



ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY
COMMISSION

IN THE MATTER OF
CASE NO: APR(R) – 47 / 25 – 26

REVIEW OF FUEL AND POWER PURCHASE COST ADJUSTMENT
AND ANNUAL PERFORMANCE REVIEW ORDER DATED 28.03.2025
IN CASE NO. FPPCA-125/24-25 AND APR-127/24-25 OF ADHUNIK
POWER AND NATURAL RESOURCES LIMITED (APNRL) FOR THE
YEAR 2022-23.

DATE: 11.12.2025



Facts in brief:

- 1.0 Adhunik Power and Natural Resources Limited (APNRL) has submitted a petition on 20.05.2025 under 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 seeking review of the order dated 28.03.2025 and subsequent corrigendum Order dated 29.04.2025 in Case No. FPPCA -125/24-25 and APR-127/24-25 (hereinafter referred to as the 'APR Order') passed by the West Bengal Electricity Regulatory Commission (Commission) for the financial year 2022-23 in accordance with the provisions of West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 and subsequent amendments (hereinafter referred as "Tariff Regulations"). The Commission has admitted the above Review petition on 23.05.2025 in Case No. APR(R) - 47/25-26.
- 2.0 APNRL submitted additional submission vide letter dated 30.06.2025.
- 3.0 In the petition read with additional submission, APNRL inter-alia has put forward the following issues for review:

Issue 1: Opening capital cost of FY 2022-23

Issue 2: Additional capitalization

- A.
 - a) Turbine Generator Island-Replacement of Generator Rotor in FY 2020-21
 - b) DCS-HMI Software upgradation in Unit-1 in FY 2022-23
 - c) Workshop & Laboratory equipment in FY 2022-23
- B. Funding of year-on-year additional capitalization

Issue 3: Return on Equity

Issue 4: O&M Expenses

Issue 5: GCV of Coal

Issue 6: Price of Coal

Issue 7: Debt-Equity ratio applicable to such additional capitalisation.



Issue 8:

- a) **Allowing carrying cost for the revenue gap pertaining to the second half of FY 2022-23 in terms of Regulation.**
- b) **Further, re-computation of the carrying cost for FY 2025-26 by considering the entire recovery period of 12 months in terms of Regulation.**

Observations of the Commission:

4.0 Now, the Commission proceeds to determine whether any case for review has been established by the Review Petitioner under Section 114 and Order 47 Rule 1 of the Code of Civil Procedure (CPC). According to these provisions, a person aggrieved by an order of a court may file a review on the following grounds, provided no appeal against the said order has been lodged:

- (a) **Discovery of New Evidence:** The petitioner discovers new and important matter of evidence which, after exercising due diligence, was not within their knowledge or could not be produced at the time the decree was passed or the order was made.
- (b) **Apparent Mistake or Error:** There exists a mistake or error apparent on the face of the record.
- (c) **Sufficient Other Reasons:** Any other sufficient reason that warrants a review.

In this connection, reference is made to the following judgments:

- (a) **Lily Thomas & Ors. vs. Union of India & Ors. [(2000) 6 SCC 224]:** The Hon'ble Supreme Court held that the power of review is limited to the correction of mistakes and does not extend to substituting views or re-hearing cases. The review cannot be treated as an appeal in disguise, and the mere possibility of differing views does not constitute a ground for review.
- (b) **Union of India vs. Sandur Manganese and Iron Ores Limited & Others {(2013) 8 SCC 337}:** The Hon'ble Supreme Court reiterated that the power of review jurisdiction is intended solely for the correction of mistakes, not for substituting views. In **Parsion Devi & Others vs. Sumitri Devi & Others**, it was held that an error must be apparent on the face of the record to justify the exercise of review power under Order 47 Rule 1



of CPC. An error requiring reasoning to detect does not qualify as an apparent error. Additionally, a review petition cannot be used as an appeal in disguise.

(c) **M/S Goel Ganga Developers India Pvt. Ltd. vs. Union of India [2018 SCC Online SC 930]**: The Hon'ble Supreme Court emphasized that the power of review is to be used sparingly and is not akin to appellate power. It should be exercised only when there is an error apparent on the face of the record. Judicial discipline mandates that a review application must be heard by the same Bench, preventing it from becoming an intra-court appeal to another Bench, which would undermine judicial consistency.

5.0 It has been observed that APNRL filed an appeal (Appeal No. DFR 526 of 2024) on 10.12.2024 before Hon'ble Appellate Tribunal for Electricity ("Hon'ble APTEL") challenging the issues related to GCV of coal and Price of coal, Return on Equity, Trading Margin and Saleable capacity for Fixed Charges of Tariff Order dated 06.06.2024 for the financial year 2022-23 in Case No. TP-100/22-23 and review Order on 25.10.2024 in Case No. TP(R) - 52 /24-25 against Review Petition of APNRL dated 18.07.2024.

6.0 Further, with respect to the issue concerning normative O&M expenses of Tariff Regulations, APNRL filed writ petition vide Case No. WPA-4701 of 2025 dated 25.02.2025 before Hon'ble High Court at Calcutta. The said Petition is also pending before the Hon'ble High Court.

7.0 In accordance with Section 114 and Order 47 Rule 1(2) of the Code of Civil Procedure, the Commission is precluded from reviewing issues that are currently under appeal before higher court of law. Thus, in the instant review petition, the Commission has decided to review of Issue No. 1, 2A and 8 of paragraph 3.0 above. The remaining issues (i.e. Issue No. 2B, 3, 5, 6 & 7 of paragraph 3.0 above are pending before Hon'ble APTEL and Issue No. 4 remains pending before Hon'ble High Court and therefore, the Commission lacks jurisdiction to entertain them in terms of Section 114 and Order 47 Rule1(2) of the Code of Civil Procedure.

8.0 The review on of Issue No. 1, 2A and 8 of paragraph 3.0 above are discussed hereunder



8.1 Issue 1: Opening capital cost of FY 2022-23

Submission of APNRL:

Regarding deduction of Rs.22.14 Crore* and Rs. 63.56 Crore from the opening capital cost in the APR order for FY 2022-23, the petitioner submits that, in accordance with the Indian Accounting Standards (Ind AS) 116, the present value of leased land is required to be reclassified as a "Right-of-Use (RoU) Asset" and such valuation must be undertaken by computing the present value of all future lease rental obligations, discounted at an appropriate rate, as prescribed under Ind AS 116 and thus the petitioner accounted the present value of the leasehold land amounting to Rs.63.56 Crore under the head RoU Assets in their financial statements. Further, the capital cost of Rs. 22.14 Crore** claimed in the Annual Performance Review (APR) for FY 2022-23 towards leasehold land, as an asset in accordance with the accounting treatment prevailing during the earlier financial years. The petitioner also submits that, to avoid duplication in the accounting treatment, they did not include Rs. 63.56 Crore. representing the RoU Asset in capital cost claimed in the APR petition for FY 2022-23.

Further, the petitioner claims that they inadvertently missed claiming the annual lease rent payment of Rs.2.84 Crore, as reflected in Schedule-20 of their Audited Financial Statements for FY 2022-23 under rent expenditure.

In view of the above, the petitioner requests the Commission to consider the following: -

- a) To review and rectify the decision to exclude Rs.63.56 Crore from the capital cost, as the same was never claimed by the petitioner and was only recognized in the audited books in accordance with Ind AS 116.
- b) To review and rectify the decision to exclude Rs.22.14 Crore from the capital cost, considering that it represents the impact of Ind AS methodology, which is related reclassification of lease hold lands as represented above.
- c) To allow the lease rent payment of Rs.2.84 Crore for FY 2022-23 as an admissible expenditure, as the petitioner inadvertently omitted to claim the same in the APR Petition for FY 2022-23.

* In para 26,41, 45 (b) of the petition, the figure was erroneously mentioned as 22 Crore instead of 22.14 Crore.



** In para 28,31,32,35,38,39,43 of the petition, the figure was erroneously mentioned as 22.41 Crore instead of 22.14 Crore.

Observation of the Commission:

The Commission has explained in details in paragraph 3.3 of APR Order dated 28.03.2025 the reasons for deduction of Rs.22.14 Crore (stated as "Net Ind AS impact" only in Audit Certificate) and Rs.63.56 Crore (carrying value of Right-of-Use assets) from Rs 333960.12 Lakh which was the admitted closing balance as on 31.03.2022 in terms of provisions of Ind AS 116. The Commission has observed that the adjustment of Rs.22.14 Crore is neither explained in the certificate of Vijay Tulshiyar & Co., Chartered Accountants submitted by the petitioner nor it is depicted anywhere in the audited financial statement to disclose such an adjustment. Rs. 63.56 Crore representing the RoU Asset of the leasehold land in capital cost in the APR petition for FY 2022-23 is not admissible for tariff determination purpose i.e. for computation of depreciation & interest.

Further, regarding claim of rent payment of Rs.2.84 Crore for FY 2022-23 under paragraph (c) above, the Commission observes that though the issue of lease rent payment for FY 2022-23 had not been submitted during APR application for FY 2022-23, the petitioner had ample opportunity to claim / submit the above through the 'Additional / supplementary' petition, even after submission of APR application. Thus, this is neither a case of correction of mistake nor an apparent error on the face of record to justify the review of the rent payment issue. Further, there is no additional information as against the above issue. Hence, there is no scope of reviewing the considered decision of the Commission under section 94(1)(f) of Electricity Act 2003 read with Order 47 of Rule 1 of Code of Civil Procedure.

8.2 Issue: 2 Additional capitalization

A. The petitioner submits the additional capitalization on the following heads:

a) Turbine Generator Island-Replacement of Generator Rotor in FY 2020-21

The petitioner submits that in any thermal generating station, the generator rotor is one of the most critical and high-value components of the power generation system. The petitioner in FY 2020-21, experienced frequent failures of the generator rotor in unit-2 of the generating station, requiring an urgent need for its replacement in the interest of maintaining uninterrupted generation. Due to unavailability of a spare rotor from its



manufacturer during the period, prolonged outage occurred resulting significant operation and financial losses. The existing rotor of the generator was replaced subsequently, retaining the old rotor as a capital spare after carrying out necessary repair and refurbishments. The petitioner stated that they deliberately did not decapitalise the old rotor, since maintaining it as a spare ensures rapid restoration of the unit in case of rotor failure. As stated by the petitioner, the additional capitalization incurred for the new rotor, along with the retention of the old rotor as a spare is consistent with the Regulation 5.2.2(iv) of the Tariff Regulations for addressing operational exigencies. The detail of old generator rotor and new generator rotor is depicted below: -

Table 3 of the petition: Detail of generator rotor

Particulars	Unit	Value
Cost of old generator rotor	Rs. Crore	9.88
Cost of new capital generator rotor	Rs. Crore	18.53
Put to use date of new generator rotor	Date	05.11.2020
Put to use date of old generator rotor (COD of Unit-2)	Date	19.05.2013

In view of the above, the petitioner prays to review earlier decision and allow the additional capitalization of Rs.18.53 Crore in FY 2020-21.

Observation of the Commission:

In the regards the Commission observes that the claim of the cost of new rotor Rs.18.53 Crore as additional capitalization in APR Petition of FY 2020-21 which was procured by APNRL for using it in place of old rotor (experiencing frequent breaking down) was not admitted following Regulation 5.2.7 (ii) of Tariff Regulations since it was not clear whether the old asset's value was deducted from the capital cost.

In terms of Regulation 5.2.7(ii) of Tariff Regulations, any expenditure incurred on replacement of old asset shall be capitalised and such capitalisation shall be considered after writing off the gross value of the original assets from original capital cost.

In the instant case, since the old rotor has not been decapitalised, while the new rotor has been claimed as new asset addition by the petitioner, it clearly deviates from the Regulation as mentioned above.



Thus, in view of the above, there is no scope of reviewing the above issue under section 94(1)(f) of Electricity Act 2003 read with Order 47 of Rule 1 of Code of Civil Procedure.

b) DCS-HMI Software upgradation in Unit-1 in FY 2022-23

The petitioner submits that the automation systems of the power plant are fully dependent on a robust Distributed Control System - Human Machine Interface (DCS-HMI) platform, which is integral to ensuring the reliable, safe, secure, and efficient operation of the plant's automated control systems. With the advancement of technology and the subsequent withdrawal of official support for Windows XP by Microsoft, including security and antivirus updates, the existing HMI system has become obsolete.

As per the petitioner, the said upgradation involving new capital expenditure which was installed for the plant's automated control systems, falls within the ambit of Regulation 5.2.2(iv) of Tariff Regulations to allow it as additional capitalization for meeting exigencies.

In view of the above, the petitioner submits to review its earlier decision and allow the cost of Rs.3.22 Crore for DCS-HMI system upgradation.

Observation of the Commission:

Considering the above submission of APNRL, the Commission has reviewed and concluded to allow 'Additional Capital Cost' of Rs. 322 lakh under the head 'Human Interface Machine (HMI) & C&I' in terms of Regulation 5.2.2(iv) of Tariff Regulations since such upgradation of (DCS-HMI) was found to be necessary, with the advancement of technology and the subsequent withdrawal of official support for Windows XP by Microsoft, for safe, secure, and efficient operation of the plant's automated control system. Thus, the cost for above upgradation was considered by the Commission in the nature of new asset as recognized in the statement of audited financial accounts for FY 2022-23.

c) Workshop & Laboratory equipment:

The petitioner submits that, in order to ensure high operational efficiency, accurate



computation of energy charges, and compliance with applicable regulatory norms, advanced coal testing instruments were procured and installed as those instruments were essential for testing critical coal quality parameters such as GCV, moisture content, and fixed carbon etc. Those equipment were fully automatic and provide accurate and precise results.

Accordingly, the petitioner has capitalized certain capital assets under the head of workshop and laboratory equipment. The said expenditure falls within the scope of Regulation 5.2.2(iv) of Tariff Regulations

However, the Commission in the APR Order dated 28.03.2025 has disallowed the claim on the ground that the requisite breakup of the capitalised items was not submitted. In this regard, the petitioner now submits the detailed breakup of the capitalised laboratory equipment under the relevant head hereunder.

*Table 4 of the petition: Breakup of equipment purchased for workshop and laboratory
in FY 1022-23*

Asset Details	Values (in Crore)
<i>IKA Fully Automatic Bomb Calorimeter (C3000)</i>	<i>0.44</i>
<i>Humidity chamber with digital temp. indicator</i>	<i>0.01</i>
<i>Pulveriser Vibrating Cup Mill</i>	<i>0.10</i>
<i>X-Ray Fluorescence Analyser</i>	<i>0.16</i>
Total	0.71

In view of the above, the petitioner prays to review its earlier decision and allow the capitalization of the above-mentioned assets as admissible under Regulation 5.2.2(iv) of Tariff Regulations.

Observation of the Commission:

Considering the above submission of APNRL, the Commission has reviewed and concluded to allow 'Additional Capital Cost' of Rs. 71 lakh under the head 'Workshop and Laboratory' in terms of Regulation 5.2.2(iv) of Tariff Regulations since the break-up of above cost is provided in this review petition and this cost is found to be new in nature as recognized in the audited financial statements during FY 2022-23 for having higher operational efficiency.

Accordingly, the Annexure 3I (i.e., Additional Capital Cost Admitted Capital Cost) of the APR order dated 28.03.2025 stands modified to the following extent:



Table 1: Additional Capital Cost Admitted in FY 2022-23

SL. No.	Item of Additional Capital	Admitted Amount (Rs. Lakh)
1	Amount Admitted in APR Order (Annexure 3I)	228*
2 (a)	Human Interface Machine (HMI) & C&I (admitted in this Review Order)	322
2 (b)	Workshop and Laboratory equipment (admitted in this Review order)	71
2	Additional amount admitted in this Review Order, [2 = 2(a) + 2 (b)]	393
3	Total Additional Capitalization admitted [3= 1 + 2]	621

- Admitted amount of APR Order for 2022-23 is Rs 228 Lakh = Rs 48 Lakh + Rs 115 Lakh+ Rs 8 Lakh + Rs 57 Lakh.

8.3 As a consequential effect of above admission in this Review Order, following heads of expense / income of APR Order dated 28.03.2025 and its Corrigendum Order dated 29.04.2025 are re-computed in Table 2 to 11 hereunder: -

Table 2: Revised Admitted Depreciation for FY 2022-23

SL. No.	Particular	Amount (Rs. Lakh)
1	Capital Cost Computed as on 01.04.22 as admitted in Table 4.1 of APR Order	325390.05
2(a)	Net Asset Addition Allowed during the Year as admitted in Table 4.1 of APR Order	1264.00
2(b)	Net Asset Addition Allowed during the Year as admitted in this Review Order	393.00
2	Revised Net Asset Addition Allowed during the Year [2= 2(a) + 2(b)]	1657.00
3	Closing Capital Cost Allowed as on 31.03.2023 [3 = 1+ 2]	327047.05
4	Depreciation Rate as admitted in Table 4.1 of APR Order	3.58%
5	Average Capital Cost [5 = (1 + 3)/2]	326218.55
6	Depreciation Amount of this Review Order [6 = 4X5]	11678.62
7	Depreciation Amount admitted in Table 4.1 of APR Order	11671.59
8	Additional Depreciation amount admitted in this Review Order [8 = 6 – 7]	7.03

Table 3: Revised Details of Debt for FY 2022-23

SL. No.	Particular	Admitted Amount (Rs Lakh)
1	Opening Debt as admitted in Table 4.3 of APR Order	106747.59
2	Total Additional Capitalization as per SI No 2 of Table 2 in this Review Order	1657.00
3	Percentage of Additional Capitalization Considered as admitted in Table 4.3 of APR Order #	100%
4	Total Addition of Debt During the Year (Incl. Liabilities) [4 = 2x3]	1657.00



SL. No.	Particular	Admitted Amount (Rs Lakh)
5	Repayment as admitted in Table 4.3 of APR Order	10674.76
6	Closing Debt [6 = 1+4-5]	97729.83

With no free reserve available as on 31.03.2022 and 31.03.2023, the entire Rs.393.00 lakh of asset value admitted as Additional capitalization in this Review order is treated as loan-funded.

Table 4: Interest on Loan

SL. No.	Particular	Admitted Amount (Rs. Lakh)
1	Net Opening Loan as on 01.04.2022 as admitted in Table 4.4 of APR Order	106747.59
2	Repayment during FY 2022-23 as admitted in Table 4.3 of APR Order	10674.76
3	Closing Loan as on 31.03.2023 as per Table 3 of this Review Order	97729.83
4	Average Loan (Opening + Closing) / 2	102238.71
5	Rate of Interest as admitted in Table 4.4 of APR Order	9%
6	Interest on Loan of this Review Order [6 = 4x5]	9201.48
7	Interest on Loan as admitted in Table 4.4 of APR Order	9183.80
8	Additional Interest on Loan in this Review Order [8 = 6-7]	17.68

Table 5: Interest Credit

SL. No.	Particular	Unit	Admitted in Review Order (Rs. Lakh)
1	Depreciation (as per Sl. No. 6 of Table 2) of this Review Order	Rs. Lakh	11678.62
2	Repayment of the Loan as admitted in Table 4.3 of APR Order	Rs. Lakh	10674.76
3	Excess Depreciation over Repayment [3 = 1-2]	Rs. Lakh	1003.86
4	Weighted Average Interest Rate as admitted in Table 4.8 of APR Order	%	9%
5	Interest Credit on Depreciation applicable in this Review Order [5 = 3x4]	Rs. Lakh	90.34



SL. No.	Particular	Unit	Admitted in Review Order (Rs. Lakh)
6	Interest Credit on Depreciation admitted in Table 4.8 of APR Order	Rs. Lakh	89.71
7	Additional Interest Credit on Depreciation in this Review Order [7 = 5-6]	Rs. Lakh	0.63

Table 6: Interest on Working Capital

SL. No.	Particular	Admitted in Review Order (Rs. Lakh)
1	Revised Allowable Gross Sale for computation of Interest on Working Capital as per Annexure 1 of this Review Order	141970.17
2	Allowable Working Capital (18% of Sr. No. 1)	25554.63
3	MCLR Rate (SBI) + 350 Basis Points (%) in Table 4.10 of the Corrigendum Order dated 29.04.2025 of APR Order	10.50%
4	Interest on Working Capital of this Review Order [4 = 3x2]	2683.24
5	Interest on Working Capital as per APR & Corrigendum Order	2683.04
6	Difference Amount in this Review Order [6 = 4-5]	0.20

Table 7: Fixed Cost Attributed to WBSEDCL

SL. No.	Particular	Unit	Admitted in Review Order (Rs. Lakh)
1	Total Gross Installed Capacity	MW	540
2	Net Capacity of the Plant	MW	491.40
3	Total Fixed Cost (Less Filing Charge as per APR Order) for Whole Capacity as per Annexure II of this Review Order	Rs. Lakh	40691.81
4	Contracted Capacity with WBSEDCL	MW	100
5	Fixed Cost Share (WBSEDCL) [5 = 3x4/2]	Rs. Lakh	8280.79
6	Add: Filing Charge (Table 4,12 of APR Order)	Rs. Lakh	15.80
7	Add: Incentive (Table 4,12 of APR Order)	Rs. Lakh	8.77
8	Total Fixed Cost Attributed to WBSEDCL as per this Review Order	Rs. Lakh	8305.36
9	Total Fixed Cost Attributed to WBSEDCL as per Table 4.12 of Corrigendum Order	Rs. Lakh	8300.42
10	Difference Amount admitted in this Review Order [10 = 8-9]	Rs. Lakh	4.94



Table 8: Capacity Charges Recoverable

SL. No.	Particular	Unit	Admitted in Review Order (Rs. Lakh)
1	Total Fixed Cost Share of WBSEDCL as per Sl. No.8 of Table 7 of this Review Order	Rs. Lakh	8305.36
2	NAPAF (Normative Plant Availability Factor)	%	85.00
3	PAF Achieved	%	83.95
4	Capacity Charge Recoverable = Fixed Cost \times (0.5 + 0.5 \times (PAF/NAPAF))	Rs. Lakh	8254.06
5	Capacity Charge Disallowed in Review Order [5 = 1-4]	Rs. Lakh	51.30
6	Capacity Charge Disallowed as per Table 4.14 of Corrigendum Order	Rs. Lakh	51.27
7	Difference Amount in this Review Order [7 = 5-6]	Rs. Lakh	0.03

Table 9: Net Gain Passed on to WBSEDCL Due to Better Performance

SL. No.	Particular	Unit	Admitted Values in Review Order
1	Gain on Oil Consumption Passed on to WBSEDCL as per Table 4.15 of Corrigendum Order	Rs. Lakh	21.89
2	Gain on Auxiliary Consumption Passed on to WBSEDCL as per Table 4.15 of Corrigendum Order	Rs. Lakh	63.93
3	Gain on SHR Passed on to WBSEDCL as per Table 4.15 of Corrigendum Order	Rs. Lakh	0
4	Total Gain Passed on to WBSEDCL as per Table 4.15 of Corrigendum Order	Rs. Lakh	85.82
5	Loss in Capacity Charge due to Lower Availability as per Sl. No. 5 of Table 8 of this Review Order	Rs. Lakh	51.30
6	Net Gain to WBSEDCL of this Review Order [6 = 4-5]	Rs. Lakh	34.52
7	Net Gain to WBSEDCL as per Table 4.15 of Corrigendum Order	Rs. Lakh	34.55

Table 10: Annual Revenue Recovery

SL. No.	Particular	Admitted in Review Order (Rs. Lakh)
1	Fuel Cost for FY 2022-23 as per Table 2.8 of Corrigendum Order	14058.71
2	Capacity Charge (Fixed Cost Attributed to WBSEDCL) as per Tables 8 & 9 of this Review Order (8305.36 - 51.30 - 34.52)	8219.54



3	ARR for Recovery in this Review Order	22278.25
4	ARR for Recovery as per Table 5.1 of Corrigendum Order	22273.31
5	Difference Amount in this Review Order [5 = 3-4]	4.94

8.4 Issue: 8

- Allowing carrying cost for the revenue gap pertaining to the second half of FY 2022-23 in terms of Regulation.
- Re-computation of the carrying cost for FY 2025-26 by considering the entire recovery period of 12 months in terms of Regulation.

The petitioner in Issue 4(a) submits that, APNRL has sought Rs.3,963 Lakh as carrying cost, citing APTEL's Appeal No. 173 of 2009, as well as Tariff Regulations. The Commission through the Corrigendum Order dated 29.04.2025, has allowed the petitioner to recover a total amount of Rs.107.72 Crore from WBSEDCL, towards APR and FPPCA for FY 2022-23, in 12 equal monthly instalments during FY 2025-26 and the Commission computed Rs 2349.82 Lakh as the admissible carrying cost from 01.04.2023 onward as per Regulation 2.6.6 of Tariff Regulations, not from the second half of FY 2022-23. As per the petitioner, since once a cost is admitted, the affected entity is entitled to carrying cost from the date the cost was incurred, not merely from the effective date of the regulation.

In view of the above circumstance, the petitioner prays to allow the carrying cost for the revenue gap pertaining to the second half of FY 2022-23, from the period the cost was incurred, in accordance with the established regulatory and legal principles;

Further, in Issue 4(b), the petitioner submits that while the Commission has permitted recovery of the revenue gap in 12 equal monthly instalments during FY 2025-26, it has, however, considered only 6 months for the purpose of computing carrying cost for FY 2025-26. The petitioner prays that instead of considering only 6 months in FY 2025-26, the Commission should re-compute the carrying cost for the full 12 months of FY 2025-26

Observation of the Commission:

The Commission has observed that the carrying cost, has been allowed on the amount of Revenue Gap (Surplus) as determined in APR and FPPCA order for a period of 12 months for FY 2023-24 and FY 2024-25. The carrying cost has been allowed for 6 months for FY 2025-26 in terms of clause (IV) of Regulation 2.6.6 (4th amendment) of the Principal Tariff Regulations as the recovery of the amount of Revenue Gap (Surplus) as determined in APR and FPPCA order has been allowed in 12 installments during FY 2025-26.

In view of the above, the Commission does not find that there is scope of reviewing the



considered decision of the Commission under section 94(1)(f) of Electricity Act 2003 read with Order 47 of Rule 1 of Code of Civil Procedure.

- 9.0 However, as a consequential effect of increase of the Annual Recoverable amount by Rs 4.94 Lakh in this Review order as per Table 10, carrying cost on this admitted additional recoverable amount is computed considering realization in 3 equal monthly instalments from January 2026 which becomes as follows:

Table 11: Carrying Cost on Admitted Additional amount in Review Order

SL. No.	Particulars	(All in Rs Lakhs)					
	Start date	01.04.23	01.04.24	01.04.25	01.01.26	01.02.26	01.03.26
1	Additional recoverable amount of this Review as per Sl No 5 of Table 10	4.94	4.94	4.94	4.94	3.29	1.64
2	SBI MCLR as on April + 250 basis points	11.00%	11.15%	11.50%	11.50%	11.50%	11.50%
3	Carrying cost on average of opening and closing	0.54	0.55	0.43	0.04	0.02	0.01
4	Instalment amount considering admitted amount	0.00	0.00	0.00	1.65	1.65	1.64
5	End date	31.03.24	31.03.25	31.12.25	31.01.26	28.02.26	31.03.26
6	Closing balance	4.94	4.94	4.94	3.29	1.64	0.00

Thus, total Carrying cost becomes Rs 1.58 Lakhs and total recoverable amount including carrying cost becomes Rs 6.53 Lakh [Rs 4.94 Lakh + 1.59 Lakh]



ORDER

- 10.0 The Commission directs APNRL to recover the additional amount of Rs 6.53 Lakh in three (3) equal monthly installment along-with its monthly bill from WBSEDCL commencing from January 2026.
- 11.0 The review petition is hereby disposed of.
- 12.0 A copy of the order shall be posted in the website of the Commission.
- 13.0 APNRL 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/-
(MALLELA VENKATESWARA RAO)
CHAIRPERSON

Sd/-
DEPUTY DIRECTOR, WBERC

Dated: 11.12.2025



ANNEXURE – I

REVISED ALLOWABLE GROSS SALE FOR INTEREST ON WORKING CAPITAL:

SL. No.	Particular	Admitted Amount in this Review Order (Rs. Lakh)
1	Allowable Gross Sale for Interest on Working Capital as admitted in Table 4.10 of the Corrigendum Order dated 29.04.2025 to APR Order	141959.95
2	Interest on Working Capital in Table 4.10 of the Corrigendum Order dated 29.04.2025 to APR Order	-2683.04
3	Additional Depreciation admitted in this Review Order	-7.03
4	Additional Interest on Loan admitted in this Review Order	17.68
5	Additional Interest Credit on Depreciation admitted in this Review Order	-0.63
6	Interest on Working Capital admitted in this Review Order	2683.24
7	Revised Allowable Gross Sale for Working Capital in this Review Order 7 = Sum {1:6}	141970.17

ANNEXURE – II

REVISED FIXED COST:

SL. No.	Particular	Admitted Amount in this Review Order (Rs. Lakh)
1	Fixed cost (Annual Fixed Charges) as admitted in Table 4.10 of the Corrigendum Order to APR order dated 29.04.2025	40683.33
2	Additional Depreciation admitted in this Review Order	7.03
3	Additional Interest on Loan admitted in this Review Order	17.68
4	Interest on Working Capital admitted in this Review Order	0.2
5	Additional Interest Credit on Depreciation admitted in this Review Order	-0.63
6	Others	0
7	Revised Fixed Cost in this Review Order 7 = Sum (1:6)	40707.61