BEFORE THE HON'BLE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION, LUCKNOW, UTTAR PRADESH

PETITION NO. 2246 OF 2025

IN THE MATTER OF:

Rosa Power Supply Company Limited ... Petitioner

Versus

Uttar Pradesh Power Corporation Limited ...Respondent

INDEX

S.No.	Particulars	Page Nos.
1.	Reply on behalf of Respondent / Uttar Pradesh Power Corporation Limited (UPPCL) to the Additional Submission dated 06.07.2026 filed by the Petitioner	1-9

(Anil Kumar)
Superintending Engineer
Power Purchase & Regulatory Directorate
UP Power Corp Ltd.

RESPONDENT
UTTAR PRADESH POWER CORPORATION LIMITED

THROUGH
HSA ADVOCATES
(COUNSELS FOR THE RESPONDENT)
81/1 ADCHINI,
SRI AUROBINDO MARG,
NEW DELHI-110017

DATE: 31.08.2026
PLACE: LUCKNOW

BEFORE THE HON'BLE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION, LUCKNOW, UTTAR PRADESH

PETITION NO. 2246 OF 2025

IN THE MATTER OF:

Rosa Power Supply Company Limited ... Petitioner

Versus

Uttar Pradesh Power Corporation Limited ... Respondent

REPLY ON BEHALF OF THE RESPONDENT / UTTAR PRADESH POWER CORPORATION LIMITED (UPPCL) TO THE ADDITIONAL SUBMISSION DATED 06.07.2026 FILED BY THE PETITIONER

MOST RESPECTFULLY SHOWETH:

I. PRELIMINARY SUBMISSIONS:

1. The captioned Petition **("Present Petition")** has been filed by Rosa Power Supply Company Limited **("Petitioner / Rosa")** under Regulation 14 of the UPERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2024 **("Tariff Regulations, 2024")** read with Section 61, Section 62 and Section 86 of the Electricity Act, 2003, seeking approval of Multi Year Tariff **("MYT")** for the Control Period FY 2024-25 to FY 2028-29 **("Control Period").** The Respondent, Uttar Pradesh Power Corporation Limited **("UPPCL")** is the sole procurer of the entire capacity of Rosa's 1200 MW Project and is contesting the Present Petition.

2. It is submitted that the Petitioner, has filed an Additional Submission dated 06.07.2026 **("Additional Submission"),** whereby it has, sought to

(Amit Kumar)
Superintending Engineer
Power Purchase Agreement Directorate
Uttar Pradesh Power Corp.Ltd.

revise the Annual Fixed Charges **("AFC")** claimed for the Control Period by grossing up the base rate of Return on Equity **("RoE")** of 15% with an effective tax rate of 17.472%, being the rate of Minimum Alternate Tax **("MAT")** under Section 115JB of the Income Tax Act, 1961, purportedly in terms of Regulation 6 of the Tariff Regulations, 2024. Consequent to the said revision, the Petitioner has revised:

i. the rate of pre-tax RoE from 15.00% to 18.176%;

ii. the RoE for the Control Period from Rs. 1,264.10 Crore (as originally claimed) to Rs. 1,531.73 Crore;

iii. the Interest on Working Capital **("IoWC")**, consequentially, from Rs. 610.01 Crore to Rs. 614.17 Crore; and

iv. the AFC for the Control Period from Rs. 4,798.38 Crore to Rs. 5,070.16 Crore.

3. UPPCL craves leave of this Hon'ble Commission to place on record the present Reply, strictly confined to the claims/revisions made by the Petitioner in the Additional Submission dated 06.07.2026. At the very outset, UPPCL denies each and every averment, contention and claim made by the Petitioner in the Additional Submission, save and except what is a matter of record or has been specifically admitted hereinbelow, and the same be treated as denied in seriatim. The absence of a specific para-wise traverse to any particular averment made in the Additional Submission may not be construed or treated as an admission thereof by UPPCL. The contentions raised in the present Reply are without prejudice to, and in the alternative of, one another.

4. It is respectfully submitted that UPPCL is separately/simultaneously filing a detailed, issue-wise Reply to the Present Petition, dealing with, *inter*

(Anil Kumar)
Superintending Engineer
Power Purchase Agreement Directorate
Uttar Pradesh Power Corp Ltd.

alia, the Petitioner's original claims towards additional capital expenditure for the 2nd raising of the bund for Ash Dyke Lagoon-2, Gross Fixed Assets/Capital Cost, Return on Equity, Interest on Loan Capital, Depreciation, O&M Expenses, Interest on Working Capital and Statutory Charges, as claimed in the Present Petition **("UPPCL's Reply to the Petition").** The submissions made in the present Reply are confined to the additional/revised claims made by the Petitioner in the Additional Submission dated 06.07.2026, and are without prejudice to, and in addition to, the objections and submissions made by UPPCL in UPPCL's Reply to the Petition. Both replies are without prejudice to each other and are liable to be read conjointly and as forming part of the same record.

5. UPPCL craves leave to place on record such further submissions, comments and/or documents as may become necessary during the course of the present proceedings.

II. SUBMISSIONS OF THE PETITIONER IN THE ADDITIONAL SUBMISSION:

6. The Petitioner, in the Additional Submission, has made, *inter alia,* the following submissions in support of the revised claims:

a) That in the Present Petition, the Petitioner had not claimed Income Tax as part of the AFC, on the premise that the same would be recovered directly from UPPCL under Regulation 9 of the Tariff Regulations, 2024, without the necessity of making any application before the Hon'ble Commission.

b) That Regulation 6 of the Tariff Regulations, 2024 requires the rate of RoE allowed under Regulation 25(3)(a) to be grossed up with the effective tax rate of the concerned financial year and further

(Anil Kumar)
Superintending Engineer
Power Purchase Agreement Directorate
Uttar Pradesh Power Corp.Ltd.

provides that where a generating company is paying MAT under Section 115JB of the Income Tax Act, 1961, the effective tax rate shall be the MAT rate, including surcharge and cess.

c) That since the Petitioner is liable to pay MAT, it has, vide the Additional Submission, grossed up the base rate of RoE of 15% (as provided under Regulation 25(3)(e) of the Tariff Regulations, 2024) with the MAT rate of 17.472% (inclusive of surcharge and cess), resulting in a revised pre-tax RoE of 18.176% for the entire Control Period.

d) That, consequent to the revised RoE, the Petitioner has also revised the IoWC (on account of the consequential change in the receivables component) and has, accordingly, submitted a revised summary of AFC for the Control Period, claiming a total AFC of Rs. 5,070.16 Crore as against Rs. 4,798.38 Crore claimed in the Present Petition and has prayed that the Hon'ble Commission allow the additional submission and approve the revised AFC as claimed.

7. In view of the foregoing, the Additional Submission of Rosa may be considered only to the extent permissible under the applicable provisions of Tariff Regulations, 2024 read with the Income Tax Act, 2025. Accordingly, the revised RoE, Interest on Working Capital **("IoWC")** and Annual Fixed Charges **("AFC"),** as claimed by M/s ROSA vis-à-vis the amounts allowable as per UPPCL's computation, are set out in the table below.

8. It is submitted that Rosa must be put to strict proof of the documentary evidence substantiating the payment of MAT to the concerned authorities, as claimed in its Additional Submissions. The Petitioner must also furnish adequate justification and supporting documents to establish that such

(Anil Kumar)
Superintending Engineer
Power Purchase Agreement Directorate
Uttar Pradesh Power Corp.Ltd.

payment pertains to and is attributable to its core business activities. In the absence of such documentary evidence and justification, the claim of the Petitioner ought not to be considered or allowed.

9. It is further pertinent to point out that the parties are already engaged in proceedings involving similar issues, wherein the issues have been decided against the Petitioner and the matter is presently pending in appeal before the Hon'ble APTEL. In these circumstances, any failure on the part of the Petitioner to submit the information and documents sought, or to satisfactorily substantiate its claim, ought to be viewed adversely, and the necessary adverse inference may be drawn against the Petitioner.

Re: Return on Equity

10. The allowable RoE for the control period 2024-29 is calculated to be Rs. 1504.24 Crore against Rs. 1531.73 Crore claimed by Rosa as below:

Return on Equity	2024-25		2025-26		2026-27		2027-28		2028-29	
Particulars	Claimed	Allowable	Claimed	Allowable	Claimed	Allowable	Claimed	Allowable	Claimed	Allowable
Opening Equity	1,678.33*	1,669.16**	1,678.33	1,669.16	1,688.53	1,669.16	1,688.53	1,669.16	1,688.53	1,669.16
Addition	-	-	10.20	-	-	-	-	-	-	-
Deletion	-	-	-	-	-	-	-	-	-	-
Closing Equity	1,678.33	1,669.16	1,688.53	1,669.16	1,688.53	1,669.16	1,688.53	1,669.16	1,688.53	1,669.16
Average Equity	1,678.33	1,669.16	1,683.43	1,669.16	1,688.53	1,669.16	1,688.53	1,669.16	1,688.53	1,669.16
Base Rate of RoE	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
MAT Rate	17.472%	17.472%	17.472%	17.472%	17.472%	16.3072%	17.472%	16.3072%	17.472%	16.3072%
Rate of per-tax RoE	18.176%	18.176%	18.176%	18.176%	18.176%	17.9227%	18.176%	17.9227%	18.176%	17.9227%
ROE	**305.05**	**303.38**	**305.97**	**303.38**	**306.90**	**299.16**	**306.90**	**299.16**	**306.90**	**299.16**

**Closing equity for FY 2023-24 as claimed by ROSA in 2019-24 True up Petition No. 2143 of 2024 pending adjudication]*

*** Closing equity for FY 2023-24 as approved in MYT Order 2019-24 by Hon'ble Commission (Petition No. 1578 of 2020)*

Re: Interest on Working Capital

11. The allowable IoWC for the control period 2024-29 is calculated to be Rs. 593.36 Crore against Rs. 614.17 Crore claimed by Rosa as below:

(Anil Kumar)
Superintending Engineer
Power Purchase Agreement Directorate
Uttar Pradesh Power Corp.Ltd.

Interest on WC	2024-25		2025-26		2026-27		2027-28		2028-29	
Particulars	Claimed	Allowable	Claimed	Allowable	Claimed	Allowable	Claimed	Allowable	Claimed	Allowable
Cost of Coal 50 days	362.50	362.50	362.50	362.50	362.50	362.50	362.50	362.50	362.50	362.50
Cost of Secondary fuel 2 months	6.00	6.00	6.00	6.00	6.00	6.00	6.02	6.02	6.00	6.00
O&M expenses for 1 month	34.70	34.04	37.36	35.83	39.27	37.71	41.29	39.69	43.41	41.78
Maintenance Spares for 20% of O&M Expenses	83.29	81.70	89.66	85.99	94.25	90.50	99.09	95.26	104.19	100.27
Receivables 45 days	480.81	453.77	484.75	455.45	486.15	456.75	488.13	459.16	491.76	462.75
Total Working Capital	**967.27**	**938.01**	**980.24**	**945.78**	**988.14**	**953.47**	**996.98**	**962.62**	**1,007.83**	**973.30**
Rate	12.15%	12.15%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%
Interest on WC	**117.52**	**113.97**	**122.53**	**118.22**	**123.52**	**119.18**	**124.62**	**120.33**	**125.98**	**121.66**

Re: Annual Fixed Charges

12. The allowable AFC for the control period 2024-29 is calculated to be Rs. 4905.41 Crore against Rs. 5070.16 Crore claimed by Rosa as below:

Particulars	2024-25		2025-26		2026-27		2027-28		2028-29	
	Claimed	Allowable	Claimed	Allowable	Claimed	Allowable	Claimed	Allowable	Claimed	Allowable
Depreciation	100.77	100.30	103.32	100.30	103.32	100.30	103.32	100.30	103.32	100.30
Interest on Loan	28.52	23.55	17.64	11.45	6.61	2.70	0.19	-	-	-
Return on Equity	305.05	303.38	305.97	303.38	306.90	299.16	306.90	299.16	306.90	299.16
Interest on WC	117.52	113.97	122.53	118.22	123.52	119.18	124.62	120.33	125.98	121.66
O&M Expenses	416.46	408.48	448.31	429.96	471.27	452.52	495.44	476.28	520.95	501.36
Statutory Charges	0.46	-	2.96	-	0.46	-	0.46	-	0.46	-
Total	**968.79**	**949.68**	**1,000.75**	**963.31**	**1,012.08**	**973.86**	**1,030.93**	**996.07**	**1,057.61**	**1,022.48**

13. UPPCL reserves its right to place on record any further submissions/replies in respect of the Additional Submission, as and when necessitated during the course of the present proceedings before this Hon'ble Commission, including consequent to the final adjudication of Petition No. 2143 of 2024.

14. It is submitted that read and consider the present Reply along with UPPCL's Reply to the Petition, being filed separately/simultaneously.

(Anil Kumar)
Superintending Engineer
Power Purchase Agreement Directorate
Uttar Pradesh Power Corp.Ltd.

15. Pass such other order(s)/direction(s) as this Hon'ble Commission may deem just and proper in the facts and circumstances of the present case.

(Anil Kumar)
Superintending Engineer
Power Purchase Agreement Directorate
Uttar Pradesh Power Corp.Ltd.

RESPONDENT

UTTAR PRADESH POWER CORPORATION LIMITED

THROUGH

HSA ADVOCATES

(COUNSELS FOR THE RESPONDENT)

81/1 ADCHINI,

SRI AUROBINDO MARG,

NEW DELHI-110017

DATE: 31.08.2026

PLACE: LUCKNOW

NOTARY
R.C. VERMA
ADV. & NOTARY
Lucknow U.P. India
Regd. No. 31/64/2000
GOVT. OF UTTAR PRADESH

BEFORE THE HON'BLE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION, LUCKNOW, UTTAR PRADESH

PETITION NO. 2246 OF 2025

IN THE MATTER OF:

Rosa Power Supply Company Limited ... Petitioner

Versus

Uttar Pradesh Power Corporation Limited ...Respondent

AFFIDAVIT

I, Anil Kumar, S/o Shri Om Prakash aged about 37 years, being the authorized signatory of the Respondent - Uttar Pradesh Power Corporation Limited (UPPCL), having office at Shakti Bhawan, 14 Ashok Marg, Lucknow, being the authorized representative of the Respondent company, do hereby solemnly affirm and state as under:

1. That I am the authorized signatory/authorized representative of the Respondent Company. I am fully conversant with the facts and circumstances of the case, and I have been duly authorized and I am, therefore, competent to affirm this affidavit.

2. That the present Reply has been drafted on my instructions and I affirm that the facts stated therein are true to my knowledge based on the records which I believe to be true and correct. The contents of all paragraphs of the present Reply and parts thereof are true to the knowledge of the deponent.

3. That the documents/annexures relied upon and referred to in the accompanying Reply are true copies of their respective originals.

DEPONENT
(Anil Kumar)
Superintending Engineer
Power Purchase Agreement Directorate
Uttar Pradesh Power Corp.Ltd.

Sworn and Verified before me.

9/12/2025

R. C. VERMA
Adv. & NOTARY
Collectorate Court
Lucknow U.P. India
Regd. 31/64/2000

VERIFICATION

I, the above-named deponent, do hereby verify that the contents of this affidavit are true and correct to my knowledge, no part of it is false and nothing material has been concealed therefrom.

Verified by me on ____ day of _____, 2026 at _____.

DEPONENT

(Anil Kumar)
Superintending Engineer
Power Purchase Agreement Dire
Uttar Pradesh Power Co

NOTARY
R.C. VERMA
STATE OF UTTAR PRADESH

Sworn and Verified
before me.
31/01/2026

R. C. VERMA
Adv. & NOTARY
Collectorate Court
Lucknow U.P. India
Regd. 31/64/2000