loss levels for FY 2025-26 to FY 2029-30 as elaborated at earlier section of this Order.

4.4.3. As all the current consumers for SEZ Bio-Tech Manjari are from the HT Category, the Commission has computed wheeling charges at HT Level, in line with the Regulation 91.2 of the MYT Regulations, 2024.

4.4.4. Since, SEZ Bio-Tech Manjari has proposed for kVAh billing for all categories, the Commission has therefore determined the Wheeling Charges in Rs./ kVAh by considering the approved energy sales in kVAh and ARR of Distribution Wires Business. The summary of the approved Wheeling Charges for FY 2025-26 to FY 2029-30 is provided in the table below:

Table 4-8: Composite Wheeling Charges for FY 2025-26 to FY 2029-30 as approved by the Commission

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Cumulative approved ARR of Wires Business	1.56	1.60	1.70	1.81	1.90
GFA attributable to HT Network (%)	100.00%	100.00%	100.00%	100.00%	100.00%
GFA attributable to LT Network (%)	0.00%	0.00%	0.00%	0.00%	0.00%

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Charge recoverable from HT consumers (Rs. Crore)	1.56	1.60	1.70	1.81	1.90
Charge recoverable from LT consumers (Rs. Crore)	0.00	0.00	0.00	0.00	0.00
Approved HT Sales (MkVAh)	89.58	94.06	98.76	103.70	108.88
Approved LT Sales (MkVAh)	0.00	0.00	0.00	0.00	0.00
HT Wheeling Charge (Rs./kVAh)	0.17	0.17	0.17	0.17	0.17
LT Wheeling Charge (Rs./kVAh)	0.00	0.00	0.00	0.00	0.00
Composite Wheeling Charges (Rs/kVAh)	0.17	0.17	0.17	0.17	0.17

4.5.Tariff Philosophy

- 4.5.1. The Commission is guided by the provisions of the EA 2003, the draft National Tariff Policy and other Orders by APTEL in the matter of Tariff design. The Commission has considered the main objectives of the EA 2003 including the protection of the interest of consumers, the supply of electricity to all areas and rationalization of tariffs. Apart from the above, the Commission has also taken into consideration SEZ Bio-Tech Manjari's submissions as well as the public responses in these MYT proceedings
- 4.5.2. Apart from tariff levels, the complexity of the tariff structure plays an important role in building transparency and limiting the discretionary power of Distribution Licensees (Discoms). A simpler tariff structure helps easy understanding by consumers and on the other hand, creation of many different categories gives discretionary power to Discoms while charging tariffs.
- 4.5.3. In case of SEZ Bio-Tech Manjari, considering that it is SEZ, the number of consumer categories are already limited considering the type of consumers operating in the SEZ premises.
- 4.5.4. Further, the Commission is well within its power to make required changes in the tariff structure even if the Licensee has not proposed such changes or no indication has been given to the public regarding the intended changes. In this context, the Hon'ble Appellate Tribunal of Electricity (APTEL), vide its Order in Appeal No. 106 of 2008, has ruled that the Commission has the power to design the tariff as per its own wisdom. It also mentions that the Commission does not need to seek public comments before announcement of the tariff. The relevant part of the APTEL Order in Appeal No. 106 of 2008 is reproduced below:

“ ...

14) It is not the case of the appellant that the Commission had no power to create a tariff design different from the one proposed by the licensee. The Commission has the power to design the tariff as per its own wisdom. The Commission need not, before issuing the actual order, publicly announce the tariff it proposed and call for public comments. In fact, this is not even the appellant's contention.

15) The rule of natural justice requires the Commission to issue a public notice about the ARR and Tariff petition of the licensee and to allow the public to make its submissions on the ARR and Tariff proposals. The Commission has, thereafter, to design the scheme for recovery of the ARR keeping in view various relevant factors. If the classification of the consumers can be supported on any of the grounds mentioned in section 62(3) it would not be proper to say that the tariff fixing was violative of principles of natural justice because the Commission did not issue a public notice of the tariff categories which the Commission had intended to create."

4.5.5. The subsequent paragraphs deal with the submissions of SEZ Bio-Tech Manjari regarding the Tariff Philosophy and the changes approved by the Commission in the existing tariff structure.

SEZ Bio-Tech Manjari's Submission

Fixed/ Demand Charges

4.5.6. Considering its lower fixed costs, SEZ Bio-Tech Manjari has proposed to reduce the Demand Charges for each of the consumer categories in order to ensure that around 90% to 100% of the Fixed costs are recovered through Demand Charges.

4.5.7. The category-wise Demand Charges proposed by SEZ Bio-Tech Manjari for each year of the Control Period are shown in the Table below.

Table 4-9: Proposed Demand Charges for the Control Period (Rs./ kVA/ month)

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Demand Charges (Rs/kVA/month)					
HT I	300	300	300	300	300
HT II	300	300	300	300	300

kVAh Billing for the Control Period

4.5.8. SEZ Bio-Tech Manjari has proposed kVAh billing for all categories from FY 2025-26 to FY 2029-30.

Energy Charges

4.5.9. SEZ Bio-Tech Manjari has proposed category-wise energy charges for the Control Period from FY 2025-26 to FY 2029-30 with the objective of ensuring that RCoS is equal to the Average Billing Rate of the Supply Business, as shown in the table below:

Table 4-10: Proposed Energy Charges for the Control Period (Rs/kVAh)

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
HT Category					
HT I	5.37	5.62	5.90	6.00	6.33
HT II	5.37	5.62	5.90	6.00	6.33

Reduction of Cross Subsidy

4.5.10. SEZ Bio-Tech Manjari has submitted that it supplies electricity primarily to consumers of Biotechnology Park in its area of supply.

4.5.11. Hence, for the Control Period, SEZ Bio-Tech Manjari has proposed the category-wise tariffs based on the philosophy of ACoS = ABR for each consumer category. Since the Wheeling Charges are designed to recover the complete Wires ARR the Demand Charges and Energy Charges have been proposed such that Average Billing Rate of Supply Business is equal to the RCoS.

4.5.12. The cross-subsidy trajectory proposed over the Control Period is shown in the Table below:

Table 4-11: Proposed Category-wise Cross-Subsidy for FY 2025-26 to FY 2029-30 (%)

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	Proposed (w.r.t RCOS)	Proposed (w.r.t RCOS)	Proposed (w.r.t RCOS)	Proposed (w.r.t RCOS)	Proposed (w.r.t RCOS)
HT Category					
HT I	100%	100%	100%	100%	100%
HT II	169%	162%	158%	156%	152%

Time-of-Day (ToD) Tariff

4.5.13. SEZ Bio-Tech Manjari has submitted that there is insufficient data regarding ToD slot-wise consumption, hence, it has not proposed any ToD tariff for the next Control Period.

Load Factor Incentive

4.5.14. SEZ Bio-Tech Manjari has submitted that the Load Factor Incentive (up to 15% of energy charge) has been introduced by the Commission for incentivising bulk consumers in the State to maintain steady demand on the system.

- 4.5.15. Further, SEZ Bio-Tech Manjari has submitted that the Commission has ruled that Load Factor Incentive shall not be applicable for the month if the consumer exceeds its Contract Demand in that month. Consumers exceeding Contract demand during the off-peak hours (2200 hrs to 0600 hrs) would also not be eligible for Load factor Incentive for that month. However, the consumer would be subject to and shall have to pay the penal charges applicable for exceeding such Contract Demand.
- 4.5.16. SEZ Bio-Tech Manjari has requested the Commission to approve the Load Factor Incentive mechanism as being approved for other Distribution Licensees.

Commission's Analysis and Rulings

Fixed/ Demand Charges

- 4.5.17. The Commission observes that SEZ Bio-Tech Manjari has proposed to keep the Demand Charges to enable recovery of the 90% - 100% of Fixed portion of the ARR in the 5th Control Period.
- 4.5.18. The Commission has approved Demand Charges for the 5th Control Period from FY 2025-26 to FY 2029-30 to enable recovery of around 60% of its fixed expenses/cost from Fixed/Demand Charges from the Consumers.
- 4.5.19. The category wise Fixed/ Demand Charges approved from FY 2025-26 to FY 2029-30 have been mentioned in the Tariff Schedule in the following sections of this Order.
- 4.5.20. As a licensee, it is necessary to have the distribution capacity and contracted power to the extent of the contract demand so as to meet any surge in demand in future. This necessitates the recovery of the fixed charges to enable proper maintenance of the infrastructure so as to provide the quality supply of power. However, at this point, when the operation of the SEZ Bio-Tech Manjari as a distribution business hasn't completed even one year till date and the sales demand is still yet to achieve the required operational level, the Commission feels that the Fixed Charges need to cover more around 60% of the fixed costs (excluding power purchase related fixed costs). The Commission has determined the recovery of fixed cost from Fixed / Demand Charges accordingly.
- 4.5.21. The category wise Fixed/Demand Charges approved for FY 2023-24 and FY 2024-25 have been mentioned in the Tariff Schedule in the following sections of this Order.

Table 4-12: Recovery of Fixed Costs through Fixed/Demand Charges for FY 2025-26 to FY 2029-30, approved by the Commission (Rs. Crore)

Particulars	Units	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Fixed Costs of Retail Supply excluding Power Purchase cost	Rs. Crore	7.94	7.82	8.29	8.61	8.89
Revenue from Fixed/Demand Charges - Existing Tariff	Rs. Crore	7.21	7.39	7.57	7.76	7.96
Revenue from Fixed/Demand Charges - Proposed Tariff	Rs. Crore	5.20	5.33	5.46	5.60	5.74
Recovery of Fixed Costs through Existing Tariff	%	90.83%	94.45%	91.31%	90.19%	89.55%
Recovery of Fixed Costs through Proposed Tariff	%	65.50%	68.11%	65.85%	65.04%	64.58%

Energy Charges:

4.5.22. The Commission has noted the submissions of SEZ Bio-Tech Manjari and has approved category-wise energy charges for the Control Period from FY 2025-26 to FY 2029-30 with the objective of ensuring that RCoS is equal to the Average Billing Rate of the Supply Business, as shown in the table below:

Table 4-13: Energy Charges approved by the Commission for the 5th Control Period (Rs/kVAh)

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
HIGH TENSION CATEGORY					
HT I: HT – Industry	5.48	5.48	5.48	5.48	5.48
HT II: HT – Commercial	5.58	5.58	5.58	5.58	5.58
HT III: EV Charging Stations	6.18	6.18	6.18	6.18	6.18
LOW TENSION CATEGORY					
LT II A – Commercial up to 20 kW	5.38	5.38	5.38	5.38	5.38
LT II B – Commercial above 20 kW	5.48	5.48	5.48	5.48	5.48
LT V A – Industrial up to 20 kW	5.28	5.28	5.28	5.28	5.28
LT V B – Industrial above 20 kW	5.18	5.18	5.18	5.18	5.18
LT VI – EV Charging Stations	6.18	6.18	6.18	6.18	6.18

Cross Subsidy:

4.5.23. SEZ Bio-Tech Manjari has proposed category-wise tariffs such that the ABR for each consumer category is equal to the RCoS, to reduce and then eliminate the cross-subsidy.

4.5.24. In this context, the MYT Regulations, 2024 specify as follows:

“111.3 The retail supply tariff for different consumer categories shall be determined on the basis of the Average Cost of Supply, computed as the ratio of the Aggregate Revenue Requirement of the Distribution Licensee for the Year determined in accordance with Regulation 100, and including unrecovered revenue gaps of previous years to the extent proposed to be recovered, to the total sales of the Distribution Licensee for the respective Year.

111.4 The Commission shall endeavour to gradually reduce the cross-subsidy between consumer categories with respect to the Average Cost of Supply in accordance with the provisions of the Act:

Provided that Average Cost of Supply of Retail Supply Business shall be considered for determining cross-subsidy of consumer category

111.5 While determining the tariff, the Commission shall also keep in view the cost of supply at different voltage levels and the need to minimise tariff shock to consumers”

4.5.25. The tariff design entails careful consideration of determination of Fixed Charge/ Demand Charge, Energy Charge and Wheeling Charge and assessment of the likely impact of such tariff components across consumer categories. The ABR for a consumer category and its cross-subsidy level would also depend upon the number of consumers, consumer mix, and consumption mix. Thus, while the tariff design exercise may strive to bring the ABR for each consumer category close to RCoS, some degree of cross-subsidy across consumer categories may not be avoidable.

4.5.26. In this background, the Commission notes that, considering the profile of SEZ Bio-Tech Manjari's area and its consumers of Biotechnology park, the extent of consumers requiring cross-subsidization is negligible. Hence, in the tariff design of SEZ Bio-Tech Manjari for the 5th Control Period, the Commission has not introduced any element of cross-subsidy. The Commission could revisit this if the need arises in future, depending on the category-wise consumer profile and numbers. The detailed Tariffs are set out in the Tariff Schedule.

4.5.27. Based on the approved ARR for the 5th Control Period and the approach for tariff design stated earlier, the revised ABR and the category-wise tariff increase, or reduction is approved by the Commission for the 5th Control Period for the categories for which sales are projected are given in the Table below:

Table 4-14: Category-wise ABR and Tariff increase/ decrease for the 5th Control Period approved by the Commission

Sr. No.	Consumer Category	Average Billing Rate (Rs./ kVAh)					
		Existing Tariff	Approved Tariff				
		FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
HIGH TENSION CATEGORY							
1	HT I: HT – Industry	9.63	6.23	6.21	6.20	6.19	6.18
2	HT II: HT – Commercial	21.82	7.19	7.15	7.12	7.09	7.06

Sr. No .	Consumer Category	Approved Tariff Year on Year Increase (%)				
		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	HIGH TENSION CATEGORY					
1	HT I: HT – Industry	-35.26%	-0.29%	-0.17%	-0.18%	-0.21%
2	HT II: HT – Commercial	-67.04%	-0.54%	-0.43%	-0.43%	-0.45%

4.5.28. Since the Wheeling Charges are designed to recover the complete Wires ARR the Demand Charges and Energy Charges have been proposed such that Average Billing Rate of Supply Business is equal to the RCoS. The category-wise cross-subsidy reduction trajectory approved by the Commission for the for FY 2025-26 to FY 2029-30 is given in the table below:

Table 4-15: Cross subsidy trajectory approved by the Commission for 5th Control period

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	Projected (wrt Retail CoS)	Projected (wrt Retail CoS)	Projected (wrt Retail CoS)	Projected (wrt Retail CoS)	Projected (wrt Retail CoS)
HT Category					
HT I: HT – Industry	101%	101%	100%	100%	100%
HT II: HT – Industry	120%	116%	116%	115%	115%

Time-of-Day (ToD) Tariff

4.5.29. The Commission observes that SEZ Bio-Tech Manjari has not proposed any ToD tariff for FY 2025-26 to FY 2029-30. The Commission has not approved any ToD tariff for FY 2023-24 and FY 2024-25.

4.5.30. Further, as per MERC DF and DSM Regulations, 2024, implementation of Demand Flexibility and Demand Side Management (DF/DSM) programs often involves time-based strategies. These strategies require the collection of consumption data in time blocks to effectively measure and manage demand response activities. Accordingly, SEZ Bio-Tech Manjari is directed to keep the ToD enabled metric system. Although the Commission is not approving any ToD tariff for FY 2025-26 to FY 2029-30, SEZ Bio-Tech Manjari is directed to ensure that the consumption data must be recorded ToD slots.

ToD Slot 1	ToD Slot 2	ToD Slot 3	ToD Slot 4
00:00 to 06:00 Hrs	06:00 to 09:00 Hrs	09:00 to 17:00 Hrs	17:00 to 00:00 Hrs

Load Factor Incentive:

4.5.31. SEZ Bio-Tech Manjari has proposed to continue with the same philosophy of the Load Factor Incentive/ Penalty as approved by the Commission for other Distribution Licensee. The Commission has noted the submission made by SEZ Bio-Tech Manjari and approved Load Factor Incentive/Penalty as given in the following paragraphs.

4.5.32. Consumers having a Load Factor above 75% and up to 85% will be entitled to an incentive in the form of a rebate of 0.75% on the Energy Charges for every percentage point increase in Load Factor from 75% to 85%. Consumers having a Load Factor above 85 % will be entitled to a rebate of 1% on the Energy Charges for every percentage point increase in Load Factor from 85%. The total rebate will be subject to a ceiling of 15% of the Energy Charges applicable to the consumer.

4.5.33. This incentive is applicable only to consumers in the tariff categories HT I and HT II.

4.5.34. Additionally, the Load Factor Incentive shall not be applicable for the month if the consumer exceeds its Contract Demand in that month. Consumers exceeding Contract demand during the off-peak hours (2200 hrs to 0600 hrs) would also not be eligible for Load factor Incentive for that month.

4.5.35. The Load Factor incentive will be available only if the consumer has no arrears with the Distribution Licensee, and payment is made within seven days from the date of the electricity bill. However, it will be available to consumers in whose case payment of arrears in instalments has been allowed by the Distribution Licensee, and such payment is being made as scheduled. The Distribution Licensee shall take a commercial decision on the schedule for such payments.

4.5.36. The Load Factor is to be computed as follows:

$$\text{Load Factor} = \frac{\text{Consumption during the month in MU}}{\text{Maximum Consumption possible during the month in MU}}$$

Maximum consumption possible = Contract Demand (kVA) x Actual Power Factor x (total no. of hours during the month, less actual interruptions hours recorded in meter for billing period)

In case the consumer exceeds its Contract Demand (including during the non-peak hours, i.e., 22:00 hrs to 06:00 hrs.) in any particular month, the Load Factor Incentive will not be payable to the consumer in that month.

Discount on Digital Payment:

4.5.37. The Government of India has been encouraging digitization across various areas including monetary transactions. To support the initiatives of the Government, a discount of 0.25% of the monthly bill (excluding taxes and duties), subject to a cap of Rs. 500/- per month per bill, shall be provided to LT category consumers for payment of electricity bills through various modes of digital payment such as credit cards, debit cards, UPI, BHIM, internet banking, mobile banking, mobile wallets, etc.

4.6. Tariff determined for 5th Control Period (FY 2025-26 to FY 2029-30)

SEZ Bio-Tech Manjari's Submission

4.6.1. Based on the tariff philosophy discussed by the SEZ Bio-Tech Manjari in the earlier paragraphs, it has proposed the following revised Tariff for its area of supply for the Control Period from FY 2025-26 to FY 2029-30. Further, as SEZ Bio-Tech Manjari has no sales in categories other than HT I and HT II, however going forward it is anticipated that additional tariff categories, such as HT-III (EV charging station), LT-V (A) Industrial (up to 20 kW), LT-V (B) Industrial (above 20 kW), LT-II (A) Commercial (up to 20 kW), LT-II (B) Commercial (above 20 kW), and LT-VI (EV charging station), may also require to be accommodated.

4.6.2. Hence, SEZ Bio-Tech Manjari proposed the tariff for the above-stated tariff categories also, as shown in the Tables below. Further, in case of EV Charging Stations, single-part tariff (Energy Charges) equal to the RCoS and Wheeling Charges have been proposed in accordance with the Guidelines published by the MoP in this regard.

Table 4-16: Proposed Tariff Schedule for FY 2025-26 as submitted by SEZ Bio-Tech Manjari

Sr. No.	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs. /kVAh)	Energy Charges (Rs/kVAh)
A	HT Category			
1	HT I: HT- Industry	Rs. 300 per kVA	0.11	5.37
2	HT II: HT Commercial	Rs. 300 per kVA	0.11	5.37
3	HT III: EV Charging Stations		0.11	5.80
B	LT Category			
1	LT II A – Commercial up to 20 kW	Rs. 300 per month	0.11	5.37
2	LT II B – Commercial above 20 kW	Rs. 300 per kVA	0.11	5.37
3	LT V A – Industrial up to 20 kW	Rs. 300 per month	0.11	5.37
4	LT V B – Industrial above 20 kW	Rs. 300 per kVA	0.11	5.37
5	LT VI – EV Charging Stations		0.11	5.80

Table 4-17: Proposed Tariff Schedule for FY 2026-27 as submitted by SEZ Bio-Tech Manjari

Sr. No.	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs. /kVAh)	Energy Charges (Rs/kVAh)
A	HT Category			
1	HT I: HT- Industry	Rs. 300 per kVA	0.11	5.62
2	HT II: HT Commercial	Rs. 300 per kVA	0.11	5.62
3	HT III: EV Charging Stations		0.11	6.05
B	LT Category			
1	LT II A – Commercial up to 20 kW	Rs. 300 per month	0.11	5.62
2	LT II B – Commercial above 20 kW	Rs. 300 per kVA	0.11	5.62
3	LT V A – Industrial up to 20 kW	Rs. 300 per month	0.11	5.62

Sr. No.	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs. /kVAh)	Energy Charges (Rs/kVAh)
4	LT V B – Industrial above 20 kW	Rs. 300 per kVA	0.11	5.62
5	LT VI – EV Charging Stations		0.11	6.05

Table 4-18: Proposed Tariff Schedule for FY 2027-28 as submitted by SEZ Bio-Tech Manjari

Sr. No.	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs. /kVAh)	Energy Charges (Rs/kVAh)
A	HT Category			
1	HT I: HT- Industry	Rs. 300 per kVA	0.12	5.90
2	HT II: HT Commercial	Rs. 300 per kVA	0.12	5.90
3	HT III: EV Charging Stations	-	0.12	6.32
B	LT Category			
1	LT II A – Commercial up to 20 kW	Rs. 300 per month	0.12	5.90
2	LT II B – Commercial above 20 kW	Rs. 300 per kVA	0.12	5.90
3	LT V A – Industrial up to 20 kW	Rs. 300 per month	0.12	5.90
4	LT V B – Industrial above 20 kW	Rs. 300 per kVA	0.12	5.90
5	LT VI – EV Charging Stations	-	0.12	6.32

Table 4-19: Proposed Tariff Schedule for FY 2028-29 as submitted by SEZ Bio-Tech Manjari

Sr. No.	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs. /kVAh)	Energy Charges (Rs/kVAh)
A	HT Category			
1	HT I: HT- Industry	Rs. 300 per kVA	0.13	6.00
2	HT II: HT Commercial	Rs. 300 per kVA	0.13	6.00
3	HT III: EV Charging Stations	-	0.13	6.40
B	LT Category			
1	LT II A – Commercial up to 20 kW	Rs. 300 per month	0.13	6.00

Sr. No.	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs. /kVAh)	Energy Charges (Rs/kVAh)
2	LT II B – Commercial above 20 kW	Rs. 300 per kVA	0.13	6.00
3	LT V A – Industrial up to 20 kW	Rs. 300 per month	0.13	6.00
4	LT V B – Industrial above 20 kW	Rs. 300 per kVA	0.13	6.00
5	LT VI – EV Charging Stations	-	0.13	6.40

Table 4-20: Proposed Tariff Schedule for FY 2029-30 as submitted by SEZ Bio-Tech Manjari

Sr. No.	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs. /kVAh)	Energy Charges (Rs/kVAh)
A	HT Category			
1	HT I: HT- Industry	Rs. 300 per kVA	0.13	6.33
2	HT II: HT Commercial	Rs. 300 per kVA	0.13	6.33
3	HT III: EV Charging Stations	-	0.13	6.72
B	LT Category			
1	LT II A – Commercial up to 20 kW	Rs. 300 per month	0.13	6.33
2	LT II B – Commercial above 20 kW	Rs. 300 per kVA	0.13	6.33
3	LT V A – Industrial up to 20 kW	Rs. 300 per month	0.13	6.33
4	LT V B – Industrial above 20 kW	Rs. 300 per kVA	0.13	6.33
5	LT VI – EV Charging Stations	-	0.13	6.72

Commission's Analysis and Rulings

4.6.3. In the light of the above discussions, the approved Tariffs for FY 2025-26 to FY 2029-30 are as set out in the tables below.

Table 4-21: Tariff for FY 2025-26 approved by the Commission (effective from 1 April 2025)

Sr. No.	Consumer Category	Fixed/ Demand Charge		Wheeling Charges	Energy Charges
				(Rs. /kVAh)	(Rs/kVAh)
HIGH TENSION CATEGORY					
1	HT I: HT – Industry	Rs./ kVA/ month	403.00	0.17	5.48
2	HT II: HT – Commercial	Rs./ kVA/ month	100.00	0.17	5.58
3	HT III: EV Charging Stations			0.17	6.18
LOW TENSION CATEGORY					
4 (A)	LT II A – Commercial up to 20 kW	Rs./ connection/ month	100.00	0.17	5.38
4 (B)	LT II B – Commercial above 20 kW	Rs./ kVA/ month	100.00	0.17	5.48
5 (A)	LT V A – Industrial up to 20 kW	Rs./ connection/ month	100.00	0.17	5.28
5 (B)	LT V B – Industrial above 20 kW	Rs./ kVA/ month	100.00	0.17	5.18
6	LT VI – EV Charging Stations			0.17	6.18

Table 4-22: Tariff for FY 2026-27 approved by the Commission (effective from 1 April 2026)

Sr. No.	Consumer Category	Fixed/ Demand Charge		Wheeling Charges	Energy Charges
				(Rs. /kVAh)	(Rs/kVAh)
HIGH TENSION CATEGORY					
1	HT I: HT – Industry	Rs./ kVA/ month	403.00	0.17	5.48
2	HT II: HT – Commercial	Rs./ kVA/ month	100.00	0.17	5.58
3	HT III: EV Charging Stations			0.17	6.18
LOW TENSION CATEGORY					
4 (A)	LT II A – Commercial up to 20 kW	Rs./ connection/ month	100.00	0.17	5.38
4 (B)	LT II B – Commercial above 20 kW	Rs./ kVA/ month	100.00	0.17	5.48
5 (A)	LT V A – Industrial up to 20 kW	Rs./ connection/ month	100.00	0.17	5.28
5 (B)	LT V B – Industrial above 20 kW	Rs./ kVA/ month	100.00	0.17	5.18
6	LT VI – EV Charging Stations			0.17	6.18

Table 4-23: Tariff for FY 2027-28 approved by the Commission (effective from 1 April 2027)

Sr. No.	Consumer Category	Fixed/ Demand Charge		Wheeling Charges	Energy Charges
				(Rs. /kVAh)	(Rs/kVAh)
HIGH TENSION CATEGORY					
1	HT I: HT – Industry	Rs./ kVA/ month	403.00	0.17	5.48
2	HT II: HT – Commercial	Rs./ kVA/ month	100.00	0.17	5.58
3	HT III: EV Charging Stations			0.17	6.18
LOW TENSION CATEGORY					
4 (A)	LT II A – Commercial up to 20 kW	Rs./ connection/ month	100.00	0.17	5.38
4 (B)	LT II B – Commercial above 20 kW	Rs./ kVA/ month	100.00	0.17	5.48
5 (A)	LT V A – Industrial up to 20 kW	Rs./ connection/ month	100.00	0.17	5.28
5 (B)	LT V B – Industrial above 20 kW	Rs./ kVA/ month	100.00	0.17	5.18
6	LT VI – EV Charging Stations			0.17	6.18

Table 4-24: Tariff for FY 2028-29 approved by the Commission (effective from 1 April 2028)

Sr. No.	Consumer Category	Fixed/ Demand Charge		Wheeling Charges	Energy Charges
				(Rs. /kVAh)	(Rs/kVAh)
HIGH TENSION CATEGORY					
1	HT I: HT – Industry	Rs./ kVA/ month	403.00	0.17	5.48
2	HT II: HT – Commercial	Rs./ kVA/ month	100.00	0.17	5.58
3	HT III: EV Charging Stations			0.17	6.18
LOW TENSION CATEGORY					
4 (A)	LT II A – Commercial up to 20 kW	Rs./ connection/ month	100.00	0.17	5.38
4 (B)	LT II B – Commercial above 20 kW	Rs./ kVA/ month	100.00	0.17	5.48
5 (A)	LT V A – Industrial up to 20 kW	Rs./ connection/ month	100.00	0.17	5.28
5 (B)	LT V B – Industrial above 20 kW	Rs./ kVA/ month	100.00	0.17	5.18
6	LT VI – EV Charging Stations			0.17	6.18

Table 4-25: Tariff for FY 2029-30 approved by the Commission (effective from 1 April 2029)

Sr. No.	Consumer Category	Fixed/ Demand Charge		Wheeling Charges	Energy Charges
				(Rs. /kVAh)	(Rs/kVAh)
HIGH TENSION CATEGORY					
1	HT I: HT – Industry	Rs./ kVA/ month	403.00	0.17	5.48
2	HT II: HT – Commercial	Rs./ kVA/ month	100.00	0.17	5.58
3	HT III: EV Charging Stations			0.17	6.18
LOW TENSION CATEGORY					
4 (A)	LT II A – Commercial up to 20 kW	Rs./ connection/ month	100.00	0.17	5.38
4 (B)	LT II B – Commercial above 20 kW	Rs./ kVA/ month	100.00	0.17	5.48
5 (A)	LT V A – Industrial up to 20 kW	Rs./ connection/ month	100.00	0.17	5.28
5 (B)	LT V B – Industrial above 20 kW	Rs./ kVA/ month	100.00	0.17	5.18
6	LT VI – EV Charging Stations			0.17	6.18

4.7.Determination of Cross Subsidy Surcharge

SEZ Bio-Tech Manjari's Submission

- 4.7.1. Section 2(47) of the Electricity Act, 2003 defines 'Open Access', while Section 42 of the Act inter-alia mandates the Distribution Licensee to provide Open Access to eligible consumers, subject to payment of Cross-Subsidy Surcharge, Additional Surcharge, and other applicable charges.
- 4.7.2. Section 86(1) of the Act inter-alia mandates the Commission to determine Cross-Subsidy Surcharge (CSS), Additional Surcharge and other applicable charges payable by the consumers opting for Open Access.
- 4.7.3. Further, the Commission in the MYT Order for other Distribution Licensees has determined the CSS based on the formula stipulated in the revised Tariff Policy notified by Ministry of Power on January 28, 2016, as reproduced below:

“SERCs may calculate the cost of supply of electricity by the distribution licensee to consumers of the applicable class as aggregate of (a) per unit weighted average cost of power purchase including meeting the Renewable

Purchase Obligation; (b) transmission and distribution losses applicable to the relevant voltage level and commercial losses allowed by the SERC; (c) transmission, distribution and wheeling charges up to the relevant voltage level; and (d) per unit cost of carrying regulatory assets, if applicable.

Surcharge formula:

$$S = T - [C/(1-L/100) + D + R]$$

Where,

S is the surcharge

T is the tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation

D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level

L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level R is the per unit cost of carrying regulatory assets.

Above formula may not work for all distribution licensees, particularly for those having power deficit, the State Regulatory Commissions, while keeping the overall objectives of the Electricity Act in view, may review and vary the same taking into consideration the different circumstances prevailing in the area of distribution licensee

Provided that the surcharge shall not exceed 20% of the tariff applicable to the category of consumers seeking open access."

- 4.7.4. Accordingly, SEZ Bio-Tech Manjari has computed the category-wise CSS for HT I and HT II Category, i.e., the category eligible for Open Access in accordance with the above formula, for FY 2025-26 to FY 2029-30, as shown in the following table:

Table 4-26: Proposed Cross-Subsidy Surcharge for HT-I category for the 5th Control Period

Year	T (ABR)	C	WL	TL	L	C/(1-L%)	D	CSS
	Rs./ kVAh	Rs./ kVAh	%	%	%	Rs./ kVAh	Rs./ kVAh	Rs./ kVAh
FY 2025-26	5.91	5.62	1.50%	3.28%	4.78%	5.90	0.11	-

Year	T (ABR)	C	WL	TL	L	C/(1-L%)	D	CSS
	Rs./ kVAh	Rs./ kVAh	%	%	%	Rs./ kVAh	Rs./ kVAh	Rs./ kVAh
FY 2026-27	6.15	5.89	1.50%	3.26%	4.76%	6.18	0.11	-
FY 2027-28	6.43	5.74	1.50%	3.24%	4.74%	6.03	0.12	-
FY 2028-29	6.53	5.76	1.50%	3.21%	4.71%	6.04	0.13	-
FY 2029-30	6.85	5.62	1.50%	3.16%	4.66%	5.90	0.13	0.83

Table 4-27: Proposed Cross-Subsidy Surcharge for HT-II category for the 5th Control Period

Year	T (ABR)	C	WL	TL	L	C/(1-L%)	D	CSS
	Rs./ kVAh	Rs./ kVAh	%	%	%	Rs./ kVAh	Rs./ kVAh	Rs./ kVAh
FY 2025-26	9.79	5.62	1.50%	3.28%	4.78%	5.90	0.11	1.18
FY 2026-27	9.94	5.89	1.50%	3.26%	4.76%	6.18	0.11	1.23
FY 2027-28	10.13	5.74	1.50%	3.24%	4.74%	6.03	0.12	1.29
FY 2028-29	10.14	5.76	1.50%	3.21%	4.71%	6.04	0.13	1.31
FY 2029-30	10.38	5.62	1.50%	3.18%	4.68%	6.01	0.12	1.37

4.7.5. SEZ Bio-Tech Manjari has not computed the CSS for the remaining categories as there are no sales to this category, and the ABR is not known.

Commission's Analysis and Rulings

4.7.6. Section 2(47) of the EA, 2003, mandates a licensee to provide non-discriminatory Open Access to the consumers wishing to avail power from Open Access market. Section 86 (1) read with Section 42(2) allows the State Commission to introduce Open Access with determination of surcharge considering the factors such as Cross-subsidies and other operational constraints. Further second proviso of Section 42(2) specifically provides that, such 'surcharge' shall be utilized to meet the requirements of current level of cross subsidies within the area of supply of the licensee.

4.7.7. In line with Regulation 3.3 and 14.7 of the MERC (Distribution Open Access) Regulations, 2016 and its amendments thereof, the Commission has computed the category-wise CSS for HT I and HT II i.e., the category eligible for Open Access in accordance with the formula stipulated in the revised Tariff Policy notified by Ministry of Power on January 28, 2016, for FY 2025-26 to FY 2029-30 as shown in the following table. The CSS for the remaining categories i.e. LT II (A), LT II (B), LT II (C) and LT V (II) shall be computed based on the formula stipulated in the revised Tariff Policy notified by Ministry of Power on January 28, 2016.

Table 4-28: Proposed Cross-Subsidy Surcharge for HT categories for the 5th Control Period as approved by the Commission

Consumer Category	T (ABR)	C	WL	TL	L	C/(1-L%)	D	D	CSS	CSS
	Rs./kWh	Rs./kWh	%	%	%	Rs./kWh	Rs./kWh	Rs./kVAh	Rs./kWh	Rs./kVAh
HT Category - FY 2025-26										
Industrial HT-I (A)	6.23	5.28	1.50%	3.28%	4.78%	5.55	0.75	0.74	-	-
Commercial HT-II	7.19	5.28	1.50%	3.28%	4.78%	5.55	0.75	0.74	0.89	0.90
HT Category - FY 2026-27										
Industrial HT-I (A)	6.21	5.56	1.50%	3.26%	4.76%	5.84	0.70	0.69	-	-
Commercial HT-II	7.15	5.56	1.50%	3.26%	4.76%	5.84	0.70	0.69	0.61	0.62
HT Category - FY 2027-28										
Industrial HT-I (A)	6.20	5.74	1.50%	3.24%	4.74%	6.03	0.71	0.70	-	-
Commercial HT-II	7.12	5.74	1.50%	3.24%	4.74%	6.03	0.71	0.70	0.38	0.39
HT Category - FY 2028-29										
Industrial HT-I (A)	6.19	5.76	1.50%	3.22%	4.72%	6.04	0.70	0.69	-	-
Commercial HT-II	7.09	5.76	1.50%	3.22%	4.72%	6.04	0.70	0.69	0.35	0.36
HT Category - FY 2029-30										
Industrial HT-I (A)	6.18	5.62	1.50%	3.20%	4.70%	5.90	0.68	0.67	-	-
Commercial HT-II	7.06	5.62	1.50%	3.20%	4.70%	5.90	0.68	0.67	0.48	0.49

4.8.Green Energy Tariff

SEZ Bio-Tech Manjari's Submission

- 4.8.1. On 6 June, 2022, Ministry of Power, GoI has notified Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022. The said rules mandate the State Commission to determine Green Power Tariff.
- 4.8.2. The Commission determined Green Power Tariff for the consumers opting for meeting its 100% of power requirement through RE sources in the Case No. 134 of 2020 dated 22 March 2021, which is stipulated as Rs 0.66 per kWh as per the conditions and methodology specified under said Order.

- 4.8.3. As the Commission is yet to formulate the framework for determination of Green Energy Charges, and since SEZ Bio-Tech Manjari is yet to contract for the RE power in the long/medium term, it has requested the Commission to approve the Green Energy Charges at 50% of the presently approved charges, i.e., Rs. 0.33/kWh.

Commission's Analysis and Rulings

- 4.8.4. The Commission observes that the concept of Green Tariff has been well appreciated by many stakeholders across state as it provides opportunity for consumers willing to meet their power requirement through green energy sources, however, the concept is still at nascent stage with limited participation.
- 4.8.5. Besides, there have been several developments since introduction of concept including COVID pandemic situation, which also has bearing on renewable energy development in the country. Other market related developments such as introduction of GDAM/ GTAM and REC multiplier etc. are still evolving. Under the circumstance, the Commission is of the considered view that any change in mechanism of Green Tariff is not desirable at this stage and the same should continue for the 5th Control Period. Thus, the Commission hereby approves the Green Tariff of Rs 0.25/ kWh to be applicable during the 5th Control Period (i.e., FY 2025-26 to FY 2029-30). Green attribute of electricity purchased by consumer by paying Green tariff shall remain with that consumer only and Distribution Licensee shall not count such energy while computing its RPO fulfilment.
- 4.8.6. However, for ease of implementation and to comply with provisions of MoP Rules, the Commission stipulates following terms and conditions for levy of Green Power Tariff:
- a. All consumers (Extra High Voltage, High Voltage and Low Voltage) shall be eligible for opting RE power on payment of Green Power Tariff.
 - b. The consumers who have opted for Open Access can also requisition for RE Power on payment of Green Power Tariff for balance power supplied by Distribution Licensee.
 - c. If the Obligated Entity wants to meet its RPO by requisitioning RE Power from the Distribution Licensee, then such entity shall pay additional Rs 0.50 /kWh for the Green Power Tariff i.e., the Obligated entity shall pay total Green Power Tariff of Rs 0.75/kWh. Since the obligated entity also has the option to meet RPO by purchasing REC, the green tariff is proposed with slight premium to REC Price.

- d. Revenue earned through Green Power Tariff shall be treated as tariff income of Supply Business and thereby be fully accounted for reduction in ARR of supply business.
- e. Green attribute of energy consumed by consumer by paying Green tariff shall remain with such consumer. Distribution Licensee shall not count such energy towards its RPO fulfilment.
- f. The Consumer will have option to select the quantum of green power to be purchased in steps of 25% and going up to 100% of the consumption.
- g. Such an option will also be available for Open Access consumer for its balance consumption from the Distribution Licensee.
- h. The Distribution Licensee will levy Green Power Tariff only for percentage of consumption opted by the Consumer.
- i. Distribution Licensee shall issue Annual certificate to consumers stating percentage of power requirement of such consumer has been sourced through RE sources
- j. Any requisition for green energy from a distribution licensee shall be for a minimum period of one year.
- k. Distribution Licensee shall process the request of Consumer for Green Power Tariff not later than 30 days from the receipt of the request or next billing cycle, whichever is earlier. Distribution Licensee shall provide the facility of requesting for Green Power Tariff through its Web Portal, Mobile App or any other digital mode for convenience of consumers.
- l. Temporary Consumers can also opt of Green Tariff as per methodology specified above and Distribution Licensee shall issue certificate specifying that power requirement has been sourced through RE sources after receipt of payment.
- m. The Rules notified by MoP, GOI also specify that rating of the consumer based on the percent of green energy purchased by such consumer. The Commission notes that RPO specified for FY 2023-24 and FY 2024-25 is 22% and 25% respectively and is likely to be revised upwards going forward in next Control Period. As Distribution Licensee will already be meeting such consumption, it would not be correct to issue any certificate to individual consumer for RPO to be met by Distribution Licensee as a whole. The Commission has allowed the consumer the choice to opt for RE purchase in the steps of 25%. Accordingly, the Commission introduces the rating to be given by Distribution Licensee at the end of the financial year along with the electricity bill for the month of March specifying the percentage of power purchased from RE sources from his total consumption and rating as given below:

% of RE Purchase Opted	Rating
>50% to 75%	Semi-Green
>75% to 100%	Green

4.9. Advance Payment

- 4.9.1. Regulation 16 of the MERC (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021 allows the consumer to make the advance payment of charges for electricity supplied. The Commission notes that interest is payable at Bank Rate for such advance payment and such rate being lower than prevailing market rate, there is not much response from the Consumer to avail this facility.
- 4.9.2. The Commission is of the view that there is need to encourage the consumers to make advance payment, which will not only increase the collection of Distribution Licensee but also reduce the working capital requirement. Thus, the Commission, hereby deems it fit to invoke its Power to Relax under Regulation 30 of MERC (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021 to allow higher interest rate based on the amount of advance payment.
- 4.9.3. Thus, the Commission hereby allows the advance payment/pre-payment of the bills for consumers for amount not exceeding 12 times average monthly bill for the past twelve months. Such facility shall be available for all consumers. Consumers shall be eligible to avail discount in graded manner on their monthly bills, so long as they maintain advance payment amount in following manner:

Advance Payment Amount maintained with Utility as on date of monthly bill	Discount in monthly bill applicable at the rate of	Illustration discount* (%)
Advance Amount = Equiv. of (Avg. Monthly Bill for past 12 months) x [No. of months, 9 to 12 months]	Percent Discount in monthly Bill Amount = $1/12 \times (\text{SBI 1-yr MCLR as on 1st Apr}) + \mathbf{150}$ basis points	$(1/12) \times 10.5\% = 0.875\%$ (monthly bill discount)
Advance Amount = Equiv. of (Avg. Monthly Bill for past 12 months) x [No. of months, 6 to 9 months]	Percent Discount in monthly Bill Amount = $1/12 \times (\text{SBI 1-yr MCLR as on 1st Apr}) + \mathbf{120}$ basis points	$(1/12) \times 10.2\% = 0.850\%$ (monthly bill discount)
Advance Amount = Equiv. of (Avg. Monthly Bill for past 12 months) x [No. of months, 3 to 6 months]	Percent Discount in monthly Bill Amount = $1/12 \times (\text{SBI 1-yr MCLR as on 1st Apr}) + \mathbf{90}$ basis points	$(1/12) \times 9.9\% = 0.825\%$ (monthly bill discount)

Advance Payment Amount maintained with Utility as on date of monthly bill	Discount in monthly bill applicable at the rate of	Illustration discount* (%)
Advance Amount = Equiv. of (Avg. Monthly Bill for past 12 months) x [No. of months, up to 3 months]	Percent Discount in monthly Bill Amount = $1/12 \times (\text{SBI 1-yr MCLR as on 1st Apr}) + \mathbf{60}$ basis points	$(1/12) \times 9.6\% = 0.800\%$ (monthly bill discount)

**Note: Assumed SBI 1-year MCLR of 9% p.a.*

5. SCHEDULE OF CHARGES

SEZ Bio-Tech Manjari's Submission

5.1.1. SEZ Bio-Tech Manjari has proposed 'nil' Schedule of Charges for the Control Period from FY 2025-26 to FY 2029-30.

Commission's Analysis and Rulings

5.1.2. In response to a query sought by the Commission, SEZ Bio-Tech Manjari has submitted that, it is not incurring any additional cost towards providing its services. Since the SEZ offers 'plug and play' model to its consumers within the enclosed area comprising limited number of buildings. Further, since all the payments facilities are being made online/ digitally, hence charges pertaining to cheque bouncing events are also not relevant. Hence, SEZ Bio-Tech Manjari has not proposed any Schedule of Charges for FY 2025-26 to FY 2029-30. In view of the of the above submissions, the Commission has not approved any Schedule of Charges for FY 2025-26 to FY 2029-30 except the Administrative Charges for cheque bouncing. When a cheque is dishonoured, it is considered to be a serious offence under Section 138 of the Negotiable Instruments Act. Therefore, the Commission approves charges of Rs. 500/- per instance towards compensation for Administrative Charges (Bank Charges and other costs) for dishonouring of cheques, applicable to all consumer categories. Further, the Commission approves processing fees for open access applications of Rs. 3000 per application and Operating charges for open access consumers of Rs.3000 per month.

6. SUMMARY OF DIRECTIVES

- 6.1.1. The Commission directs SEZ Bio-Tech Manjari to procure power through transparent process of competitive bidding under Section 63 of EA 2003.
- 6.1.2. The Commission directs SEZ Bio-Tech Manjari to submit the detailed reconciliation of difference in DSM units claimed vis-à-vis the weekly DSM bills and the actual cost incurred and paid for FY 2024-25 during the True-up.
- 6.1.3. The Commission directs SEZ Bio-Tech Manjari to obtain the post-facto approval of the Commission for the capex already undertaken and prior approval for the planned capex as per prevalent MERC Regulations.
- 6.1.4. The Commission directs SEZ Bio-Tech Manjari to approach the Commission within three months of issuance of this Order and submit the list of energy efficient schemes that are proposed to be undertaken in the next Control Period. Further, SEZ Bio-Tech Manjari is directed to conduct the study for assessment of self-consumption and submit the findings of such study.
- 6.1.5. The Commission directs SEZ Bio-Tech Manjari to submit the FAC in accordance with Regulation 10.5 of the MYT Regulations 2024. If there is any delay in submission, the FAC will not be permitted.


7. APPLICABILITY OF ORDER

- 7.1.1. The Tariffs determined in this Order shall be applicable from **1 April 2025**. Where the billing cycle of a consumer is different with respect to the date of applicability of the revised tariffs, they should be made applicable for the consumption on a pro rata basis. The bills for the respective periods as per the existing and revised tariffs shall be calculated based on the pro-rata consumption (units consumed during the respective periods, arrived at on the basis of average unit consumption per day multiplied by the number of days in the respective periods covered in the billing cycle).
- 7.1.2. The Commission has determined the revenue from the proposed tariffs as if they were applicable for the entire year. Any shortfall or surplus in the actual revenue against the approved ARR will be trued-up at the end of the Control Period.
- 7.1.3. The Petition of M/s. SEZ Bio-Tech Services Pvt. Ltd. – Manjari SEZ ('SEZ Bio-Tech Manjari') in Case No. 204 of 2024 stands disposed of accordingly.

Sd/-
(Surendra J. Biyani)
Member

Sd/-
(Anand M. Limaye)
Member

Sd/-
(Sanjay Kumar)
Chairperson


(Dr. Rajendra G. Ambekar)
Secretary



Annexure I: Category wise Revenue with revised Tariffs for FY 2025-26

Category	No. of consumers	Components of tariff							Relevant sales & load/demand data for				Full year revenue excluding Government subsidy (Rs. Crore)									Government subsidy (Rs. Crore)	Full year revenue (including subsidy) (Rs. Crore)	Average Billing Rate (Rs/kVAh)	Ratio of Average Billing Rate to Average Cost of Supply (%)	Ratio of Average Billing Rate to Supply Cost (%)	
		Fixed Charges (Rs kW/month)	Demand Charges (Rs kVA/month)	Energy Charges (Rs kVAh)	ToD Charges (Rs kVAh)	Wheeling Charges (Rs kVAh)	Green Energy Charges (Rs kWh)	Fuel surcharge per unit (Rs/kVAh)	Sanctioned Load in kW	Billing Demand in KVA	Sales in MU	Sales in MVAh	Revenue from Fixed Charges	Revenue from Demand Charges	Revenue from Energy Charges	Revenue from ToD Charges	Revenue from Wheeling Charges	Revenue from Green Energy Charges	Revenue from fuel surcharge	Total							
HT Category																											
HT I	6		403	5.48		0.17			10686	88.22	89.36		5.17	48.97		1.56	0.00	0.00	55.70	0.00	55.70	6.23	101%	101%			
HT II	1		100	5.58		0.17			256	0.21	0.21		0.03	0.12		0.00	0.00	0.00	0.15	0.00	0.15	7.19	116%	117%			
Total	7									88.43	89.58	0.00	5.20	49.09	0.00	1.56	0.00	0.00	55.85	0.00	55.85	6.23	101%	101%			

Annexure II: Category wise Revenue with revised Tariffs for FY 2026-27

Category	No. of consumers	Components of tariff						Relevant sales & load/demand data for				Full year revenue excluding Government subsidy (Rs. Crore)								Government subsidy (Rs. Crore)	Full year revenue (including subsidy) (Rs. Crore)	Average Billing Rate (Rs/kVAh)	Ratio of Average Billing Rate to Average Cost of Supply (%)	Ratio of Average Billing Rate to Supply Cost (%)		
		Fixed Charges (Rs/kW/month)	Demand Charges (Rs/kVA/month)	Energy Charges (Rs/kVAh)	ToD Charges (Rs/kVAh)	Wheeling Charges (Rs/kVAh)	Green Energy Charges (Rs/kWh)	Fuel surcharge per unit (Rs/kVAh)	Sanctioned Load in kW	Billing Demand in KVA	Sales in MU	Sales in MkVAh	Revenue from Fixed Charges	Revenue from Demand Charges	Revenue from Energy Charges	Revenue from ToD Charges	Revenue from Wheeling Charges	Revenue from Green Energy Charges	Revenue from fuel surcharge						Total	
HT Category																										
HT I	6		403	5.48		0.17			10953	92.63	93.83		5.30	51.42		1.59	0.00	0.00	58.31	0.00	58.31	6.21	101%	101%		
HT II	1		100	5.58		0.17			263	0.22	0.22		0.03	0.13		0.00	0.00	0.00	0.16	0.00	0.16	7.15	116%	116%		
Total	7									92.86	94.06	0.00	5.33	51.54	0.00	1.60	0.00	0.00	58.47	0.00	58.47	6.22	101%	101%		

Annexure III: Category wise Revenue with revised Tariffs for FY 2027-28

Category	No. of consumers	Components of tariff							Relevant sales & load/demand data for				Full year revenue excluding Government subsidy (Rs. Crore)								Government subsidy (Rs. Crore)	Full year revenue (including subsidy) (Rs. Crore)	Average Billing Rate (Rs/kVAh)	Ratio of Average Billing Rate to Average Cost of Supply (%)	Ratio of Average Billing Rate to Supply Cost (%)	
		Fixed Charges (Rs/kW/month)	Demand Charges (Rs/kVA/month)	Energy Charges (Rs/kVAh)	ToD Charges (Rs/kVAh)	Wheeling Charges (Rs/kVAh)	Green Energy Charges (Rs/kWh)	Fuel surcharge per unit (Rs/kVAh)	Sanctioned Load in kW	Billing Demand in KVA	Sales in MU	Sales in MkVAh	Revenue from Fixed Charges	Revenue from Demand Charges	Revenue from Energy Charges	Revenue from ToD Charges	Revenue from Wheeling Charges	Revenue from Green Energy Charges	Revenue from fuel surcharge	Total						
HT Category																										
HT I	6		403	5.48		0.17				11227	97.26	98.52		5.43	53.99		1.70	0.00	0.00	61.12	0.00	61.12	6.20	100%	100%	
HT II	1		100	5.58		0.17				269	0.23	0.24		0.03	0.13		0.00	0.00	0.00	0.17	0.00	0.17	7.12	115%	116%	
Total	7										97.50	98.76	0.00	5.46	54.12	0.00	1.70	0.00	0.00	61.29	0.00	61.29	6.21	100%	100%	

Annexure IV: Category wise Revenue with revised Tariffs for FY 2028-29

Category	No. of consumers	Components of tariff							Relevant sales & load/demand data for				Full year revenue excluding Government subsidy (Rs. Crore)								Government subsidy (Rs. Crore)	Full year revenue (including subsidy) (Rs. Crore)	Average Billing Rate (Rs/kVAh)	Ratio of Average Billing Rate to Average Cost of Supply (%)	Ratio of Average Billing Rate to Supply Cost (%)	
		Fixed Charges (Rs/kW/month)	Demand Charges (Rs/kVA/month)	Energy Charges (Rs/kVAh)	ToD Charges (Rs/kVAh)	Wheeling Charges (Rs/kVAh)	Green Energy Charges (Rs/kWh)	Fuel surcharge per unit (Rs/kVAh)	Sanctioned Load in kW	Billing Demand in KVA	Sales in MU	Sales in MkVAh	Revenue from Fixed Charges	Revenue from Demand Charges	Revenue from Energy Charges	Revenue from ToD Charges	Revenue from Wheeling Charges	Revenue from Green Energy Charges	Revenue from fuel surcharge	Total						
HT Category																										
HT I	6		403	5.48		0.17			11507	102.13	103.45		5.56	56.69		1.81	0.00	0.00	64.06	0.00	64.06	6.19	100%	100%		
	1		100	5.58		0.17			276	0.24	0.25		0.03	0.14		0.00	0.00	0.00	0.18	0.00	0.18	7.09	115%	115%		
Total	7									102.37	103.70	0.00	5.60	56.83	0.00	1.81	0.00	0.00	64.24	0.00	64.24	6.19	100%	100%		

Annexure V: Category wise Revenue with revised Tariffs for FY 2029-30

Category	No. of consumers	Components of tariff						Relevant sales & load demand data for				Full year revenue excluding Government subsidy (Rs. Crore)									Government subsidy (Rs. Crore)	Full year revenue (including subsidy) (Rs. Crore)	Average Billing Rate (Rs/kVAh)	Ratio of Average Billing Rate to Average Cost of Supply (%)	Ratio of Average Billing Rate to Supply Cost (%)		
		Fixed Charges (Rs/kW/month)	Demand Charges (Rs/kVA/month)	Energy Charges (Rs/kVAh)	ToD Charges (Rs/kVAh)	Wheeling Charges (Rs/kVAh)	Green Energy Charges (Rs/kWh)	Fuel surcharge per unit (Rs/kVAh)	Sanctioned Load in kW	Billing Demand in KVA	Sales in MU	Sales in MkVAh	Revenue from Fixed Charges	Revenue from Demand Charges	Revenue from Energy Charges	Revenue from ToD Charges	Revenue from Wheeling Charges	Revenue from Green Energy Charges	Revenue from fuel surcharge	Total							
HT Category																											
HT I	6		403	5.48		0.17			11795	107.23	108.62		5.70	59.52		1.89	0.00	0.00	67.12	0.00	67.12	6.18	100%	100%			
HT II	1		100	5.58		0.17			283	0.26	0.26		0.03	0.15		0.00	0.00	0.00	0.18	0.00	0.18	7.06	114%	115%			
Total	7									107.49	108.88	0.00	5.74	59.67	0.00	1.90	0.00	0.00	67.31	0.00	67.31	6.18	100%	100%			

Annexure VI: Tariff Schedule

M/S. SEZ BIO-TECH SERVICES PVT. LTD. – MANJARI SEZ ('SEZ BIO-TECH MANJARI')

SCHEDULE OF ELECTRICITY TARIFFS

(Effective from 1 April 2025)

The Maharashtra Electricity Regulatory Commission, in exercise of the powers vested in it under Sections 61 and 62 of the Electricity Act, 2003 and all other powers enabling it in this behalf, has determined, by its Multi Year Tariff Order dated **28 March, 2025 in Case No. 204 of 2024**, the tariffs for supply of electricity by the Distribution Licensee, M/s. SEZ Bio-Tech Services Pvt. Ltd. – Manjari SEZ ('SEZ Bio-Tech Manjari') to various categories of consumers as applicable from **1 April, 2025 to 31 March, 2030**.

GENERAL:

1. These tariffs supersede all tariffs so far in force.
2. The tariffs are subject to revision and/or surcharge that may be levied by the Distribution Licensee from time to time as per the directives of the Commission.
3. The tariffs are exclusive of the separate Electricity Duty, Tax on Sale of Electricity and other levies by the Government or other competent authorities, which will be payable by consumers over and above the tariffs.
4. The tariffs are applicable for supply at one point only.
5. The Distribution Licensee may measure the Maximum Demand for any period shorter than 30 minutes of maximum use, subject to conformity with the Commission's Electricity Supply Code Regulations, where it considers that there are considerable load fluctuations in operation.
6. The tariffs are subject to the provisions of the applicable Regulations and any directions that may be issued by the Commission from time to time.
7. Unless specifically stated to the contrary, the figures of Energy Charge and Wheeling Charge are denominated in Rupees per unit (kVAh) for the energy consumed during the month.
8. Fuel Adjustment Charge (FAC) computed in accordance with provisions of MYT Regulations, 2024 and Commission's directions in this regard from time to time shall be applicable to all categories of consumers and will be charged over and above the base tariff.

HIGH TENSION (HT) – TARIFF

HT I: HT - Industry

Applicability:

This tariff category is applicable for electricity for Industrial use at High Voltage for purposes of manufacturing and processing, including electricity used within such premises for general lighting, heating/cooling, etc.

It is also applicable for use of electricity / power supply for Hotels/ Motels/ Youth Clubs/ Resorts/ Cottages/ Service Apartments/Tourist Villas/ Tourist Apartments.

It is also applicable for use of electricity / power supply for District Cooling Solution (DCS) for providing air conditioning services to a cluster of buildings in a centralised manner.

It is also applicable for use of electricity / power supply for Administrative Offices / Canteen, Recreation Hall / Sports Club or facilities / Health Club or facilities/ Gymnasium / Swimming Pool exclusively meant for employees of the industry; water pumps, fire-fighting pumps and equipment, street, and common area lighting; Research and Development units, Telecommunications Tower etc. -

Provided that all such facilities are situated within the same industrial premises and supplied power from the same point of supply.

This tariff category shall be applicable for use of electricity / power supply by an Information Technology (IT), or IT-enabled Services (ITeS) Unit as defined in the applicable IT/ITes Policy of Government of Maharashtra.

It is also applicable for use of electricity / power supply for common facilities in the IT Park/ SEZ (such as lobbies, central air conditioning, lifts, escalators, Effluent Treatment Plant/ Sewage Treatment Plant, wash rooms etc.) which are used by the Units, excluding support services areas, after the registration is granted to the IT Park by the Directorate of Industries and Development Commissioner of the SEZ for an IT SEZ, as per the IT and ITeS Policy of the Government of Maharashtra as applicable from time to time. (In case the Government of Maharashtra revisits the present dispensation given under the IT and ITeS Policy, 2015, such use will be billed under the Commercial tariff category unless otherwise stipulated in the revised Policy.)

Rate Schedule

Tariff w.e.f. 1 April 2025 to 31 March 2026

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
HT I Industry	403.00	0.17	5.48

Tariff w.e.f. 1 April 2026 to 31 March 2027

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
HT I Industry	403.00	0.17	5.48

Tariff w.e.f. 1 April 2027 to 31 March 2028

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
HT I Industry	403.00	0.17	5.48

Tariff w.e.f. 1 April 2028 to 31 March 2029

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
HT I Industry	403.00	0.17	5.48

Tariff w.e.f. 1 April 2029 to 31 March 2030

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
HT I Industry	403.00	0.17	5.48

HT-II – HT Commercial

Applicability:

This tariff category is applicable for electricity used at High Voltage in non-residential, non-industrial and/ or commercial premises for commercial consumption meant for operating various appliances used for purposes such as lighting, heating, cooling, cooking, and washing/cleaning, entertainment/ leisure and water pumping in, but not limited to, the following premises:

- Non-Residential, Commercial and Business premises;
- Combined lighting and power services for facilities relating to Entertainment;
- Offices, including Commercial Establishments;
- Youth Hostels Restaurants, Ice-cream parlours, Coffee Shops, , Internet / Cyber Cafes, Telephone Booths, and Fax / Photocopy shops;
- Automobile and all other types of repairs, servicing, and maintenance centres (unless specifically covered under another tariff category); Retail Gas Filling Stations, Petrol Pumps & Service Stations, including Garages;
- Banks and ATM centres, Telephone Exchanges, TV Stations, Radio Stations;

- g) Sewage Treatment Plant/ Effluent Treatment Plant and common facilities like Water Pumping / Lifts / Fire-Fighting Pumps and other equipment / Street and other common area Lighting for Commercial Complexes, and not covered under the HT I – Industry category;
- h) Construction of all types of structures/ infrastructure for any purposes;
- i) Stand-alone Research and Development units not covered under any other category;

Any other class of consumers not defined under HT I and HT III consumer category of this tariff order.

Rate Schedule

Tariff w.e.f. 1 April 2025 to 31 March 2026

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
Commercial HT-(II)	100.00	0.17	5.58

Tariff w.e.f. 1 April 2026 to 31 March 2027

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
Commercial HT-(II)	100.00	0.17	5.58

Tariff w.e.f. 1 April 2027 to 31 March 2028

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
Commercial HT-(II)	100.00	0.17	5.58

Tariff w.e.f. 1 April 2028 to 31 March 2029

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
Commercial HT-(II)	100.00	0.17	5.58

Tariff w.e.f. 1 April 2029 to 31 March 2030

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
Commercial HT-(II)	100.00	0.17	5.58

HT III: HT Electric Vehicle Charging Stations

Applicability

This Tariff category is applicable for Electric Vehicle Charging Station including battery swapping stations for Electric Vehicle.

In case the consumer uses the electricity supply for charging his own electric vehicle at his premises, the tariff applicable shall be as per the category of such premises.

Electricity consumption for other facilities at Charging Station such as restaurant, rest rooms, convenience stores, etc., shall be charged at tariff applicable to Commercial Category.

Rate Schedule

Tariff w.e.f. 1 April 2025 to 31 March 2026

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
HT Electric Vehicle Charging Station	-	0.17	6.18

Tariff w.e.f. 1 April 2026 to 31 March 2027

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
HT Electric Vehicle Charging Station	-	0.17	6.18

Tariff w.e.f. 1 April 2027 to 31 March 2028

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
HT Electric Vehicle Charging Station	-	0.17	6.18

Tariff w.e.f. 1 April 2028 to 31 March 2029

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
HT Electric Vehicle Charging Station	-	0.17	6.18

Tariff w.e.f. 1 April 2029 to 31 March 2030

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
HT Electric Vehicle Charging Station	-	0.17	6.18

LOW TENSION (LT) – TARIFF

LT II (A): LT- Commercial (0-20 kW)

LT II (B): LT- Commercial (Above 20 kW)

Applicability

This tariff category is applicable for electricity used at Low/Medium Voltage in non-residential, non-industrial and/or commercial premises for commercial consumption meant for operating various appliances used for purposes such as lighting, heating, cooling, cooking, and washing/cleaning, entertainment/ leisure and water pumping in, but not limited to, the following premises:

- a) Non-Residential, Commercial and Business premises, including shopping malls and Showrooms;
- b) Combined lighting and power supply for facilities relating to Entertainment, including filmstudios, cinemas, and theatres (including multiplexes), Hospitality, Leisure, Meeting/TownHalls, and places of Recreation and Public Entertainment;
- c) Offices, including Commercial Establishments;
- d) Marriage Halls, / Restaurants, Ice-cream parlours, Coffee Shops, Internet / Cyber Cafes, Telephone Booths, and Fax / Photocopy shops;
- e) Automobile and all other types of repairs, servicing, and maintenance centres (unless specifically covered under another tariff category); Retail Gas Filling Stations, Petrol Pumps and Service Stations, including Garages;
- f) Tailoring Shops, Computer Training Institutes, Typing Institutes, Photo Laboratories, Laundries, Beauty Parlours and Saloons;
- g) Banks and ATM centres, Telephone Exchanges, TV Stations, Microwave Stations, Radio Stations;
- h) Sports Clubs/facilities, Health Clubs/facilities, Gymnasiums, Swimming Pools not covered under any other category;
- i) Construction of all types of structures/ infrastructure for any purposes;
- j) Sewage Treatment Plant/ Effluent Treatment Plant and common facilities like Water Pumping / Lifts / Fire-Fighting Pumps and other equipment / Street and other common area Lighting for Commercial Complexes and not covered under the LT III – Industry category;
- k) Stand-alone Research and Development Units not covered under any other category;

Rate Schedule

Tariff w.e.f. 1 April 2025 to 31 March 2026

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT II (A): LT- Commercial (0-20 kW)	100.00	0.17	5.38
LT II (B): LT- Commercial (Above 20 kW)	100.00	0.17	5.48

Tariff w.e.f. 1 April 2026 to 31 March 2027

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT II (A): LT- Commercial (0-20 kW)	100.00	0.17	5.38
LT II (B): LT- Commercial (Above 20 kW)	100.00	0.17	5.48

Tariff w.e.f. 1 April 2027 to 31 March 2028

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT II (A): LT- Commercial (0-20 kW)	100.00	0.17	5.38
LT II (B): LT- Commercial (Above 20 kW)	100.00	0.17	5.48

Tariff w.e.f. 1 April 2028 to 31 March 2029

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT II (A): LT- Commercial (0-20 kW)	100.00	0.17	5.38
LT II (B): LT- Commercial (Above 20 kW)	100.00	0.17	5.48

Tariff w.e.f. 1 April 2029 to 31 March 2030

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT II (A): LT- Commercial (0-20 kW)	100.00	0.17	5.38
LT II (B): LT- Commercial (Above 20 kW)	100.00	0.17	5.48

LT V (A): LT- Industry (0-20 kW)

LT V (B): LT- Industry (Above 20 kW)

Applicability

This tariff category is applicable for electricity for Industrial use, at Low/Medium Voltage, for purposes of manufacturing and processing, including electricity used within such premises

for general lighting, heating/cooling, etc.

It is also applicable for use of electricity / power supply for Hotels/ Motels/ Youth Clubs/ Resorts/ Cottages/ Service Apartments/Tourist Villas/ Tourist Apartments.

It is also applicable for use of electricity / power supply for District Cooling Solution (DCS) for providing air conditioning services to a cluster of buildings in a centralised manner.

It is also applicable for use of electricity / power supply for Administrative Offices/ Canteens, Recreation Hall / Sports Club or facilities / Health Club or facilities/ Gymnasium / Swimming Pool exclusively meant for employees of the industry; Research and Development units, Telecommunications Tower etc.

Provided that all such facilities are situated within the same industrial premises and supplied power from the same point of supply;

This tariff category shall also be applicable for use of electricity / power supply by an Information Technology (IT), or IT-enabled Services (ITeS) Unit as defined in the applicable IT and ITeS Policy of Government of Maharashtra.

It is also applicable for use of electricity / power supply for common facilities in the IT Park/SEZ (such as lobbies, central air conditioning, lifts, escalators, Effluent Treatment Plant/Sewage Treatment Plant, wash rooms etc.) which are used by the Units, excluding support services areas, after the registration is granted to the IT Park by the Directorate of Industries and Development Commissioner of the SEZ for an IT SEZ, as per the IT and ITeS Policy of the Government of Maharashtra as applicable from time to time.

Rate Schedule

Tariff w.e.f. 1 April 2025 to March 2026

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT V (A): LT- Industry (0-20 kW)	100.00	0.17	5.28
LT V (B): LT- Industry (Above 20 kW)	100.00	0.17	5.18

Tariff w.e.f. 1 April 2026 to 31 March 2027

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT V (A): LT- Industry (0-20 kW)	100.00	0.17	5.28
LT V (B): LT- Industry (Above 20 kW)	100.00	0.17	5.18

Tariff w.e.f. 1 April 2027 to 31 March 2028

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT V (A): LT- Industry (0-20 kW)	100.00	0.17	5.28

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT V (B): LT- Industry (Above 20 kW)	100.00	0.17	5.18

Tariff w.e.f. 1 April 2028 to 31 March 2029

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT V (A): LT- Industry (0-20 kW)	100.00	0.17	5.28
LT V (B): LT- Industry (Above 20 kW)	100.00	0.17	5.18

Tariff w.e.f. 1 April 2029 to 31 March 2030

Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT V (A): LT- Industry (0-20 kW)	100.00	0.17	5.28
LT V (B): LT- Industry (Above 20 kW)	100.00	0.17	5.18

LT VI - LT Electric Vehicle Charging Stations

Applicability

This tariff category is applicable for electricity used at Low/Medium Voltage for supplying to Electric Vehicle Charging Stations including battery swapping stations for electric vehicle.

In case the consumer uses the electricity supply for charging his own electric vehicle at his premises, the tariff applicable shall be as per the category of such premises.

Electricity consumption for other facilities at Charging Station such as restaurant, rest rooms, convenience stores, etc., shall be charged at tariff applicable to Commercial Category.

Rate Schedule

Tariff w.e.f. 1 April 2025 to 31 March 2026

Consumer Category	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT VI: LT Electric Vehicle Charging Station	0.17	6.18

Tariff w.e.f. 1 April 2026 to 31 March 2027

Consumer Category	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT VI: LT Electric Vehicle Charging Station	0.17	6.18

Tariff w.e.f. 1 April 2027 to 31 March 2028

Consumer Category	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT VI: LT Electric Vehicle Charging Station	0.17	6.18

Tariff w.e.f. 1 April 2028 to 31 March 2029

Consumer Category	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT VI: LT Electric Vehicle Charging Station	0.17	6.18

Tariff w.e.f. 1 April 2029 to 31 March 2030

Consumer Category	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT VI: LT Electric Vehicle Charging Station	0.17	6.18

MISCELLANEOUS AND GENERAL CHARGES

Fuel Adjustment Charge (FAC) Component of Z-factor Charge

The Fuel Adjustment Charge (FAC) component of the Z-factor Charge will be determined in accordance with the formula specified in the relevant Multi Year Tariff Regulations and any directions that may be given by the Commission from time to time and will be applicable to all consumer categories for their entire consumption.

In case of any variation in the fuel prices and power purchase prices, the Distribution Licenseeshall pass on the adjustments through the FAC component of the Z-factor Charge accordingly. The details of applicable FAC for each month shall be available on the Distribution Licensee's website <https://www.eropower.in/>

Electricity Duty and Tax on Sale of Electricity

Electricity Duty and Tax on Sale of Electricity shall be levied in addition to the tariffs approved by the Commission, and in accordance with the Government of Maharashtra stipulations fromtime to time. The rate and the reference number of the Government Resolution/ Order under which the Electricity Duty and Tax on Sale of Electricity are applied shall be stated in the consumers' energy bills. A copy of such Resolution / Order shall be provided on the Distribution Licensee's website <https://www.eropower.in/>

Prompt Payment Discount

A prompt payment discount of one percent of the monthly bill (excluding Taxes and Duties)

shall be provided to consumers for payment of electricity bills within 7 days from the date of their issue.

Delayed Payment Charge

In case the electricity bill is not paid within the due date mentioned on the bill, a Delayed Payment Charge of 1.25 percent shall be levied on the total amount of the electricity bill (including Taxes and Duties).

Digital Payment Discount

Digital payment discount of 0.25% of the monthly bill (excluding Taxes and Duties), subject to a cap of Rs. 500/- shall be provided to LT category consumers for payment of electricity bills through various modes of digital payment such as credit cards, debit cards, UPI, BHIM, internet banking, mobile banking, mobile wallets, etc.

Rate of Interest on Arrears

The rate of interest chargeable on the arrears of payment of billed dues shall be as given below:

Sr. No.	Delay in Payment (months)	Interest Rate per annum (%)
1	Payment made after 60 days and before 90 days from the date of billing	12%
2	Payment made after 90 days from the date of billing	15%

Digital Payment Discount

Digital payment discount of 0.25% of the monthly bill (excluding Taxes and Duties), subject to a cap of Rs. 500/- shall be provided to LT category consumers for payment of electricity bills through various modes of digital payment such as credit cards, debit cards, UPI, BHIM, internet banking, mobile banking, mobile wallets, etc.

Penalty for exceeding Contract Demand

A consumer (availing Demand-based Tariff) exceeding his Contract Demand will be billed at the applicable Demand Charge rate for the Demand actually recorded, and also be charged an additional amount at the rate of 150% of the applicable Demand Charge (only for Demand in excess of the Contract Demand).

Under these circumstances, the consumer shall not be liable for any other action under Section 126 of the EA, 2003, since the penal additional Demand Charge provides for the penalty that the consumer is liable to pay for exceeding his Contract Demand. In case a consumer exceeds his Contract Demand on more than three occasions in a calendar year, the action to be taken would be governed by the provisions of the Supply Code Regulations.

Consumers' Security Deposit

- 1) Subject to the provisions of Section 47(5) of the Electricity Act, 2003, the Distribution Licensee shall require any person to whom supply of electricity has been sanctioned to deposit an amount as security in accordance with the provisions of Section 47(1) (a).
- 2) The amount of the Security Deposit shall be equal to the average of three months' billing or the billing cycle period, whichever is less. For determining the average billing, the average of the billing to the consumer for the last twelve months or, where supply has been provided for a shorter period, the average of the billing of such shorter period, shall be considered.
- 3) Where the Distribution Licensee requires security from a consumer at the time of commencement of service, the amount of such security shall be estimated based on the tariff category and Contract Demand/Sanctioned Load, Load Factor, diversity factor and number of working shifts of the consumer.
- 4) The Distribution Licensee shall re-calculate the amount of Security Deposit payable, based on the actual billing of the consumer, once in each financial year.
- 5) Where the amount of Security Deposit maintained by the consumer is higher than the security required to be maintained under the Supply Code Regulations, the Distribution Licensee shall refund the excess amount to the consumer in a single instalment.
- 6) Such refund shall be made upon a request of the person who gave the security, and with intimation to the consumer if different from such person; and shall be made, at the option of such person, by way of adjustment in the next bill or by way of a separate cheque payment within 30 days from the receipt of such request;
- 7) No refund shall be required to be made where the amount of refund does not exceed 10% of the amount of the Security Deposit required to be maintained by the consumer or Rs 300/-, whichever is higher.
- 8) Where the amount of security re-assessed as above is higher than the Security Deposit of the consumer, the Distribution Licensee shall be entitled to raise a demand for additional Security Deposit. The consumer shall be given not less than 30 days to deposit the additional security pursuant to such demand.
- 9) Upon termination of supply, the Distribution Licensee shall, after recovery of all amounts due, refund the remaining amount of security to the person who deposited it, with intimation to the consumer if different from such person.
- 10) A consumer - (i) with a consumption of electricity of not less than one lakh kilo-Watt hours per month; and (ii) with no undisputed sums payable to the Distribution Licensee. Under Section 56 of the Electricity Act, 2003 may, at the option of such consumer, deposit security by way of cash, irrevocable letter of credit or unconditional Bank Guarantee issued by a scheduled commercial Bank.
- 11) The Distribution Licensee shall pay interest on the amount of Security Deposit in cash (including by cheque or demand draft) at the Bank Rate as declared by Reserve Bank of India as on 1st April of the financial year for which the interest is payable, provided that the amount of such cash Deposit maintained by the consumer is at least Rs. 50/-.

- 12) Interest on the Security Deposit made in cash shall be payable from the date of its deposit by the consumer till the date of dispatch of the refund by the Distribution Licensee.

Definitions

Maximum Demand

Maximum Demand in kilowatts or kilo-Volt Amperes, in relation to any period shall, unless otherwise provided in any general or specific Order of the Commission, mean twice the highest number of kilo-watt-hours or kilo-Volt Ampere hours supplied and taken during any consecutive thirty-minute blocks in that period.

Contract Demand

Contract Demand means the demand in kilowatt (kW) or kilo-Volt Amperes (kVA), mutually agreed between the Distribution Licensee and the consumer as entered into in the agreement or agreed through other written communication. (For conversion of kW into kVA, the Power Factor of 0.80 shall be applied.)

Sanctioned Load

Sanctioned Load means the load in kW mutually agreed between the Distribution Licensee and the consumer.

Billing Demand - LT tariff categories

Monthly Billing Demand will be the higher of the following:

- 65% of the actual Maximum Demand recorded in the month during 0600 hours to 2200 hours;
- 40% of the Contract Demand.

Note:

- Only the Demand registered during the period 0600 to 2200 Hrs. will be considered for determination of the Billing Demand.
- In case of a change in Contract Demand, the above period will be reckoned from the month following the month in which the change in Contract Demand is affected.

Billing Demand - HT tariff categories

Monthly Billing Demand will be the higher of the following:

- a) Actual Maximum Demand recorded in the month during 0600 hours to 2200 hours;
- b) 75% of the highest Billing Demand recorded during the preceding eleven months, subject to the limit of Contract Demand;
- c) 75% of the Contract Demand.

Note:

- Only the Demand registered during the period 0600 to 2200 Hrs. will be considered for determination of the Billing Demand.
- In case of a change in Contract Demand, the above period will be reckoned from the month following the month in which the change of Contract Demand is affected.

Annexure VII: Approved Schedule of Charges

Sr. No.	Particulars	Proposed Charges	Approved in this Order
1	Service Connection Charges	Nil	Nil
2	Cost of meter and meter box	Nil	Nil
3	Installation testing fees	Nil	Nil
4	Reconnection charges	Nil	Nil
5	Changing location of the meters within the same premise at consumer's request	Nil	Nil
6	Testing of meters	Nil	Nil
7	Administrative charges for cheque bouncing	Nil	Rs. 500/-
8	Application registration and processing charges	Nil	Nil
9	Processing Fees for Open Access	Nil	Rs. 3,000 per application
10	Operating charges for Open Access	Nil	Rs. 3,000 per month

8. Appendix I

List of Persons who attended Technical Validation Session held on 18 December 2024

Sr. No.	Name	Organisation
1.	Mr. Vikram Yermalkar	ERO Power
2.	Mrs. Vandana Yermalkar	ERO Power
3.	Mr. Jaywant Shivbhate	ERO Power
4.	Mr. M. Palaniappan	Consultant, ERO Power
5.	Mr. Nisar Shaikh	ERO Power
6.	Ms. Prajakta Aphale	ERO Power

9. Appendix II

List of Persons attended the Public Hearing on 20 January 2025

Sr. No.	Name	Organisation
1.	Mr. Vikram Yermalkar	ERO Power
2.	Mrs. Vandana Yermalkar	ERO Power
3.	Ms. Shruti Radkar	ERO Power
4.	Mr. M. Palaniappan	ERO Power