



**ORDER  
OF THE  
WEST BENGAL ELECTRICITY REGULATORY COMMISSION  
IN THE MATTER OF  
CASE NO: APR(R)-39/24-25**

**REVIEW OF THE FUEL AND POWER PURCHASE COST ADJUSTMENT (FPPCA) AND ANNUAL PERFORMANCE REVIEW (APR) ORDER DATED 16.07.2024 OF DURGAPUR PROJECTS LIMITED (DPL) FOR THE FINANCIAL YEAR 2018-19 [FROM 01.01.2019 TO 31.03.2019 (PART-II)]**

**DATE: 05.02.2026**



### CASE IN BRIEF

- 1.0 This petition is submitted on 30.08.2024 by the Durgapur Projects Limited (in short Review Petitioner or DPL) for review of the FPPCA and APR order dated 16.07.2024 (Impugned Order), passed in Case No. FPPCA-101(A)/21-22 (PART-II) and APR-86/21-22 (PART-II) for the period 01.01.2019 to 31.03.2019 within timeline as specified in the West Bengal Electricity Regulatory Commission (Conduct of Business) Regulations, 2013.
- 2.0 The review petition has been admitted by the Commission on 05.10.2024 in Case No. APR (R)-39/24-25 under the provision of Section 94(1)(f) of the Electricity Act, 2003, read with regulation 3.3 of the West Bengal Electricity Regulatory Commission (Conduct of Business) Regulations, 2013.
- 3.0 The following issues associating the Impugned Order for the year 2018 – 2019 (Part-II), covering the periods from 01.01.2019 to 31.03.2019, are highlighted in their review petition for review:
  - 1) Transportation Cost of coal;
  - 2) Employee Cost (Centrally Maintained);
  - 3) Insurance;
  - 4) Rent, Rates and Taxes;
  - 5) O&M Expenses;
  - 6) Capacity Charge of Unit No VI;
  - 7) Interest on Working Capital.
- 4.0 Now, the Commission proceeds to find out whether any case for review has been made out by the Review Petitioner in terms of Order 47 Rule 1 of Code of Civil Procedure (CPC), according to which a person aggrieved by order of a Court can file review on the following grounds, if no appeal against the said order has been filed:



- (a) Discovery of new and important matter of evidence which after the exercise of due diligence was not within his knowledge or could not be produced by him at the time when the decree was passed or order made.
- (b) On account of some mistake or error apparent on the face of record; and
- (c) For any other sufficient reason.

4.1 In this connection, reference could be made to the following judgments:

(a) In **Lily Thomas & Ors. vs. Union of India & Ors.** [(2000) 6 SCC 224] Judgment, the Hon'ble Supreme Court has held as under:

*"56. It follows, therefore, that the power of review can be exercised for correction of a mistake and not to substitute a view. Such powers can be exercised within the limits of the statute dealing with the exercise of power. The review cannot be treated as an appeal in disguise. The mere possibility of two views on the subject is not a ground for review...."*

(b) In **Union of India vs. Sandur Manganese and Iron Ores Limited & others** {(2013) 8 SCC 337}, the Hon'ble Supreme Court has held as under:

*"23. It has been time and again held that the power of review jurisdiction can be exercised for the correction of a mistake and not to substitute a view. In Parsion Devi & Others Vs. Sumitri Devi & Others, this Court held as under:*

*"9. Under Order 47 Rule 1 of CPC, a judgment may be open to review *inter alia* if there is a mistake or an error apparent on the face of the record. An error which is not self-evident and has to be detected by a process of reasoning, can hardly be said to be an error apparent on the face of the record justifying the court to exercise its power of review under Order 47 Rule 1 CPC. In exercise of the jurisdiction under Order 47 Rule 1 of CPC, it is not permissible for an erroneous decision to be "reheard and corrected". A review petition, it must be remembered has limited purpose and cannot be allowed to be "an appeal in disguise."*

(c) In **M/S Goel Ganga Developers India Pvt. Ltd. vs. Union of India** 2018 SCC Online SC 930, the Hon'ble Supreme Court has held as under:



*"In this behalf, we must remind ourselves that the power of review is a power to be sparingly used. As pithily put by Justice V.R. Krishna Iyer, J., "A plea for review, unless the first judicial view is manifestly distorted, is like asking for the moon"*

2. *The power of review is not like appellate power. It is to be exercised only when there is an error apparent on the face of the record. Therefore, judicial discipline requires that a review application should be heard by the same Bench. Otherwise, it will become an intra-court appeal to another Bench before the same court or tribunal. This would totally undermine judicial discipline and judicial consistency"*

5.0 Review sought on the issues of paragraph 3.0 have been discussed below:

**5.1 Transportation Cost of coal:**

**5.1.1 Review Petitioner's submission:**

5.1.1.1 DPL submits that Commission disallowed Rs. 108.03/MT in transportation cost of coal during issuance of the Fuel Cost Adjustment (FCA) Order for 2018-19 (Part-II), restricting the weighted average transportation cost to Rs 569.10 /MT as admitted for the period 01.04.2018 to 31.12.2018 (Part-I) in APR Order dated 2.07.2024.

5.1.1.2 It is submitted by the Review Petitioner that detailed break-up of the claim of Rs. 3496.78/MT on account of cost of coal including transportation cost for the Part-II period was already submitted with FCA application based on Annual Accounts of 2018-19 as well as two split accounts, one for the period 01.04.2018 to 31.12.2018 (Part I) and another for the period 01.01.2019 to 31.03.2019 (Part-II).

5.1.1.3 DPL further states the following:

- (i) DPL consumed less coal with respect to coal purchase during the period January 2019 to March 2019 (Part-II) whereas during April 2018 to December 2018 (Part-I), DPL purchased 1185485.92 MT and consumed 1206391 MT which attributed higher transportation cost;
- (ii) In addition to above, DPL purchased 57646.5 MT (4.78% of total consumption during April 2018 to December 2018) which had no



transportation cost resulting lower weighted average cost in April 2018 to December 2018 (Part-I) with respect to January 2019 to March 2019 (Part-II).

5.1.1.4 In view of the above, the Review Petitioner submits not to disallow any transportation charge for the Part-II period since the expenditure was actually incurred by DPL on account of cost of coal.

5.1.2 **Commission's view:**

5.1.2.1 The Commission in paragraph 2.9.8 of the APR Order dated 16.07.2024 observed that DPL had claimed the weighted average transportation cost of Rs. 677.13/MT in Part-II as against the weighted average transportation cost of Rs. 569.10/MT claimed for Part-I. The Commission further recorded in the APR Order that DPL did not specify any reason for such higher transportation cost for the same sources of coal in Part-II. Thus, the Commission restricted the weighted average transportation cost to Rs. 569.10/MT as admitted for Part-I in the APR Order and Rs. 108.03 per MT (Rs. 677.13/MT- Rs 569.10/MT) was disallowed on coal transportation cost as was shown in Table 2-4 of the Impugned Order.

5.1.2.2 In this review petition, DPL submits that it had purchased 57646.5 MT during the period April 2018 to December 2018 (Part-I period) from M/s West Bengal Mineral Development & Trading Corp. Ltd (WBMDTCL) where no separate transportation cost was applicable. The Commission notes that there was no separate transportation cost for purchase from WBMDTCL in Part-I period whereas there was no such purchase in Part-II period.

5.1.2.3 Thus, considering the above submission of DPL in this review petition, the Commission has decided to allow the weighted average coal transportation cost of Rs. 677.13/MT in this order as per the audited accounts. Accordingly, the Coal price including transportation cost is revised as below:

**Table A: Revised Table 2-4 on Coal price admitted by the Commission**



Sl. No.	Particulars	(Rs. /MT)	
		Admitted in APR Order	Admitted in Review Order
1	Weighted average coal price claimed	3496.78	3496.78
	Less:		
2	Disallowance in transportation cost	108.03	0.00
3	Weighted average coal handling charges considered separately in fixed cost	76.14	76.14
4	Demurrage charges disallowed	19.28	19.28
5	Weighted average coal price admitted [1- (2+3+4)]	3293.33	3401.36

5.1.2.4 Accordingly, fuel cost computation in Annexure 2C of APR Order is revised as below:

**Table B: Revised Annexure - 2C of APR Order on FUEL COST FOR FY 2018-19 (01.01.2019 TO 31.03.2019)**

Sl. No.	Particulars	Unit	Admitted in APR Order			Admitted in this Review Order		
			Unit VII	Unit VIII	Station	Unit VII	Unit VIII	Station
A	Sent out Energy	MU	364.040	143.245	507.285	364.040	143.245	507.285
B	Normative Auxiliary Consumption	%	8.50%	9.00%	8.64%	8.50%	9.00%	8.64%
C	Auxiliary Consumption	MU	33.818	14.167	47.985	33.818	14.167	47.985
D	Gross Admissible Generation	MU	397.858	157.412	555.270	397.858	157.412	555.270
E	Heat Rate	kcal/kWh	2345.00	2425.00	2367.68	2345.00	2425.00	2367.68
F	Total Heat Required (DxE)	Mkcal	932977.01	381724.10	1314701.11	932977.01	381724.10	1314701.11
G	GCV of Oil	kcal/lt	9354.16	9354.16		9354.16	9354.16	
H	Specific consumption	Oil ml/kWh	1.00	1.00	1.00	1.00	1.00	1.00
I	Oil consumption (HxD)	kL	397.86	157.41	555.27	397.86	157.41	555.27
J	Heat from oil (Gx1÷1000)	Mkcal	3721.65	1472.44		3721.65	1472.44	
K	Heat from coal (F-J)	Mkcal	929255.36	380251.66		929255.36	380251.66	
L	Average UHV of coal	kcal/kg	3261.45	3261.45		3261.45	3261.45	
M	Coal consumption excluding transit loss	MT	284920.93	116589.76	401510.69	284920.93	116589.76	401510.69



Review of the Order dated 16.07.2024 of Durgapur Projects Limited passed in Case No. FPPCA 101(A)/21-22 (PART-II) and APR-86/21-22 (PART-II) for the Financial Year 2018-19 [from 1.1.2019 to 31.3.2019 (PART-II)]

Sl. No.	Particulars (K÷Lx1000)	Unit	Admitted in APR Order			Admitted in this Review Order		
			Unit VII	Unit VIII	Station	Unit VII	Unit VIII	Station
N	Transit loss	MT	1431.76	585.88	2017.64	1431.76	585.88	2017.64
O	Coal consumption including transit loss (M+N)	MT	286352.69	117175.64	403528.33	286352.69	117175.64	403528.33
P	Average price of oil	Rs./kL	43220.71	43220.71	43220.71	43220.71	43220.71	43220.71
Q	Average price of coal	Rs./MT	3293.33	3293.33	3293.33	3401.36	3401.36	3401.36
R	Cost of oil (IxP÷100000)	Rs. Lakh	171.96	68.03	239.99	171.96	68.03	239.99
S	Cost of coal (OxQ÷100000)	Rs. Lakh	9430.54	3858.98	13289.52	9739.89	3985.57	13725.46
T	Cost of fuel (R+S)	Rs. Lakh	9602.50	3927.01	13529.51	9911.85	4053.60	13965.45
U	Cost of fuel per unit (Tx10÷A)	Paise/kWh	263.78	274.15	266.70	272.27	282.98	275.30

5.1.2.5 Similarly, the summary of fuel cost of own generation for FY 2018-19 (01.01.2019 to 31.03.2019) shown in Table 2-5 of the APR Order is revised in this order as shown in the Table below:

**Table C: Revised Table 2-5 on Fuel cost for FY 2018-19 (01.01.2019 to 31.03.2019)**

Sl. No.	Particulars	Unit	Approved in APR			Approved in Review Order		
			Unit VII	Unit VIII	Station	Unit VII	Unit VIII	Station
1	Ex-bus generation	MU	364.040	143.245	507.285	364.040	143.245	507.285
2	Gross generation	MU	397.858	157.412	555.270	397.858	157.412	555.270
3	Fuel cost	Rs. Lakh	9602.50	3927.01	13529.51	9911.85	4053.60	13965.45
4	Energy charge	paise/kWh	263.78	274.15	266.70	272.27	282.98	275.30

**Table D: Revised Table 2-6 on Fuel cost approved by the Commission after necessary adjustments (Rs. Lakh)**

Particulars	Approved in APR			Approved in Review Order		
	Unit VII	Unit VIII	Total	Unit VII	Unit VIII	Total



Particulars	Approved in APR			Approved in Review Order		
	Unit VII	Unit VIII	Total	Unit VII	Unit VIII	Total
Total Admissible Fuel Cost	9602.50	3927.01	13529.51	9911.85	4053.60	13965.45
Cost disallowed			-			
Less: Sharing of Gains			-			
Fuel Cost admitted	9602.50	3927.01	13529.51	9911.85	4053.60	13965.45

## 5.2 Employee Cost (Centrally Maintained):

### 5.2.1 Review Petitioner's submission:

5.2.1.1 The Review Petitioner submits that in the APR Order for the period 01.01.2019 to 31.03.2019, the Commission considered the revised allocation ratio for apportionment of employee cost of Service Department and Central Workshop to Power Business. Accordingly, the Commission admitted the centrally maintained expenses as claimed by DPL.

5.2.1.2 It is further submitted that, based on Annual Account, employee cost of the aforesaid departments was claimed by DPL at Rs. 1263.02 Lakh whereas the Commission admitted Rs. 1261.04 Lakh.

5.2.1.3 Therefore, DPL submits to consider Rs. 1263.02 Lakh instead of Rs. 1261.04 Lakh on account of employee cost for centrally maintained expenses.

### 5.2.2 Commission's view:

5.2.2.1 As recorded in paragraph 3.6.2 of the APR Order the Commission considered the revised allocation ratios for apportionment of employee cost of Service Department and Central Workshop to power business (at 96.32% and 90% respectively) as submitted by DPL with its APR application along with the copy of report of a Cost Accounting Firm.



5.2.2.2 The Commission applied the above-mentioned allocation ratio on each element of the Employee Cost of Service Department and Central Workshop available in Audited Accounts [Note 15 and 19 of Split Accounts of respective central wing] submitted with the APR petition. There is no error found on the face of the record.

5.2.2.3 From the submission made in the review petition, it is observed that DPL has not submitted any additional fact in regards to the above issue.

5.2.2.4 Hence there is no scope of reviewing the considered decision of the Commission under section 94 (1) (f) read with Order 47 of Rule 1 of CPC.

### 5.3 O&M expenses

#### 5.3.1 Review Petitioner's submission:

5.3.1.1 DPL claimed Operation & Maintenance Expenses of Rs. 3318.33 Lakhs for the FY 2018-19 (January 2019 to March 2019 i.e. Part-II) which includes the Director Fees of Rs. 11.52 Lakhs and separately Auditors Fees of Rs. 1.88 Lakhs.

5.3.1.2 The Review Petitioner submits that, the Commission did not consider the Operation & Maintenance Expenses claimed by DPL in APR petition and admitted the O&M Expenses as approved in the Tariff Order.

5.3.1.3 It is submitted that the Auditor's Fees and Director's Fees are Statutory in nature, hence, are uncontrollable factors. Therefore, the Review Petitioner submits to review the O&M Expenses and approve the Auditor's Fees and Director's Fees as reflected in the annual Accounts of the DPL.

#### 5.3.2 Commission's view:

5.3.2.1 This is observed that the claim of DPL for O&M expense in the APR petition was inclusive of Director Fees of Rs. 11.52 Lakhs and Auditors Fees of Rs. 1.88 Lakhs. O&M expense of generating station being a Controllable element, was



admitted and restricted to the O&M Norms determined in Tariff Order as shown in Table 3-5 of the Impugned Order. Thus, both the Director Fees of Rs. 11.52 Lakhs and Auditors Fees of Rs. 1.88 Lakhs got disallowed.

5.3.2.2 Auditor's Expenses (auditor's fees, auditor's expenses, etc.) is part of Administrative and General (A&G) Expenses in terms of regulation 5.7.2(iii) of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended, ("Tariff Regulations") and A&G Expenses is part of O&M expense in terms of regulation 5.7.1 of the Tariff Regulations. In terms of regulation 2.5.5 (iii) and Table 2.5.5-1 of the Tariff Regulations, O&M expense of generating station is Controllable. Since Audit fee is part of O&M expense, there is no error in the APR Order in this regard and not admitted separately in this review order.

5.3.2.3 However, Director's remuneration, fees, expenses is part of Employee Cost in terms of regulation 5.9.1 of the Tariff Regulations. But DPL included Director's fees as part of apportioned 'Other management and administrative expenses (Centrally Maintained)' [page 158 to 160, paragraph 2(b) of Volume I of the APR petition and Split Audited Account of Service Department in Volume II] and claimed it under A&G Expenses [page 158 to 160, paragraph 2(b) of Volume I of the APR petition]. Further, in Form 1.12 of the APR petition they mentioned zero as Director's fees. Since A&G Expenses is part of O&M expense in terms of regulation 5.7.1 of the Tariff Regulations and O&M expense was allowed at normative level of Rs. 1035.63 lakh as shown in Table 3-5 of the APR order, Director's fees got disallowed due to error in submission of DPL in APR petition where DPL claimed Director's fees under O&M Expenses instead of Employee Cost.

5.3.2.4 In terms of regulation 2.5.5 (iii) and Table 2.5.5-1 of the Tariff Regulations, Employee Cost of generating station is uncontrollable. Hence, considering the submission of the DPL in this review petition, the Commission decided to allow Director's fees as Centrally maintained Employee Cost instead of O&M Expenses as was claimed by DPL in the APR petition.



5.3.2.5 Commission notes that Director's fees as recorded in Sl. No. 5 of Split Audited Accounts of Service Department is Rs. 11.52 lakh (Rs. 10.19 lakh + Rs. 1.33 lakh). Apportioned claim for Power Plant was Rs. 11.10 lakh @96.32% of Rs. 11.52 lakh. Thus, the Commission allows Director Fees of Rs. 11.10 Lakhs in this order under employee cost additionally as per Tariff Regulations in the revised Summary of Fixed Charge. The total Director Fees of Rs. 11.10 Lakhs is allocated equally between Unit VII and Unit VIII at Rs. 5.55 lakh each. Admissible Centrally maintained Employee Cost for Unit VII and Unit VIII thus comes Rs. 509.97 lakh for each Unit (Rs. 504.42 lakh admitted in APR Order + Rs. 5.55 lakh admitted for apportioned Director's Fee).

#### 5.4 Capacity Charges of Unit - VI

##### 5.4.1 Review petitioner's submission:

5.4.1.1 The Review Portioner submits that the actual generation of Unit – VI was zero during FY 2018-19 (from 01.03.2019 to 31.03.2019). However, DPL claimed fixed charges in respect of Unit – VI in accordance with Tariff Regulations and audited annual accounts of FY 2018-19.

5.4.1.2 It is submitted that the Commission considered the above submissions and accordingly approved component wise Capacity Charges of Rs. 923.29 Lakhs in respect of Unit – VI for the FY 2018-19 (from 01.03.2019 to 31.03.2019).

5.4.1.3 However, in Table No. 3-19 of the Order dated 16.07.2024, the Commission disallowed the same based on the Actual Plant Availability Factor (PAF) of Unit – VI during FY 2018-19 (from 01.03.2019 to 31.03.2019).

5.4.1.4 DPL submits to approve Rs. 3265.36 Lakh to recover its Employee Cost, Interest on Loan Capital and Depreciation of Unit – VI under Capacity Charges of Unit – VI in terms of Regulation 5.25 of the Tariff Regulations.

##### 5.4.2 Commission's view:



5.4.2.1 In Table No. 3-19 of the Order dated 16.07.2024, the Commission had allowed the Capacity Charges based on the Actual PAF of Unit – VII &VIII during FY 2018-19 without that of unit VI as per submission of DPL (not considering actual PAF of VI) which was mentioned in detail in paragraph 3.20.1 of the APR Order. There is no error apparent on the face of the order.

5.4.2.2 As recorded in paragraph 3.20.2 of the APR Order, DPL submitted that no generation could be obtained from Unit VI due to restriction by West Bengal Pollution Control Board (WBPCB) for its high emission and prayed before the Commission to consider target availability for DPL as a whole without taking into account Unit No. VI for the reasons beyond the control of the petitioner.

5.4.2.3 As stated in paragraph 3.20.3 and Table 3-19 of the APR Order, the Commission found it appropriate to consider the capacity charge of Unit VI and Unit No. VII as per formula in regulation 6.11.4 (ii) and that of Unit No. VIII as per formula in regulation 6.11.4 (i) of Tariff Regulations.

5.4.2.4 Moreover, restriction by West Bengal Pollution Control Board (WBPCB) for high emission from Unit No VI, does not qualify the generating unit of DPL as inoperative under regulation 5.25.1 of the Tariff Regulations.

5.4.2.5 From the submission made in the review petition, it is observed that DPL has not submitted any additional fact in regards to the above issue.

5.4.2.6 There is no error found on the face of the record, hence, there is no scope of reviewing the considered decision of the Commission under section 94 (1) (f) read with Order 47 of Rule 1 of CPC.

## 5.5 Insurance

### 5.5.1 Review Petitioner's submission:

5.5.1.1 The Review Petitioner submits that in terms of the Tariff Regulations, expenditure on insurance is recognized as separate item and categorized as uncontrollable.



5.5.1.2 DPL in the APR application had also claimed Rs. 4.36 lakh for FY 2018-19 (from 01.01.2019 to 31.03.2019) as actual expenditure for Insurance based on the Audited accounts whereas the Commission in the APR Order neither admitted any amount for the said head nor made any reference for disallowances.

5.5.1.3 DPL submits to allow Rs. 4.36 lakhs under this head for the period 01.01.2019 to 31.03.2019.

**5.5.2 Commission's view:**

5.5.2.1 DPL did not claim any amount for Insurance in Form E (B) of the APR petition. Further, DPL included Insurance as part of A&G Expenses of Power Plant [page 11, paragraph 2(b) of Volume I of the APR petition] which is again part of O&M expense. Since the O&M expense was allowed at normative level of Rs. 1035.63 lakh as shown in Table 3-5 of the APR order, Insurance got disallowed due to error in submission of DPL in APR petition where DPL claimed Insurance under O&M Expenses instead of separate head.

5.5.2.2 However, in terms of regulation 5.14.3 the tariff Regulations, Insurance is required to be treated as a separate head for consideration under ARR determination and would be allowed by the Commission if such insurance is done through a transparent process. Further, as per 2.5.5 (iii) of the Tariff Regulations, Insurance is admissible as Uncontrollable element. Therefore, the Commission finds it prudent to treat Insurance separately in terms of the above in this Review Order.

5.5.2.3 The Commission finds from the documents submitted by DPL in the Review Petition that the insurance was done through a transparent process. Commission further notes that Rs. 4.36 lakh was booked for Insurance in Sl. No. 11 of Split audited accounts of Power Plant for Part-II period submitted with Volume II of the APR petition. However, in Form 1.12 of APR petition, Rs. 4.25 lakh (Rs. 3.83 lakh was claimed for Unit VII and Rs. 0.42 lakh for Unit VIII) was claimed by DPL.

5.5.2.4 Considering the submission of DPL in this review petition, the Commission allows Rs. 4.36 lakhs (Rs. 3.93 lakh for Unit VII and Rs. 0.43 lakh for Unit VIII) under

West Bengal Electricity Regulatory Commission



this head in this Review Order for the period 01.01.2019 to 31.03.2019 as per Tariff Regulations.

## 5.6 Rent, Rates & Taxes

### 5.6.1 Review Petitioner's submission:

The Review Petitioner submits that in terms of the Tariff Regulations, Rates & Taxes is recognized as separate item and categorized as uncontrollable. During the FY 2018-19 an amount of Rs. 6.31 lakh is booked in the Audited accounts. Therefore, DPL submits to allow actual expenditure paid on this account.

### 5.6.2 Commission's view:

5.6.2.1 The Commission notes that DPL claimed Rs. 6.31 lakh for Rates & Taxes (Rs. 4.54 lakh for Unit No VII and Rs. 1.77 lakh for Unit No VIII) and Rs. 3320.21 lakh for O&M expenses (Rs. 1038.65 for Other A&G, Rs. 1.88 lakh for Auditor's fee, and Rs. 2279.68 lakh for R&M) in Form E(B) of the APR petition for the Part-II period.

5.6.2.2 However, the Commission considered Rs. 3326.52 lakh as claim of DPL for O&M as mentioned in paragraph 3.9 and Sl. No. 5 of Annexure 3B of the APR Order. This is found that the Commission considered Rates & Taxes of Rs. 6.31 lakh under O&M to reach at Rs. 3326.52 lakh (Rs. 3320.21 lakh + Rs. 6.31 lakh) as claim of DPL for O&M. Since the O&M expense was allowed at normative level of Rs. 1035.63 lakh as shown in Table 3-5 of the APR order, the Rates & Taxes got disallowed.

5.6.2.3 Considering the submission of DPL in this review petition, the Commission has allowed Rs. 6.31 lakh for Rates & Taxes (Rs. 4.54 lakh for Unit No VII and Rs. 1.77 lakh for Unit No VIII) separately as per Tariff Regulations in the revised Summary of Fixed Charge, annexed with this order as Annexure – G.

## 5.7 Interest on Working Capital

### 5.7.1 Review Petitioner's submission:



5.7.1.1 The Review Petitioner submits to give the financial impact on Interest on Working Capital for the FY 2018-19 (January 2019 to March 2019) based on the above submissions.

5.7.1.2 DPL became Generator from 01.01.2019 and MFCA was introduced from November 2020 in line with directives issued in Tariff Order. Hence, DPL further submits to allow and admit carrying cost based on applicable SBI PLR during issuance of review order in respect of the instant review petition.

**5.7.2 Commission's view:**

5.7.2.1 Consequent to the discussions in preceding paragraphs, interest on admissible Working Capital [Table 3-15 of the impugned order] is re-determined, as shown in below table:

**Table E: Revised Table 3-15 of the Impugned Order  
on Normative Interest on Working Capital (01.01.2019 to 31.03.2019)**

(Rs. Lakh)

Sl. No.	Particulars	Allowable in APR				Allowable in Review			
		Unit VI	Unit VII	Unit VIII	Total	Unit VI	Unit VII	Unit VIII	Total
1	Annual Fixed Charges including interest on working capital	937.50	5595.91	8749.94	15282.35	923.29	5508.18	8617.16	15048.63
2	Fuel cost as admitted	0.00	9602.50	3927.01	13529.51	0.00	9911.85	4053.60	13965.45
3	<b>Sub-total</b>	<b>937.50</b>	<b>15198.41</b>	<b>12676.95</b>	<b>28811.86</b>	<b>923.29</b>	<b>15420.03</b>	<b>12670.76</b>	<b>29014.08</b>
	Less:								
4	Depreciation	164.75	1187.07	1629.23	2981.05	164.75	1187.07	1629.23	2981.05
5	RoE	0.00	1334.67	1091.83	2426.50	0.00	1334.67	1091.83	2426.50
6	Reserve for unforeseen exigencies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	<b>Sub-total (4:6)</b>	<b>164.75</b>	<b>2521.74</b>	<b>2721.06</b>	<b>5407.55</b>	<b>164.75</b>	<b>2521.74</b>	<b>2721.06</b>	<b>5407.55</b>
8	Allowable charges for working capital (3 - 7)	772.75	12676.67	9955.89	23405.31	758.54	12898.29	9949.70	23606.53



Sl. No.	Particulars	Allowable in APR				Allowable in Review			
		Unit VI	Unit VII	Unit VIII	Total	Unit VI	Unit VII	Unit VIII	Total
	(3 – 7)								
9	Normative requirement of working capital (10% of 8)	77.28	1267.67	995.59	2340.54	75.85	1289.83	994.97	2360.65
10	Interest rate	11.50%	11.50%	11.50%		11.50%	11.50%	11.50%	
11	Normative Interest on working capital (9x10)	2.22	36.45	28.62	67.29	2.18	37.08	28.61	67.87
12	Interest on working capital actually incurred	0.00	40.87	40.87		0.00	40.87	40.87	
13	Interest on working capital allowed [Min (11,12)]	0.00	36.45	28.62	65.07	0.00	37.08	28.61	65.69

5.7.2.2 Accordingly, the apportioned Interest on Working Capital among different generating units of DPL as determined in Table 3-16 of the impugned order is revised below:

**Table F: Revised Table 3-16 of the APR Order Interest on working capital for FY 2018-19 (01.01.2019 to 31.03.2019) (Rs. Lakh)**

Sl. No.	Particulars	Approved in Tariff Order	Claimed in APR	Approved in APR	Approved in Review
1	Unit VI	0	14.6	0	0.00
2	Unit VII	128.61	243.8	36.45	37.08
3	Unit VIII	107.51	197.77	28.62	28.61
4	<b>Total</b>	<b>236.12</b>	<b>456.17</b>	<b>65.07</b>	<b>65.69</b>



5.8 Based on the analyses and findings recorded in the foregoing paras, the Commission now redetermines Summary of Fixed Charges of DPL for the year 2018 – 19 (Part-II). Annexure 3A of the impugned order is revised as Annexure K enclosed with this order. The Summary of Fixed Charges allowed in APR Order [Table in para 3.19.1 of the APR Order] and revised Summary of Fixed Charges in this order is shown below:

**Table G: Revised Table in para 3.19.1 of the APR Order (Rs. Lakh)**

Summary of Fixed Charges in APR Order				Summary of Fixed Charges in Review Order			
Unit VI	Unit VII	Unit VIII	Total	Unit VI	Unit VII	Unit VIII	Total
923.29	5493.53	8609.42	15026.24	923.29	5508.18	8617.16	15048.63

5.9 Consequently, the recovery of capacity charge for the generating station of DPL as per PAF achieved during the year 2018 – 19 (Part-II) against the normative availability as computed in Table 3-19 of the Impugned Order is redetermined below:

**Table H: Revised Table 3-19 of the Impugned Order on  
Allowable capacity charge for FY 2018-19 (01.01.2019 to 31.03.2019)  
(Rs. Lakh)**

Sl. No.	Particulars	Allowable Capacity Charge in APR Order				Allowable Capacity Charge in Review Order			
		Unit VI	Unit VII	Unit VIII	Total	Unit VI	Unit VII	Unit VIII	Total
A	Annual Fixed Charges at normative PAF	923.29	5493.53	8609.42	15026.24	923.29	5508.18	8617.16	15048.63
B	Coal and ash handling expenses	0	52.72	43.94		0	52.72	43.94	
C	Water Charges	0	244.33	95.25		0	244.33	95.25	
D	Annual Fixed Charges to be considered for PAF factoring (A-B-C)	923.29	5196.48	8470.23		923.29	5211.13	8477.97	
E	Normative PAF	69.00%	85.00%	85.00%		69.00%	85.00%	85.00%	
F	Actual PAF	0.00%	61.87%	29.05%		0.00%	61.87%	29.05%	
G	Proportionate Capacity	0	3782.43	3204.99		0	3793.09	3207.91	



Sl. No.	Particulars	Allowable Capacity Charge in APR Order				Allowable Capacity Charge in Review Order			
		Unit VI	Unit VII	Unit VIII	Total	Unit VI	Unit VII	Unit VIII	Total
	Charge								
H	Total Capacity Charge admitted (G+B+C)	0	4079.48	3344.18	7423.66	0	4090.14	3347.10	7437.24
I	Shortfall in Capacity Charge recovery (A-H)	923.29	1414.05	5265.24	7602.58	923.29	1418.04	5270.06	7611.39

**Note:**

For Unit VI and VII: G=Dx F /

E

For Unit VIII: G=D x (0.5 + 35/E) x (F / 70)

5.10 As per the principle taken in paragraph 3.21 of the APR Order, sharable amount of Rs. 6.88 lakh (on account of gains for improved specific oil consumption for Unit No VII determined in paragraph 2.9.11 of the APR Order), is compensated with the fixed charge recovery of generating stations and no amount is shared with the beneficiary licensee WBSEDCL.

5.11 The fuel cost allowed to DPL in APR Order remaining same, the re-determined allowable fixed charges of DPL during the year 2018-19 (Part-II) [Table 4.1 of the Impugned Order] come as below:

**Table I: Revised Table 4-1 of the Impugned Order (Rs. Lakh)**

Sl. No.	Particulars	Approved in APR Order	Approved in Review Order
1	Fuel Cost	13529.51	13965.45
2	Capacity Charge for Generation	7423.66	7437.24
3	Allowable Aggregate Revenue Requirement	20953.17	21402.69

5.12 Based on the analysis as done in the foregoing paragraphs, the amount adjustable on the instant case of APR for the year 2018-19 (Part-II) [Table 4-2 of the Impugned Order] is reworked out as under:



**Table J: Revised Table 4-2 of the Impugned Order on Net amount recoverable/refundable for FY 2018-19 (Part-II)**

(Rs. Lakh)

Sl. No.	Particulars	Approved in APR order	Admissible in this Review order
1	Net Revenue Requirement	20953.17	21402.69
2	Sales revenue	19755.84	19755.84
3	Net amount (+) recoverable / (-) refundable	1197.33	1646.85

5.13 The recoverable amount is revised to Rs. 1646.85 lakh in this order from Rs. 1197.33 lakh in paragraph 4.4 of the Impugned Order.

### **ORDER**

6.1 The impugned order is revised to the extent as mentioned in this order. Other portion of the order will remain unaltered.

6.2 The Review Petition stands disposed of in terms of the above.

6.3 Copy of the order shall be posted in the website of this Commission.

6.4 DPL is to take note of this order.

6.5 DPL shall download the copy of the order from the website of the Commission and act on it. Certified copy of the order, if applied for, be given to the parties on completion of formalities laid down in the West Bengal Electricity Regulatory Commission (Conduct of Business) Regulations, 2013, as amended and on submission of necessary fees.

Sd/-  
(DR. MALLELA VENKATESWARA RAO)  
CHAIRPERSON

**DATE:**

Sd/-  
DEPUTY DIRECTOR , WBERC



Order in regard to the petition submitted by Durgapur Projects Limited for review of the Order dated 16.07.2024 passed by the Commission in Case No. FPPCA-101(A)/21-22 (PART-II) and APR-86/21-22 (PART-II) for the Financial Year 2018-19 [from 1.1.2019 to 31.3.2019 (PART-II)]

**Annexure K: Revised Annexure of 3A of the Impugned Order on  
SUMMARY OF FIXED CHARGE FOR FY 2018-19 (Part-II)**

Sl. No	Head of expense	Admitted in Impugned Order (Rs. Lakh)				Admissible in this Order (Rs. Lakh)			
		U#6	U#7	U#8	Total	U#6	U#7	U#8	Total
1	Employee cost	525.29	491.49	409.57	1426.35	525.29	491.49	409.57	1426.35
2	Centrally maintained expenses	252.2	504.42	504.42	1261.04	252.2	509.97	509.97	1272.14
3	Coal and ash handling expenses	0	52.72	43.94	96.66	0	52.72	43.94	96.66
4	Water Charges	0	244.33	95.25	339.58	0	244.33	95.25	339.58
5	Insurance	0	0	0	0		3.93	0.43	4.36
6	Rates & Taxes	0	0	0	0	0	4.54	1.77	6.31
7	Operation & Maintenance expenses	0	641.25	394.38	1035.63	0	641.25	394.38	1035.63
8	Depreciation	164.75	1187.07	1629.23	2981.05	164.75	1187.07	1629.23	2981.05
9	Interest on borrowed capital	0	1419.96	4153.68	5573.64	0	1419.96	4153.68	5573.64
10	Other finance charges	0	3.59	557.32	560.91	0	3.59	557.32	560.91
11	Income tax	0	0	0	0	0	0	0	0
12	Reserve for unforeseen exigencies	0	0	0	0	0	0	0	0
13	Return on Equity	0	1334.67	1091.83	2426.5	0	1334.67	1091.83	2426.5
14	Interest on working capital	0	36.45	28.62	65.07	0.00	37.08	28.61	65.69
15	<b>Sub-total</b>	<b>942.24</b>	<b>5915.95</b>	<b>8908.24</b>	<b>15766.43</b>	<b>942.24</b>	<b>5930.6</b>	<b>8915.98</b>	<b>15788.82</b>
16	Less: Miscellaneous other income	0	285.91	111.46	397.37	0	285.91	111.46	397.37



Order in regard to the petition submitted by Durgapur Projects Limited for review of the Order dated 16.07.2024 passed by the Commission in Case No. FPPCA-101(A)/21-22 (PART-II) and APR-86/21-22 (PART-II) for the Financial Year 2018-19 [from 1.1.2019 to 31.3.2019 (PART-II)]

Sl. No	Head of expense	Admitted in Impugned Order (Rs. Lakh)				Admissible in this Order (Rs. Lakh)			
		U#6	U#7	U#8	Total	U#6	U#7	U#8	Total
17	Less: Interest Credit	18.95	136.51	187.36	342.82	18.95	136.51	187.36	342.82
18	Net amount	923.29	5493.53	8609.42	15026.24	923.29	5508.18	8617.16	15048.63