
Executive Summary

1 Overview

M/s KRC Infrastructure and Projects Private Limited (hereinafter referred to as “KRCIPPL” or “the Petitioner”) is a Company incorporated under the provisions of the Companies Act, 1956, having its registered office at Plot No. C-30, Block ‘G’, Opp. SIDBI, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051, Maharashtra, India.

KRCIPPL and M/s. Gera Developments Pvt. Ltd., (“GERA”), under Section 3 of the Special Economic Zones Act, 2005 (28 of 2005) (hereinafter referred as “SEZ Act, 2005”), are jointly setting up a sector specific Special Economic Zone (SEZ) for Information Technology and Information Technology Enabled Services (IT & ITeS SEZ) at Survey No. 65(p), Village Kharadi, Taluka Haveli, District Pune, Maharashtra, India. KRCIPPL and GERA have been jointly notified as the Developer of the SEZ by the Ministry of Commerce & Industry (Department of Commerce) vide Notification No. S.O. 2203 (E) dated 19 June, 2017 and are jointly developing the IT & ITeS SEZ.

Further, GERA issued a No Objection Certificate (NOC) to KRCIPPL undertaking the power distribution business and hence, the Hon’ble Commission, after taking cognizance of the Notification issued by Ministry of Commerce and Industry and following the due regulatory process, took on record KRCIPPL’s status as a deemed Distribution Licensee for Kharadi SEZ area vide Order dated 25 June, 2018 in Case No. 75 of 2018. The Hon’ble Commission notified the Specific Conditions of Distribution Licence for KRCIPPL on 27 September, 2018.

1.1 Filing under MERC MYT Regulations, 2019

Since, the operation of KRCIPPL as a Distribution Licensee commenced from 1 June 2019, i.e. in FY 2019-20, therefore, KRCIPPL is filing the Petition requesting for approval of Provisional Truing up for FY 2019-20 in accordance with the MERC MYT Regulations, 2015, as specified in Regulation 5.1 (a) (i), (ii) of the MERC MYT Regulations, 2015. Further, KRCIPPL is filing the Multi Year Tariff Petition for the

Control Period from FY 2020-21 to FY 2024-25 in accordance with Regulation 5.1 (a) (iii) of the MERC MYT Regulations, 2019.

2 Provisional Truing-up of FY 2019-20

KRCIPPL has computed the Provisional Truing-up requirement of FY 2019-20 in line with the provision of MYT Regulations, 2015 as amended from time to time. The following Table shows the summary of ARR for Truing-up of FY 2019-20.

Table 1: ARR Summary for Wires Business for FY 2019-20 (Rs. Crore)

Sr. No.	Particulars	FY 2019-20
		Estimated
1	Operation & Maintenance Expenses	0.68
2	Depreciation	0.38
3	Interest on Loan Capital	0.45
4	Interest on Working Capital	0.00
5	Interest on deposit from Distribution System Users	0.01
6	Provision for bad and doubtful debts	0.00
7	Contribution to contingency reserves	0.00
8	Income Tax	0
9	Total Revenue Expenditure	1.51
10	Add: Return on Equity Capital	0.34
11	Aggregate Revenue Requirement	1.85
12	Less: Non-Tariff Income	0.000
13	Less: Income from other business	0.00
14	Aggregate Revenue Requirement from Distribution Wires	1.85

Table 2: ARR Summary for Retail Supply Business for FY 2019-20 (Rs. Crore)

Sr. No.	Particulars	FY 2019-20
		Estimated
1	Power Purchase Expenses (including Inter-State Transmission Charges)	2.11
2	Operation & Maintenance Expenses	0.36
3	Depreciation	0.02
4	Interest on Loan Capital	0.00
5	Interest on Working Capital	0.00
6	Interest on Consumer Security Deposit	0.07
7	Write-off of Provision for bad and doubtful debts	0.00

Sr. No.	Particulars	FY 2019-20
		Estimated
8	Contribution to contingency reserves	0.00
9	Intra-State Transmission Charges	0.12
10	MSLDC Fees & Charges	0.07
11	Income Tax	0.00
12	Total Revenue Expenditure	2.76
13	Add: Return on Equity Capital	0.004
14	Aggregate Revenue Requirement	2.76
15	Less: Non-Tariff Income	0.04
16	Aggregate Revenue Requirement from Retail Supply	2.72

The Revenue Gap/(Surplus) based on provisional true-up for FY 2019-20 is shown in the Table below:

Table 3: Revenue Gap/(Surplus) for FY 2019-20 (Rs. Crore)

Sr. No.	Particulars	FY 2019-20
		Estimated
1	ARR for Distribution Wires Business	1.85
2	ARR for Retail Supply Business	2.72
3	Combined ARR for Wires and Retail Supply Business	4.57
4	Add: Revenue Gap/(Surplus) of FY 2019-20	
5	Net Revenue Requirement	
6	Revenue from existing tariff	5.81
7	Revenue Gap/(Surplus) of Licensed Business	(1.24)

KRCIPPL requests the Hon'ble Commission to approve the Revenue Gap/(Surplus) after provisional true-up for FY 2019-20, as shown in the above Table.

3 ARR for MYT Control Period FY 2020-21 to FY 2024-25

KRCIPPL has projected the ARR for each year of the Control Period from FY 2020-21 to FY 2024-25 in line with Regulation 5.1 (iii) of MYT Regulations, 2019. The following Tables shows the summary of ARR for the MYT Control Period:

Table 4: ARR Summary for Wires Business for FY 2020-21 to FY 2024-25 (Rs. Crore)

Sr. No.	Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
1.	Operation & Maintenance Expenses	1.14	1.37	1.56	1.84	2.07
2.	Depreciation	0.92	1.25	1.58	1.75	1.76
3.	Interest on Loan Capital	1.05	1.36	1.63	1.69	1.53
4.	Interest on Working Capital	0.06	0.08	0.10	0.12	0.12
5.	Interest on deposit from Distribution System Users	0.005	0.005	0.006	0.006	0.007
6.	Provision for bad and doubtful debts	0.000	0.000	0.000	0.000	0.000
7.	Contribution to contingency reserves	0.072	0.103	0.134	0.166	0.166
8.	Total Revenue Expenditure	3.26	4.17	5.02	5.57	5.65
9.	Add: Return on Equity Capital	0.73	1.00	1.26	1.39	1.40
10.	Aggregate Revenue Requirement	4.00	5.17	6.28	6.97	7.04
11.	Less: Non-Tariff Income	0.000	0.003	0.009	0.018	0.028
12.	Aggregate Revenue Requirement from Distribution Wires	4.00	5.17	6.27	6.95	7.01

Table 5: ARR Summary for Supply Business for FY 2020-21 to FY 2024-25 (Rs. Crore)

Sr. No.	Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
1.	Power Purchase Expenses	12.92	16.58	21.54	22.86	24.21
2.	Operation & Maintenance Expenses	0.62	0.74	0.84	0.99	1.11
3.	Depreciation	0.05	0.09	0.10	0.10	0.07
4.	Interest on Loan Capital	0.01	0.02	0.02	0.02	0.01
5.	Interest on Working Capital	0.00	0.01	0.02	0.03	0.03
6.	Interest on Consumer Security Deposit	0.043	0.047	0.052	0.057	0.063
7.	Write-off of Provision for bad and doubtful debts	0.000	0.000	0.000	0.000	0.000
8.	Contribution to contingency	0.001	0.002	0.003	0.003	0.004

Sr. No.	Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
	reserves					
9.	Intra-State Transmission Charges	2.77	2.43	2.95	3.70	4.62
10.	MSLDC Fees & Charges	0.01	0.01	0.01	0.01	0.01
11.	Total Revenue Expenditure	16.42	19.91	25.54	27.76	30.14
12.	Add: Return on Equity Capital	0.01	0.02	0.03	0.03	0.03
13.	Aggregate Revenue Requirement	16.43	19.93	25.57	27.79	30.17
14.	Less: Non-Tariff Income	0.044	0.044	0.044	0.044	0.044
15.	Aggregate Revenue Requirement from Retail Supply	16.39	19.89	25.52	27.75	30.13

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 6: Projected Revenue Gap/(Surplus) at existing Tariff for the Control Period (Rs. Crore)

Sr. No.	Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
1.	ARR for Distribution Wires Business	4.00	5.17	6.27	6.95	7.01
2.	ARR for Retail Supply Business	16.39	19.89	25.52	27.75	30.13
3.	ARR for Combined Wire Business & Retail Supply Business	20.38	25.06	31.80	34.70	37.14
4.	Add: Gap/(Surplus) of FY 2019-20	(1.24)				
5.	Net Revenue Requirement	19.14	25.06	31.80	34.70	37.14
6.	Less: Revenue at Existing Tariff	23.39	34.32	41.98	43.55	45.63
7.	Revenue Gap/(Surplus) of Licensed Business	(4.25)	(9.26)	(10.18)	(8.85)	(8.48)

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 MSEDCL's ceiling tariff. Hence, the tariff is required to be reduced in order to match the ARR of the Wires Business and Supply Business. KRCIPPL proposes tariff revision, as discussed below.

4 Tariff Proposal for FY 2020-21 to FY 2024-25

The following Tables shows the category-wise Tariffs proposed by KRCIPPL from FY 2020-21 to FY 2024-25. KRCIPPL has proposed to charge Energy Charges on kVAh basis for all consumer categories from FY 2020-21 onwards, as directed by the Hon'ble Commission. However, KRCIPPL requests the Hon'ble Commission to grant sufficient time of at least 6 months after issue of the MYT Order for ensuing smooth implementation of the kVAh tariffs.

Table 1: Proposed Tariff Schedule for FY 2020-21

Sr. No	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs./kVAh)	Energy Charges (Rs/kVAh)
HIGH TENSION CATEGORIES				
1	HT I: HT- Industry	Rs. 340 per kVA	1.41	4.96
2	HT II: HT Commercial	Rs. 340 per kVA	1.41	5.15
3	HT III: HT Electric Vehicle Charging Station	Rs. 70 per kVA	1.41	5.00
<i>TOD Tariffs (in addition to above Base Tariffs)- compulsory for HT I, HT II & HT III categories</i>				
2200 Hrs - 0600 Hrs				(1.40)
0600 Hrs - 0900 Hrs & 1200 Hrs- 1800 Hrs				0.00
0900 Hrs - 1200 Hrs				0.75
1800 Hrs - 2200 Hrs				1.03
LOW TENSION CATEGORIES				
4	LT I: LT- General Purpose	Rs. 250	1.37	4.75
5	LT II: LT Commercial			
	(A) 0-20 kW	Rs. 340	1.37	3.99
	(B) Above 20 kW	Rs. 340 per kVA	1.37	5.48
6	LT III: LT Industry			
	(A) 0-20 kW	Rs. 340	1.42	3.98
	(B) Above 20 kW	Rs. 340 per kVA	1.42	5.34
7	LT IV: LT Electric Vehicle Charging Station	Rs. 70 per kVA	1.42	5.00
<i>TOD Tariffs (in addition to above Base Tariffs)- compulsory for LT II(B), LT III(B) and LT IV categories</i>				
2200 Hrs - 0600 Hrs				(1.40)
0600 Hrs - 0900 Hrs & 1200 Hrs- 1800 Hrs				0.00
0900 Hrs - 1200 Hrs				0.75
1800 Hrs - 2200 Hrs				1.03

Table 2: Proposed Tariff Schedule for FY 2021-22

Sr. No	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs./kVAh)	Energy Charges (Rs/kVAh)
HIGH TENSION CATEGORIES				
1	HT I: HT- Industry	Rs. 340 per kVA	1.29	4.14
2	HT II: HT Commercial	Rs. 340 per kVA	1.29	4.33
3	HT III: HT Electric Vehicle Charging Station	Rs. 70 per kVA	1.29	5.00
<i>TOD Tariffs (in addition to above Base Tariffs)- compulsory for HT I, HT II & HT III categories</i>				
2200 Hrs – 0600 Hrs				(1.40)
0600 Hrs – 0900 Hrs & 1200 Hrs- 1800 Hrs				0.00
0900 Hrs – 1200 Hrs				0.75
1800 Hrs – 2200 Hrs				1.03
LOW TENSION CATEGORIES				
4	LT I: LT- General Purpose	Rs. 250	1.25	4.75
5	LT II: LT Commercial			
(A)	0-20 kW	Rs. 340	1.25	3.99
(B)	Above 20 kW	Rs. 340 per kVA	1.25	4.67
6	LT III: LT Industry			
(A)	0-20 kW	Rs. 340	1.29	3.98
(B)	Above 20 kW	Rs. 340 per kVA	1.29	5.34
7	LT IV: LT Electric Vehicle Charging Station	Rs. 70 per kVA	1.29	5.00
<i>TOD Tariffs (in addition to above Base Tariffs)- compulsory for LT II(B), LT III(B) and LT IV categories</i>				
2200 Hrs – 0600 Hrs				(1.40)
0600 Hrs – 0900 Hrs & 1200 Hrs- 1800 Hrs				0.00
0900 Hrs – 1200 Hrs				0.75
1800 Hrs – 2200 Hrs				1.03

Table 3: Proposed Tariff Schedule for FY 2022-23

Sr. No	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs./kVAh)	Energy Charges (Rs/kVAh)
HIGH TENSION CATEGORIES				
1	HT I: HT- Industry	Rs. 340 per kVA	1.23	4.19
2	HT II: HT Commercial	Rs. 340 per kVA	1.23	4.38
3	HT III: HT Electric Vehicle Charging Station	Rs. 70 per kVA	1.23	5.00
<i>TOD Tariffs (in addition to above Base Tariffs)- compulsory for HT I, HT II & HT III categories</i>				
2200 Hrs – 0600 Hrs				(1.40)
0600 Hrs – 0900 Hrs & 1200 Hrs- 1800 Hrs				0.00

Sr. No	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs./kVAh)	Energy Charges (Rs/kVAh)
	0900 Hrs – 1200 Hrs			0.75
	1800 Hrs – 2200 Hrs			1.03
LOW TENSION CATEGORIES				
4	LT I: LT- General Purpose	Rs. 250	1.19	4.75
5	LT II: LT Commercial			
	(A) 0-20 kW	Rs. 340	1.19	3.99
	(B) Above 20 kW	Rs. 340 per kVA	1.19	4.76
6	LT III: LT Industry			
	(A) 0-20 kW	Rs. 340	1.23	3.98
	(B) Above 20 kW	Rs. 340 per kVA	1.23	5.34
7	LT IV: LT Electric Vehicle Charging Station	Rs. 70 per kVA	1.23	5.00
<i>TOD Tariffs (in addition to above Base Tariffs)- compulsory for LT II(B), LT III(B) and LT IV categories</i>				
	2200 Hrs – 0600 Hrs			(1.40)
	0600 Hrs – 0900 Hrs & 1200 Hrs- 1800 Hrs			0.00
	0900 Hrs – 1200 Hrs			0.75
	1800 Hrs – 2200 Hrs			1.03

Table 4: Proposed Tariff Schedule for FY 2023-24

Sr. No	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs./kVAh)	Energy Charges (Rs/kVAh)
HIGH TENSION CATEGORIES				
1	HT I: HT- Industry	Rs. 340 per kVA	1.30	4.36
2	HT II: HT Commercial	Rs. 340 per kVA	1.30	4.55
3	HT III: HT Electric Vehicle Charging Station	Rs. 70 per kVA	1.30	5.00
<i>TOD Tariffs (in addition to above Base Tariffs)- compulsory for HT I, HT II& HT III categories</i>				
	2200 Hrs – 0600 Hrs			(1.40)
	0600 Hrs – 0900 Hrs & 1200 Hrs- 1800 Hrs			0.00
	0900 Hrs – 1200 Hrs			0.75
	1800 Hrs – 2200 Hrs			1.03
LOW TENSION CATEGORIES				
4	LT I: LT- General Purpose	Rs. 250	1.26	4.75
5	LT II: LT Commercial			
	(A) 0-20 kW	Rs. 340	1.26	3.99
	(B) Above 20 kW	Rs. 340 per kVA	1.26	4.94
6	LT III: LT Industry			
	(A) 0-20 kW	Rs. 340	1.30	3.98
	(B) Above 20 kW	Rs. 340 per kVA	1.30	5.34

Sr. No	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs./kVAh)	Energy Charges (Rs/kVAh)
7	LT IV: LT Electric Vehicle Charging Station	Rs. 70 per kVA	1.30	5.00
TOD Tariffs (in addition to above Base Tariffs)- compulsory for LT II(B), LT III(B) and LT IV categories				
2200 Hrs – 0600 Hrs				(1.40)
0600 Hrs – 0900 Hrs & 1200 Hrs- 1800 Hrs				0.00
0900 Hrs – 1200 Hrs				0.75
1800 Hrs – 2200 Hrs				1.03

Table 5: Proposed Tariff Schedule for FY 2024-25

Sr. No	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs./kVAh)	Energy Charges (Rs/kVAh)
HIGH TENSION CATEGORIES				
1	HT I: HT- Industry	Rs. 340 per kVA	1.25	4.54
2	HT II: HT Commercial	Rs. 340 per kVA	1.25	4.72
3	HT III: HT Electric Vehicle Charging Station	Rs. 70 per kVA	1.25	5.00
TOD Tariffs (in addition to above Base Tariffs)- compulsory for HT I, HT II& HT III categories				
2200 Hrs – 0600 Hrs				(1.40)
0600 Hrs – 0900 Hrs & 1200 Hrs- 1800 Hrs				0.00
0900 Hrs – 1200 Hrs				0.75
1800 Hrs – 2200 Hrs				1.03
LOW TENSION CATEGORIES				
4	LT I: LT- General Purpose	Rs. 250	1.21	4.75
5	LT II: LT Commercial			
	(A) 0-20 kW	Rs. 340	1.21	3.99
	(B) Above 20 kW	Rs. 340 per kVA	1.21	5.21
6	LT III: LT Industry			
	(A) 0-20 kW	Rs. 340	1.26	3.98
	(B) Above 20 kW	Rs. 340 per kVA	1.26	5.34
7	LT IV: LT Electric Vehicle Charging Station	Rs. 70 per kVA	1.26	5.00
TOD Tariffs (in addition to above Base Tariffs)- compulsory for LT II(B), LT III(B) and LT IV categories				
2200 Hrs – 0600 Hrs				(1.40)
0600 Hrs – 0900 Hrs & 1200 Hrs- 1800 Hrs				0.00
0900 Hrs – 1200 Hrs				0.75
1800 Hrs – 2200 Hrs				1.03

KRCIPPL requests the Hon’ble Commission to kindly approve the Tariffs as proposed in above Tables for respective years.

5 Prayers

KRCIPPL prays to the Hon'ble Commission as under:

- i. To admit the MYT Petition as per the provisions of MERC (MYT) Regulations 2019, consider for further proceedings before the Hon'ble Commission;
- ii. To approve the provisional truing up and Revenue Gap/(Surplus) for FY 2019-20 and recovery of the same through tariff, as proposed by KRCIPPL;
- iii. To approve the ARR for FY 2020-21 to FY 2024-25 and its recovery through revised tariff as proposed by KRCIPPL;
- iv. To determine KRCIPPL's share of the Transmission Charges and MSLDC Charges, and consider the same while approving the ARR for KRCIPPL for the Control Period;
- v. To approve Retail Supply Tariff for the Control Period and the Tariff schedule, as proposed by KRCIPPL;
- vi. To approve the Schedule of Charges as proposed by KRCIPPL;
- vii. Condone any inadvertent omissions, errors, short comings and permit KRCIPPL to add/change/modify/alter this filing and make further submissions as may be required at a future date; and
- viii. Pass such other and further Orders as deemed fit and proper in the facts and circumstances of the case.