



सत्यमेव जयते

ORDER

OF THE

WEST BENGAL ELECTRICITY REGULATORY COMMISSION

IN THE MATTER OF

CASE NO: APR(R)-30/23-24.

**IN REGARD TO PETITION SUBMITTED BY WEST BENGAL STATE
ELECTRICITY TRANSMISSION COMPANY LIMITED (WBSETCL) FOR
REVIEW OF ANNUAL PERFORMANCE REVIEW (APR) ORDER IN CASE
NO. APR-87/21-22 DATED 11.12.2023 OF THE COMMISSION FOR THE
FINANCIAL YEAR 2020-21.**

PRESENT:

DR MALLELA VENKATESWARA RAO, CHAIRPERSON

DATE: 12.03.2025



CASE IN BRIEF

- 1.0 This application was submitted on 07.02.2024 by the West Bengal State Electricity Transmission Company Limited (WBSETCL) for review of Annual Performance Review (APR) order in Case No. APR-87/21-22 dated 11.12.2023 passed by the West Bengal Electricity Regulatory Commission (herein after "the Commission", or "WBERC") for the financial year 2020-21 under Regulation 3.3.1 of the West Bengal Electricity Regulatory Commission (Conduct of Business) Regulations, 2013. This application for review of APR order for 2020-21 was admitted by the Commission on 22.02.2024.
- 2.0 WBSETCL submitted that, some issues of appeal for APR review for 2010-11 & 2011-12 made before Hon'ble Appellate Tribunal for Electricity (APTEL) were same as that of this present petition for review of APR order for 2020-21 Hon'ble APTEL has passed its judgement on the above appeals on 26.05.2022. Accordingly, WBSETCL has filed the instant review petition on the APR order dated 11.12.2023 for 2020-21 in line with the order of Hon'ble Appellate Tribunal for Electricity (APTEL) passed on 26.05.2022 in the in Appeals No. 20 of 2015 and 21 of 2015.
- 3.0 WBSETCL in the instant petition prayed to review of the APR Order dated 11.12.2023 for 2020-21 on following five (5) issues:
 - a. Wrong consideration of realized revenue amount,
 - b. Advance against depreciation and Interest Credit,
 - c. Re-assessment of admitted amount of O&M expenses,
 - d. Interest on capital borrowings and
 - e. Interest on Normative Loan considering asset addition of 2007-08,
- 4.0 WBSETCL prayed to review on the above issues for 2020-21 in line with the judgment order of Hon'ble APTEL dated 26.05.2022 in Appeal No 20 of 2015 and 21 of 2015 on the similar issues for the years 2010-11 and 2011-12.



OBSERVATION OF THE COMMISSION

5.0 The Commission now 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.**



सत्यमेव जयते



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.

6.0 The review order dated 09.12.2024 in Case No. APR(R)-44/24-25 has been passed in view of the APTEL order dated 26.05.2022 for the years 2010-11 and 2011-12 after re-visiting some of the issues stated above. Thus, this Commission has decided to revisit those issues to pass on the impact of above Order of this Commission to the APR orders of subsequent year in line with the review order(s) of APR Order 2010-11 & 2011-12 and accordingly Commission has also passed review order of APR for 2014-15 to 2019-20. The observations and considerations of the Commission on the issues of APR for 2020-21 are discussed below:

6.1 ERRONEOUS CONSIDERATION OF REALIZED REVENUE AMOUNT

Submission of WBSETCL

WBSETCL submitted that the Commission in Paragraph 3.1 & 3.2 of its impugned order has considered Rs. 163041.08 lakhs as realized revenue instead of Rs. 142998.58 lakhs.



सत्यमेव जयते



WBSETCL also submitted that, as per its Accounting Policy, the following adjustments were recognized as receivable in its Annual Accounts for 2020-21 along-with the recoverable ARR of Tariff order for 2020-21 due to passing of those orders in 2020-21:

- I. the arrear of 2018-19 and 2019-20 for the period upto December 2020 receivables from Long Term Users as per Tariff Orders for 2018-19 and 2019-20 passed on 16.12.2020.
- II. Positive Adjustment of Rs 2615.51 Lakhs as receivable as per APR Order for the year 2014-15 (issued on 28.06.2021).

WBSETCL submitted the breakup of revenue realized booked in its Annual Accounts as below:

PARTICULARS	RS IN LAKHS
Actual amount as allowed in Tariff Order for 2020-21 (A)	142998.58
Adjustment of amount not considered in Tariff Order for 2020-21:	
APR (Positive adjustment) of 2014-15	2615.51
Arrear pertaining to Tariff Order of 2018-19	1443.98
Arrear pertaining to Tariff Order of 2019-20	15983.01
Sub-total of adjustments not part of tariff order of 2020-21 (8)	20042.50
Total amount wrongly calculated by Hon'ble Commission in APR of 2020-21 as realized against the Tariff Order of 2020-21 (A + B)	163041.08

WBSETCL reiterated that the admitted amount of Rs. 2615.51 lakhs in the APR for 2014- 15 has actually been adjusted by the Hon'ble Commission in the Tariff order of 2022-23 dated 30.07.2022 as revenue recoverable, thus this amount cannot be considered as having been realized in 2020-21.

WBSETCL also submitted that, the method adopted in the impugned order is in contradiction to the APR orders of previous years passed by the Commission and



prayed for consideration of Rs. 142998.58 lakh as revenue realized by WBSETCL during 2020-21 against the ARR allowed in Tariff for 2020-21.

Analysis and decision:

The Commission noted the submissions made by WBSETCL. It is observed that, WBSETCL in its Annual Accounts, as per its accounting policy, recognizes the revenue for any financial year based on the tariff admitted by the Commission and any APR adjustment order issued by the Commission in that financial year. If there is a delay in issuance of the order or where Commission has directed for part recovery of APR adjustments, WBSETCL adjusts them in the financial year in which such orders are issued. Hence the amount recognized as revenue in the Annual Account of WBSETCL for any financial year does not necessarily match with the amount issued under tariff order or part adjustment specified by the Commission for that financial year.

In the APR adjustment, the objective is to allow the difference of ARR determined during the tariff order vis-à-vis the ARR determined during Annual Performance Review based on controllable and uncontrollable factors and incentive/ disincentives of performance. To arrive at the figures, the amount realizable through tariff as per the order specified by the Commission needs to be considered irrespective of the amount recognized by WBSETCL through any accounting adjustments.

In view of the above analysis, the revenue recovered / realized considered in the APR order for 2020-21 appears to be erroneous. Moreover, as submitted by WBSETCL, there are similar inconsistencies while determining APR adjustments in previous years, where the errors of computations has apparently benefited the petitioner in some cases. The Commission thus, decides to review the admissible APR adjustment for all the years from 2007-08 onwards as below:



Table: 1

Year	ARR admitted in the APR Order	ARR admitted in the Tariff order	Additional recovery from STOA	Additional recovery from ISTS	Total revenue realised	Admissible Adjustment for APR [recover (+) / refund (-)]	Adjustments admitted in APR orders [recover (+) / refund (-)]
	A	B1	B2	B3	B=B1+B2+B3	C =A-B	D
2007-08	46112.17	42342.70			42342.70	3769.47	3779.47
2008-09	68724.15	64674.81			64674.81	4049.34	0.00 [#]
2009-10	78577.76	65426.04	2100.52		67526.56	11051.20	7271.73
2010-11	72810.79	67284.35	3382.52		70666.87	2143.92	6193.26
2011-12	81937.06	72591.51	4874.29		77465.80	4471.26	4471.26
2012-13	90416.67	83757.38	6121.26		89878.64	538.03	538.03
2013-14	97113.98	92830.24	6860.93		99691.17	-2577.19	775.11
2014-15	97899.35	91602.56	4791.04		96393.60	1505.75	2615.51
2015-16	109318.85	107119.30	7594.94	7852.87	122567.11	-13248.26	-13248.35
2016-17	117572.06	117845.19	5911.23	8981.92	132738.34	-15166.28	-15139.32
2017-18	123727.87	120628.16	6961.03	3271.51	130860.70	-7132.83	-2654.22 ^{##}
2018-19	127758.98	126543.40		3057.32	129600.72	-1841.74	-432.07 ^{##}
2019-20	141623.97	141082.43		1896.37	142978.80	-1354.83	14628.18 ^{##}
Upto 19-20						-13792.16	8798.59
2020-21	149494.13	142998.58			142998.58	6495.55	-17344.98

the APR amount of Rs. 4049.34 lakh of 2008-09 has been considered and adjusted in APR for 2010-11.
considering the amounts has been realised by WBSETCL in terms of respective APR and Tariff orders.

Thus, the cumulative net admissible adjustment from 2007-08 to 2019-20 comes to (-) Rs. 13792.16 lakh as against (+) Rs. 8798.59 lakh admitted through different APR orders as shown above, i.e. a net adjustment of (-) Rs. 22590.75 lakh is required.

For 2020-21, applying the same principle the APR adjustment will be (+) Rs. 6495.55 lakh. Now, considering the net adjustment from 2007-08 to 2019-20, the overall adjustment for 2020-21 becomes (-) Rs. 16095.20 lakh (= 6495.55 – 22590.75) instead of (-) Rs. 17344.98 lakh allowed in the impugned order.



6.2 ADVANCE AGAINST DEPRECIATION AND INTEREST CREDIT

Submission of WBSETCL

WBSETCL submitted that, it had swapped its High interest Loan of PFCL by issuing 9.75% secured non-convertible bonds amounting to Rs 18300 lakhs. Annual Repayment of such Bonds was Rs 1830 lakh per year commencing from 2010-11 to be paid upto 2019-20. The Commission had considered such repayments for the years 2010-11, 2018-19 and 2019-20 while omitting the same for the years 2011-12 to 2017-18 amounting to Rs 12810 lakhs. Thus, WBSETCL has computed interest credit considering the repayments for the years 2011-12 to 2017-18 amounting to Rs 12810 lakhs and prayed for admission of an amount of Rs. 1519.59 lakhs towards the Interest Credit for the year 2020-21.

Analysis and decision:

In view of the APTEL order dated 26.05.2022, the Commission in its order dated 09.12.2024 in Case No. APR(R) -44/24-25, has already reviewed the position and admitted Rs. 1830 lakh as repayment of each year in the review of APR order for the years from 2011-12 to 2017-18 while computing the Advance Against Depreciation.

Consequential impact on computation the Advance Against Depreciation and Interest Credit becomes for 2020-21 as follows:

Table :2

Years	Admitted Loan Repayment	Depreciation admitted	Advance Against Depreciation	Excess depreciation over loan repayment
	Rs lakhs	Rs lakhs	Rs lakhs	Rs lakhs
2007 – 2008	1025.00	8170.16	0.00	7145.16
2008 – 2009	16604.00	8975.28	5984.32	-1644.40
2009 – 2010	17051.00	11188.47	5862.53	0.00
2010 – 2011	14755.00	12545.95	2209.05	0.00
2011 – 2012	16885.00	12596.79	4288.21	0.00



सत्यमेव जयते

Order of the West Bengal Electricity Regulatory Commission in the matter of review of Annual Performance Review (APR) order dated 11.12.2023 passed by the West Bengal Electricity Regulatory Commission (herein after "the Commission", or "WBERC") for the financial year 2020-21



2012 – 2013	13465.36	13749.37	0.00	284.01
2013 – 2014	16137.60	14695.98	1441.62	0.00
2014 – 2015	16397.85	16645.64	0.00	247.79
2015 – 2016	17771.07	17451.19	319.88	0.00
2016 – 2017	17653.34	19323.23	0.00	1669.89
2017 – 2018	17340.25	20932.39	0.00	3592.14
2018 – 2019	20952.86	25527.41	0.00	4574.55
2019 – 2020	25547.18	27850.62	0.00	2303.44
Total	211585.51	209652.48	20105.61	18172.58

Table : 3 (A): Computation of AAD (in Rs. lakh)

Sl	Particulars		2020-21
A	Computation of the admissible Advance Against Depreciation		
	Repayment of admissible Loans during the year	A	27488.18
	Repayment of loan restricted to the 1/10th of Principal loan amount	B	60213.62
	Max Repayment of admissible Loans during the year	C= Min (A, B)	27488.18
	Depreciation admitted during the year	D	29303.89
	Cumulative excess depreciation & AAD admitted over repayment in APR / review Order considered upto the preceding FY	E	18172.58
	Advance Against Depreciation (AAD) for the year	F1=C-(D+E)	0.00
B	AAD already allowed in APR order		0.00
C	Allowable adjustment under this instant Order (A - B)		0.00

Table No:3(B): Computation on Interest Credit (in Rs. Lakh)

SL	Particulars		2020-21
A	Computation of the admissible Interest Credit		
	Excess Depreciation & AAD admitted over loan repayment in APR/ review Order	F2= (D+E)-C	19988.29
	Weighted Avg Rol for the year	G	9.27%
	Interest credit for the year as per Review order	H	1852.43
B	Interest Credit already allowed in APR order		2706.78
C	Allowable adjustment under this instant Order (A - B)		-854.35



6.3 RE-ASSESSMENT OF ADMITTED AMOUNT OF O&M EXPENSE

Submission of WBSETCL

WBSETCL submitted that, the Commission in the impugned order has admitted O&M expenses much below the amount allowed in the ARR of tariff order. WBSETCL also mentioned that, there is no such provision in the Regulations towards reducing any admitted number of controllable elements in Tariff Order at the time of Truing up when the actual business volume parameter achieved is lower than that considered in the Tariff Order.

WBSETCL reiterated that for controllable amount all expenses should be considered for being allowed limited to ARR figures and the ARR figures should not be re-assessed in violation of Regulation 2.6.10.

WBSETCL thus prayed to consider the admissible O&M amount restricted to ARR figures as admitted in Tariff Order (without any downward revision of such figures).

Analysis and decision:

The Commission observes that in terms of regulation 2.6.10 of the Tariff Regulations, during APR, no additional cost shall be allowed in APR on any item of controllable factor over the amount permitted in the tariff order except for allowable specific condition-based variations in the regulations or specifically mentioned in tariff order.

It is observed that, regulation 2.6.10 specifies the conditions where any additional amount is allowable for any controllable item over and above the amount admitted in the tariff order. However, there is no provision for reducing the normative amount already admitted in the tariff order. Thus, it appears to be an error in the face of the order.



Thus, the admissible amount of O&M expenses is redetermined limiting the actual expense upto the amount admitted in the tariff order.

Table :4

SL	Particulars	Admitted in Tariff order	Actual	Admitted in APR order	Revised admitted
A	Repair & Maintenance	7227.06	6582.74	6582.74	6582.74
B	A&G Expenses				
	Rent	125.99	161.91	161.91	125.99
	Legal charges	32.91	45.83	31.79	32.91
	Auditor's fees	72.08	49.69	49.69	49.69
	Others (excluding director's fees & expenses capitalised)	1907.05	883.36	883.36	883.36
	Adjustment under 2.5.5(iv)			14.04	48.84
	Total A&G	2138.03	1140.79	1140.79	1140.79
C	Overall (A+B)	9365.09	7723.53	7723.53	7723.63
	Adjustment required				0.00

6.4 INTEREST ON CAPITAL BORROWINGS

Submission of WBSETCL

WBSETCL submitted that Interest on Normative Debt has been calculated considering the same principle of cumulative asset addition vis-a-vis addition to debt since 2007-08. Going by the same principle as adopted by the Hon'ble Commission for computation of Interest on Normative Debt, the entire amount of Interest on Capital loan actually paid for the year 2020-21 should have been admitted without considering it in an isolated manner.

WBSETCL submitted in the review petition that actual Interest on capital borrowing for 2020-21 is Rs 32102.63 lakh after considering adjustment of Rs 726.11 Lakh which was wrongly capitalized in previous year and transferred to WIP and then adjusted in Annual Accounts of 2020-21. WBSETCL vide letter no Dir (Opr)/WBSETCL/ RAC/APR/ 1(xii)/492 dated 24.12.2024 has also submitted Audit Certificate in support of above claim. After capitalization of Rs 4164.28



Lakh, actual Interest on capital borrowing becomes Rs. 27938.35 lakhs which WBSETCL prays for admission towards the Interest on Capital borrowings for the year 2020-21.

Analysis and decision:

In view of the above submission of WBSETCL with supporting audit certificate, the Commission has reviewed the position and find it logical to admit the actual Interest on capital borrowing of Rs 32102.63 lakh for 2020-21 and thus, after capitalization, interest on capital borrowing become Rs. 27938.35 lakhs in place of Rs 26496.32 Lakh. Therefore, the differential amount of Rs 1442.03 Lakh (= Rs. 27938.35 lakh – Rs. 26496.32 lakh) is now admissible under this review petition.

6.5 INTEREST ON NORMATIVE LOAN:

Submission of WBSETCL

WBSETCL submitted that actual addition to fixed asset during the Year of 2007-2008 is Rs. 79477.82 lakhs whereas the commission estimated an amount of Rs. 0 (Zero), ignoring the actual addition to Fixed Asset, for the year 2007-2008. Subsequently, WBSETCL in its submission through letter dated 30.09.2024 also submitted that out of total asset addition of Rs 794.78 Crore, asset addition of Rs 310.23 Cr was for WBSETCL from CWIP and rest Rs 484.55 Crore was for PPSP as per Transfer scheme of State Govt.

Therefore the 70% of the actual addition to fixed asset upto 2020-21 should be greater than the actual addition to debt. Hence, WBSETCL is eligible for interest on Normative Loan of Rs.3442.93 lakhs as against Rs.2013.56 lakhs admitted in the impugned order. WBSETCL has also referred to the judgement of Hon'ble APTEL dated 26.05.2022 in this respect.



Analysis and decision:

In view of the APTTEL order dated 26.05.2022, the Commission has revisited the issue in subsequent review order (s) of APR Order 2010-11 & 2011-12 and 2014-15 to 2019-20.

Thus, total fixed assets which are recomputed in the review order for 2014-15, has been considered keeping other parameters same as per APR order upto 2020-21 of this Commission.

Table:5 (A)

Year	Addition to Fixed Assets as Admitted	Addition to Debt as Admitted
	(Rs. In Lakh)	(Rs. In Lakh)
2007 – 2008	31022.44 #	29249.00
2008 – 2009	32637.10	23427.00
2009 – 2010	70342.68	54041.00
2010 – 2011	24742.55	11443.00
2011 – 2012	23698.70	38652.00
2012 – 2013	43586.84	6309.37
2013 – 2014	40136.90	18113.73
2014 – 2015	49709.04	38655.02
2015 – 2016	57119.42	45822.66
2016 – 2017	57663.89	45547.45
2017 – 2018	87474.35	45101.66
2018 – 2019	103004.75	22457.80
2019 – 2020	72145.61	30707.49
2020-2021	67212.17	62498.36
Total	760496.44	472025.54
# considering asset addition admitted in APR(R) -44/24-25		



Due to the consequential effect on the computation of Interest on Normative loan, Commission observes that admissible Normative loan for 2020-21 becomes as follows:

Table : 5(B)

Sl. No	Particulars	Derivation	2020-21
			Rs in Lakh
A	Asset Addition during the year	A	67212.17
B	Cumulative Asset addition upto the year (as in Table:5 (A) above)	B=Sum A of respective year from Table: 5(A)	760496.44
C	Actual addition of loan during the year	C	62498.36
D	Cumulative loan addition upto the year (as in Table -5 (A) above)	D= Sum C of respective year from Table 5(A)	472025.54
E	70% of cumulative asset addition upto the year	E=70% of B	532347.51
F	Whether cumulative debt addition is less than 70% of cumulative asset addition upto the year	Yes / No	Yes

Table : 5 (C)

Sl. No	Particulars	Derivation	2020-21
			Rs in Lakh
A	Computation of the admissible Normative loan:		
1	Opening Gross Normative Debt	A1	49262.35
2	Less: Cumulative repayment of normative debt	A2	8732.87
3	Net Opening Normative Debt (as per the closing base of 2019-20 considered in review order No. APR (R) -20/22-23)	A=A1-A2	40529.48
4	Actual Addition to debt for the year	B	62498.36
5	Addition to Fixed Assets during the year	C	67212.17



सत्यमेव जयते

Order of the West Bengal Electricity Regulatory Commission in the matter of review of Annual Performance Review (APR) order dated 11.12.2023 passed by the West Bengal Electricity Regulatory Commission (herein after "the Commission", or "WBERC") for the financial year 2020-21



6	Normative addition to debt@70% of the addition to fixed asset during the year	$D = C \times 0.7$	47048.52
7	Excess of normative debt (70%) addition over the actual debt addition	$E = \text{Max}(D - B, 0)$	0.00
8	Actual Equity addition during the year	F	64965.81
9	Equity already considered in the APR order (upto 30%)	$\text{Min}(C \times 30\%, F)$	20163.65
10	Excess equity beyond normative equity (30%) during the year	$G = F - (C \times 30\%)$	44802.16
11	Admissible normative debt addition during the year (where cumulative debt addition upto the year is less than 70% of cumulative asset addition as in Table 2A)	$H = \text{Min}(E, G)$	0.00
12	Repayment of Normative loan during the year (1/10 th of Opening Net Normative debt)	$I = 1/10 \times A$	4052.95
13	Closing balance of additional Normative debt	$J = A + H - I$	36476.53
14	Average admissible Normative Debt during the year (where cumulative debt addition upto the year is less than 70% of cumulative asset addition)	$K = (A + J) / 2$	38503.00
15	Weighted Average rate of interest paid on term loan during the year	L in %	9.2676%
16	Admissible Interest on normative debt	$M = K \times L$	3568.30
B	Interest on normative debt admitted in the APR order		2013.56
C	Allowable adjustment (A - B)		1554.74

6.6 CONSEQUENTIAL IMPACT OF REVIEW ORDER OF APR FOR 2014-15 ON ROE OF SUBSEQUENT YEAR:

During review of the APR Order for 2014-15, the Commission in its order dated 27.12.2024 in Case No. APR(R) -18/22-23 has adjusted the consumer contribution of Rs. 1215.81 lakhs, reflected in the opening value of 2012-13, with the asset addition of the year 2012-13 to determine the admissible equity. This has effect on the computation of return on equity from 2012-13 onwards.



Impact on ROE of WBSETCL for 2020-21 is as follows keeping other parameters unchanged as per respective APR order.

Table: 6 Computation of Return on Equity

Sl No	Particulars	2020-21 Rs. In lakh
A	Allowable Return on Equity	
1	Actual Equity base at the beginning of the year	
	Share Capital	110552.00
	Free Reserve	346668.11
	Total	457220.11
2	Admissible equity base at the beginning of the year	295015.32
3	Addition to Equity base during the year	64965.81
4	Net Addition to the original cost of Fixed Assets during the year	67212.17
5	Normative addition to Equity [30% of sl. No. (4) above]	20163.65
6	Amount to be considered as addition during the year being lower of (3) & (5)	20163.65
7	Admissible Equity Base at the end of year [(7)= (2)+(6)]	315178.97
8	Average admissible Equity Base [((2)+(8))/2]	305097.15
9	Allowable return @ 15.5% on sl. No. (8) above	47290.06
B	Return on Equity already allowed in APR order	47346.57
C	Allowable adjustment under this instant Order (A - B)	-56.51

- 7.0 The Commission also notes that, the actual interest paid for working capital during 2020-21 is less than the normative working capital interest allowed in the APR order. As, the lower of actual and normative is admitted in APR, thus there will be no impact of the above review in the admissible interest on working capital.
- 8.0 The impact on admissible incentive with the above review in fixed costs are computed in Annexure-1.



सत्यमेव जयते



- 9.0 From the above analysis, it is observed that, the issues raised in points no 6.1, 6.2, 6.3, 6.4 and 6.5 are found have merit as there were error on the face of the order. Accordingly said issues are reviewed and decided in the affirmative. The issue in point no 6.6 is considered due to consequential impact of review of APR order for 2014-15.
- 10.0 Based on the analysis and observations given in paragraph 6.1 to 6.6, 7.0 and 8.0 above, the Commission decides to admit APR adjustment for 2020-21 as (-) Rs. 12297.17 lakh, the summary of which furnished below:

Table : 7

Issue	Additional amount admitted in Rs Lakh for 2020-21
APR adjustment for 2020-21 after net of previous years' adjustment from 2007-08 to 2019-20 in view of revenue consideration (Refer 6.1)	(-)16095.20
Advance Against Depreciation (Table 3(A))	0.00
Interest credit refund (Table 3(B))	854.35
Interest on capital borrowing (Refer 6.4)	1442.03
Interest on Normative debt (Table -5(C))	1554.74
Return on Equity (Table - 6)	(-)56.51
Incentive (Annexure-1)	3.42
Revised adjustable amount for 2020-21	(-)12297.17

ORDER OF THE COMMISSION

- 11.0 In view of the above analysis, the revised APR adjustment for 2020-21 shall be (-) Rs. 12297.17 lakh in place of (-) Rs. 17344.98 lakh admitted in the APR order.
- 12.0 In terms of Tariff Regulations, the refundable amount Rs 12297.17 Lakh or a part thereof may be adjusted with the amount of Aggregate Revenue Requirement for a subsequent period or that for any other ensuing year or through a separate order
- 13.0 WBSETCL is to take note of this order.
- 14.0 The Review petition of WBSETCL is, thus, disposed off.



- 14.0 The Review petition of WBSETCL is, thus, disposed off.
- 15.0 A copy of the order shall be posted in the website of the Commission.
- 16.0 WBSETCL 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: 12.03.2025

Sd/-
DEPUTY DIRECTOR, WBERC



Annexure. – 1.

Sl. No.	Particulars	Amount in Rs Lakh
		2020-21
A	Consequential impact on Incentive (Due to Review of APR order):	
1	Net Revenue Requirement as per APR Order	145564.76
2	Less STOA charge received as per APR order	0
3	Net Annual Transmission Charge 3=1-2	145564.76
4	Add: Interest on Normative Debt as per Review order [Refer para 6.5]	1554.74
5	Add: Advance against Depreciation [as per Review order [Refer para 6.2]	0.00
6	Add: Interest Credit as per Review order [Refer para 6.2]	854.80
7	Add: Return on Equity as per Review order [Refer para 6.6]	-56.51
8	Add: Interest on capital borrowing Debt as per Review order [Refer para]	1442.03
9	Revised Net Revenue Requirement [3 +4+5+6+7+8]	149359.82
10	Annual Actual Availability as per APR order	99.840%
11	Annual Target Availability as per APR order	99.75%
12	Admissible Incentive as per Review order [9 x (10 – 11)/11]	134.76
B	Incentive admitted in APR order	131.34
C	Allowable adjustment under this instant Order (A - B)	3.42