



Executive Summary

1 Overview

M/s SEZ Bio-Tech Services Private Limited, at Hadapsar Village, District Pune (hereinafter referred to as “Hadapsar SEZ” or “the Petitioner”) is a Company incorporated under the provisions of the Companies Act, 1956, having its registered office at registered office at 212/2, Off Soli Poonawalla Road, Hadapsar Pune, Maharashtra, India.

The Petitioner is the Co-developer of the sector specific SEZ for Biotech and Pharmaceuticals Sectors at Hadapsar Village, Pune.

Hadapsar SEZ is a deemed Distribution Licensee in its SEZ area at Hadapsar Village, District Pune. The Hon’ble 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 Hadapsar SEZ and subsequently notified the Specific Conditions of Distribution Licence by way of Regulations (‘Specific Conditions Regulations’) for Hadapsar SEZ on 24 July, 2024

Hadapsar SEZ commenced operations as a Distribution Licensee from 1 July 2024, i.e., in FY 2024-25.

2 Filing of Present Petition under MERC MYT Regulations, 2024

Hadapsar SEZ is filing its first Multi-Year Tariff (MYT) Petition in accordance with Regulation 5.1 of the MERC MYT Regulations, 2024. Accordingly, the Petitioner is hereby filing its MYT Petition requesting for approval of:



- a) Provisional True up for FY 2024-25, in accordance with the provisions of the MERC MYT Regulations, 2019;
- b) ARR for each year of the Control Period from FY 2025-26 to FY 2029-30, in accordance with MERC MYT Regulations, 2024;
- c) Revenue from sale of power at existing Tariffs and projected Revenue Gap/(Surplus) for each year of the Control Period from FY 2025-26 to FY 2029-30, in accordance with MERC MYT Regulations, 2024; and
- d) Proposed category-wise Tariff for each year of the Control Period from FY 2025-26 to FY 2029-30, in accordance with MERC MYT Regulations, 2024.

3 Provisional Truing-up of FY 2024-25

The Petitioner has computed the Provisional Truing-up requirement of FY 2024-25 in line with the provision of MYT Regulations, 2019 as amended from time to time. The following Table shows the summary of ARR for Provisional Truing-up of FY 2022-23:

Table 1: ARR Summary for Wires Business for FY 2024-25 (Rs. Crore)

Sr. No.	Particulars	Provisional Truing up
1	Operation & Maintenance Expenses	1.75
2	Depreciation	0.03
3	Interest on Loan Capital	0.07
4	Interest on Working Capital	0.08
5	Interest on CSD	-
6	Provision for bad and doubtful debts	-
7	Contribution to contingency reserves	-
8	Total Revenue Expenditure	1.93
9	Add: Return on Equity Capital	0.02
10	Aggregate Revenue Requirement	1.95
11	Less: Non-Tariff Income	0.00
12	Less: Income from other business	
13	ARR of Distribution Wires Business	1.95

Table 2: ARR Summary for Retail Supply Business for FY 2024-25 (Rs. Crore)



Sr. No.	Particulars	Provisional Truing up
1	Power Purchase Expenses	52.07
2	Operation & Maintenance Expenses	0.97
3	Depreciation	0.00
4	Interest on Loan Capital	0.008
5	Interest on Working Capital	0.56
6	Interest on Consumer Security Deposit	-
7	Write-off of Provision for bad and doubtful debts	-
8	Contribution to contingency reserves	-
9	Intra-State Transmission Charges	3.37
10	MSLDC Fees & Charges	0.06
11	Total Revenue Expenditure	57.06
12	Add: Return on Equity Capital	0.00
13	Aggregate Revenue Requirement	57.06
14	Less: Non-Tariff Income	0.00
15	ARR of Retail Supply Business	57.06

The Revenue Gap/(Surplus) after provisional true-up for FY 2024-25 is shown in the Table below:

Table 3: Combined Revenue Gap/(Surplus) for FY 2024-25 (Rs. Crore)

Sl.	Particulars	Estimated
1	ARR for Distribution Wires Business	1.95
2	ARR for Retail Supply Business	57.06
3	Combined ARR for Wires and Retail Supply Business	59.02
4	Revenue from sale of electricity	85.19
5	Revenue Gap/(Surplus)	(26.17)

The Petitioner requests the Hon'ble Commission to approve the Revenue Gap/(Surplus) after provisional true-up for FY 2024-25, as shown in the above Tables.



4 Projected ARR for MYT Control Period from FY 2025-26 to FY 2029-30

The Petitioner has projected the ARR for the Control Period from FY 2025-26 to FY 2029-30 in line with Regulation 5.1 (iii) of MYT Regulations, 2024. The following Tables show the summary of projected ARR for the Control Period from FY 2025-26 to FY 2029-30:

Table 4: ARR Summary for Wires Business for FY 2025-26 to FY 2029-30 (Rs. Crore)

Sr. No.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1.	Operation & Maintenance Expenses	1.83	1.92	2.02	2.11	2.22
2.	Depreciation	0.06	0.06	0.06	0.06	0.06
3.	Interest on Loan Capital	0.11	0.11	0.10	0.10	0.09
4.	Interest on Working Capital	0.04	0.05	0.05	0.05	0.05
5.	Interest on CSD	0.00	0.00	0.00	0.00	0.00
6.	Provision for bad and doubtful debts	0.00	0.00	0.00	0.00	0.00
7.	Contribution to contingency reserves	0.003	0.003	0.003	0.003	0.003
8.	Total Revenue Expenditure	2.05	2.13	2.22	2.32	2.42
9.	Add: Return on Equity Capital	0.05	0.05	0.05	0.05	0.05
10.	Aggregate Revenue Requirement	2.10	2.18	2.27	2.37	2.47
11.	Less: Non-Tariff Income	0.00	0.00	0.00	0.00	0.00
12.	ARR of Wires Business	2.10	2.18	2.27	2.37	2.47

Table 5: ARR Summary for Retail Supply Business for FY 2025-26 to FY 2029-30 (Rs. Crore)



Sr. No.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1.	Power Purchase Expenses	71.97	79.51	81.59	85.81	90.22
2.	Operation & Maintenance Expenses	1.02	1.07	1.12	1.18	1.23
3.	Depreciation	0.01	0.01	0.01	0.01	0.01
4.	Interest on Loan Capital	0.01	0.01	0.01	0.01	0.01
5.	Interest on Working Capital	0.37	0.40	0.42	0.44	0.46
6.	Interest on Consumer Security Deposit	0.00	0.00	0.00	0.00	0.00
7.	Write-off of Provision for bad and doubtful debts	0.00	0.00	0.00	0.00	0.00
8.	Contribution to contingency reserves	0.0003	0.0003	0.0003	0.0003	0.0003
9.	Intra-State Transmission Charges	7.00	6.96	8.01	8.84	9.45
10.	MSLDC Fees & Charges	0.02	0.02	0.03	0.04	0.05
11.	STU Charges	0.01	0.01	0.00	0.00	0.00
12.	Total Revenue Expenditure	80.40	87.99	91.20	96.34	101.44
13.	Add: Return on Equity Capital	0.01	0.01	0.01	0.01	0.01
14.	Aggregate Revenue Requirement	80.41	88.00	91.21	96.34	101.45
15.	Less: Non-Tariff Income	0.00	0.00	0.00	0.00	0.00
16.	ARR of Retail Supply Business	80.41	88.00	91.21	96.34	101.45

Hadapsar SEZ has computed the revenue from existing tariff for each year of the Control Period by considering the projected category-wise sales for the respective year and the existing tariff, i.e., ceiling tariff applicable for FY 2024-25, as shown in the Table below:

Table 6: Revenue from Existing Tariff for the Control Period (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Revenue from existing tariff - Wires	7.48	7.85	8.24	8.66	9.09
Revenue from existing tariff - Supply	114.62	120.09	125.81	131.82	138.13
Total Revenue	122.10	127.94	134.06	140.48	147.22



5 Tariff Proposal for the Control Period from FY 2025-26 to FY 2029-30

Based on the above computations of Revenue Gap/(Surplus) after provisional true-up of FY 2024-25, and the projected Revenue Gap/(Surplus) for the Control Period from FY 2025-26 to FY 2029-30, the Petitioner has proposed the recovery/adjustment in FY 2025-26 to FY 2029-30.

Overall Revenue Gap/(Surplus) proposed for recovery in FY 2023-24 and FY 2024-25

The overall projected Revenue Gap/(Surplus) based on projected ARR and Revenue from existing tariff for FY 2023-24 and FY 2024-25 is summarised in the Table below:

Table 7: Projected Revenue Gap/(Surplus) at existing Tariff for Distribution Wires Business for the Control Period (Rs. Crore)

Sr. No.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1.	Standalone ARR	2.10	2.18	2.27	2.37	2.47
2.	True-up Gap/(Surplus) after provisional trueing up for FY 2024-25	(3.39)				
3.	Cumulative ARR	(1.29)	2.18	2.27	2.37	2.47
4.	Spreading of Revenue Gap/(Surplus) over 5 years	(0.68)	(0.68)	(0.68)	(0.68)	(0.68)
5.	Carrying/(Holding) Cost due to spreading of Gap/(Surplus) over 5 years	(0.28)	(0.21)	(0.14)	(0.07)	-
6.	Revised Cumulative ARR for recovery	1.14	1.29	1.45	1.62	1.79
7.	Revenue from existing tariff (FY 2024-25 Tariff)	7.48	7.85	8.24	8.66	9.09
8.	Revenue Gap/(Surplus) with existing tariff	(6.34)	(6.56)	(6.79)	(7.04)	(7.30)
9.	Revenue Gap/(Surplus) with revised tariff applicable for previous year	(6.34)	0.16	0.16	0.17	0.17
10.	Annual Tariff Increase Required (%)	-85%	13.8%	12.5%	11.4%	10.5%



Table 8: Projected Revenue Gap/(Surplus) at existing Tariff for Supply Business for the Control Period (Rs. Crore)

Sr. No.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1.	Standalone ARR	80.41	88.00	91.21	96.34	101.45
2.	True-up Gap/(Surplus) after provisional truing up for FY 2024-25	(22.79)				
3.	Cumulative ARR	57.62	88.00	91.21	96.34	101.45
4.	Spreading of Revenue Gap over 5 years for smoothening tariff impact	(8.56)	(9.56)	(6.56)	(2.56)	4.44
5.	Carrying/(Holding) Cost due to spreading of Gap/(Surplus) over 5 years	(1.49)	(0.49)	0.20	0.47	-
6.	Revised Cumulative ARR for recovery	70.35	77.95	84.85	94.25	105.89
7.	Revenue from existing tariff (FY 2024-25 Tariff)	114.62	120.09	125.81	131.82	138.13
8.	Revenue Gap/(Surplus) with existing tariff	(44.26)	(42.14)	(40.96)	(37.57)	(32.24)
9.	Revenue Gap/(Surplus) with revised tariff applicable for previous year	(44.26)	7.60	6.90	9.40	11.64
10.	Annual Tariff Increase Required (%)	-39%	10.8%	8.8%	11.1%	12.3%

From the above Table, it is observed 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. As stated earlier, the Petitioner 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.

The following Table shows the Projected Revenue Requirement considered for recovery, Average Cost of Supply (ACoS), and Retail Cost of Supply (RCos) for FY 2025-26 to FY 2029-30:



Table 9: Projected Revenue Requirement, ACoS, and RCoS 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
Cumulative ARR for Supply Business	70.35	77.95	84.85	94.25	105.89
Sales (MkVAh)	124.36	130.58	137.11	143.96	151.16
Retail Cost of Supply (Rs/kVAh)	5.66	5.97	6.19	6.55	7.01
Cumulative ARR of Distribution Business (Rs. Crore)	71.49	79.25	86.30	95.87	107.68
Average Cost of Supply (Rs/kVAh)	5.75	6.07	6.29	6.66	7.12

The Wheeling Charges have been proposed such that the entire Wires ARR is recovered from the Wheeling Charges. The Petitioner has matched the Retail Cost of Supply (RCoS) for each year of Control Period with the Average Billing Rate (ABR) of the Supply Business for that year.

Table 10: Proposed Wheeling Charges for FY 2023-24 and FY 2024-25 (Rs/kVAh)

Sr. No.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1.	Composite Wheeling Charges	0.09	0.10	0.11	0.11	0.12

The Petitioner requests the Hon'ble Commission to consider the composite Wheeling Charges in case of the Petitioner.

The following Tables shows the category-wise Tariffs proposed by the Petitioner for FY 2023-24 and FY 2024-25.

Table 11: Proposed Tariff Schedule for FY 2025-26



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	0.09	5.19
2	HT II: HT Commercial	Rs. 300 per kVA	0.09	5.19
3	HT III: EV Charging Stations		0.09	5.66
B	LT Category			
1	LT II A - Commercial up to 20 kW	Rs. 250 per month	0.09	4.60
2	LT II B - Commercial above 20 kW	Rs. 250 per kVA	0.09	4.60
3	LT V A - Industrial up to 20 kW	Rs. 250 per month	0.09	4.60
4	LT V B - Industrial above 20 kW	Rs. 250 per kVA	0.09	4.60
5	LT VI - EV Charging Stations		0.09	5.66

Table 12: Proposed Tariff Schedule for FY 2026-27

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	0.10	5.51
2	HT II: HT Commercial	Rs. 300 per kVA	0.10	5.51
3	HT III: EV Charging Stations		0.10	5.97
B	LT Category			
1	LT II A - Commercial up to 20 kW	Rs. 250 per month	0.10	4.95
2	LT II B - Commercial above 20 kW	Rs. 250 per kVA	0.10	4.95
3	LT V A - Industrial up to 20 kW	Rs. 250 per month	0.10	4.95
4	LT V B - Industrial above 20 kW	Rs. 250 per kVA	0.10	4.95
5	LT VI - EV Charging Stations		0.10	5.97



Table 13: Proposed Tariff Schedule for FY 2027-28

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	5.74
2	HT II: HT Commercial	Rs. 300 per kVA	0.11	5.74
3	HT III: EV Charging Stations		0.11	6.19
B	LT Category			
1	LT II A - Commercial up to 20 kW	Rs. 250 per month	0.11	5.20
2	LT II B - Commercial above 20 kW	Rs. 250 per kVA	0.11	5.20
3	LT V A - Industrial up to 20 kW	Rs. 250 per month	0.11	5.20
4	LT V B - Industrial above 20 kW	Rs. 250 per kVA	0.11	5.20
5	LT VI - EV Charging Stations		0.11	6.19

Table 14: Proposed Tariff Schedule for FY 2028-29

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	6.11
2	HT II: HT Commercial	Rs. 300 per kVA	0.11	6.11
3	HT III: EV Charging Stations		0.11	6.55
B	LT Category			
1	LT II A - Commercial up to 20 kW	Rs. 250 per month	0.11	5.56
2	LT II B - Commercial above 20 kW	Rs. 250 per kVA	0.11	5.56



Sr. No.	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs./kVAh)	Energy Charges (Rs/kVAh)
3	LT V A - Industrial up to 20 kW	Rs. 250 per month	0.11	5.56
4	LT V B - Industrial above 20 kW	Rs. 250 per kVA	0.11	5.56
5	LT VI - EV Charging Stations		0.11	6.55

Table 15: Proposed Tariff Schedule for FY 2029-30

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	6.58
2	HT II: HT Commercial	Rs. 300 per kVA	0.12	6.58
3	HT III: EV Charging Stations		0.12	7.01
B	LT Category			
1	LT II A - Commercial up to 20 kW	Rs. 250 per month	0.12	6.06
2	LT II B - Commercial above 20 kW	Rs. 250 per kVA	0.12	6.06
3	LT V A - Industrial up to 20 kW	Rs. 250 per month	0.12	6.06
4	LT V B - Industrial above 20 kW	Rs. 250 per kVA	0.12	6.06
5	LT VI - EV Charging Stations		0.12	6.06

The Petitioner requests the Hon'ble Commission to kindly approve the Tariffs as proposed in above Tables for respective years.

6 Prayers

The Petitioner prays to the Hon'ble Commission as under:



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- 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 the Petitioner;
 - iii. To approve the ARR for FY 2025-26 to FY 2029-30 and its recovery through revised tariff as proposed by the Petitioner;
 - iv. To determine the Petitioner's share of the InSTS Charges, MSLDC Charges, and STU Charges and consider the same while approving the ARR for the Petitioner for the Control Period;
 - v. To approve Retail Supply Tariff for the Control Period and the Tariff schedule, as proposed by the Petitioner;
 - 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 Hadapsar SEZ to add/change/modify/alter this filing and make further submissions as may be required at a future date; and
Pass such other and further Orders as deemed fit and proper in the facts and circumstances of the case.