



**ORDER**

**OF THE**

**WEST BENGAL ELECTRICITY REGULATORY COMMISSION**

**IN THE MATTER OF**

**CASE NO: APR(R)-41/24-25**

**REVIEW OF FUEL COST ADJUSTMENT (FCA) AND ANNUAL  
PERFORMANCE REVIEW (APR) ORDER DATED 16.07.2024 OF  
DURGAPUR PROJECTS LIMITED (DPL) FOR THE FINANCIAL YEAR  
2019-20**

**DATE: 05.02.2026**



**CASE IN BRIEF**

- 1.0 This petition is submitted on 06.09.2024 by the Durgapur Projects Limited (in short Review Petitioner or DPL) for review of Fuel Cost Adjustment (FCA) and Annual Performance Review (APR) order dated 16.07.2024 (Impugned Order) passed in Case No. FPPCA – 101/21-22 and APR – 92/21-22 for the Financial Year 2019-20. 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 )-41/24-25 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 issues associating the Impugned Order for the year 2019 – 20 highlighted in this petition for review are as follows:
  - 1) Coal and Ash Handling Expenses;
  - 2) Auditor's fee;
  - 3) Director's fee;
  - 4) Insurance;
  - 5) Rent, Rates and Taxes;
  - 6) O&M Expenses;
  - 7) Other Finance Charges;
  - 8) Depreciation;
  - 9) Interest on Borrowed Capital;
  - 10) Return on Equity; and
  - 11) 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 of 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 Coal and Ash Handling Expenses:**

**5.1.1 Review Petitioner's submission:**

5.1.1.1 Review Petitioner submits that DPL claimed the actual Ash Handling Expenses of Rs. 279.89 Lakh based on its Annual Accounts of FY 2019-20, however, the Commission approved Rs. 244.08 Lakh towards Ash Handling Expenses by considering the proportionate gross generation and ash handling expenses as approved in the Tariff Order for the FY 2019-20.

5.1.1.2 It is contended by the Review Petitioner that the Commission approved the Tariff Order for the FY 2019-20 based on the norms and projections in line with the Regulations, which may vary with the actuals. The Regulation provides for Annual Performance Review based on the Statutory Audited annual accounts of the respective year to claim the difference of projections and actuals.

5.1.1.3 Further, it is submitted that DPL claimed weighted average rate of Coal expenses at Rs. 3886.48 per MT which included Coal Handling Expenses of Rs. 67.05 per MT. The Commission considered the weighted average rate of coal price as submitted by the DPL, but the Commission did not consider the Coal Handling Expenses of Rs. 67.05 per MT for computation of the weighted average rate of Coal price.

5.1.1.4 The Review Petitioner submits to review the Coal Handling Expenses.

**5.1.2 Commission's view:**

5.1.2.1 As recorded in paragraph 3.7.1 of the APR Order, the Commission in the Tariff Order had approved Rs. 421.56 Lakh as Coal and Ash Handling Expenses. As shown in Table 3-4 of the APR Order, such amount was admitted in tariff order



based on the normative generation of 3854.400 MU. However, based on the actual gross generation of 2231.728 MU, proportionate Coal and Ash Handling Expenses was estimated at Rs. 244.08 lakh [Column D of Table 3-4 of the APR Order] whereas Rs. 1318.39 lakh (Rs. 279.89 lakh for Ash Handling + Rs. 1038.50 lakh for Coal Handling) was claimed [Column G of Table 3-4 of the APR Order].

5.1.2.2 This is also recorded in the paragraph 3.7.1 of the APR Order that, DPL did not submit any justification for increase in coal and ash handling expenses with respect to the expenses approved in the Tariff Order for FY 2019-20.

5.1.2.3 Hence, the Commission in paragraph 3.7.2 of the APR Order, decided to allow the coal and ash handling expenses in proportion to the actual quantum of generation related to sale of electricity to licensee with respect to the admitted amount against the projected generation admitted for FY 2019-20.

5.1.2.4 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.

5.1.2.5 It has also been held by the Hon'ble Apex Court in the decision in Lily Thomas(supra) that the error contemplated under the rule must be such which is apparent on the face of the record and not an error which has to be fished out and searched. It must be an error of inadvertence (para 58). Regarding the issue raised, there is no error in the face of the APR order.

5.1.2.6 The principles adopted by the Commission in paragraph 3.7.1, 3.7.2, and Table 3-4 of the Impugned Order are self-explanatory which have been questioned by the Review Petitioner. As per Order 47 Rule 1 of Code of Civil Procedure (CPC), the review of such principle does not fall within the review principles as laid down in section 114 of the CPC.

## **5.2 Auditor's Fee:**

### **5.2.1 Review Petitioner's submission:**

DPL submits that Rs. 5.3 Lakhs was claimed toward auditor's fees for the FY 2019-20 in the APR petition based on its audited annual accounts. It is further submitted that, Commission has allowed the O&M Expenses on normative basis





but Auditor's Fees is Statutory expenses, hence, uncontrollable in nature. Therefore, DPL submits to approve the Auditor's Fees as reflected in the annual Accounts of the DPL.

#### **5.2.2 Commission's view:**

- 5.2.2.1 Auditor's Expenses (auditor's fees, auditor's expenses, etc.) is part of Administrative and General 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 Administrative and General 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.
- 5.2.2.2 Accordingly, in paragraph 3.9 of the APR Order, Auditor's Expenses at Rs. 5.3 lakh is treated as part of O&M expense of generating station. There is no error found on the face of the record in this regard.
- 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 Director's Fees**

##### **5.3.1 Review Petitioner's submission:**

DPL submits that Rs. 11.46 Lakhs was claimed towards Director's Fees for the FY 2019-20 based on its audited annual accounts in the APR petition. It is further submitted that, Commission has allowed the O&M Expenses on normative basis but Director's Fees is Statutory expenses, hence, uncontrollable in nature. Therefore, DPL submits to approve the Director's Fees as reflected in the annual Accounts of the DPL.

##### **5.3.2 Commission's view:**



- 5.3.2.1 Director's remuneration, fees, expenses is part of Employee Cost in terms of regulation 5.9.1 of the Tariff Regulations. DPL in its APR petition claimed Rs. 7350.02 lakh as own Employee Cost and Rs. 6717.96 lakh as apportioned employee cost of Service Department and Central Workshop to power business. The same was admitted by the Commission in APR order.
- 5.3.2.2 However, DPL included Director's fees as part of apportioned 'Other management and administrative expenses (Centrally Maintained)' [page 12, paragraph 2(b) of Volume I of the APR petition and Audited Accounts of Service Department] and claimed it under Administrative and General Expenses (A&G Expenses) [page 11, 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.
- 5.3.2.3 A&G Expenses is part of O&M expense in terms of regulation 5.7.1 of the Tariff Regulations. Since the O&M expense was allowed at normative level of Rs. 4307.00 lakh as shown in Table 3-6 of the APR order, Director's fees got disallowed due to error in submission of DPL mentioned above by claiming Director's remuneration, fees under A&G Expenses, instead of under 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. Thus, the Commission rectifies in this order by treating Director's fees as Centrally maintained Employee Cost instead of O&M Expenses as claimed by DPL in the APR petition.
- 5.3.2.5 The Commission notes that Director's fees as recorded in Note 18 of Audited Account of Service Department is Rs. 23.80 lakh (Rs. 19.55 lakh + Rs. 4.25 lakh). Apportioned claim for Power Plant was Rs. 22.92 lakh @96.32% of Rs. 23.80 lakh. Therefore, the admissible Centrally maintained expenses comes Rs. 6740.88 lakh (Rs. 6717.96 lakh excluding Director's fees + Rs. 22.92 lakh for Director's fees) and unit wise expense in Table 3-3 of the APR Order is revised as below:

**Table A: Revised Table 3-3 on Centrally maintained expenses for 2019-20**

(Rs. Lakh)





Sl. No.	Particulars	Approved in Tariff Order	Claimed in APR	Admitted in APR Order	Admitted in Review Order
1	Unit VII	1120.05	3358.98	3358.98	3370.44
2	Unit VIII	933.27	3358.98	3358.98	3370.44
3	Total	2053.32	6717.96	6717.96	6740.88

#### 5.4 Insurance

##### 5.4.1 Review Petitioner's submission:

DPL submits that Rs. 28.51 Lakhs was claimed towards Insurance for the FY 2019-20 based on its audited annual accounts in the APR petition. It is further submitted that, Commission has allowed the O&M Expenses on normative basis but Insurances is Statutory expenses, hence, uncontrollable in nature. Therefore, DPL submits to approve the Insurance Expenses as reflected in the annual Accounts of the DPL.

##### 5.4.2 Commission's view:

5.4.2.1 DPL did not claim any amount for Insurance in Form E (B) of the APR petition. Further, DPL included Insurance as part of Administrative and General Expenses (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. 4307.00 lakh as shown in Table 3-6 of the APR order, Insurance got disallowed due to error in submission of DPL mentioned above by claiming insurance under O&M Expenses, not under separate head as per Tariff Regulations.

5.4.2.2 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 allow Insurance in terms of the above in this Review Order.





- 5.4.2.3 The Commission notes that Rs. 28.51 lakh was booked for Insurance in Note 18 of audited accounts of Power Plant. As per submission of DPL, the Insurer was selected through transparent competitive bidding. In Form 1.12 of APR petition, Rs. 9.88 lakh was claimed for Unit VII and Rs. 18.63 lakh for Unit VIII. Accordingly, the same are found admissible in this order.

## **5.5 Rent, Rates & Taxes**

### **5.5.1 Review Petitioner's submission:**

DPL submits that Rs. 40.61 Lakhs was claimed towards Rent, Rate & Taxes, for the FY 2019-20 based on its audited annual accounts in the APR petition. It is further submitted that, Commission allowed the O&M Expenses on normative basis but Rent, Rates and Taxes, are Statutory expenses, hence, are uncontrollable in nature. Therefore, DPL submits to approve the Rent, Rates and Taxes, as reflected in the annual Accounts of the DPL.

### **5.5.2 Commission's view:**

- 5.5.2.1 The Commission notes that DPL claimed Rs. 40.61 lakh for Rates & Taxes (Rs. 14.08 lakh for Unit No VII and Rs. 26.53 lakh for Unit No VIII) and Rs. 9271.48 lakh for O&M expenses (Rs. 3499.37 for Other A&G, Rs. 5.30 lakh for Auditor's fee, and Rs. 5766.81 lakh for R&M) in Form E(B) of the APR petition.

However, the Commission considered Rs. 9312.09 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. 40.61 lakh under O&M to reach at Rs. 9312.09 lakh (Rs. 9271.48 lakh + Rs. 40.61 lakh) as claim of DPL for O&M. Since the O&M expense was allowed at normative level of Rs. 4307.00 lakh as shown in Table 3-6 of the APR order, the Rates & Taxes got disallowed due to error in submission of DPL mentioned above by claiming Rates & Taxes under O&M Expenses, not under separate head as per Tariff Regulations.

- 5.5.2.2 The Commission has rectified the above by allowing Rs. 40.61 lakh for Rates & Taxes (Rs. 14.08 lakh for Unit No VII and Rs. 26.53 lakh for Unit No VIII) separately in the revised Summary of Fixed Charge, annexed with this order as Annexure – H.



## **5.6 O&M expenses**

### **5.6.1 Review Petitioner's submission:**

- 5.6.1.1 DPL submits that Rs. 9312.09 Lakhs was claimed under Operation & Maintenance Expenses head for the FY 2019-20 based on its audited annual accounts in the APR petition.
- 5.6.1.2 The Review Petitioner submits that, the Commission did not consider the Operation & Maintenance Expenses as claimed by DPL and approved the same on Normative Basis. The actual O&M expenses of DPL is more than that of the Normative expenses hence, it is difficult to restrict the O&M expense within the amount approved on normative basis.
- 5.6.1.3 It is further submitted that DPL has filed a separate petition to revise the Norms of O&M Expenses for consideration of the Commission.

### **5.6.2 Commission's view:**

- 5.6.2.1 Since O&M expense of generating station is a Controllable element, the amount admitted in APR Order was restricted to the O&M Norms at Rs. 4307.00 lakh (Rs. 2667.00 lakh for Unit VII and Rs. 1640 lakh for Unit VIII) determined in Tariff Order as shown in Table 3-6 of the Impugned Order.
- 5.6.2.2 However, as discussed in preceding paragraphs, the claim of DPL under O&M Expenses reduces to Rs. 9271.48 Lakh (Rs. 9312.09 lakh - Rs. 40.61 lakh) in this order, Rs. 4677.25 lakh (Rs. 4691.33 lakh – Rs. 14.08 lakh) for Unit VII and Rs. 4594.23 lakh (Rs. 4620.76 lakh – Rs. 26.53 lakh) for Unit VIII. The revised claim of O&M Expenses still being more than Normative O&M Expenses, the admitted O&M Expenses remains same as admitted in paragraph 3.9 and Sl. No. 5 of Annexure 3B of the APR Order being controllable item as per Tariff Regulations.

## **5.7 Other Finance Charges**

### **5.7.1 Review petitioner's submission:**

- 5.7.1.1 DPL submits that Rs. 2283.38 Lakhs was claimed towards Other Finance Charges of FY 2019-20 in the APR petition. However, the Commission admitted





only Guarantee fees of Rs. 2254.55 Lakh under the other finance charges stating that it was not clear whether such bank charges were for cash management services or financial services. Thus, the Commission disallowed the Bank Charges of Rs. 28.83 Lakhs (Rs. 2283.38 - Rs. 2254.55 lakhs).

5.7.1.2 DPL further submits that the amount of Rs. 28.83 Lakhs booked under Bank Charges is pertaining to Cash Management Services.

5.7.1.3 DPL submits to consider Rs. 28.83 Lakhs towards the bank charges for the FY 2019-20.

**5.7.2 Commission's view:**

5.7.2.1 Bank Charges pertaining to Cash Management Services falls under Administrative and General Expenses.

5.7.2.2 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.

5.7.2.3 Further, as detailed in paragraph 4 of this Order, one of the grounds of filing review is on any discovery of new and important matter of evidence which after the exercise of due diligence was not within the knowledge or could not be produced by the Review Petitioner at the time when the order was passed.

5.7.2.4 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.

**5.8 Depreciation**

**5.8.1 Review Petitioner's submission:**

5.8.1.1 DPL submits that Depreciation was claimed for FY 2019-20 based on the rates specified in the Tariff Regulations in the APR petition, however, the Commission did not consider the claim of DPL but approved the depreciation for Unit VII & Unit – VIII same as approved in the Tariff Order of the FY 2019-20.

5.8.1.2 DPL further submits that it has already filed the Petition for Project Closure in respect of Unit – VII and Unit – VIII for consideration of the Commission.



5.8.1.3 Therefore, DPL submits to allow depreciation considering the submitted capital cost of Unit – VII and Unit – VIII.

**5.8.2 Commission's view:**

The issue is dealt with the issue of Return on Equity in subsequent paragraph.

**5.9 Interest on borrowed Capital**

**5.9.1 Review Petitioner's submission:**

5.9.1.1 DPL submits that Rs. 31,114.30 Lakhs was claimed towards Interest on borrowed Capital for the FY 2019-20 in the APR petition, however, the Commission in the APR Order deducted FITL amount of Rs. 55,525 Lakhs and accordingly approved Rs. 23,468.00 Lakhs and further withheld 5% of the admissible interest amounting Rs. 1,173.40 Lakhs due to non-closure of the project cost of Unit – VII and Unit – VIII.

5.9.1.2 It is submitted that DPL already filed the Petition for Project Closure in respect of Unit – VII and Unit – VIII for consideration of the Commission.

5.9.1.3 DPL submits to allow the withheld amount of Rs. 1,173.00 Lakhs towards Interest on borrowed capital for the FY 2019-20.

**5.9.2 Commission's view:**

The issue is dealt with the issue of Return on Equity in subsequent paragraph.

**5.10 Return on Equity**

**5.10.1 Review Petitioner's submission:**

5.10.1.1 DPL submits that Rs. 11,547.50 Lakhs was claimed towards Return on Equity for the FY 2019-20 in the APR petition, however, the Commission did not consider the Gross Fixed Asset (GFA) addition and further withheld 5% of the admissible Return on Equity due to non-closure of the project cost of Unit – VII and Unit – VIII. It is further submitted that DPL has already filed the Petition for Project





Closure in respect of Unit – VII and Unit – VIII for consideration of the Commission.

5.10.1.2 Therefore, DPL submits to allow the Return on Equity as claimed by the DPL.

**5.10.2 Commission's view:**

DPL has submitted petition for approval of final project cost of 1x250 MW Unit No. 8 as well as petition on impact of project cost of 1x300 MW Unit No. 7 approved by the Commission on APR Orders already issued, which are being reviewed by the Commission. Since the elements of ARR like Depreciation, Interest on Borrowing, Return on Equity will be further revised consequent to the orders, the Commission finds it prudent not to consider the issues in this instant order.

**5.11 Interest on Working Capital**

**5.11.1 Review Petitioner's submission:**

DPL submits to give the financial impact on Interest on Working Capital for the FY 2019-20 based on the above submissions.

**5.11.2 Commission's view:**

5.11.2.1 Consequent to the discussions in preceding paragraphs, interest on admissible Working Capital [Table 3-16 of the impugned order] is re-determined, as shown in below table:

**Table B: Revised Table 3-16 of the Impugned Order  
on Interest on Working Capital for FY 2019-20 (Rs. Lakh)**

Sl. No.	Particulars	Allowable in APR			Allowable in Review Order		
		Unit VII	Unit VIII	Total	Unit VII	Unit VIII	Total
1	Annual Fixed Charges including interest on working capital	24655.65	39324.47	63980.12	24691.07	39381.09	64072.16
2	Fuel cost as admitted	18642.54	37780.74	56423.28	18642.54	37780.74	56423.28
3	Sub-total	<b>43298.19</b>	<b>77105.21</b>	<b>120403.40</b>	<b>43333.61</b>	<b>77161.83</b>	<b>120495.44</b>
	Less:						
4	Depreciation	4863.68	6610.71	11474.39	4863.68	6610.71	11474.39
5	RoE	5338.70	4367.29	9705.99	5338.70	4367.29	9705.99



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6	Reserve for unforeseen exigencies	0.00	0.00	0.00	0.00	0.00	0.00
7	<b>Sub-total</b>	<b>10202.38</b>	<b>10978.00</b>	<b>21180.38</b>	<b>10202.38</b>	<b>10978.00</b>	<b>21180.38</b>
8	Allowable charges for working capital	33095.81	66127.21	99223.02	33131.23	66183.83	99315.06
9	Normative requirement of working capital	3309.58	6612.72	9922.30	3313.12	6618.38	9931.51
10	Interest rate (SBI 1Y MCLR of 8.55% + 3.5%)	12.05%	12.05%		12.05%	12.05%	
11	<b>Normative Interest on working capital</b>	<b>398.81</b>	<b>796.83</b>	<b>1195.64</b>	<b>399.23</b>	<b>797.52</b>	<b>1196.75</b>
12	Actual interest on working capital as per Form C			<b>724.80</b>	362.40	362.40	724.80
13	<b>Admitted interest on working capital</b>	<b>362.40</b>	<b>362.40</b>	<b>724.80</b>	<b>362.40</b>	<b>362.40</b>	<b>724.80</b>

5.11.2.2 Accordingly, the apportioned Interest on Working Capital among different generating units of DPL as determined in Table 3-17 of the impugned order remain same as shown below:

**Table C: Revised Table 3-17 of the APR Order on Interest on working capital for FY 2019-20 (Rs. Lakh)**

Sl. No.	Particulars	Approved in Tariff Order	Claimed in APR	Approved in APR	Approved in Review
2	Unit VII	561.53	675.15	362.40	362.40
3	Unit VIII	645.18	1170.92	362.40	362.40
4	<b>Total</b>	<b>1206.71</b>	<b>1846.07</b>	<b>724.80</b>	<b>724.80</b>

5.12 Based on the analyses and findings recorded in the foregoing paras, the Commission now redetermines Summary of Fixed Charges of DPL for the year 2019 – 20. Annexure 3A of the impugned order is revised as Annexure H 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 D: Revised Table in para 3.19.1 of the APR Order (Rs. Lakh)**

<b>Summary of Fixed Charges in APR Order</b>	<b>Summary of Fixed Charges in Review Order</b>
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Unit VII	Unit VIII	Total	Unit VII	Unit VIII	Total
24655.65	39324.47	63980.12	<b>24691.07</b>	<b>39381.09</b>	<b>64072.16</b>

- 5.13 Consequently, the recovery of capacity charge for the generating station of DPL as per PAF achieved during the year 2019 – 20 against the normative availability as computed in Table 3-20 of the Impugned Order is redetermined below:

**Table E: Revised Table 3-20 of the Impugned Order on  
Allowable capacity charge for FY 2019-20**

**(Rs. Lakh)**

Sl. No.	Particulars	Allowable Capacity Charge in APR Order			Allowable Capacity Charge in Review Order		
		Unit VII	Unit VIII	Total	Unit VII	Unit VIII	Total
A	Annual Fixed Charges at normative PAF	24655.65	39324.47	63980.12	24691.07	39381.09	64072.16
B	Coal and ash handling expenses	84.60	159.48		84.60	159.48	244.08
C	Water Charges	458.69	864.63		458.69	864.63	1323.32
D	Annual Fixed Charges to be considered for PAF factoring	24112.36	38300.36		24147.78	38356.98	62504.76
E	Normative PAF	85.00%	85.00%		85.00%	85.00%	85.00%
F	Actual PAF	28.59%	67.21%		28.59%	67.21%	46.09%
G	Proportionate Capacity Charge	8110.26	33529.07		8122.18	33578.64	
H	Total Capacity Charge admitted	8653.55	34553.18	<b>43206.73</b>	8665.47	34602.75	<b>43268.22</b>
I	Shortfall in Capacity Charge recovery (A-H)	16002.10	4771.29	20773.39	16025.60	4778.34	20803.94

**Note:**

For VII:  $G = D \times F / E$

For Unit VIII:  $G = D \times (0.5 + 35\% / E) \times (F / 70\%)$

- 5.14 As computed in table above, the amount of admissible capacity charge for shortfall in PAF is revised to Rs. 43268.22 lakh instead of Rs. 43206.73 Lakh admitted in APR Order.

- 5.15 From the above table, it is seen that deficit in fixed charge recovery of Rs 4771.29 lakh for Unit No. VIII and total Rs. 20773.39 lakh for Unit No. VII and VIII, are revised in this order at Rs. 4778.34 lakh, Rs. 20803.94 lakh respectively.



Thus, as per the principle taken in paragraph 3.21 of the APR Order, sharable amount of Rs. 111.47 lakh (on account of gains for improved specific oil consumption for Unit No VIII determined in paragraph 2.8.10 of the APR Order), is compensated with the fixed charge recovery of generating stations and no amount is shared with the beneficiary licensee WBSEDCL.

- 5.16 The fuel cost allowed to DPL in APR Order remaining same, the re-determined allowable fixed charges of DPL during the year 2019-20 [Table 4-1 of the Impugned Order] come as below:

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

Sl. No.	Particulars	Approved in APR Order	Approved in Review Order
1	Fuel Cost	56423.28	56423.28
2	Capacity Charge for Generation	43206.73	43268.22
3	Allowable Aggregate Revenue Requirement	<b>99630.01</b>	<b>99691.50</b>

- 5.17 Based on the analysis done in the foregoing paragraphs, the amount adjustable on the instant case of review of APR for the year 2019-20 [Table 4-2 of the Impugned Order] is reworked out as under:

**Table G: Revised Table 4-2 of the Impugned Order on Net amount recoverable/refundable for FY 2019-20**

(Rs. Lakh)

Sl. No.	Particulars	Approved in APR order	Admissible in this Review order
1	Net Revenue Requirement	99630.01	99691.50
2	Sales revenue	79823.57	79823.57
3	Net amount (+) recoverable / (-) refundable	<b>19806.44</b>	<b>19867.93</b>

- 5.18 The recoverable amount is revised to Rs. 19867.93 lakh in this order from Rs. 19806.44 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: 05.02.2026**

**Sd/-**  
**DEPUTY DIRECTOR , WBERC**



**Annexure H: Revised Annexure of 3A of the Impugned Order on  
SUMMARY OF FIXED CHARGE FOR FY 2019-20**

Sl. No	Head of expense	Admitted in Impugned Order (Rs. Lakh)			Admissible in this Order (Rs. Lakh)		
		U#7	U#8	Total	U#7	U#8	Total
1	Employee cost	4008.13	3341.89	7350.02	4008.13	3341.89	7350.02
2	Centrally maintained expenses	3358.98	3358.98	6717.96	3370.44	3370.44	6740.88
3	Coal and ash handling expenses	84.60	159.48	244.08	84.60	159.48	244.08
4	Water Charges	458.69	864.63	1323.32	458.69	864.63	1323.32
5	Rent, Rates & Taxes				14.08	26.53	40.61
6	Insurance				9.88	18.63	28.51
7	Operation & Maintenance expenses	2667.00	1640.00	4307.00	2667.00	1640.00	4307.00
8	Depreciation	4863.68	6610.71	11474.39	4863.68	6610.71	11474.39
9	Interest on borrowed capital	4678.13	17616.47	22294.60	4678.13	17616.47	22294.60
10	Other finance charges	0.00	2254.55	2254.55	0.00	2254.55	2254.55
11	Income tax	0.00	0.00	0.00	0.00	0.00	0.00
12	Reserve for unforeseen exigencies	0.00	0.00	0.00	0.00	0.00	0.00
13	Return on Equity	5338.70	4367.29	9705.99	5338.70	4367.29	9705.99
14	Interest on working capital	362.40	362.40	724.80	362.40	362.40	724.80
15	<b>Sub-total</b>	<b>25820.31</b>	<b>40576.40</b>	<b>66396.71</b>	<b>25855.73</b>	<b>40633.02</b>	<b>66488.75</b>
16	Less: Miscellaneous other income	622.36	514.84	1137.20	622.36	514.84	1137.20
17	Less: Interest Credit	542.30	737.09	1279.39	542.30	737.09	1279.39
18	<b>Net amount</b>	<b>24655.65</b>	<b>39324.47</b>	<b>63980.12</b>	<b>24691.07</b>	<b>39381.09</b>	<b>64072.16</b>