TABLE OF CONTENTS

List of Tables

1. BACKGROUND

1.1. Introduction

The Hon'ble Commission has notified the Multi Year Tariff (MYT), Regulations 2015 (*hereinafter referred as "MYT Regulations 2015"*), in exercise of powers conferred under the Electricity Act, 2003 (36 of 2003) and all other powers enabling it in that behalf. The said MYT Regulations came into force from December 08, 2015, the date of publication in the Official Gazette.

The said MYT Regulations 2015 require that the Generating Company should submit its MYT Petition comprising of True Up for FY 2014-15 and Provisional True Up for FY 2015-16, both as per MYT Regulations 2011 and forecast of Aggregate Revenue Requirement (*herein after referred as "ARR"*), expected revenue gap and proposed tariff for each year of the third Control Period i.e. from FY 2016-17 to FY 2019-20, as per the principles of the MYT Regulations, 2015. In compliance with the said regulation RInfra-G is submitting the present Multi Year Tariff (MYT) Petition (*hereinafter referred as "MYT Petition"*).

1.2. Objective of the present MYT Petition

RInfra-G is submitting the present MYT petition in compliance with regulation 5.1 (a) of the MYT Regulations 2015, comprising of:

- Truing-up for FY 2014-15 to be carried out under Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2011;
- Provisional Truing-up for FY 2015-16 to be carried out under Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2011;
- Aggregate Revenue Requirement for each year of the next MYT Control Period under MYT Regulations 2015;
- Revenue from the sale of power at existing Tariffs and charges and projected revenue gap for each year of the Control Period under these Regulations."

Accordingly, RInfra-G is submitting the present MYT petition for True Up of FY 2014-15 and Provisional True Up for FY 2015-16 , both under MYT regulations 2011; and ARR for each year of the control period i.e. from FY 2016-17 to FY 2019-20 under MYT Regulation 2015 for the approval of the Hon'ble Commission.

2. TRUING UP OF FY 2014-15

RInfra-G, as part of the present MYT Petition, is submitting the actual expenses incurred and revenues earned for FY 2014-15 based on the audited accounts for the purpose of truing up of FY 2014-15 under MERC (Multi Year Tariff) Regulations, 2011. RInfra-G requests the Hon'ble Commission to carry out truing up for FY 2014-15.

2.1. Operational Performance for FY 2014-15

RInfra-G has generated 3997.24 MU (gross) at a PLF of 91.26% and has maintained availability of 91.60% for FY 2014-15 which is well above the 85% Availability norm specified in the MERC (MYT) Regulations 2011. For the purpose of final truing-up of FY 2014-15, the Auxiliary consumption of FGD has been considered at actual of 47.85 MU, which was also approved by the Hon'ble Commission in the MTR Order.

EXPENDITURE

2.2. Fuel Cost for FY 2014-15

The actual fuel cost incurred during FY 2014-15 is Rs 1012.24 Cr. However, the fuel cost computed on actual landed price and based on the normative parameters as per the MERC MYT Regulations 2011 is Rs 1069.32 Cr. The difference of the two is known as efficiency gain and RInfra-G is entitled to retain the 2/3 of the efficiency gain. Therefore, RInfra-G is entitled to actual fuel cost of Rs. 1024.24 crore plus 2/3rd of the difference between 1069.32 crore Rs. 1012.24 crore i.e. Rs. 1050.30 crore. The 1/3rd of the efficiency gain is shared with the consumer.

2.3. PLF Incentive for FY 2014-15

Regulation 49.8 of MERC MYT Regulations 2011 specifies the provision of incentive on achieving higher PLF over the norms specified for coal based thermal generating stations. During FY 2014-15, RInfra-G, achieved PLF of 91.26%, and is therefore entitled for PLF incentive of Rs. 11.67 crore.

2.4. Capital Expenditure and Capitalisation for FY 2014-15

RInfra-G submits that capitalisation for FY 2014-15 including the interest during construction (IDC) is Rs 63.72 Crore including IDC as against Rs. 63.75 Crore approved by Hon'ble Commission in the MTR order in case No. 222 of 2014 dated June 26, 2015.

2.5. Debt-Equity Ratio for FY 2014-15

As there is no actual loan taken during FY 2014-15 for the purpose of capital expenditure in generation business, RInfra-G has considered normative funding of capex schemes in the ratio of 70:30 for the purpose of computation of Return on Equity and Interest on loan for truing up of FY 2014-15 in line with the Regulation 31 of MERC MYT Regulations, 2011.

2.6. Depreciation for FY 2014-15

The Depreciation has been worked out in accordance with the Depreciation rates specified in MERC MYT Regulations 2011 and has been calculated on the opening level of GFA of FY 2014-15 as approved by the Hon'ble Commission in its MTR order in Case No 222 of 2014 dated June 26, 2015 and on the assets added during the year as well, based on actual date of capitalisation. In accordance with the MYT Regulations, 2011, if any asset in opening balance as on 01.04.2014 has reached 70% depreciation or crosses such value during FY 14-15, the depreciation thereafter on such asset is determined considering the revised rate, which is worked out by spreading the balance depreciable value over the balance useful life of the asset.

2.7. Interest on Working Capital for FY 2014-15

RInfra-G has computed Working Capital requirement and interest thereof as per Regulation 35.1 of MERC MYT Regulations, 2011. RInfra-G has considered the State Bank of India Advance Rate (SBAR) of 14.50% as approved by Hon'ble Commission in its MTR Order dated June 26, 2015 for calculating the Interest on the working capital.

2.8. Interest on Loan Capital for FY 2014-15

Since, there are no actual loans in case of RInfra- G but the normative loan is still outstanding, the weighted average interest rate for FY 2014-15 has been worked out based on weighted average interest rate worked out from outstanding actual loan balance as on 1 April, 2014 of RInfra-T and RInfra-D which is 10.99%. This weighted average interest rate has been applied on the average of opening and closing loan balance for FY 2014-15, considering the opening loan balance as admitted and approved by the Hon'ble Commission in its MTR Order and the loan added during FY 2014-15 corresponding to 70% of capitalisation during FY 2014-15.

2.9. Return on Equity for FY 2014-15

Regulation 32.1 of MERC MYT Regulations, 2011 specifies the provision of Return on Equity capital @ 15.5% per annum on the opening Equity base of the particular year. Employing the same methodology, RInfra-G has computed allowable RoE on the opening equity base of FY 2014-15 in the present petition.

2.10. Operation & Maintenance Expenses for FY 2014-15

RInfra-G submits that the actual O&M expense incurred during FY 2014-15 is Rs 135.59 Crore including efficiency gain of Rs 30 lakh (again 2/3rd of the total gains) as against Rs. 136.69 Crore (excluding efficiency gain) provisionally approved by the Hon'ble Commission in the MTR Order.

2.11. Income Tax for FY 2014-15

RInfra-G has worked out Income Tax for FY 2014-15 considering the Regulatory Profit before Tax based on Income and permissible expenses.

REVENUE

2.12. Revenue from Sale of Power for FY 2014-15

RInfra-G submits that the total revenue from sale of electricity generated for FY 2014-15 is Rs. 1371.31 Crore which includes energy charges (plus FAC), fixed charges approved by Hon'ble Commission and the PLF Incentive.

2.13. Non Tariff Income for FY 2014-15

RInfra-G submits that the total non tariff income realised during FY 2014-15 is Rs. 23.94 Crore against Rs. 17.38 Crore approved by Hon'ble Commission in its MTR order.

2.14. Truing Up for FY 2014-15

RInfra-G submits the summary of truing up for FY 2014-15 as in table below:

Table 1: True Up summary for FY 2014-15

Particulars (in Rs. Crore)	MTR Order	Actual
Expenditure		
Fuel Expenses	1012.24	1012.24
Operation & Maintenance Expenses	136.69	135.29
Depreciation	26.88	25.85
Interest on Long-term Loan Capital	18.12	19.30
Interest on Working Capital	15.12	16.05
Income Tax	27.86	40.15
Total Expenditure (A)	**1236.91**	**1248.89**
Return on Equity	85.27	85.27
Add: Incentive for Higher PLF	11.50	11.67
Add: 2/3rd of Efficiency gain in Fuel Cost	0.00	38.05
Add: 2/3rd of Efficiency gain in O&M Expenses	0.00	0.30
Total of RoE+ Gains+ Incentive (B)	**96.77**	**135.30**
Revenue		
Revenue from sale of electricity	1371.13	1371.31
Other Income	17.38	23.94
Total Revenue (C)	**1388.51**	**1395.25**
Revenue Gap/ (Surplus) (C)-((A)+(B))	**(54.83)**	**(11.06)**

3. Provisional True Up of FY 2015-16

This section deals with a review of performance for FY 2015-16 considering:

- Actual Performance for first half of FY 2015-16 (April 2014 to September 2014) and Estimated Performance for second half of FY 2015-16 (October 2014 to March 2015) against the approved in MTR order

RInfra-G requests the Hon'ble Commission to carry out provisional truing up for FY 2015-16.

3.1. Operational Performance for FY 2015-16

In the first half of FY 2015-16, RInfra-G has generated 2034.91 MU (gross) at a PLF of 92.66% maintaining Availability of 94.65%. Based on actual performance in first half and normative operational parameters in second half, RInfra-G has projected gross generation of 2034.68 MU at PLF of 92.65% maintaining the plant availability at 94.05% , in second half of FY 2015-16.

3.2. Fuel Cost for FY 2015-16

The actual unaudited fuel cost incurred in the first half of FY 2015-16 is Rs 525.97 Crore and the fuel cost projected for second half of FY 2015-16 is Rs. 542.82 Crore aggregating to total Rs. 1068.99 Crore for FY 2015-16.

3.3. Capital Expenditure and Capitalisation for FY 2015-16

In the MTR order, the Hon'ble Commission had approved capitalisation of 51.62 Crore against which RInfra-G has now proposed Capitalisation of Rs. 32.45 Crore including IDC for FY 2015-16 as some of the planned work was completed by the end FY 2014-15.

3.4. Debt-Equity Ratio for FY 2015-16

As there is no actual loan taken during FY 2015-16 for the purpose of capital expenditure in generation business, RInfra-G has considered normative funding of capex schemes in the ratio of 70:30 for the purpose of computation of Return on Equity and Interest on loan for truing up of FY 2015-16 in line with the Regulation 31 of MERC MYT Regulations, 2011.

3.5. Depreciation for FY 2015-16

MERC MYT Regulations 2011 specifies the depreciation schedule including the depreciation rates on different types of assets. It is submitted that depreciation has been worked out in accordance with the Regulations and has been calculated on the opening level of GFA of FY 2015-16 as well as on assets added during the first half and proposed capitalisation in second half of FY 2015-16.

3.6. Interest on Working Capital for FY 2015-16

RInfra-G has computed Working Capital requirement and interest thereof as per Regulation 35.1 of MERC MYT Regulations, 2011. The interest rate has been considered as the State Bank Advance Rate prevailing on 1st April 2015, which is 14.75% for calculating the Interest on working capital.

3.7. Interest on Loan Capital for FY 2015-16

Since, there are no actual loans in case of RInfra- G but the normative loan is still outstanding, the weighted average interest rate for FY 2015-16 has been worked out based on weighted average interest rate worked out from outstanding actual loan balance as on 1 April, 2015 of RInfra-T and RInfra-D which is 10.93%. This weighted average interest rate has been applied on the average of opening and closing loan balance for FY 2015-16 and the loan added during FY 2015-16 corresponding to 70% of capitalisation during FY 2015-16.

3.8. Return on Equity for FY 2015-16

Regulation 32.1 of MERC Tariff Regulations specifies the provision of Return on Equity capital @ 15.5% per annum on the opening equity base of the particular year. RInfra-G has computed allowable RoE on the opening equity base of FY 2015-16 in the present petition.

3.9. Operation and Maintenance Expenses for FY 2015-16

RInfra-G submits that O&M expenses projected for FY 2015-16 are Rs. 144.75 crore as against Rs. The O&M cost of Rs. 143.65 crore approved by Hon’ble Commission in the MTR order.

3.10. Income Tax for FY 2015-16

For FY 2015-16, the Income Tax for RInfra-G has been provisionally considered at the same level of FY 2014-15.

REVENUE

3.11. Revenue at Existing Tariff for FY 2015-16

RInfra-G submits that the total revenue from sale of electricity generated for FY 2015-16 is Rs. 1437.24 crore which includes energy charges (plus FAC revenue for first nine months), fixed charges and the PLF Incentive for first nine months of FY 2015-16.

3.12. Non Tariff Income for FY 2015-16

RInfra-G submits that the total non tariff income realised during FY 2015-16 is Rs. 16.84 against Rs. 17.70 Crore approved by Hon’ble Commission in its MTR order.

3.13. Provisional Truing Up for FY 2015-16

Provisional truing up for FY 2015-16 would be worked out as follows:

Table 2: Provisional True Up Summary for FY 2015-16

Particulars (in Rs. Crore)	MTR Order	Revised Estimate
Expenditure		
Fuel Expenses	1114.33	1068.99
Operation & Maintenance Expenses	143.65	144.75
Depreciation	26.64	28.32
Interest on Long-term Loan Capital	20.77	19.91
Interest on Working Capital	16.18	16.17
Income Tax	27.86	40.15
Total Expenditure (A)	**1349.43**	**1318.28**
Return on Equity	88.24	88.23
Add: Incentive for Higher PLF	0.00	11.71
Add: 2/3rd of Efficiency gain in Fuel Cost	0.00	0.00
Add: 2/3rd of Efficiency gain in O&M Expenses	0.00	0.00
Total of RoE+ Gains+ Incentive (B)	**88.24**	**99.94**
Total Expenditure (A)+(B)	**1437.67**	**1418.22**
Revenue		
Revenue from sale of electricity	1442.38	1437.24
Other Income	17.70	16.84
Total Revenue (C)	**1460.08**	**1454.08**
Stand Alone Revenue Gap/ (Surplus) for FY 2015-16	(22.41)	(35.86)
Add Gap Arising due to Inpact of ATE Judgement	135.74	135.74
Add Revenue surplus along with the carrying cost for FY 2012-13 and FY 2013-14	(58.51)	(58.51)
Add Provisional Surplus of FY 2014-15 Truing Up	(54.82)	(54.82)
Revenue Gap/ (Surplus)	**0.00**	**(13.45)**

4. Capital Expenditure and Capitalisation Plan from FY 2016-17 to FY 2019-20

4.1. Introduction

DTPS will be completing 25 years of operation in 2020. Rinfra-G has proposed CAPEX in the next control period to maintain the performance of the plant.

4.2. Basis of Estimation of CAPEX plan in the present Petition

RInfra-G is submitting the CAPEX plan in present Petition which includes the spill-over projects from previous years. The plan also includes new schemes, which are independent of RLA and schemes proposed based on the preliminary report of the RLA study.

4.3. Spill-Over Projects from last Control Period

In next MYT control period capex of Rs. 203.90 Crore of spill-over project is planned. Additionally, in FY 2015-16, three new DPRs of amount Rs. 56.67 Crore have received “in-principle” approval from Hon’ble Commission, work of which will be executed in next control period. Total Capitalisation of Rs. 246.63 Crore is now proposed in next MYT control Period which includes mainly Rs. 203.90 of Spill-Over projects, Rs. 41.23 Crore of approved projects in FY 2015-16 and non-DPR work of Rs. 1.49 crore to be capitalised in FY 16-17.

4.4. Details of the new schemes proposed in next control period

Following new capex schemes, has been planned in the next Control Period:

1. Refurbishment of Boiler and its Auxiliaries – as per RLA study
2. Refurbishment of Turbine and its Auxiliaries – as per RLA study
3. Refurbishment of FGD and its Auxiliaries
4. Refurbishment of Offsite Plant Auxiliaries
5. Refurbishment of C&I System at DTPS
6. Refurbishment of Civil Structures
7. Refurbishment of Electrical Systems
8. Refurbishment of Environment Monitoring System at DTPS
9. Strengthening of Coal Handling Plant systems
10. Procurement of Conditioning Monitoring Equipments
11. Refurbishment of Security and Fire station system
12. Zero Liquid Discharge
13. Procurement of chemical laboratory equipment

4.5. Phasing of Capital Expenditure Plan for next control period

At present a Capital Expenditure of Rs. 468.90 Crore is proposed over the next four years which includes spill-over projects, approved projects in FY 2015-16 and new schemes. The summary of year wise Capex is being provided in the table below:

Table 3: Capital Expenditure and Capitalisation for each year of the Control Period

Particulars (in Rs. Crore)	FY 16-17	FY 17-18	FY 18-19	FY 19-20	Total
Spill over Projects	44.92	21.38	114.19	23.41	**203.90**
Projects approved in FY 15-16	22.73	2.50	13.50	2.50	**41.23**
NDPR	1.49	0.00	0.00	0.00	**1.49**
Sub-total	**69.15**	**23.88**	**127.69**	**25.91**	**246.63**
New schemes – as per outcome of RLA study	0.00	1.40	70.95	73.60	**145.95**
New schemes – Other	0.50	12.17	41.66	21.99	**76.32**
Sub-Total	**0.50**	**13.57**	**112.61**	**95.59**	**222.27**
Total Capital Expenditure	**69.65**	**37.45**	**240.30**	**121.50**	**468.90**

5. Annual Revenue Requirement for control period from FY 2016-17 to FY 2019-20

In this section, RInfra-G is presenting the projected Aggregate Revenue Requirement along with the proposed Fixed and Energy Charges for each year of the Control Period FY 2016-17 to FY 2019-20, as per the provisions of the MYT Regulations, 2015.

RInfra-G requests the Hon'ble Commission to approve the annual revenue requirement for each year of the control period.

5.1. Operational Performance for the Control Period

RInfra-G has considered the operational norms specified in MYT regulations 2015, except the Availability and PLF for projecting generation and fuel cost thereon for the control period. As there is no norm for Auxiliary consumption of FGD, the same has been considered as 47.85 MU i.e. at the same level of FY 2014-15 and as proposed in FY 2015-16.

Accordingly, RInfra-G has proposed gross generation of 4206 MU, 4038 MU and 4050 MU for FY 2016-17 and FY 2017-18, FY 2018-19 and FY 2019-20 respectively.

5.2. Fuel Cost for the Control Period

5.2.1. GCV of Fuel for the Control Period

RInfra-G has considered the actual GCV received and fired data for both types of coal for the period FY 13-14 to FY 15-16 (up to Dec. 2015) and determined the stacking loss and thereafter based on the coal consumption blend of these years.

RInfra-G has considered the stacking loss of 115 kcal/kg for the purpose of projecting energy charges for each year of the Control Period. The GCV on as fired basis for washed coal and imported coal at 3925Kcal/Kg and 4395 Kcal/kg respectively is considered. For Secondary Oil, the actual GCV of 10754 Kcal/Kg, average of GCV realised in recent months i.e. October 2015 to December 2015 is considered for each year of the Control Period.

5.2.2. Landed Cost of Fuel for the Control Period

Domestic coal:

The Regulation 48.5 of the MYT Regulations, 2015 specifies that the Landed cost of primary and secondary fuel for tariff determination shall be based on weighted average cost of primary and secondary fuel of the three preceding months i.e. i.e. Oct. 2015 to Dec. 2015.

Accordingly, RInfra-G has considered average of actual fuel cost of recent three months i.e. Oct. 2015 to Dec. 2015 (grossed up by normative transit loss) available at the time of filing this petition. The additional Clean Energy Cess announced is also added to the average price thus arrived and thereafter the price is kept for each year of the Control Period.

5.3. Capital Expenditure and Capitalisation for the Control Period

Capital Expenditure of Rs. 468.90 Crore is proposed over the next four years, which includes the spill-over work, work approved in FY 2015-16 and new schemes proposed for the next control period.

5.4. Debt-Equity Ratio for the Control Period

Regulation 26 of MERC MYT Regulations, 2015 specifies the funding of capex schemes as per the Debt-Equity ratio of 70:30 and the same is considered by RInfra-G as normative funding for the purpose of computation of return on equity and interest on loan for the control period.

5.5. Depreciation for the Control Period

The provisions of MYT Regulations, 2015 with respect to Depreciation (Regulation 27) state that the rates notified under the said Regulations shall apply to assets for depreciation upto 70% of original cost and thereafter the remaining depreciable value of the assets as on 31st March of the year shall be spread over the balance useful life of the asset.

In order to work out depreciation according to the Regulations, the opening balance of assets as on 01.10.2015 (i.e. at close of H1 of FY 15-16, upto which actual asset-wise addition is available) is considered and depreciation for each year on such assets is determined considering the limit of 70% and wherever any such asset reaches 70% depreciation, the balance depreciable value is spread over the balance useful life of such asset. Assets added during H2 of FY 15-16 and thereafter in each year of the Control Period as per the capitalisation plan proposed in this Petition will not reach 70% depreciation during the next Control Period and hence on such assets, depreciation is determined by simply applying the depreciation rates for asset classes as specified in the MYT Regulations, 2015. On assets added during a year, depreciation for half year is computed, considering mid-year addition.

5.6. Interest on Working Capital for the Control Period

Regulation 31.1 of MERC MYT Regulations, 2015 specifies the constituents of the Working Capital allowable to a Generating Company. RInfra-G has computed Working Capital requirement in line with the above Regulations. RInfra-G has considered interest rate of 10.80% (latest SBI base Rate of 9.30% effective from October 05, 2015 plus 150 basis point) for calculating the interest on the working capital.

5.7. Interest on Loan Capital for the Control Period

Considering the estimated capitalisation at this point in time for each year of the Control Period, RInfra-G has considered a normative Debt: Equity ratio of 70:30 for capitalized assets during each year of the control period, in accordance with the MERC MYT Regulations 2015. In order to determine rate of interest allowable on normative loan capital of RInfra-G for each year of the Control Period, RInfra-G has considered a rate of interest of the actual loan balances of other regulated businesses i.e. RInfra-D and RInfra-T, outstanding as on 1st April of each year of the Control Period.

5.8. Return on Equity for the Control Period

Regulation 28 of MERC MYT Regulations, 2015 specifies the provision of Return on Equity capital @ 15.5% and per annum on the opening equity base of the particular year and also on 50% of net equity addition in each year of the Control Period, which is worked out by netting off proposed retirement of assets during each year of the control period from the anticipated capitalisation. Accordingly, based on the capitalisation plan as projected in earlier sections, the RoE is projected by RInfra-G for each year of the control period.

5.9. Operation and Maintenance Expenses for the Control Period

Regulation 45.1 of MERC MYT Regulation, 2015 specifies that the O & M expenses excluding water charges and including insurance shall be derived on the basis of the average of the Trued-up O & M expenses after adding/deducting the share of efficiency gains/losses, for the three Years ending March 31, 2015, excluding abnormal O & M expenses, if any, subject to prudence check by the Commission and such averaged expenses shall be considered for year ending March 31, 2014 and will be escalated by 5.72% each year upto FY 15-16.

Accordingly, RInfra-G has considered the actual O&M expenses of FY 12-13, FY 13-14 and FY 14-15, added back the share of efficiency gains and averaged such expenses to arrive at the O&M expenses to be considered as on 31st March 2014, which is escalated at the rate of 5.72% to arrive at the Operations and Maintenance expenses for the base year commencing April 1, 2015.

RInfra-G has used average point to point inflation for last 3 years and considered the escalation factor as 60% CPI and 40% WPI (based on analysis shown above). RInfra-G has projected O&M expenses for Control Period at a different escalation rate of 6.34% after subtracting the efficiency factor of 1%. The corporate allocation and water charge, separately shown, has also been escalated by 6.34% to project the same for each year of the Control Period. In addition to the above, the impact of wage revision proposed from FY 2016-17 onwards and cost of RLA study to be paid in FY 2016-17 and FY

2017-18, over and above the normative allowance is also included while projecting the O&M for respective years of the Control Period.

5.10. Income Tax for the Control Period

For each year of the Control Period, at the same level as worked out for FY 2014-15 based on Regulatory Profit before Tax.

5.11. Non Tariff Income for the Control Period

Revenue from sale of coal rejects and sale of ash are major component of Non-Tariff Income. Income from other sources projected for each year of the Control Period is considered at the same level of that estimated for FY 2015-16 in this petition.

5.12. Carrying Cost on Revenue Gap/ (Surplus) for FY 2014-15

In the MTR Order, the Hon'ble Commission has allowed carrying cost on simple interest basis while carrying out final True Up for FY 2012-13 and FY 2013-14. As mentioned earlier, RInfra-G has preferred Appeal No. 225 of 2015 in the ATE against Hon'ble Commission's method of allowing carrying cost at simple interest and not at compound interest. The said Appeal is pending before the Hon'ble ATE. Therefore, without prejudice to our claim before ATE, RInfra-G has computed the carrying cost on revenue gap/ (surplus) of FY 2014-15 based on simple interest basis. RInfra-G has considered the interest rate equivalent to the weighted average SBAR of FY 2014-15, same for FY 2015-16 and FY 2016-17 for computation of carrying cost.

5.13. Annual Revenue Requirement for the control period from FY 2016-17 to FY 2019-20

Based on the cost components discussed above, the ARR for each year of the control period is being submitted in the table below:

Table 4: Annual Revenue Requirement for each year of the Control Period

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Fuel Expenses	1220.28	1220.28	1171.54	1175.02
Operation & Maintenance Expenses	156.61	167.31	177.14	188.37
Depreciation	30.90	31.96	38.96	51.15
Interest on Long-term Loan Capital	20.13	20.59	26.94	35.53
Interest on Working Capital	22.76	22.93	23.06	23.48
Other Expense	0.00	0.00	0.00	0.00
Income Tax	40.15	40.15	40.15	40.15
Total Expenditure (A)	**1490.84**	**1503.22**	**1477.80**	**1513.70**
Add : Return on Equity	91.36	93.85	100.31	108.72

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Less: Non Tariff Income	16.84	16.84	16.84	16.84
Incremental Revenue Gap/ (Surplus) of FY 2014-15	43.77			
Carrying cost for Revenue Gap/ (Surplus) of FY 2014-15	(3.04)			
Revenue Gap/(surplus) for FY 2015-16 (Provisional)	(13.45)			
Annual Revenue Requirement	**1592.64**	**1580.23**	**1561.27**	**1605.58**

The ARR for FY 2016-17 also includes the Revenue surplus for FY 2014-15 along with the Carrying cost and provisional revenue surplus for FY 2015-16. RInfra-G request Hon'ble Commission to approve the ARR projected for each year of the control period.

The projected fixed cost and Energy Charge for each year of the Control Period is being provided in the table below:

Table 5: Capacity (Fixed) Charges and Energy Charge Rate ex-bus for each year of the Control Period

Particulars	UoM	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Capacity (Fixed) Charges	Rs Crore	**372.36**	**359.95**	**389.73**	**430.56**
Energy Charge Rate ex-bus	Rs/ Kwh	**3.211**	**3.211**	**3.212**	**3.212**

RInfra-G requests the Hon'ble Commission to approve the ARR and the Fixed and Energy Charges as projected for each year of the Control Period.