



నార్తర్న్ పవర్ డిస్ట్రిబ్యూషన్ కంపెనీ ఆఫ్ తెలంగాణ లిమిటెడ్
NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

(A Govt. of Telangana Undertaking) CIN:U40109TG2000SGC034119

From
Chief Engineer,
IPC & RAC, TGNPDCL,
Corporate Office, Vidyuth Bhavan,
HANUMAKONDA, WARANGAL

To
The Commission Secretary,
TGERC, Vidyut Niyantrantran Bhavan,
G.T.S. Colony, Kalyan Nagar,
HYDERABAD 500 045.

Lr. No.CE(I&R)/GM(I&R)/DE(RAC)/TGNPDCL/WGL/F.32/D.No. 320 /25, Dt:22.01.2026.

Sir,

SUB :- TGNPDCL/WGL – Second set of additional information on the filed petitions of True-up for FY 2024-25 and Revised Distribution ARR & Wheeling Tariff Proposals for FY 2026-27 of Distribution Business of DISCOM – Submission – Regarding.

REF :- Lr.No. TGERC/Secy/Tariff/F.No.NP.Wheeling/D.No.27/2026,Dt: 09/01/2026.

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Adverting to the reference cited above, the licensee herewith submits the second set of additional information to the already filed True-up for FY 2024-25 and Revised Distribution ARR & Wheeling Tariff Proposals for FY 2026-27 of Distribution Business and requested to place before the Hon'ble Commission for approval of True-up for FY 2024-25 and Revised Distribution ARR and Wheeling Tariff Proposals for FY 2026-27 of Distribution Business of TGNPDCL.

Yours faithfully,

**CHIEF ENGINEER
IPC&RAC/TGNPDCL/WGL**

Encl: As above



**Second set of additional information on Distribution Business True-up of
FY 2024-25 and Revised Distribution ARR and Wheeling Tariff Proposals
for FY 2026-27 of Distribution Business**

I. True up for FY 2024-25 of Distribution Business:

1. The Employee and A&G cost capitalised shown under Note: 26 in audited accounts as Rs. 70.73 Cr are claimed in Employee expense and also in Net capitalisation during the year. Justification to be provided.

Reply: The amount of Rs. 70.73 Cr shown under Note 26 in the audited accounts represents the portion of Employee and A&G costs that have been capitalised during the year. This capitalisation is reflected under "Net Capitalisation" in the filings, as per the accounting standards and regulatory practice. The same costs are initially booked under Employee and A&G expenses and subsequently apportioned to capital works based on actual deployment of resources for capital projects.

In the MYT Order, the Hon'ble Commission has considered the gross expenses of Employee and A&G costs for the purpose of determining the ARR. Accordingly, TGNPDCL has filed Employee expenses and A&G costs in line with the Tariff Order.

Therefore, the net capitalisation considered for ARR purposes, in line with the 5th Control Period MYT Order issued by the Hon'ble TGERC.

2. The details of GFA of fully depreciated assets class wise at the beginning of the year and during the year as per the audited accounts to be provided.

Reply: The details of GFA of fully depreciated assets class wise at the beginning of the year and during the year as per the audited accounts is tabulated below:

Fully Depreciated Assets (FDA) as per audited accounts for FY 2024-25

Particulars	FY 2024-25 (Opening balance) (Rs. in Crs)	FY 2024-25 (During the year) (Rs. in Crs)
11KV	826.96	52.33
Lines	575.37	34.89
Meters & Metering Equipments	9.94	0.40
Plant & machinery	241.65	17.04
33KV	467.92	14.84
Lines	188.55	2.80
Meters & Metering Equipments	1.06	0.03
Plant & machinery	278.31	12.02
LT	1718.83	95.72

Lines	598.48	20.01
Meters & Metering Equipments	295.46	1.53
Plant & machinery	824.89	74.18
OTHERS	78.36	9.86
Air conditioners	0.72	0.00
Building	8.80	2.22
civil works	0.03	0.00
Computer & IT Equipments	40.67	7.61
Furniture & Fixtures	3.63	0.01
Intangible assets	19.50	0.00
Office Equipments	2.28	0.00
Vehicles	2.72	0.00
Grand Total	3092.07	172.70

4. In the ROE computation sheet the consumer contribution addition during the year is considered as Rs. 167.64 Cr but as per audited accounts it is Rs. 301.88 Cr — the same shall be clarified.

Reply: An amount of Rs. 167.64 Crores only included in Gross fixed asset FY 2024-25. Difference amount of Rs. 134.24 Crores (Rs. 301.88 Cr-167.64 Cr) pertains to assets under construction and development charges for release of new services /enhancement of load on already existing plant and machinery.

5. The details of the actual debt, equity component shall be furnished for the opening loan portion, equity portion and the addition of loan, equity during the year.

Reply: During the year an amount of Rs.823.05 Crores spent towards capital expenditure, out of which Rs. 431.26 Crores availed through Debt, Rs. 89.91 Crores through Internal funds, Rs. 297.25 Crores through consumer contributions and Rs. 4.63 Crores through Grants.

6. Component wise break up of revenue (including income from open access wheeling charges) of the company for FY 2024-25 duly tallying with the audited accounts to be provided.

Reply: The component wise break-up of revenue (including income from open access wheeling charges) of the TGNPDCL for FY 2024-25 duly tallying with the audited accounts is tabulated below.

Component wise Revenue Break-up for FY 2024-25 (as per Annual Accounts)

Sl.No.	Particulars	Amount (Rs. in Crs)
1	Tariff Revenue	9669.23
2	Non-Tariff Income for Retail Supply Business	73.33
3	Non-Tariff Income for Distribution Business	175.41
4	Wheeling Charges Revenue from Open Access Consumers	0.24

5	Delayed Payment Charges	96.45
6	DISCOMs to DISCOMs, Interstate and UI Sales Revenue (Power Purchase related)	152.41
7	Tariff Subsidy from GoTG	7,141.59
8	Taking over of Operational Losses under UDAY Scheme(for the F.Y.2023-24)	720.59
9	Additional financial support(GO Ms No. 02 date:21/01/2025)	103.08
10	Total Income 10 = (1+2+3+4+5+6+7+8+9)	18132.34

II. ARR for FY 2026-27 of Distribution Business:

1. In the excel working submitted it is noticed that expenses capitalised are considered as Rs. 129 Cr, IDC is considered as Rs. 111 Cr and transfer to fixed asset is considered as 47.96% of total capex and expenses capitalised. Justification shall be provided.

Reply: In the MYT Order, the Hon'ble Commission has approved the capitalisation percentage at 47.96% of the total capital expenditure for the relevant year. Accordingly, TGNPDCL has adopted the same approach in its filings.

Further, expenses capitalised (Rs. 129 Cr) and IDC (Rs. 111 Cr) have been considered proportionately based on the methodology approved by the Hon'ble Commission in the 5th Control Period MYT Order. These components are applied as a percentage of the base approved by the Commission, ensuring consistency approach considered by Hon'ble TGERC in its MYT Order.

Therefore, the computation aligns with the MYT principles and the Tariff Order provisions, and there is no deviation from the methodology prescribed by the Hon'ble Commission.