



**ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY COMMISSION
IN THE MATTER OF
CASE NO: APR(R)-34/24-25**

PETITION 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 FOR REVIEW OF FUEL AND POWER PURCHASE COST ADJUSTMENT
AND ANNUAL PERFORMANCE REVIEW ORDER OF INDIA POWER
CORPORATION LIMITED FOR THE FY 2016-17 ISSUED BY THE
COMMISSION ON 06.03.24 IN CASE NO. FPPCA-100/21-22 AND APR-88/21-
22

PRESENT:

DR. MALLELA VENKATESWARA RAO, CHAIRPERSON

DATE: 06.01.2025



Facts in brief:

- 1.0 India Power Corporation Limited (IPCL) has submitted a petition 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. The petition seeks a review of the order dated 06.03.2024 in Case No. FPPCA -100/21-22 and APR — 88/21-22 (hereinafter referred to as the 'APR Order') passed by the West Bengal Electricity Regulatory Commission for the Annual Performance Review for the financial year 2016-17.
- 2.0 Further, IPCL, via Letter No. RA/II/00/24-25/41 dated 02.09.24, has submitted additional submissions in support of the aforementioned review petition. In their review petition, IPCL contends that there are errors apparent on the face of the record in the Impugned Order. Consequently, IPCL prays for the admission of the petition and requests a review of the APR Order to the extent specified therein. Specifically, IPCL in their petition and additional submission inter-alia put forward the following issues for review
 - A. Erroneous computation of Capacity Charge Disallowance;
 - B. Depreciation;
 - C. Non-Tariff Income
 - D. Interest Credit;
 - E. Fuel Cost;
 - F. APR Adjustment for FY 2010-11 and FY 2011-12;
 - G. Request for consideration of certain heads, such as Working Capital Requirement, meriting re-determination or auto adjustment.
- 3.0 IPCL has further submitted that, in light of the aforementioned proposed changes, the figures pertaining to interest on working capital, T&D gains, interest credit, reliability incentives, and other related elements may require revision accordingly.



- 4.0 The Commission observed that subsequent to filing the review petition, IPCL has preferred an appeal before the Hon'ble Appellate Tribunal for Electricity (APTEL) in Appeal No. 1516 of 2024. In accordance with Section 114 and Rule 1(2) of Order 47 of the Code of Civil Procedure, the Commission is precluded from reviewing issues that are currently under appeal before a higher court of law.
- 5.0 Specifically, Issues A and C are concurrently raised in the appeal before the Hon'ble APTEL and in the review, petition pending before this Commission, both in letter and spirit. Therefore, the Commission lacks jurisdiction to entertain the review petition concerning these issues as per Section 114 and Order 47 Rule 1(2) of the Code of Civil Procedure. Consequently, the Commission proceeds to review only Issues B, D, E, and F as raised in the review petition.

Observations of the Commission:

- 6.0 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. 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.

7.0 The review petition submitted by IPCL addresses the following issues as mentioned in paragraph 2.0:

B. Depreciation

Submission of IPCL: IPCL contends that the Commission erroneously excluded amortization expenses while calculating the total depreciation for the financial year 2016-17. They submitted the depreciation amount in Form-B for FY 2016-17, inclusive of depreciation and amortization, and provided the amortization figure in Form 1.18b of the APR Petition.

Observation of the Commission: Upon examination, the Commission identified that depreciation was recorded as Rs. 1582.47 Lakhs instead of Rs. 1677.60 Lakhs, inclusive of amortization, as per the extract of the audited financial statements for FY 2016-17. The discrepancy arises from the non-consideration of the amortization figure, which was duly submitted in Form 1.18b. Consequently, the Commission admits the



amortization amount of Rs. 91.72 Lakhs for distribution purposes, over and above the depreciation amount approved in the FPPCA and APR Order dated 06.03.2024.

D. Interest Credit:

Submission of IPCL: IPCL asserts that the Commission erred in computing the Interest Credit amount by aggregating excess depreciation over repayments for the period FY 2010-11 to FY 2015-16, contrary to Regulation 5.5.3, which stipulates that Interest Credit should be calculated based on excess depreciation over repayment for each individual financial year.

Observation of the Commission: The Commission maintains that its computation of Interest Credit aligns with Regulation 5.5.3 as detailed in Para 3.19.1 of the APR Order dated 06.03.2024. Therefore, the request to revise the Interest Credit is not admitted, as it does not constitute an error apparent on the face of the record.

E. Fuel Cost

Submission of IPCL: IPCL contends that the Commission erroneously based the coal cost for FY 2016-17 on the purchased price of Rs. 1909/MT instead of the consumed cost of Rs. 2099/MT, as mandated by WBERC Regulation 5.8.1(iii), which requires the consideration of the weight of coal actually consumed annually for computing the weighted average cost of coal. IPCL further notes that in the APR Order for FY 2015-16, the Commission correctly based the coal price on consumption.

Observation of the Commission: The Commission acknowledges the error of considering the weight of coal purchased rather than consumed, as detailed in Annexure 1.3 and Form 1.11 of the FPPCA petition. Consequently, the coal cost is revised to Rs. 2099.90 per MT based on consumed coal. This revision necessitates a slight adjustment in the heat value of coal considering heat value of the opening coal stock and recalculated as 2747.15 Kcal/Kg. The fuel cost is thus recalculated to Rs. 1060.10 Lakhs from Rs. 960.43 Lakhs, admitting a difference of Rs. 99.66 Lakhs over and above the FPPCA and APR Order dated 06.03.2024. The revised fuel cost is detailed in Revised Annexures 2A and 2B



F. APR Adjustment for FY 2010-11 and FY 2011-12

Submission of IPCL: IPCL, via Letter No. RA/II/00/24-25/41 dated 02.09.24, additionally submitted that the Commission inadvertently failed to consider Rs. 258.69 Lakhs for APR adjustment for FY 2010-11 and Rs. 2536.08 Lakhs for FY 2011-12 in the Impugned Order. IPCL references the MYT Order (read with the Order dated 17.02.2017 in Review Petition No. TP(R)-26/16-17), where the Commission had considered APR Adjustments for FY 2010-11 and FY 2011-12 alongside the standalone APR for FY 2016-17.

Observation of the Commission: The Commission acknowledges the oversight in excluding Rs. 258.69 Lakhs for FY 2010-11 and Rs. 2536.08 Lakhs for FY 2011-12, which were previously considered in the MYT Order. Therefore, the Commission admits the adjustments of Rs. 258.69 Lakhs and Rs. 2536.08 Lakhs for FY 2010-11 and FY 2011-12, respectively.

G. Request for Consideration of Additional Heads such as Working Capital Requirement Meriting Re-determination/Auto Adjustment

Submission of IPCL: IPCL submitted that certain heads in the APR determination, including Working Capital Requirement, are interdependent with other cost heads approved by the Commission. Therefore, any re-determination of these heads necessitates corresponding adjustments in related elements such as interest credit, maximum allowable bad debt, gain sharing on allowable heads like T&D gains, and Revenue adjustment.

Observation of the Commission: The Commission has duly considered the consequential effects arising from changes in depreciation and fuel cost. The element-wise details of the recomputed Aggregate Revenue Requirement (ARR) are presented in Annexure-1. Furthermore, the recomputed ARR impacts the calculation of interest on working capital, admissible fixed costs, reliability incentives, benefits from T&D savings, interest credit and disallowance of capacity charges for the 12 MW plant, as detailed in Annexures 3 to 7.



- 8.0 The review petition seeks to revise the rationale of prudence adopted by the Commission concerning Interest Credit. However, the Commission finds no substantive grounds for such a review based on the submissions presented. Consequently, the Commission declines to consider review related to Interest Credit, as they lack merit.
- 9.0 Issues A (Erroneous Computation of Capacity Charge Disallowance) and C (Non-Tariff Income) are concurrently raised in the appeal before the Hon'ble Appellate Tribunal for Electricity (APTEL) and in the pending review petition before this Commission, both in letter and spirit. In accordance with Section 114 and Order 47 Rule 1(2) of the Code of Civil Procedure, the Commission lacks jurisdiction to entertain the review petition concerning these issues while an appeal is pending before a higher court of law.
- 10.0 During the review, the Commission identified that the APR Review Order for the year 2012-13 in Case No. APR (R) -9/19-20 included an adjustment of normative loan. This adjustment has a consequential effect on the opening and closing balances of normative loan and repayments for subsequent years, necessitating a recalculation of the normative loan amount for the year 2016-17. This recalculation is detailed in Annexure-4, and the adjustment has been incorporated into the recomputed APR.
- 11.0 The Commission further observed that changes in depreciation and fuel cost necessitate adjustments in related financial components, including Interest on Working Capital, Admissible Fixed Cost, Reliability Incentives, Benefits from T&D Savings, interest credit and Disallowance of Capacity Charges for the 12 MW plant. Additionally, an error in the formula for calculating Capacity Charge Disallowance in the FPPCA and APR Order dated 06.03.2024 was identified and corrected in Annexure-3. The recomputed Interest on Working Capital and Benefit Due to Saving on T&D Loss and interest credit are detailed in Annexures-5 to 7, respectively.
- 12.0 In the Order FPPCA-100/21-22 and APR-88/21-22 dated 06.03.2024, the Commission determined the Net Fixed Cost to be Rs. 7953.14. Lakhs (SI No. 26 of Annexure 3B) for IPCL for the year 2016-17. Following the adjustments detailed in paragraph 8 above and the correction of Capacity Charge Disallowance, the revised figures are as follows, appearing at Table-1:

Table -1



Sl. No.	Particulars	Generation (Rs. Lakhs)	Distribution (Rs. Lakhs)	Total (Rs. Lakhs)
1.	Net Fixed Charge admitted in the order dated 06.03.24	343.28	7609.86	7953.14
2.	Adjustment on Depreciation as in Para 7B		91.72	91.72
3.	Adjustment on Interest on normative loan as per Annexure-4	-120.09	-393.96	-514.05
4.	Adjustment on Interest on working capital as per Annexure-5	-0.36	-4.68	-5.04
5.	Adjustment on Interest credit as per Annexure 7		-11.09	-11.09
6.	Difference in Capacity Charge Disallowance as per Annexure-3	420.41		420.41
7.	Redetermined Net Fixed Charge (1+2+3+4+5+6)	643.24	7291.85	7935.09

13.0 In view of the above computations, the admissible Net Fixed Charge for FY 2016-17 is revised to Rs. 7935.09 Lakhs from Rs. 7953.14 Lakhs, as admitted in the APR Order dated 06.03.24.

14.0 The reliability incentives, based on the revised Aggregate Revenue Requirement (ARR) of the distribution function, are adjusted to Rs. 497.32 Lakhs from Rs. 502.69 Lakhs. This adjustment is calculated as follows:

$$\text{Reliability Incentives} = 29412.73 \times \left(\frac{99.657\% - 98\%}{98\%} \right) = 497.32 \text{ Lakhs}$$

15.0 The benefit due to improved Transmission and Distribution (T&D) loss is adjusted to Rs. 402.14 Lakhs from Rs. 402.54 Lakhs.

16.0 The adjustments of Rs. 258.69 Lakhs towards APR adjustment for FY 2010-11 and Rs. 2536.08 Lakhs towards APR adjustment for FY 2011-12, previously considered in the MYT Order (read with the Order dated 17.02.2017 in Review Petition No. TP(R)-26/16-17), are hereby admitted.

17.0 Consequently, a total adjustment of Rs. 2870.62 Lakhs is to be passed on to consumers over and above the adjustments considered in the APR Order dated 06.03.2024 for the year 2016-17. The details of these adjustments appear at Table-2 as follows:

Table -2



Sl. No.	Particular	Amount as per APR Order (Rs. Lakhs)	Redetermined Amount (Rs. Lakhs)	Amount to be Adjusted (Rs. Lakhs)
1.	Fuel Cost (1 of Annexure 1)	960.43	1060.10	99.67
2.	Net Fixed Cost (26 Of Annexure 1)	7953.14	7935.09	-18.05
3.	Adjustment due to change in Reliability Incentives (Para 15)	502.69	497.32	-5.37
4.	Adjustment due to benefit for saving in T&D Loss (Annexure-6)	402.54	402.14	-0.40
5.	Adjustment as per Tariff Order TP-58/13-14 dated 21.07.16 read with TP-R-26/16-17 for FY 2010-11 and 2011-12			2794.77 (258.69 + 2536.08)
6.	TOTAL			2870.62

Order:

18.0 Based on the foregoing analysis, the Commission hereby considers Issues B (Depreciation), E (Fuel Cost), and F (APR Adjustment for FY 2010-11 and FY 2011-12) in the affirmative. Issue D (Interest Credit) is decided in the negative due to its lack of merit. Accordingly, the Commission observes the following adjustments for the financial year 2016-17:

- **Fuel Cost:** Revised to Rs. 1060.10 Lakhs from Rs. 960.43 Lakhs.
- **Net Fixed Charge:** Revised to Rs. 7935.09 Lakhs from Rs. 7953.14 Lakhs.
- **Reliability Incentives:** Revised to Rs. 497.32 Lakhs from Rs. 502.69 Lakhs.
- **Benefit Due to Saving in T&D Loss:** Adjusted to Rs. 402.14 Lakhs from Rs. 402.54 Lakhs.
- **Interest credit :** Adjusted to Rs. 416.22 Lakh from Rs. 405.13 Lakh.



Petition 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 for review of Annual Performance Review order of India Power Corporation Limited for the FY 2016-17 issued by the Commission on 06.03.24 in Case No. FPPCA-100/21-22 and APR –88/21-22



- 19.0 Detailed calculations are annexed with this Order in Annexures 1 to 7. Additionally, the Commission permits APR adjustments of Rs. 2794.77 Lakhs for the years 2010-11 and 2011-12, in accordance with Tariff Order TP-58/13-14 dated 21.07.2016 read with TP-R-26/16-17. Consequently, a positive adjustment of Rs. 2870.62 Lakhs under this review Order shall be adjusted against the Aggregate Revenue Requirement (ARR) of subsequent years as determined by the Commission.
- 20.0 The review petition is hereby disposed of.
- 21.0 A copy of this Order shall be posted on the official website of the Commission.
- 22.0 IPCL is directed to download the copy of this Order from the Commission's website and act accordingly. Certified copies of this Order, upon application and fulfilment of the requisite formalities as per the West Bengal Electricity Regulatory Commission (Conduct of Business) Regulations, 2013, as amended, and upon submission of necessary fees, shall be provided to the parties.

Sd/-

(DR. MALLELA VENKATESWARA RAO)
CHAIRPERSON

Dated: 06.01.2025

Sd/-

(SECRETARY)



ANNEXURE-1

RECOMPUTED AGREGATE REVENUE REQUIREMENT

Rs in Lakh

Sl No	Particulars	Generation	Distribution	Total
1	Fuel	1060.10		1060.10
2	Power purchase cost	0.00	22120.88	22120.88
3	Coal and Ash handling charge	38.46		38.46
4	Employee cost	273.68	3526.10	3799.78
5	O & M charges for generation and distribution	86.16	719.73	805.89
6	License /filling fees		37.95	37.95
7	Rates and taxes	1.32	35.44	36.76
8	Insurance		33.28	33.28
9	Financing Charges		0.00	0.00
10	Interest on borrowed capital	389.77	1278.66	1668.44
11	Interest on consumer security		150.49	150.49
12	Depreciation	252.60	960.51	1213.11
13	Advance Against Depreciation		0.00	0.00
14	Water charges	0.32		0.32
15	Taxes on income			0.00
16	Bad Debt		17.99	17.99
17	Net UI		1106.04	1106.04
18	Return on Equity	309.41	1340.36	1649.77
19	Aggregate revenue requirement (ARR) without working capital	2411.83	31327.43	33739.26
20	Interest on working capital	2.32	29.95	32.27
21	Gross APR (18+19)	2414.15	31357.38	33771.53
22	Less: Interest credit	78.37	337.85	416.22
23	Less: other Misc income	56.93	1606.81	1663.74
24	Net ARR	2278.85	29412.73	31691.57
25	Net Fixed Cost	1218.74	7291.85	8510.59
26	Net Fixed cost after capacity charge disallowance	643.24	7291.85	7935.09



ANNEXURE – 2A
ALLOWABLE FUEL COST

Sl. NO	Particulars	Unit	12 MW (Approved)
1	Ex - Bus generation	MU	36.88
2	Rate of Auxiliary Consumption	%	10%
3	Auxiliary Consumption on ex-bus Generation $[(1)/(1-0.1)-(1)]$	MU	4.10
4	Admissible generation for sale $[(1) + (3)]$	MU	40.979
5	station heat rate	Kcal/kWh	3300
6	Total Heat Required $[4*5]$	M.Kcal	135230.61
7	Heat value of Oil	Kcal/lit	0.00
8	Specific oil consumption	ml/kWh	0
9	Oil consumption $(4*7)$	KL	0
10	Heat from Oil $(8*9)/1000$	M.Kcal	0
11	Heat from coal $(6-10)$	M.Kcal	135230.61
12	Average UHV of coal	Kcal/Kg	2747.15
13	Coal consumption $(11/12)*1000$	MT	49225.76
14	Coal requirement at transit loss	MT	49373.44
15	Average price of Oil	Rs/KL	0
16	Average price of Coal	Rs/MT	2099.90
17	Cost of Oil $(8*15)/100000$	Rs in Lakh	
18	Cost of Coal $(14*16)/100000$	Rs in Lakh	1036.79
19	Cost of Fuel $(17+18)$	Rs in Lakh	1036.79
20	Cost of fuel per unit $(19/1*10)$	Paise/kWh	281.12



ANNEXURE – 2B

STATEMENT SHOWING ADMISSIBLE FUEL AND POWER PURCHASE COST

SI NO	Factor Notation	Nomenclature	Unit	Value
1	T	Norms of Transmission and Distribution loss consider for sale of power to license and for interplane transfer	%	5.25%
2	D	Norms of Distribution loss for sale to consumer	%	5.25%
3	EO	Energy for own consumption	MU	2.29
4	ESL	Energy sale to licensee and interplant transfer	MU	0
5	ESC	Energy sale to consumer	MU	676.74
6	Fuel Cost	Fuel cost for generation on normative parameter (refer Annexure 2-A)	Rs. in Lakh	1036.79
7	FCIUC	Per unit Fuel Cost at distribution input for sale to consumers (refer para-A note below)	Paise/kWh	14.79
8	FCAdm_d	Admissible Fuel Cost for sale to WBSEDCL and inter plant transfer (refer para-B note below)	Rs. in Lakh	0
9	FCAdm_c	Admissible Fuel Cost for sale to consumer and for own consumption (refer para-B note below)	Rs. in Lakh	1060.10
10	FC	Admissible fuel cost [8 + 9]	Rs. in Lakh	1060.10
11	PPC	Power Purchase Cost including net UI charges	Rs. in Lakh	22120.88
12	FC + PPC	Admissible Fuel and Power Purchase Cost [10 + 11]	Rs. in Lakh	23180.98

Note:

A. Fuel Cost per Unit (kWh) at Distribution input		Units	Amount
(i)	Fuel Cost for sale to consumers	Rs. in Lakh	1036.79
(ii)	Energy sent out from own generation for the consumer and licensee	MU	36.87
(iii)	Power Purchase	MU	605.86
(iv)	Net UI drawn	MU	58.17
(v)	Total energy available for sale [(ii) + (iii)]	MU	700.90
(vi)	$FC_{IUC} [(i)/(iv)]$	Paise/kWh	14.79

B. Admissible Fuel Cost for sale to Consumers and Licensee		Unit	Amount
(i)	$[(Esc + Eo)/(1 - d*0.01)] * FC_{IUC} = FCAdm_c$	Rs. in Lakh	1060.10
(ii)	$[ESL / (1 - t * 0.01)] * FC_{IUC} = FCAdm_d$	Rs. in Lakh	0



Annexure-3

Recomputed Capacity charge disallowance for 12 MW plant

Sl. No.	Particulars-DPS (NEW) -12 MW	Amount (Rs Lakh)
1	Revised Fixed cost of generation, Sl. No. 25 of Annexure -1	1218.74
2	Less: Cost admitted under the head 'water charge'	0.32
3	Less: Cost admitted under the head 'Coal & Ash handling expenses'	38.46
4	Balance Fixed charge for computation of disallowance: (1-2-3)	1179.96
5	Normative PAF as per Tariff regulation	85.00
6	PAF achieved (from 1.1 page 101 of Volume-1)	39.33
7	Balance Fixed Charge allowable = (4) x (0.5+35/85) x (Sl no 6)/70	604.46
8	Amount of capacity charge allowable for short fall in PAF ((7)+(2)+(3))	643.25
9	Amount of capacity charges deductible for shortfall in PAF [(1)-(8)]	575.49
10	Difference with APR Order (995.9-575.49)	420.41

Annexure -4

Recomputed interest on normative debt

Sr. No.	Normative debt		APR 16-17	Revised
1	Opening Gross Normative Debt	CB 2015-16	11777.98	6631.03
2	Less: Cum Repayment upto the previous year	CB 2015-16	2890.21	2473.17
3	Opening Net Normative Debt	3=1-2	8887.77	4157.86
4	Actual addition to debt during the year	Impugned Order	0	0
5	Addition to Fixed asset during the year	Impugned Order	-1791.46	-1791.46
6	Normative addition to debt @ 70% of fixed asset addition	6=5 X 70%	-1254.02	-1254.02
7	Addition to debt to be considered for APR	Higher of 4 & 6	0	0
8	Additional Gross Normative debt for the year	8=7-4	0	0
9	Repayment of normative debt during the year	10% of (3)	888.78	415.79
10	Net additional gross normative debt during the year	10=8-9	-888.78	-415.79
11	Closing balance of net normative debt	11=3+10	7998.99	3742.07
12	Average balance of net normative debt	12=(3+11)/2	8443.38	3949.97
13	Weighted average rate of interest	Impugned Order	11.44%	11.44%
14	Allowable interest on normative debt	14=12 X 13	965.92	451.88
15	Closing balance of gross normative debt	15=1+8	11777.98	6631.03
16	Cumulative repayment of normative debt	16=2+9	3778.99	2888.96
17	Difference with APR Order (965.92-451.88)			-514.05



ANNEXURE-5

Recomputed Interest on Working Capital

Sl. No.	Particulars	Actual Values in Rs Lakh		
1	Admitted variable cost			23180.99
2	Admitted Fixed cost			8510.59
3	Total (1+2)			31691.57
4	Less: Depreciation			1213.11
5	Less: Bad debt			17.99
6	Less: Return on Equity			1649.77
7	Total deductions: (sum of SI No 4 to SI No. 6)			2880.87
8	Allowable Gross Sales for Working Capital (SI no 3 – SI no 7)			28810.70
9	Allowable Working Capital @10% on SI No (8)			2881.07
10	Security deposit from consumer utilized as working capital			2626.96
11	Balance requirement of working capital (SI no 9 -SI no 10)			254.11
12	Interest as per SBI MCLR on 01.04.2016			12.70%
13	Interest on balance requirement of Working Capital (SI No 11)			32.27
14	Actual Interest for working capital Claimed			128.66
15	Interest on Working Capital Admitted (lower of 13 and 14))			32.27
Allocation		Gen	Dist.	Total
ARR		2278.85	29412.67	31691.51
W C		2.32	29.95	32.27



Annexure -6

Recomputed benefit due to saving on T & D

Sr. No.	Particulars	Quantum (MU)	Cost (Rs. Lakhs)
1	Sent out from generation	36.88	1036.79
2	Power Purchase	605.86	22120.88
3	Total	642.74	23157.67
4	Average Rate per Unit (Rs/Unit)		3.60
5	Savings in Cost	15.74	567.26
6	Savings shared with Consumers @ 25%		141.82
7	Savings for IPCL @75%		425.45
8	Amount already considered in fuel cost (Rs. 1060.10-1036.79)		23.31
9	Allowable saving to IPCL (425.45-23.30)		402.14

Annexure -7

Recomputed Interest Credit

Sr. No	Particular	Amount in Rs Lakhs
1	Depreciation admitted	1213.11
2	Repayment as per impugned Order	1086.08
3	Excess depreciation (1-2)	127.03
4	Excess depreciation Over loan repayment in up to 31.03.2016	3,315.62
5	Cumulative excess depreciation available (3+4)	3,442.65
6	Rate of interest	12.09%
7	Interest credit	416.22