



**ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY COMMISSION
IN CASE NO.**

FPPCA-134/ 25-26

AND

APR-138/25-26

**FUEL COST ADJUSTMENT (FCA) AND ANNUAL PERFORMANCE
REVIEW (APR) OF ADHUNIK POWER & NATURAL RESOURCES
LTD FOR THE FINANCIAL YEAR 2023-24.**

DATE: 25.08.2026



CHAPTER 1

PREAMBLE

- 1.1 The West Bengal Electricity Regulatory Commission (hereinafter referred to as the "Commission") is a statutory body constituted under the first proviso to Section 82(1) of the Electricity Act, 2003 (hereinafter referred to as "the Act"). In terms of Sections 86 and 62(1) of the Act, the Commission is empowered to determine the tariff for (a) the supply of electricity by a generating company to a distribution licensee, (b) the transmission of electricity, (c) the wheeling of electricity, and (d) the retail sale of electricity, within the State of West Bengal.
- 1.2 Adhunik Power and Natural Resources Ltd. ('APNRL' or 'Petitioner'), a company incorporated under the Companies Act, 1956, is a generating company as defined under Section 2(28) of the Act.
- 1.3 The Petitioner had developed a 540 MW (2x270 MW) coal-based thermal power plant situated at Padampur in Seraikela-Kharsawan district in the State of Jharkhand. The Unit-1 of the power plant was synchronized on 13.11.2012 and COD for the same was declared on 21.01.2013. The Unit-2 of the power plant was synchronized on 29.03.2013 and COD for the same was declared on 19.05.2013.
- 1.4 West Bengal State Electricity Distribution Company Limited (WBSEDCL), a distribution licensee within West Bengal, has entered into a long-term Power Supply Agreement (PSA) with PTC India Ltd. ('PTC') on 05.01.2011 for the supply of 100 MW power for 25 years at a negotiated price to meet the power requirement of the consumers within the licensed area. Consequently, PTC entered into a back-to-back Power Purchase Agreement (PPA) with APNRL on 25.03.2011 for the said power supply. The Commission approved the PSA/PPA through an Order dated 15.12.2011. Subsequently, the Petitioner along with PTC and WBSEDCL proposed determination of the tariff for the contracted capacity of 100 MW power by this Commission by way of amendment of the Tariff mechanism under the PPA/PSA. The Commission



vide Order dated 29.07.2022 in Case No. OA-417/22-23 inter alia approved the said changes in the tariff mechanism of the PSA.

- 1.5 The Commission determined the tariff for FY 2023-24, 2024-25 and 2025-26 by its Order dated 31.03.2025 in Case No. TP-108/24-25. Subsequently, the Commission vide Order dated 03.02.2026 in Case No. TP(R)-53/25-26, disposed of the review petition filed by APNRL.
- 1.6 The Petitioner had earlier filed an appeal on 10.12.2024 in Case No. DFR 526 of 2024 before the Hon'ble Appellate Tribunal for Electricity ("Hon'ble APTEL") challenging the Commission's determination of coal GCV, coal price, Return on Equity (ROE), trading margin and saleable capacity of Fixed Charges of the Order of the Commission. The said Appeal is still pending.
- 1.7 The Petitioner has also filed a writ petition (WPA-4701 of 2025 dated 25.02.2025) before the Hon'ble High Court at Calcutta ("The Hon'ble High Court") challenging the O&M expense norms of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended from time to time (hereinafter referred to as the 'Tariff Regulations'). The said Petition is pending before the Hon'ble High Court.
- 1.8 In accordance with Regulation 2.6 of the Tariff Regulations, APNRL has submitted applications for FCA and APR for FY 2023-24 on 02.07.2025. The Commission has admitted these applications on 11.07.2025 and 17.07.2025 in Case No. FPPCA-134/25-26 and APR-138/25-26 respectively.
- 1.9 The Commission directed APNRL to publish the gist of APR and FCA applications. Accordingly, the gist was published in different newspapers inviting stakeholder objections/suggestions as detailed in Table 1.1 below. The gist of APR and FCA petition for 2023-24 is also available on the APNRL website, and opportunities are provided for stakeholders to inspect and obtain copies of the applications.



FUEL COST ADJUSTMENT (FCA) AND ANNUAL PERFORMANCE REVIEW (APR) OF
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Table-1.1

Sl. No.	Date of Publication	Newspaper	Last date for submission of suggestions/objections
1	20.09.2025	Anandabazar Patrika	21 days from date of publication (i.e., 10.10.2025)
2	20.09.2025	Aajkaal	
3	20.09.2025	The Telegraph	
4	20.09.2025	The Indian Express	

1.10 No comments, suggestions or objections on the FCA and APR applications for the year 2023-24 of APNRL have been received from stakeholders or members of the public within the stipulated time period i.e., on or before 10.10.2025.

1.11 The Commission has sought clarifications/additional information from time to time from APNRL, as required. In reply, APNRL has submitted the required information through affidavits.



CHAPTER – 2

COMPUTATION OF THE ALLOWABLE FUEL COST

- 2.1** APNRL along with its petition for Annual Performance Review (APR) and Fuel Cost Adjustment (FCA) for FY 2023-24 has submitted audited financial statements, certificates from Vijay Tulshyan & Co., Chartered Accountants, supporting data, documents, and formats in accordance with the Tariff Regulations.
- 2.2** APNRL has claimed net Fuel Cost of ₹20815 Lakh based on the FCA formula specified in paragraph B of Schedule-7A of the Tariff Regulations.
- 2.3** As per Schedule – 9A of the Tariff Regulations, the applicable operating norms for coal-fired Thermal Generating Stations are as follows:
- a. Auxiliary Energy Consumption (AEC),
 - b. Secondary Fuel Oil consumption (SOC),
 - c. Station Heat Rate (SHR),
 - d. Transit loss,
 - e. Plant Load Factor (PLF),
 - f. Plant Availability Factor (PAF),
 - g. Man/MW ratio
- 2.4** The Petitioner, in terms of Regulation 2.5.5.4 of the Tariff Regulations submits its claim for sharing gain / loss in the instant petition based on the following operational parameters:
- a. Auxiliary Energy Consumption (AEC),
 - b. Secondary Fuel Oil Consumption (SOC),
 - c. Station Heat Rate (SHR),
 - d. Transit Loss,



- 2.5 The Petitioner submits the actual performance of APNRL in comparison to the operational norms set by the Commission as applicable for the FY 2023-24, which are summarized in the table below:

Table- 2.1: Normative Vs Actual Operating Parameters

Particulars	Units	Norms	Actuals
Plant Availability Factor (PAF)	%	85.00	87.77
Rate of Auxiliary Consumption (AEC)	%	9.00	8.56
Specific Consumption of Oil (SOC)	ml/kWh	1.00	0.13
SHR	kCal/kWh	2387.00	2408.24
Transit loss	%	0.80	0.12

- 2.6 APNRL has submitted the actual PAF for the whole plant for FY 2023-24 based on the Eastern Regional Power Committee (ERPC) monthly certificate mentioning the Declared Capacity (DC) substantiated with the audited certificate. The computation has been shown in Annexure-2E.
- 2.7 Further, the Petitioner in their additional submission, has also submitted the actual rate of AEC, SOC & SHR, achieved during FY 2023-24 duly certified by Vijay Tulshyan & Co., Chartered Accountants, which have been admitted.
- 2.8 Prior to ascertaining the admissible fuel cost and determining the gain / loss to be shared with consumers / beneficiaries and other licensees under the relevant provisions of the Tariff Regulations, it is necessary to compare APNRL's actual performance with the operational and fuel-efficiency norms prescribed in the Tariff Order for the concerned year.
- 2.9 The Petitioner submits that the gross capacity of the generating station is 540 MW (2X270MW) and normative auxiliary consumption as stated above is 9%. Hence, the net capacity of the generating station comes out to be 491.40 MW. From the 491.40 MW capacity, the Petitioner has a contracted capacity of 100



MW (net) with WBSEDCL through PTC. The remaining capacity is tied up with other utilities under long-term and medium-term contracts.

2.10 The Petitioner has submitted the total energy generated from its 540MW (2X270MW) generating station in FY 2023-24 duly certified by Vijay Tulshyan & Co., Chartered Accountants. Accordingly, the ex-bus energy considering normative AEC, as computed by the Petitioner has been shown in the table below:

Table- 2.2: Total Energy Generated considering Normative Auxiliary Consumption

Particulars	Derivative	Units	Values
Gross Energy generation of the plant as per audit certificate	A	MU	3740.29
Normative Auxiliary Consumption		%	9.00%
Normative Auxiliary Consumption	B	MU	336.63
Total Ex-bus Energy (considering Normative Auxiliary Consumption)	C = A - B	MU	3403.66

2.11 The Commission has admitted the above total gross and ex-bus energy generation of the plant considering normative AEC for FY 2023-24.

2.12 The Petitioner has also submitted the net energy sold to WBSEDCL in FY 2023-24 duly certified by Vijay Tulshyan & Co., Chartered Accountants. Accordingly, the detail of energy generation allocated for WBSEDCL (considering normative AEC) has been shown in the table below: -

Table- 2.3A: Gross generation allocated to WBSEDCL considering Normative Auxiliary Consumption

Particulars	Units	Values
Net Energy Sold to WBSEDCL as per audit certificate	MU	479.08
Normative Auxiliary Consumption	%	9.00%
Normative Auxiliary Consumption	MU	47.38
Gross Energy generation for WBSEDCL (Considering Normative AEC)	MU	526.46



2.13 APNRL has further submitted that, considering the actual AEC of 8.56% and the sent-out energy of 479.08 MU to WBSEDCL at the APNRL injection point, the actual gross generation for supply to WBSEDCL from their power plant in FY 2023-24 has been computed as follows: -

Table- 2.3B: Actual Gross Energy Generation for WBSEDCL

Particulars	Derivative	Unit	Value
Net Energy Sold to WBSEDCL as per audit certificate	A	MU	479.08
Actual Auxiliary Consumption as per audit certificate		%	8.56%
Actual Auxiliary Consumption	B	MU	44.86
Gross Energy Generation for WBSEDCL (considering actual AEC)	D = A + B	MU	523.94

2.14 Determination of Fuel Cost - Coal:

Submissions by APNRL

2.14.1 APNRL has submitted that they have no linkage coal arrangement under SHAKTI scheme for FY 2023-24 for power supply to WBSEDCL. Consequently, for the supply to WBSEDCL, APNRL procured domestic coal primarily through market and balance through e-auction from CIL subsidiaries. Detailed information on the coal received for WBSEDCL is presented in the following table: -

Table-2.4A: Coal Received for WBSEDCL

Sl. No.	Derivatives	Particulars	Unit	Values
1	A	E-Auction coal	MT	105184.36
2	B	Market coal	MT	789831.20
3	C = A + B	Total Domestic coal	MT	895015.56

2.14.2 For computing the energy charge, APNRL has applied a normative transit and handling loss of 0.8% on the entire coal quantity.



- 2.14.3 In accordance with the Tariff Regulations, APNRL has considered the Gross Calorific Value (GCV) of coal "as-received" basis, after deduction of 120 kCal/kg, to determine the Energy Charge Rate (ECR). The Petitioner confirms that coal measurement at the unloading point is conducted through NABL accredited third-party sampling. APNRL submits sample third party inspection report in their petition as a documentary evidence.
- 2.14.4 APNRL has claimed the weighted-average price of domestic coal as ₹4763.33/MT, and the GCV as 3065.92 kCal/kg as received basis for FY 2023-24. Detailed computations in the prescribed forms, as well as a Certificate from Vijay Tulshyan & Co., Chartered Accountants dated 23.06.2025, for coal price and GCV are attached with the petition.
- 2.14.5 APNRL has submitted additional information / clarification by its reply APNRL/PT/WBERC-FY-25-26/82 dated 16.02.2026 in response to Commission's letter dated 03.02.2026 in support of purchase of around 88% domestic coal from market source at a premium price. As per the submission of the Petitioner, they have no other alternative but to prudently explore coal procurement from the market due to not having any FSA for linkage coal and steep escalation of e-auction coal price.
- 2.14.6 The Petitioner has submitted that the transport price is much lower for market coal in comparison to e-auction coal, since the distance of available market coal mines are nearer to the plant. APNRL analyses and claims that the ratio of the landed Cost and GCV (COST/GCV) for market coal is lower than e-auction coal for FY 2023-24, which reduces the fuel cost and corresponding Energy Charge Rate (ECR) of the beneficiaries.
- 2.14.7 Further, in response to the Commission's letter dated 03.02.2026 and 24.03.2026 regarding transparent bidding process for transport cost of coal for both e-auction and market coal, APNRL submits that there are various



practical and local constraints regarding transportation of coal from both e-auction as well as market sources such as: 1) transportation rates are governed by benchmark rates fixed by local committees and 2) transporters are unwilling to operate below prevailing rates.

2.14.8 APNRL submits that they maintained records of transportation details including source location, distance, rate per MT and total transportation cost. Accordingly, they have submitted details indicating the offered transportation rates, finalized rates and distance of coal transportation with sample as documentary evidence in support of their claim in their additional information / submission through Affidavit. The Petitioner also submits that, inspite of various local constraints, selection of transporters has been undertaken transparently, through competitive bidding and prudent process involving invitation of offers, competitive evaluation of rates and award of work Order to lowest eligible transporter among the available participants / bidders.

2.14.9 The Petitioner further mentions that in terms of Schedule of Rate, 2021-22 (SOR 2021), the Govt. of Jharkhand has notified the road transportation charges (cost of haulage). The Petitioner has compared the road transportation cost of coal with the aforesaid notified cost of haulage and claims that the road transportation cost of coal paid by the Petitioner during FY 2023-24 is well within the haulage cost, as notified by the Govt. of Jharkhand. The detailed comparison of road transportation cost vis-à-vis Govt. notified haulage charges is provided in the table below: -

Table-2.4B: Road Transportation cost with Govt. Notified Cost of Haulage

Sl. No.	Particulars	Unit	Values
1	Cost of Haulage (Surfaced Road)	₹/MT/km	8.1
2	Distance for e-auction coal (Approximately)	Km	170-400
3	Cost of Haulage (e-auction coal)	₹/MT	1377-3240
4	Weighted Avg. Cost of road transportation of e-auction coal as claimed	₹/MT	1720.39



Commission's Observations

- 2.14.10 From the submission of the Petitioner, the Commission notes that for supply to WBSEDCL, APNRL does not have any FSA with CIL under SHAKTI scheme during FY 2023-24. Hence, for procurement of coal for power supply to WBSEDCL, APNRL depends entirely on e-auction coal and other market sources. As per the Ministry of Power (MoP) directive dated 26.05.2022, blending imported coal for electricity generation was mandated, but APNRL has not mentioned any reason for not purchasing such imported coal for FY 2023-24.
- 2.14.11 The Commission has observed that the Petitioner has submitted the detailed information in Forms D(c) to D(e) along with their submissions, indicating that e-auction coal has been procured from 3 sources – 1) Central Coalfields, 2) Mahanadi Coalfields and 3) South Eastern Coalfields carrying out competitive bidding process transparently (as per sample documents submitted by APNRL through their additional submission). However, the market coal has been sourced from 14 different entities with variable prices and GCVs. The details are shown in Annexure-2C and 2D.
- 2.14.12 Based on the above submissions, the Commission has determined the GCV and coal price prudently as per the principles described herein.
- (i) The Commission finds it prudent to determine the heat value of e-auction coal as the minimum GCV value of the corresponding grade of the coal supplied by CIL as per relevant Notification. This approach is adopted because the as-received GCV for all e-auction coal grades is observed far below the prescribed minimum, given that such coal is procured at a premium price, thereby precluding the acceptance of lower quality coal. However, if the 'as received GCV' so computed is less compared to the GCV claimed by the Petitioner, the higher GCV value will be considered.



- (ii) For open-market coal, the Commission observes that APNRL has considered the 'as-received GCV' certified by Vijay Tulshyan & Co., Chartered Accountants. For computation of Heat Value of coal for market coal, the Commission finds it prudent to determine the heat value of market coal as the minimum GCV value of the corresponding grade of the coal supplied by CIL as per relevant Notification. However, if the 'as received GCV' so computed is less compared to the GCV claimed by the Petitioner, the higher GCV value will be considered.
- (iii) With respect to the price of e-auction and market coal, the Commission has taken note of the submissions made by APNRL. However, the Commission observes that APNRL procured around 88% of its coal from the market, which is beneficial to consumers only if the price for a given GCV is lower than that from the e-auction for a comparable grade.
- (iv) The Commission notes that APNRL has purchased coal from open-market from various sources with weighted average GCV of 3016.80 kCal/kg at an average price of ₹4020.20/MT. The aforesaid GCV of market coal corresponds to G-15 grade of CIL coal. The Commission after prudence check, has observed that the price of market coal purchased by APNRL is very high considering the trend of different grades of e-auction coal price for the FY 2023-24. Since the price of G-15 grade of e-auction coal is not available during the year, accordingly, the Commission has determined the price of market coal considering the prorated price of G-15 grade of e-auction coal with respect to the lowest grade of e-auction coal (G-13 grade) available for the FY 2023-24 in ratio of the base prices of CIL coal for the grades G-15 and G-13. The base prices of G-15 and G-13 are considered as per CIL Notification, vide no. ECL/HQ/M&S/Price/315 dated 31/05/2023. The Commission has observed from the submission of the Petitioner that the price of G-13 grade e-auction is ₹2897.10/MT.



Accordingly, the price of G-15 grade market coal is determined and shown in the following table: -

Table-2.5: Computation of Coal price of Market coal (G-15 grade)

Particulars	Derivative	Unit	Value
G-13 Grade coal Basic price as per CIL Notification	A	₹/MT	1003.00
G-15 Grade coal Basic price as per CIL Notification	B	₹ /MT	728.00
G-13 Grade coal price for e-auction coal purchased for FY 2023-24	C	₹/MT	2897.10
G-15 Grade coal price for market coal, as derived	$D = C \times B/A$	₹/MT	2102.78

(v) In view of the above, the Commission finds it prudent to limit the allowable price for market coal purchase to ₹2102.78/MT. The total allowable cost for market coal is shown in the following table, whereas the computation of claimed and admitted GCV and coal price is shown in Annexure-2A and 2D.

Table-2.6: Allowed Price of Market coal for West Bengal

Total Quantity of coal Received (MT)	Admitted coal Price (₹/MT)	Cost of coal (₹ Lakh)
789831.20	2102.78	16608.41

2.14.13 The Petitioner has claimed a total transportation cost of ₹6339.13 Lakh for e-auction and market coal, supported by a certificate issued by Vijay Tulshyan & Co., Chartered Accountants submitted along with the petition. As per the additional submissions of the Petitioner dated 17.02.2026 and 31.03.2026 and the sample documents submitted by APNRL it transpires that inspite of various local issues / constraints, selection of transporters have been undertaken transparently by APNRL through competitive bidding process for both e-auction as well as market coal in terms of the existing Tariff Regulations. In



this context, APNRL has submitted sample documents confirming that competitive bidding was carried out for road transportation of coal transparently for both e-auction as well as market coal.

2.14.14 As per submission of the Petitioner, the Commission has computed the weighted average road transportation cost of coal for e-auction coal and market coal. The Commission observes that the average distance of various collieries for e-auction coal is much higher in comparison to the distance of collieries for market coal from the power plant. Accordingly, the road transport cost of market coal is much lower with respect to that of e-auction coal. Hence the Commission allows the total transportation cost claimed by the Petitioner.

2.14.15 Since the Petitioner has not claimed the handling, sampling, and other related charges, thus the Commission does not consider any handling sampling cost and the other related cost in determining the fuel cost in the instant Order.

2.14.16 Accordingly, the claimed and admitted weighted-average of GCV and the prices of e-auction and market coal are shown in the tables below. The detailed computation of the above, has been shown in Annexure-2A and 2B of this Order.

Table-2.7A: E-Auction coal

Particulars	Unit	Value
Total Coal quantity Received	MT	105184.36
Total Charge claimed by Coal company	₹/MT	4316.81
Total Handling, Sampling and other such charges	₹/MT	0.00
Total Transportation Charge	₹/MT	2018.93
Total Cost claimed	₹/MT	6335.74
GCV as received (Claimed)	kCal/kg	3434.76



Particulars	Unit	Value
GCV as received (Admitted)	kCal/kg	3883.55

Table-2.7B: Market coal

Particulars	Unit	Amount
Total Coal Quantity Received	MT	789831.20
Total Charge claimed by Coal company	₹/MT	4020.20
Total Handling, Sampling and other such charges	₹/MT	0.00
Total Transportation Charge	₹/MT	533.72
Total Cost claimed	₹/MT	4553.92
GCV as received (Claimed)	kCal/kg	3016.80
GCV as received (Admitted)	kCal/kg	3016.80

Table-2.7C: Combined (E-Auction + Market coal)

Particulars	Unit	Value
Combined (e-auction + market) GCV (Claimed)	kCal/kg	3065.92
Combined (e-auction + market) GCV (Admitted)	kCal/kg	3118.66
Weighted Average price of coal (Claimed)	₹/MT	4763.33
Weighted Average price of coal (Admitted)	₹/MT	3071.25

2.15 Determination of the Fuel Cost – Oil

Submissions by APNRL

APNRL submits the weighted average calorific value of oil and the average cost of oil for 2023-24 certified by Vijay Tulshyan & Co., Chartered Accountants which is as given below:



Table-2.8: GCV & Average Cost of Oil

Particulars	Unit	Admitted
Weighted average calorific value of oil	kCal/L	9486.31
Average cost of oil	₹ per kL	82981.15

Observation of the Commission

The Commission admits the above stated weighted average calorific value of oil and the average cost of oil for the said period.

2.16 Fuel Cost

Based on the submission of the Petitioner, considering the normative parameters, the Commission admits the fuel cost considering entire generation as well as for sale to WBSEDCL in the following tables: -

Table-2.9A: Fuel Cost of APNRL considering entire Generation

Sl. No.	Particulars	Legend	Unit	Admitted
1	Gross Generation (TOTAL)	A	MU	3740.29
2	Normative Auxiliary Consumption	B	%	9.00%
3	Auxiliary Consumption	C	MU	336.63
4	Total Sent-out Energy	D	MU	3403.66
5	Normative Heat Rate	E	kCal/kWh	2387.00
6	Normative Oil Consumption	F	ml/kWh	1.00
7	Oil Consumption	$G=A \times F$	kL	3740.29
8	Heat Value of Oil	H	kCal/L	9486.31
9	Heat Value of coal (after deduction of 120 kCal/kg in terms of Tariff Regulations).	I	kCal/kg	2998.66
10	Overall Heat	$J=A \times E$	GCal	8928072.23
11	Heat from Oil	$K=G \times H / 10^3$	GCal	35481.55



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Sl. No.	Particulars	Legend	Unit	Admitted
12	Heat from coal	$L=J-K$	GCal	8892590.68
13	Coal Consumption (excluding transit loss)	$M=L / I \times 10^3$	Tonne	2965521.49
14	Transit Loss	$N = O-M$	Tonne	23915.50
15	Coal Consumption	$O=L / [I \times (1-0.8\%)] \times 10^3$	Tonne	2989436.99
16	Cost of Oil per kL	P	₹/kL	82981.15
17	Cost of coal per Tonne	Q	₹/Tonne	3071.25
18	Cost of Oil	$R=G \times P/10^5$	₹ Lakh	3103.74
19	Cost of coal	$S=OXQ/10^5$	₹ Lakh	91813.08
20	Total Cost of Fuel	$T=R+S$	₹ Lakh	94916.82
21	Coal Cost / kWh	$U = S/D/10$	₹/kWh	2.697
22	Oil Cost /kWh	$V= R/D/10$	₹/kWh	0.092
23	Total Energy Charge Rate	$W = U+V$	₹/kWh	2.789

Table-2.9B: Fuel Cost for sale to WBSEDCL

Sl. No.	Particulars	Legend	Unit	Admitted
1	Gross Generation for West Bengal	A	MU	526.46
2	Normative Auxiliary Consumption	B	%	9.00%
3	Auxiliary Consumption	C	MU	47.38
4	Sent-out Energy for West Bengal	D	MU	479.08
5	Normative Heat Rate	E	kCal/kWh	2387.00
6	Normative Oil Consumption	F	ml/kWh	1.00
7	Heat Value of Oil	G	kCal/L	9486.31
8	Heat Value of coal	H	kCal/kg	2998.66
9	Overall Heat	$I=A \times E$	GCal	1256660.02
10	Heat from Oil	$J=A \times F \times G/10^3$	GCal	4994.16
11	Heat from coal	$K=I-J$	GCal	1251665.86
12	Oil Consumption	$L=(J/G) \times 10^3$	kL	526.46
13	Coal Consumption (excluding transit loss)	—	Tonne	417408.40
14	Transit Loss	—	Tonne	3366.19
15	Coal Consumption	$M=K/H/(1-0.8\%) \times 10^3$	Tonne	420774.59
16	Cost of Oil per kL	N	₹/kL	82981.15
17	Cost of Coal per Tonne	O	₹/Tonne	3071.25
18	Cost of Oil	$P=L \times N/10^5$	₹ Lakh	436.86
19	Cost of coal	$Q=M \times O/10^5$	₹ Lakh	12923.04



Sl. No.	Particulars	Legend	Unit	Admitted
20	Total Cost of Fuel	$R=P+Q$	₹ Lakh	13359.90
21	Coal Cost / kWh	$S = Q/D/10$	₹/kWh	2.697
22	Oil Cost / kWh	$T= P/D/10$	₹/kWh	0.092
23	Total Energy Charge Rate considering sent out energy	$U = S+T$	₹/kWh	2.789

2.17 Gains on Account of Better Performance Over Operating Norms:

a. AEC:

APNRL's improved auxiliary consumption results in a gain and 1/3 of such gain has to be passed on to WBSEDCL in terms of Tariff Regulations, which is shown in the table below: -

Table-2.10: Gain due to Improved AEC

Sl. No.	Particulars	Derivative	Unit	Admitted
1	Normative Auxiliary Consumption @9.00% (as per Table-2.3A)	A	MU	47.38
2	Actual Auxiliary Consumption @8.56% (as per Table-2.3B)	B	MU	44.86
3	Savings in Auxiliary Consumption	$C = A - B$	MU	2.52
4	Cost of Generation (from Table-2.9A: T/A/10)	D	₹/kWh	2.538
5	Gain	$E = C \times D \times 10$	₹ Lakh	63.99
6	Gain sharing with WBSEDCL in terms of Tariff Regulations		%	1/3 of gain
7	Gain amount to be shared with WBSEDCL	$F = 1/3 \times E$	₹ Lakh	21.33

b. SOC

APNRL's improved oil consumption also leads to gain and 1/3 of such gain is to be passed on to WBSEDCL in terms of Tariff Regulations which is shown below: -



Table-2.11A: Actual Specific Oil consumption vis-à-vis its Normative Value

Actual Gross Generation for WBSEDCL (MU)	Actual Oil Consumption for WBSEDCL (kL)	Specific Oil Consumption (ml/kwh)	Normative Oil Consumption (ml/kwh)
526.46	$68.44 = [0.13 \times 526.46]$	0.13	1.00

Table-2.11B: Gain Due to Improved Oil Consumption for WBSEDCL

Sl. No.	Particulars	Derivative	Unit	Admitted
1	Total Gross Energy Generation for WBSEDCL	A	MU	526.46
2	Normative Oil Consumption	B	mL/kWh	1.00
3	Normative Oil Consumption in kL	C	kL	526.46
4	Actual Oil Consumption in kL	D	kL	68.44
5	Saving in Oil Consumption in kL	$E = C - D$	kL	458.02
6	Average Rate of Oil	F	₹/kL	82981.15
7	Savings in Amount	$G = EXF/10^5$	₹ Lakh	380.07
8	Gain sharing with WBSEDCL in terms of Tariff Regulations		%	1/3 of gain
9	Gain amount to be shared with WBSEDCL	$H = 1/3 \times G$	₹ Lakh	126.69

c. SHR:

Submission of APNRL:

APNRL has computed the degradation in SHR in accordance with the Indian Electricity Grid Code (IEGC), 2010, for all relevant categories. The Petitioner has claimed that the actual SHR during FY 2023–24 is lower than the SHR adjusted as per the degradation mechanism outlined in the IEGC, 2010 and its amendment thereof. As per the provisions of the IEGC, for the purpose of compensation, the lower of the actual SHR and the adjusted SHR (considering degradation) is to be considered.

The Petitioner, further submits that the SHR of the Petitioner for FY 2023–24 was 2408.24 kCal/kWh. The primary reason for this is stated the lower off-take of power by the West Bengal DISCOM, i.e., only 54.54% of the contracted capacity. The scheduling of power is entirely under control of



DISCOM, and it is not in control of the Petitioner. Accordingly, the Petitioner submits to allow full compensation on account of degradation of SHR, as per the provisions of the IEGC Regulations, 2023, which is ₹185 lakh.

Observation of the Commission

The Commission has observed that actual SHR for FY 2023-24 is 2408.24 kCal/kWh compared to the normative SHR of 2387.00 kCal/kWh. The actual SHR is higher than the normative SHR, which leads to loss due to SHR degradation. In terms of Tariff Regulations, 1/3 of such loss due to SHR degradation shall be passed on to WBSEDCL which is shown in the following table:

Table-2.12A: Actual SHR achieved vis-à-vis its Normative Value

Sl.no	Parameters	Unit	Value
1	Gross Generation (Actual) as per audit certificate	MU	3740.29
2	Consumption of Oil (Actual) as per audit certificate	kL	501.54
3	Consumption of coal (Actual) as per audit certificate	MT	2704020.88
4	GCV of Oil (Actual) as per audit certificate	kCal/ L	9486.31
5	# Heat Value of coal (Actual) as per audit certificate	kCal/ kg	3329.40
6	Heat from Oil (2*4/1000)	GCal	4757.76
7	Heat from coal (3*5/1000)	GCal	9002767.12
8	Total Heat Used (6+7)	GCal	9007524.88
9	Station Heat Rate Achieved (8/1)	kCal/ kWh	2408.24
10	Normative Station Heat Rate (as per MYT Order)	kCal/ kWh	2387.00

Considering actual as received Heat Value of coal less 120 kCal/ kg. as per audit certificate provided by the Petitioner

Table-2.12B: Loss due to Higher Actual SHR than Normative SHR

Sl. No.	Particulars	Derivative	Unit	Admitted
1	Normative SHR	A	kCal/kWh	2387.00



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Sl. No.	Particulars	Derivative	Unit	Admitted
2	Actual SHR (as per Table- 2.12A)	B	kCal/kWh	2408.24
3	Loss due to SHR degradation	$C = B - A$	kCal/kWh	21.24
4	Cost of coal considering Normative SHR (Refer to Annexure: 2F)	D	₹ Lakh	20042.87
5	Cost of coal considering Actual SHR (Refer to Annexure: 2F)	E	₹ Lakh	20221.95
6	Loss due to SHR degradation	$F = E - D$	₹ Lakh	179.08
7	Loss amount to be shared with WBSEDCL as per Tariff Regulations.	$G = 1/3 \text{ of } F$	₹ Lakh	59.69

d. Transit Loss

APNRL claims the overall Transit loss of 0.12% during coal procurement from both e-auction and market coal in comparison to the Normative Transit Loss of 0.8%, which leads to gain in Transit Loss.

In terms of Tariff Regulations, 1/3 of such gain has to be passed on to WBSEDCL. The details of the computation are shown below:

Table2.13A: Actual Transit Loss achieved and its Normative Value

Description	Unit	E-Auction	Open Market	Total
Bill Quantity	MT	105367.55	790698.13	896065.68
Received Quantity	MT	105184.36	789831.2	895015.56
Actual Transit loss	%	0.17%	0.11%	0.12%
Normative Transit Loss				0.80%



Table-2.13B: Gain Due to Improved Transit Loss

SL No	Particulars	Derivative	Unit	Values
1	Cost of coal considering Normative transit loss (refer to Annexure-2F)	A	₹ Lakh	20042.87
2	Cost of coal considering Actual transit loss (Refer to Annexure-2F)	B	₹ Lakh	19906.42
3	Total Gain	C = A - B	₹ Lakh	136.45
4	Gain amount to be shared with WBSEDCL as per Tariff Regulations.	D = 1/3 of C	₹ Lakh	45.48

2.18 Net Gain / Loss passed on to WBSEDCL

Total net gain/loss which is required to be passed on to WBSEDCL in terms of Tariff Regulations, 2023 (4th amendment) considering the parameters are 1) auxiliary consumption, 2) specific oil consumption, 3) station heat rate (SHR) and 4) transit loss are shown in the table below: -

Table-2.14: Net Gain / Loss to be shared with WBSEDCL

SI No	Particulars	Derivative	Unit	Claimed	Admitted
1	Gain on account of Aux share with WBSEDCL (Table: 2.10)	A	₹ Lakh	33	21.33
2	Gain on account of Oil Consumption share with WBSEDCL (Table: 2.11B)	B	₹ Lakh	127	126.69
3	Loss on account of SHR passed on to WBSEDCL (Table: 2.12B)	C	₹ Lakh	(-)185	(-)59.69
4	Gain on account of transit loss share with WBSEDCL (Table: 2.13B)	D	₹ Lakh	46	45.48
5	Total Net Gain shared with WBSEDCL or passed on to WBSEDCL	E = A+B+C+D	₹ Lakh	21	133.81

Table-2.15: Fuel Cost Computation considering Net Gain /Loss for WBSEDCL

Sl. No.	Particulars	Derivation	Units	Amount Claimed	Amount Adjusted
1	Admissible Fuel Cost for WBSEDCL (as per Table: 2.9B)	A	₹ Lakh	20836	13359.90
2	Less: Total Net Gain to be shared with WBSEDCL or passed on to WBSEDCL (as per Table: 2.14)	B	₹ Lakh	21	133.81
3	Total Net Admissible Fuel Cost	C = A - B	₹ Lakh	20815	13226.09



Cost Disallowable (Cd)

The factor C_d , as referenced in the FPPCA formula under Paragraph B of Schedule 7A of the Tariff Regulations stands for cost as to be found disallowable by the Commission as having been incurred in breach of economic generation or of Order/direction of the Commission if any, or for any other reason considered sufficient by the Commission during the adjustment period and adjusted corresponding to actual level of sales. As the unit rates of energy charges from the generating stations have been worked out based on normative parameters, no further disallowance is required on this account.

2.20 Prior Period Adjustments

Factor $\pm A$ in the FPPCA formula relates to adjustments for any past-period excess or shortfall in fuel and power purchase cost recovery. APNRL has not submitted any details or supporting documents for prior-period expenses; hence, this factor is considered nil.

2.21 Computation of the Aggregate Allowable Amount of Fuel Cost

Based on the admitted values for coal and oil, as well as other normative parameters, the aggregate amount of fuel cost that can be allowed, commensurate with the actual quantum of sale to consumers and to the licensee, is ₹13226.09 Lakh.

2.22 Amount Already Recovered

APNRL has already recovered total of ₹20792.01 lakh from WBSEDCL, supported by the Certificate issued by Vijay Tulshyan & Co., Chartered Accountants submitted by the Petitioner to the Commission.

2.23 FCA

Thus, the net adjustment for FCA along with ARR has been described and computed in subsequent chapter. However, the table as shown below reflects only



the net admissible fuel cost component as per the FCA formula set forth in Paragraph B of Schedule 7A of the Tariff Regulations.

Table-2.16: Net Fuel Cost Admissible

Sl. No.	Particulars	Derivation	Units	Amount Claimed	Amount Adjusted
1	Total Net Admissible Fuel Cost (as per Table- 2.15)	FC	₹ Lakh	20815	13226.09
2	Power Purchase Cost for Pumping Energy of PSP	PPC	₹ Lakh	Not Applicable	
3	Less: Cost Disallowed	Cd	₹ Lakh	0	0
4	Adjustment, if any	A	₹ Lakh	0	0
5	Net Fuel Cost	FC+ PPC- Cd± A	₹ Lakh	20815	13226.09

Based on the average prices of coal and oil, along with the admissible heat values and normative parameters, the allowable fuel cost, as computed and admitted for WBSEDCL is ₹13226.09 Lakh against the Petitioner's claim of ₹20815Lakh.



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Annexure 2A

The GCV and Coal Price Claimed vs. Admitted

SI No.	Particulars	Unit	E-Auction Coal		Imported Coal		Open Market Coal		Total	
			Claimed	Admitted	Claimed	Admitted	Claimed	Admitted	Claimed	Admitted
A	Opening Stock				Not Applicable					
1	Quantity of Opening Stock	MT	0.00	0.00			0.00	0.00	0.00	0.00
2	Value of the Opening Stock	₹ Lakh	0.00	0.00			0.00	0.00	0.00	0.00
B	Coal Purchased during the Year									
3	Quantity Received & consumed in 23-24	MT	105184.36	105184.36			789831.20	789831.20	895015.56	895015.56
4	Coal Cost received during the Year	₹ Lakh	4540.61	4540.61			31752.79	16608.42	36293.40	21149.02
5	Handling Cost	₹ Lakh	0.00	0.00			0.00	0.00	0.00	0.00
6	Transportation Cost	₹ Lakh	2123.60	2123.60			4215.52	4215.52	6339.13	6339.13
7	Total Cost	₹ Lakh	6664.21	6664.21			35968.31	20823.94	42632.52	27488.15
8	Total Cost per MT	₹/MT	6335.74	6335.74			4553.92	2636.51	10889.67	8972.25
9	GCV as received	Kcal/Kg	3434.76	3883.55			3016.80	3016.80	3065.92	3118.66
10	GCV as received Less 120	Kcal/Kg	3314.76	3763.55			2896.80	2896.80	2945.92	2998.66



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Annexure 2B

Weighted Average of GCV Claimed vs. Admitted for E-Auction Coal

Sl. No.	Particulars	Unit	G7	G8	G9	G10	G11	G12	G13
1	Grade of the coal Received	–	G7	G8	G9	G10	G11	G12	G13
2	GCV as Received / Available	kCal/kg	3293.08	4745.97	3292.17	3366.97	3396.90	3137.35	3258.17
3	Quantity of the Coal Received / Stock	MT	962.33	12169.40	5453.35	11944.68	11509.24	21900.65	41244.71
4	Minimum value of GCV of the Grade as considered	kCal/kg	5201.00	4901.00	4601.00	4301.00	4001.00	3701.00	3401.00
5	Rate of coal cost (₹/MT)	₹/MT	3351.83	6562.51	5940.49	4758.54	5729.78	4397.26	2897.10
6	Weighted GCV Average (Claimed)	kCal/kg	3434.76						
7	Weighted GCV Average (Admitted)	kCal/kg	3883.55						



FUEL COST ADJUSTMENT (FCA) AND ANNUAL PERFORMANCE REVIEW (APR) OF
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Annexure 2C

Weighted Average of GCV & Price Claimed vs. Admitted for E-Auction coal in detail

Sl. No	Particulars	Unit	G7	G8	G9	G10	G11	G12	G13	Total Value / Weighted average of E-Auction coal
	Coal Quantity Billed	MT	962.33	12208.99	5465.88	11944.68	11557.23	21912.15	41316.29	105367.55
	Source-1 : Central Coalfields									
1	Qty Received	MT	962.33	4396.81	5453.35		11509.24	9903.50		32225.23
2	Rate Charged by coal company	₹/MT	3351.83	8256.54	5940.49		5729.78	5561.09		5987.34
3	Handling, Sampling and other such charges	₹/MT	0.00	0.00	0.00		0.00	0.00		0.00
4	Transportation cost	₹/MT	1044.75	1470.00	1564.12		1546.35	1575.00		1532.77
4a	BY Rail	₹/MT	0.00	0.00	8.69		0.00	0.00		1.47
4b	BY Road	₹/MT	1044.75	1470.00	1555.43		1546.35	1575.00		1531.30
5	Demurrage charges	₹/MT	0.00	0.00	0.00		0.00	0.00		0.00
6	GCV as received	kCal/kg	3293.08	4772.46	3292.17		3396.90	3332.08		3543.84
7	Minimum GCV of the Grade (as considered)	kCal/kg	5201.00	4901.00	4601.00		4001.00	3701.00		4168.97
	Source-2 : Mahanadi Coalfields									
1	Qty Received	MT				11944.68		11997.15	41244.71	65186.54
2	Rate Charged by coal company	₹/MT				4758.54		3436.54	2897.10	2897.00
3	Handling, Sampling and other such charges	₹/MT				0.00		0.00	0.00	0.00



FUEL COST ADJUSTMENT (FCA) AND ANNUAL PERFORMANCE REVIEW (APR) OF
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4	Transportation cost	₹/MT				2407.10		2125.44	2222.30	2238.34
4a	BY Rail	₹/MT				886.82		911.09	239.13	481.48
4b	BY Road	₹/MT				1520.28		1214.35	1983.17	1756.86
5	Demurrage charges	₹/MT				0.00		0.00	0.00	
6	GCV as received	kCal/kg				3366.97		2976.61	3258.17	3226.29
7	Minimum value of GCV of the Grade	kCal/kg				4301.00		3701.00	3401.00	3621.13
	Source-3: South Eastern Coalfields									
1	Qty Received	MT		7772.59						7772.59
2	Amount Charged by coal company	₹/MT		5604.23						5604.23
3	Handling, Sampling and other such charges	₹/MT		0.00						0.00
4	Transportation cost	₹/MT		2194.50						2194.50
4a	BY Rail	₹/MT		0.00						0.00
4b	BY Road	₹/MT		2194.50						2194.50
5	Demurrage charges	₹/MT		0.00						
6	GCV as received	kCal/kg		4730.99						4730.99
7	Minimum GCV of the Grade	kCal/kg		4901.00						4901.00
1	Weighted GCV Average as received (Claimed)	kCal/kg	3293.08	4745.97	3292.17	3366.97	3396.90	3137.35	3258.17	3434.76
2	Weighted GCV Average (Admitted)	kCal/kg								3883.55
3	Average Cost for each	₹/MT	3351.83	6562.51	5940.49	4758.54	5729.78	4397.26	2897.10	



FUEL COST ADJUSTMENT (FCA) AND ANNUAL PERFORMANCE REVIEW (APR) OF
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	category of coal									
4	Coal Quantity	MT	962.33	12169.40	5453.35	11944.68	11509.24	21900.65	41244.71	105184.36
5	Coal Cost	₹	3225562.45	79861849.96	32395551.41	56839256.68	65945456.90	96302936.77	119490068.09	454060682.26
6	Transportation Cost	₹	1005394.27	23520259.46	8529693.05	28752089.25	17797350.06	41097258.69	91658206.52	212360251.30
7	Total Cost	₹	4230956.72	103382109.41	40925244.46	85591345.93	83742806.96	137400195.46	211148274.62	666420933.56
8	Total Cost /MT	₹/MT	4396.58	8495.25	7504.61	7165.65	7276.14	6273.80	5119.40	6335.74



FUEL COST ADJUSTMENT (FCA) AND ANNUAL PERFORMANCE REVIEW (APR) OF
ADHUNIK POWER & NATURAL RESOURCES LTD. FOR THE FINANCIAL YEAR 2023-24

Annexure 2D

Weighted Average of GCV and Cost for Market Coal in detail

Sl. No	Particulars	Unit	Vasudeva Fuels	Tata Rejects	Tata Trailings	Shyam Shakti	Nilachal Iron & Power Limited	OMAX Minerals Pvt. Ltd.	Shiv Shankar sponge Iron	Sendoz Ipex Ltd.	Rankine Engineering LLP	Akshat Fuels Pvt. Ltd.	Rahul Carbon Commercial & Pvt. Ltd.	OCL Iron Steel Ltd.	Ekagra Steels Pvt. Ltd.	Tirupati Minerals Pvt. Ltd.	Total Value / Weighted Average
1	Qty Received	MT	20971.60	449569.08	59897.15	1056.10	9939.63	42436.08	50557.72	3846.56	40169.72	39343.70	34589.45	5568.56	24989.88	6895.97	789831.20
2	Rate Charged by coal company	₹/MT	5998.73	2206.03	4801.71	6272.23	4566.82	5584.66	6797.59	5441.10	7734.3	7793.97	7407.11	6719.35	6636.44	5757.01	4020.20
3	Handling, Sampling and other charges	₹/MT	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4a	BY Rail	₹/MT	0.00	0.00	54.25	0.00	0.00	0.00	0.00	0.00	0.00	12.53	0.00	0.00	0.00	0.00	4.74
4b	BY Road	₹/MT	0.00	840.00	577.59	0.00	0.24	0.00	0.00	0.00	0.00	110.45	0.00	220.50	0.00	0.00	528.99
4	Transportation cost (4a+4b)	₹/MT	0.00	840.00	631.84	0.00	0.24	0.00	0.00	0.00	0.00	122.98	0.00	220.50	0.00	0.00	533.72
5	Total coal Cost	₹/MT	5998.73	3046.03	5433.55	6272.23	4567.06	5584.66	6797.59	5441.10	7734.30	7916.95	7407.11	6939.85	6636.44	5757.01	4553.92
6	GCV as received	kCal/kg	4043.25	2293.24	4153.39	3411.33	3319.48	3532.01	4026.35	4159.59	3965.3	4066.73	4038.70	4228.54	4147.78	3769.71	3016.80
7	Grade of received coal as per GCV		G-11	G-17	G-11	G-13	G-14	G-13	G-11	G-11	G-12	G-11	G-11	G-11	G-11	G-12	G-15
8	Minimum GCV of CIL coal as per the Grade	kCal/kg	4001.00	2201.00	4001.00	3401.00	3101.00	3401.00	4001.00	4001.00	3701.00	4001.00	4001.00	4001.00	4001.00	3701.00	2914.20



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Annexure 2E

Computation of the Plant Availability Factor (for whole plant) for FY 2023-24

Month	Total DC (MU)	Gross installed Capacity (MW)	Auxiliary Consumption (MW)@9%	Net Capacity (MW)	No. of Days	Hours in a day	Maximum Power from net installed capacity (MU)	Total Plant Availability Factor (%)
April'23	177.12	540.00	48.60	491.40	30.00	24.00	353.81	50.06%
May'23	183.02	540.00	48.60	491.40	31.00	24.00	365.60	50.06%
June'23	260.07	540.00	48.60	491.40	30.00	24.00	353.81	73.51%
July'23	357.03	540.00	48.60	491.40	31.00	24.00	365.60	97.66%
August'23	359.18	540.00	48.60	491.40	31.00	24.00	365.60	98.24%
September'23	352.73	540.00	48.60	491.40	30.00	24.00	353.81	99.70%
October'23	365.68	540.00	48.60	491.40	31.00	24.00	365.60	100.02%
November'23	353.88	540.00	48.60	491.40	30.00	24.00	353.81	100.02%
December'23	329.50	540.00	48.60	491.40	31.00	24.00	365.60	90.12%
January'24	343.23	540.00	48.60	491.40	31.00	24.00	365.60	93.88%
February'24	342.43	540.00	48.60	491.40	29.00	24.00	342.01	100.12%
March'24	364.90	540.00	48.60	491.40	31.00	24.00	365.60	99.81%
Total	3788.77	540.00	48.60	491.40	366.00	24.00	4316.46	87.77%



Annexure 2F

**Computation of Total Coal Cost considering Actual SHR and Transit Loss
with respect to their Normative Values**

SI No	Particulars	Derivative	Unit	Normative SHR with Normative Transit Loss	Actual SHR with Normative Transit Loss	Actual Transit Loss with Normative SHR
1	Sent out Energy (at APNRL injection point)	A	MU	479.08	479.08	479.08
2	Normative Auxiliary Consumption	B	%	9.00%	9.00%	9.00%
3	Auxiliary Consumption	C	MU	47.38	47.38	47.38
4	Gross Generation	D	MU	526.46	526.46	526.46
5	SHR	E	kCal/kWh	2387.00	2408.24	2387.00
6	Normative Oil Consumption	F	ml/kWh	1.00	1.00	1.00
7	Heat Value of Oil	G	kCal/L	9486.31	9486.31	9486.31
8	Heat Value of coal	H	kCal/kg	2998.66	2998.66	2998.66
9	Overall Heat	$I = D * E$	GCal	1256660.02	1267843.28	1256660.02
10	Heat from Oil	$J = D * F * G / 10^3$	GCal	4994.16	4994.16	4994.16
11	Heat from coal	$K = I - J$	GCal	1251665.86	1262849.12	1251665.86
12	Oil Consumption	$L = (J / G) * 10^3$	kL	526.46	526.46	526.46
13	Coal Consumption excluding transit loss	$L1 = K / H * 10^3$	Tonne	417408.39	421137.81	417408.39
14	Transit Loss	$L2 = M - L1$	Tonne	3366.20	3396.27	501.49
15	Coal Consumption	$M = L1 / (1 - \text{Transit loss}\%)$	Tonne	420774.59	424534.08	417909.88
16	Cost of Oil per kL	N	₹/KL	82981.15	82981.15	82981.15
17	Cost of Coal per Tonne	O	₹/Tonne	4763.33	4763.33	4763.33
18	Cost of Oil	$P = L * N / 10^5$	₹ Lakh	436.86	436.86	436.86
19	Cost of Coal	$Q = M * O / 10^5$	₹ Lakh	20042.87	20221.95	19906.42



CHAPTER 3

DETERMINATION OF FIXED COST

3.1 This Chapter deals with the analysis of the components of ARR, other than fuel cost. The Petitioner submits the following components of ARR in the subsequent paragraphs other than fuel cost, which has been dealt with in Chapter-2.

- A. Depreciation
- B. Interest on loan
- C. Return on Equity
- D. O&M Expenses
- E. Employee Expenses
- F. Water Charges
- G. Ash handling
- H. Statutory Charges
- I. Interest on Working Capital
- J. Non-Tariff Income.
- K. Capacity Charge adjustment linked to Plant Availability Factor (PAF)

3.2 Capital Cost and Additional Capitalization:

Submission of the Petitioner

3.2.1 The Petitioner has considered the closing capital cost of ₹337470 Lakh for FY 2022-23 as the opening capital cost for FY 2023-24.

3.2.2 The Commission in the Order dated 31.03.2025 for MYT of FY 2023-24 to FY 2025-26, has approved the additional capitalization of ₹292 Lakh against the actual additional capitalization of ₹311 Lakh for FY 2023-24. The balance ₹19 Lakh was disallowed by this Commission against the other assets from the claim of the Petitioner.



3.2.3 Regarding other assets, the Petitioner submits that, the capital expenditure has been incurred for the procurement of various assets like cameras, laptops, air conditioning units, fans, and UPS systems, which are essential items to support the smooth and efficient functioning of plant operations. The Petitioner also submits that the need for these assets are essential for efficient plant operation and could not be foreseen prior to the COD. Accordingly, the Petitioner claims the aforesaid cost under the Regulation 5.2.3 of the Tariff Regulations.

3.2.4 The Petitioner prays for approval of the total additional capitalization of ₹311 Lakh for FY 2023-24 as per the audited accounts of said financial year, including ₹19 Lakh towards other assets, over and above the additional capitalization of ₹292 Lakh already allowed in MYT Order dated 31.03.2025. The summary of the claim of additional capitalization during the FY 2023-24 is shown in the table below:

Table-3.1: Additional Capitalization

SI No	Item of Add-Cap	Claimed in APR (₹ Lakh)
1	DCS hardware and software upgradation in Ash Handling Plant	82
2	Variable Frequency drive	104
3	BFP Scoop Electromechanical Actuator for Unit-1 and Portable Vibration Meter	30
4	Balance work in residential colony	53
5	Vehicle	23
6	Other Assets	19
7	Total	311

3.2.5 The Petitioner submits that as per the audited accounts for FY 2023-24, an asset value of ₹17 Lakh was decapitalized, and a total of ₹979 Lakh was



discharged towards liabilities. Both the decapitalization and the discharge of liabilities have been duly approved by the Commission in its MYT Order dated 31.03.2025. Accordingly, the Petitioner claims ₹17 Lakh towards decapitalization and ₹979 Lakh towards the discharge of liabilities for FY 2023-24 in the instant petition.

3.2.6 Considering the aforementioned adjustments and approvals, the Petitioner submits the closing capital cost for FY 2023-24 stands at ₹338742 Lakh for approval which is as follows: -

Table-3.2: Capital cost (GFA) claimed

Particulars	Unit	Claimed in APR
Opening cash basis	₹ Lakh	337470
Add: Liabilities Discharged	₹ Lakh	979
Add: Add. Capitalisation	₹ Lakh	311
Less: Decapitalisation	₹ Lakh	17
Closing cash basis	₹ Lakh	338742

Observation of the Commission

3.2.7 The Petitioner has provided details of additional capitalization of ₹311.00 Lakh. The Commission after prudent analysis admits additional capitalization of ₹292.00 Lakh, discharge of liabilities of ₹979.00 Lakh and decapitalisation of ₹17.00 Lakh referring to the certificate provided by Vijay Tulshyan & Co., Chartered Accountants. The details of the admitted additional capitalization, along with the justification of each item are provided in **Annexure 3A** in this Order.



3.2.8 Accordingly, the Capital Cost as admitted by the Commission and the average Capital cost appear as follows: -

Table-3.3: Capital Cost / GFA claimed and Admitted

Sl.No.	Particulars	Derivative	Amount claimed ₹ Lakh	Amount admitted ₹ Lakh
1	Capital Cost / GFA Computed as on 01.04.23 (refer Table-2 of APR Review Order dated 11.12.2025)	A	337470.00	327047.05
2	Add Discharge of Liabilities	B	979.00	979.00
3	Add Additional Capitalization	C	311.00	292.00
4	Less De-capitalization	D	17.00	17.00
5	Net Asset Addition	E = B+C-D	1272.00	1254.00
6	Closing Capital Cost / GFA Allowed as on 31.03.2024	F = A+E	338742.00	328301.05
7	Average Capital Cost	G = (A+F) /2	338106.00	327674.05

3.3 Depreciation

Submission of the Petitioner:

3.3.1 The Petitioner has worked out the average rate of depreciation after classifying the assets as per the depreciation schedule of the Tariff Regulations and has applied the rates prescribed therein to work out the depreciation. The detailed year-wise depreciation and average rate as per the depreciation schedule provided in the Tariff Regulations has been submitted by the Petitioner in their APR application.

3.3.2 The Petitioner in their submission has worked out the average depreciation rate of 4.87% in line with the Tariff Regulations for approval of the same in APR and claimed ₹16474 Lakh for FY 2023-24.



Observation of the Commission

3.3.3 The Commission has considered the admissible asset addition during the year and the admissible depreciation has been determined with the following principles:

- a) Opening Gross Fixed Asset (GFA) and Cumulative Depreciation as per the admitted value in Table 3.3 above and Table-3.6 below respectively, excluding free hold land for the purpose of determining the depreciation;
- b) Assets to be depreciated during the year = Opening GFA – GFA of assets fully depreciated + admissible asset addition during the year;
- c) Closing GFA = Opening GFA + admissible asset addition for the year – asset retired / decapitalised, if any;
- d) Break-up of asset category as proposed by the Petitioner for 1) fully depreciated assets, 2) the assets depreciated between 70% to 90% and 3) the assets depreciated less than 70%, have been considered. Thereafter, adjustment on account of variation in capital cost addition and prorated depreciation is computed.

3.3.4 The Commission after prudent analysis of the schedule of depreciation, admits the average depreciation rate of 4.87% in this Order for the year 2023-24 in terms of Tariff Regulations. Accordingly, the admitted depreciation for FY 2023-24 is computed as follows: -

Table-3.4: Depreciation Claimed and Admitted

Particulars	Derivative	Amount admitted ₹ Lakh
Capital Cost Computed as on 01.04.23 (as per Table 2 of APR Review dated 11.12.2025)	A	327047.05
Add Discharge of Liabilities	B	979.00
Add Additional Capitalization	C	292.00
Less De-Capitalization	D	17.00
Net Asset Addition	E = B+C-D	1254.00



Particulars	Derivative	Amount admitted ₹ Lakh
Closing Capital Cost Allowed	$F = A+E$	328301.05
Average Capital Cost	$G = (A+F) / 2$	327674.05
Depreciation Rate	H	4.87%
Depreciation for the year 2023-24	$I = GXH$	15957.73

3.3.5 Considering the Admitted value of GFA as ₹326654.05 Lakh and the average depreciation rate of 3.60% up to financial year 2021-22 as per MYT Order dated 31.03.2025, the cumulative depreciation as on 31.03.2023 is computed and admitted by the Commission in the Table below. The detail of admissible depreciation for the year 2023-24 has been shown in **Annexure-3B**.

Table-3.5: Cumulative Depreciation Admitted

Particulars	Derivative	Amount in ₹ Lakh
Admitted GFA as per MYT Order dated 31.03.2025	A	326654.05
Date of COD of the Generating Station	B	19.05.2013
No. of Years as on 31.03.2022	C	8.83
Average Rate of Depreciation	D	3.60%
Yearly average Depreciation	$E = AXD$	11759.55
Cumulative Depreciation as on 31.03.2022	$F = CXE$	103836.83
Depreciation amount for FY 2022-23, as per Review Order of APR for FY 22-23 dated 11.12.2025	G	11678.62
Total Cumulative Depreciation as on 31.03.2023	$H = F+G$	115515.45
Depreciation for FY 2023-24 (Ref Table-3.4)	I	15957.73
Cumulative Depreciation as on 31.03.2024	$J = H+I$	131473.18

3.4 Interest on Loan:

Submission of the Petitioner

3.4.1 The Petitioner submits that in terms of Regulation 5.6.4.2 of the Tariff Regulations, actual loan and/or normative loan, if any, for the asset put to use shall be considered as admitted loan corresponding to the asset capitalized



as deducted by cumulative depreciation and Advance Against Depreciation approved by the Commission. It is further stated that, repayment during each year of the control period shall be deemed to be equal to the depreciation allowed for that year. The rate of interest shall be the weighted average of interest computed on the basis of actual capital loan portfolio in terms of the WBERC Tariff Regulations.

3.4.2 The Petitioner has submitted the lender-wise weighted average rate of interest as on 01.04.2023, as shown in Table below, with the auditor certificate which is used for computing the interest on loan for FY 2023-24:

Table-3.6: Weighted average Interest rate as on 01.04.2023

Source	Weighted Average Interest Rate
Edelweiss Asset Reconstruction Co. Ltd.	9.00%
Life Insurance Corporation	9.00%
Weighted Average	9.00%

3.4.3 The Petitioner has considered the 70% of net capital addition as loan addition as per the Regulation 5.4.3 of the Tariff Regulations

Considering the aforesaid submissions, the Petitioner has claimed the interest on loan for FY 2023-24, as shown in the table below:

Table-3.7: Interest on loan

SI No	Particulars	Unit	Amount Claimed
1	Opening Gross Normative Loan	₹ Lakh	244233
2	Opening Cumulative depreciation	₹ Lakh	112582
3	Opening balance of normative loan	₹ Lakh	131651
4	Add: normative net addition in loan	₹ Lakh	890



SI No	Particulars	Unit	Amount Claimed
5	Less: Depreciation during the year (Repayment)	₹ Lakh	16474
6	Closing balance of normative loan	₹ Lakh	116068
7	Average Normative Loan	₹ Lakh	123859
8	Weighted average rate of interest (%)	%	9.00%
9	Interest on Normative Loan	₹ Lakh	11147

Observation of the Commission

3.4.4 In accordance with Tariff Regulations, Gross Normative Loan is derived by reducing the Gross Equity from the Gross value of the Fixed Asset. For computing the annual interest amount, the net opening loan is considered on normative basis by reducing the cumulative admitted depreciation as cumulative loan repayment.

3.4.5 As there is no free reserves or addition to equity as per audited financial statement for FY 2023–24, the Commission considers entire additional capitalization during FY 2023–24, have been financed through borrowings.

3.4.6 In view of the above, applying a weighted average interest rate of 9.00% (as submitted by the Petitioner and supported by a certificate from the auditor), the 'Interest on Normative Loan' has been computed and admitted by the Commission, which has been shown in the following table:

Table-3.8: Interest on Normative Loan

SL.No	Particulars	Unit	Derivative	Admitted
1	Admitted GFA at the beginning of the year (closing balance on 31.03.2023, as per Review Order dated 11.12.2025)	₹ Lakh	A	327047.05
2	Asset created from Grant, Contribution	₹ Lakh	B	0
3	Net opening GFA	₹ Lakh	C = A - B	327047.05
4	Opening Equity (Closing balance on 31.03.2023 as per APR Order for FY 22-23 dated 28.03.2025)	₹ Lakh	D	17790.60



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SL.No	Particulars	Unit	Derivative	Admitted
5	Opening Gross Normative Loan	₹ Lakh	$E = C - D$	309256.45
6	Cumulative Depreciation and AAD, up to previous year, if any (as per Table- 3.5)	₹ Lakh	F	115515.45
7	Opening balance of Normative loan	₹ Lakh	$G = E - F$	193741.00
8	Addition to Fixed Asset during the year (as per Table- 3.4)	₹ Lakh	H	1271.00
9	Retirement during the year (as per Table- 3.4)	₹ Lakh	I	17.00
10	Net Addition of Fixed Asset	₹ Lakh	$J = H - I$	1254
11	Asset created from Grant, Contribution (Sl.no.2)	₹ Lakh	K	0
12	Net Asset Addition excluding grant and contribution	₹ Lakh	$L = J - K$	1254
13	Admissible Equity Addition during the Year	₹ Lakh	M	0
14	Normative Addition of Loan	₹ Lakh	$N = L - M$	1254
15	Depreciation during the year (Deemed Repayment) (as per Table- 3.4)	₹ Lakh	O	15957.73
16	Closing Balance of Gross Normative Loan	₹ Lakh	$P = G + N - O$	179037.27
17	Average Net Normative Loan	₹ Lakh	$Q = (G + P) / 2$	186389.14
18	Weighted Average Rate of Interest on Loan	%	R	9.00%
19	Interest on Normative Loan	₹ Lakh	$S = Q \times R$	16775.02

3.5 Return on Equity (RoE):

Submission of the Petitioner

3.5.1 The Petitioner submits that in terms of Regulation 5.6.1 of the Tariff Regulations, Return on Equity for a generating station of a generating company shall be computed on the admissible equity capital at the rate of 15.50% per annum on the post-tax basis for all assets commissioned prior to 01.04.2024.

3.5.2 Further, the Petitioner claims that they have considered 30% of net capital addition as equity addition as per the Regulation 5.4.3 of the Tariff Regulations. Accordingly, the Petitioner has worked out the return on equity for FY 2023-24 as follows:



Table-3.9: Return on Equity as claimed

Sl No	Particulars	Unit	Claiming in APR
1	Opening Equity Base	₹ Lakh	93237
2	Equity addition due to discharge of liabilities	₹ Lakh	294
3	Equity addition due to additional capitalisation	₹ Lakh	93
4	Less: Equity decrease due to decapitalisation	₹ Lakh	5
5	Closing Equity Base	₹ Lakh	93619
6	Average Equity Base	₹ Lakh	93428
7	Post tax Rate of return	%	15.50%
8	Post tax ROE	₹ Lakh	14481

Observation of the Commission

3.5.3 The Balance Sheet as on March 31, 2024, submitted along with the petition, shows that the actual equity stood at ₹17,790.60 lakh, while Other Equity (Free Reserves) was (–) ₹73867.07 lakh. This implies that no free reserves are available to be considered as equity. Accordingly, Return on Equity (RoE) is to be calculated strictly on paid-up value of equity, i.e., ₹17,790.60 lakh, given that the liability for equity servicing remains limited to this amount. As per the Balance sheet, the Commission considers that the closing balance of equity ₹17,790.60 Lakh as on 31st March, 2024 and there has been no infusion of equity during FY 2023-24. Accordingly, considering the Rate of Return as 15.5%, the Return on Equity as admitted has been shown in the table below: -



Table-3.10: Return on Equity as Admitted

Sl. No.	Particulars	Derivative	Admitted (₹ Lakh)
1	Opening Equity Base	A	17790.60
2	Equity Addition Due to Discharge of Liabilities	B	0.00
3	Equity Addition Due to Additional Capitalization	C	0.00
4	Less: Equity Decrease Due to Decapitalization	D	0.00
5	Closing Equity Base	$E = A+B+C-D$	17790.60
6	Average Equity Base	$F = (A+E)/2$	17790.60
7	Rate of Return	G	15.50%
8	Return on Equity	$H = FXG$	2757.54

3.6 Debt and Equity:

Submission of the Petitioner

3.6.1 The Petitioner submits that actual equity employed by the Petitioner as on 31.03.2015 was ₹90481 Lakh, i.e 27.56% of the capital cost as on 31.03.2015. In line with the Regulation 5.4.2, the Petitioner has considered the equity of ₹90481 Lakh.

3.6.2 Further, as per the Petitioner, considering 30% of the year-on-year additional capitalization on account of asset additions and discharge of liabilities, along with corresponding adjustments for decapitalization, the Petitioner has computed the opening equity for FY 2023-24 at ₹93237 Lakh.

3.6.3 It is mentioned by the Petitioner that as per Regulation 5.4.3 of the Tariff Regulations, any approved change in the original cost of a project or fixed asset after the date of commissioning shall be assumed to have been financed at the normative debt-equity ratio of 70:30. Accordingly, the



Petitioner has applied this normative ratio while calculating equity additions and deletions. However, the Commission, in its Order dated 31.03.2025, has considered the opening equity for FY 2023-24 as ₹17790.60 Lakh. In this regard, the Petitioner has filed an appeal before the Hon'ble Appellate Tribunal for Electricity (APTEL) on 10.12.2024, which is currently sub-judice. Hence the Petitioner claims the Opening Capital Cost as ₹337470 Lakh, the Opening Equity as ₹93237 Lakh and Gross Opening Normative Loan ₹244233 Lakh.

Observation of the Commission

3.6.5 The Commission notes the Petitioner's submission of the audited financial statements for FY 2022–23 and FY 2023–24 and the Balance Sheet as on March 31, 2024, along with Note 17. It has been observed by the Commission that the share capital (issued, subscribed, and fully paid-up) stands at ₹17,790.60 Lakh for both the FY 2022-23 and FY 2023-24, with no free reserves for both the financial years. Further as per audited financial statement, there has been no change in number of equity shares from 17,79,05,970 as on 31st March, 2023, and as on 31st March, 2024.

3.6.6 Thus, considering the net asset addition of ₹1254 Lakh for FY 2023-24, the Capital Cost amounts to ₹328301.05 Lakh (as computed in table- 3.3). With no free reserve available as on 31.03.2023 and 31.03.2024, the entire ₹1254 Lakh of net asset addition amount is treated as loan funded.

3.6.7 The Commission in the foregoing paragraph / table, has already computed and admitted the Opening Capital Cost, the Opening Equity base and Gross Opening Normative Loan, which are shown as follows:



Table-3.11: Gross Opening Normative Loan for FY 2023-24

Particulars	Admitted Amount in ₹ Lakh
Opening Capital Cost for FY 2023-24 (as per Table:3.8)	327047.05
Opening Equity for FY 2023-24 (as per Table:3.10)	17790.60
Gross Opening Normative Loan for FY 2023-24 (as per Table:3.8)	309256.45

3.7 O&M Expenses:

Submission of the Petitioner

3.7.1 The Petitioner submits that the Commission in the MYT Order dated 31.03.2025 had admitted O&M expenses norm of ₹11.14 Lakh/MW and approved a total O&M expense of ₹6015.60 Lakh for FY 2023-24 based on Serial No. 7 of schedule 9D, where the Commission considered the O&M expenses subject to the ceiling as determined for Sagardighi Thermal Power Station (2x300)-Stage 1.

3.7.2 The Petitioner further submits that the application of Sagardighi TPS norms to their generating station is not appropriate, since the Commission had already approved specific O&M expenses and related cost components for the Petitioner's generating station in the APR Order for FY 2022-23 dated 28.03.2025. Moreover, the Petitioner mentions that in the Statement of Reasons (SOR) for the Tariff Regulations, 2023 (4th Amendment), the Commission acknowledged that O&M norms are determined based on already admitted O&M expenses in past tariff and APR Orders, with adjustments for inflation based on historical data from statutory bodies.

3.7.3 The Petitioner also mentions that in terms of the Regulation 5.7 of Tariff Regulations, 2023 (4th amendment), the Operation and Maintenance (O&M) expenses includes Repair & Maintenance (R&M) Expenses and



Administrative & General (A&G) Expenses. The A&G expenses include rent, Lease Rent, legal charges, auditor's fees, consultancy charges, insurance expenses, outsourced expenses, if any, and any other expenses necessary and arising from ancillary or incidental to business.

3.7.4 The Petitioner claims that the revised O&M expenses for FY 2022–23 amount should have been ₹7104 Lakh. Applying the escalation rate of 3.77%, as adopted by the Commission for Sagardighi TPS, the revised O&M norm and expense for FY 2023–24 has to be considered ₹7372 Lakh.

3.7.5 The Petitioner has claimed total O&M expenses of ₹15309 Lakh under different heads for the FY 2023-24 as per the table given below:

Table-3.12A: O&M Expenses Claimed

Particulars	Claimed ₹ Lakh
Total R&M	2315
Stores & Spares	3043
Insurance Expenses	699
Rent, Rate & Taxes	111
Lease Rent	96
Security Charges	217
Vehicle Running Expenses	172
Travelling & Conveyance Expenses	63
Canteen Expenses	85
Legal & Professional Expenses	7573
Membership / Subscription fees	36
Payment to Auditors	25
General & administrative charges	293
Coal Handling Expenses	582
TOTAL \$	15310

\$ Actual claim of APNRL is ₹15309 Lakh as per petition.



Observations of the Commission

- 3.7.6 The Commission observes that in terms of Regulation 5.7.2 of Tariff Regulations, O & M expense of generating station shall be computed based on the installed capacity considering the norms specified in Schedule-9A of these Regulations.
- 3.7.7 The O & M expense for the Petitioner is not covered in Schedule 9A of Tariff Regulations. In this regard, Tariff Regulations states the new generating station not covered under this Tariff Regulations shall be covered by the principles laid down in Schedule 9D. The Commission examines the submission of the Petitioner and observes that as per Serial no. 7 of schedule 9D, the Commission has admitted the O& M expenses subject to the ceiling as determined for Sagardighi Thermal Power Station (2x300) – Stage-1.
- 3.7.8 Accordingly, the Commission in MYT Order dated 31.03.2025 has admitted ₹6015.60 Lakh, as O&M expenses as per the norms specified in Tariff Regulations for Sagardighi Thermal Power Station (2x300)–Stage-1 corresponding to total 540 MW plant capacity of the Petitioner.
- 3.7.9 The Commission observes that the Petitioner has claimed ₹7573 Lakh in respect of 'Legal and Professional Expenses' for FY 2023-24, for which APNRL is directed to submit for clarification / justification vide letter dated 24.03.2026. In reply, the Petitioner mentions that out of ₹7573 Lakh of total expenses, ₹778 Lakh and ₹579 Lakh are spent as 'Legal Expenses' and 'Consulting Expenses' respectively, whereas balance amount of ₹6216 (i.e. ₹7573 - ₹778 - ₹579) Lakh has been spent as 'Professional Expenses'. The Petitioner claims that the 'Professional Expenses' include advisory services relating to financial restructuring, resolution of stressed assets, business restructuring along with strategic support for sustaining power supply under existing Power Purchase Agreements (PPA). From the above submission of



APNRL, it is apparent that such 'Professional Expenses' is maintained by APNRL to meet various business requirement of the company. For normal operational activity of thermal power plant, such professional expense may not be required. Further there is no mention of anything specific requirement for the above power plant. Hence, the Commission finds it prudent not to allow the claim of ₹6216 Lakh of 'Professional Expenses' and thus considered total ₹1357 (₹778 + ₹579) Lakh on this head.

3.7.10 APNRL claimed ₹699 Lakh in the FY 2023–24 for the expenditure incurred against the insurance policies or premium paid for FY 2023-24. In response to the Commission's query regarding the details of such insurance policies, APNRL has submitted the details with relevant supporting documents, duly certified by the Certificate issued by Vijay Tulshyan & Co., Chartered Accountants along with Affidavit on 10.04.2026. The Commission observes that the same is consistent with Note-31 of audited financial statement.

3.7.11 From the submitted documents, the Commission observes that under 'Comprehensive Mega Industrial All Risk' (IAR) Policy, the insurance premium includes sum insured against total 'Property Damage' (PD) and 'Business Interruption' (BI) of the plant. The Commission is of the considered view that the insurance premium paid against 'Business Interruption' (BI) cannot be passed on to beneficiaries (WBSEDCL in the instant case) through tariff. Therefore, the premium paid proportionate to the sum insured for 'Business Interruption' (BI) has not been admitted. Thus, IAR Policy premium amount has been proportionately considered with PD only for the period from 01.04.2023 to 31.03.2024 and the detailed breakup of total insurance payment based on submission of the Petitioner vis-à-vis admitted amount is shown in the table below:



Table-3.12B: Expenses incurred towards Insurance Premium

Sl.No.	Particulars	Derivation	Claimed ₹ Lakh	Admitted ₹ Lakh
1	Industrial All Risk (IAR) Policy (01-04-2023 to 19-07-2023)	A	115.744	99.777
2	Industrial All Risk (IAR) Policy (20-07-2023 to 19-07-2024)	B	515.855	444.689
3	Total IAR Policy premium	C = A+B	631.60	544.47
4	Net Mediclaim Policy	D	61.59	61.59
5	Total Workmen & Money Policy	E	0.08	0.08
6	Contractor Plant & Machinery Policy Insurance	F	0.32	0.32
7	Total Vehicle Insurance	G	2.35	2.35
8	Total Transit Insurance	H	0.06	0.06
9	Public Liability Policy	I	0.12	0.12
10	Director & Officers Liability Insurance	J	2.63	2.63
11	Group Personal Accident Policy	K	0.52	0.52
12	TOTAL INSURANCE PAID	L= SUM (C: K)	699	612.14

3.7.12 In view of the above, the Commission admits total premium amount of ₹612.14 Lakh under the O&M head.

3.7.13 The Commission admits the O&M expenses referring to the above paragraph along with Note:21 & 30 of the Audited Financial Statements of APNRL, Cost audit report and the Certificate issued by Vijay Tulshyan & Co., Chartered Accountants submitted with the petition. The detail has been shown in the table below: -

Table-3.13A: O&M expenses considered for admission

Particulars	Amount in ₹ Lakh
Total R&M	2315.00
Stores & Spares	3042.93
Insurance Expenses	612.14
Rent, Rate & Taxes	111.00
Lease Rent	95.67
Security Charges	217.00
Vehicle Running Expenses	171.98



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Particulars	Amount in ₹ Lakh
Travelling & Conveyance Expenses	62.95
Canteen Expenses	84.73
Legal & Professional Expenses	1357.00
Membership / Subscription fees	35.57
Payment to Auditors	25.35
General & administrative charges	292.74
Coal Handling Expenses	582.00
Other assets (computer peripherals, camera, laptop etc.) disallowed under additional capitalization	19.00
TOTAL	9025.06
Less: Charity & Donation (as per Cost Audit Report submitted with Petition)	3.54
Less: Penalty Charge (as per Cost Audit Report submitted with Petition)	1.17
Less: Coal EMD forfeited (as per Cost Audit Report submitted with Petition)	569.25
Net total	8451.10

3.7.14 Since the normative O&M expenses of ₹6015.60 Lakh is lower than the amount considered for O&M expenses (₹8451.10 Lakh), the Commission, therefore, admits ₹6015.60 Lakh under O&M head, consistent with Paragraph 7 of Schedule 9D of the Tariff Regulations.

3.8 Net Loss to be passed on to WBSEDCL for deviation from operating norms

3.8.1 In terms of Regulation 2.5.5.4(ii) of Tariff Regulations, 1/3 of loss amount due to deviation from controllable / operating norms in respect of O&M Charges has to be passed on to WBSEDCL and such loss amount is computed below:



Table-3.13B: Loss amount to be shared with WBSEDCL on O&M expenses

Particulars	Derivative	₹ Lakh
O& M Charges Considered for admittance (as per table:3.13A)	A	8451.10
O& M Charges admitted	B	6015.60
O&M Charges disallowed	C = A - B	2435.50
1/3 of Loss amount to be shared with WBSEDCL as per Tariff Regulations.	D = C/3	811.83

3.9 Employee Expenses:

Submission of the Petitioner

3.9.1 The Petitioner submits that the total number of employees in the company during FY 2023-24 was 711, in which 438 number of own employees and 273 number of contractual manpower. The Petitioner also submits the Certificate from Vijay Tulshyan & Co., Chartered Accountants along with their petition mentioning that the contractual employees work under the company's regular establishment, performing day-to-day operations essential to the company's functioning, which is as per the Regulation 5.9.1 of the Tariff Regulations and 'Note X' under the Schedule-9A provided in the Tariff Regulations, 2nd Amendment.

3.9.2 Considering the above, the Petitioner claims the Man/MW ratio for the generating station to 1.32.

3.9.3 The Petitioner submits that Paragraph 8 of Schedule 9D of the Tariff Regulations prescribes the ceiling Man/MW ratio of 1.3 specifically for new generating stations, but this generating station should not be classified as a new generating station, as it has been operational and supplying power for the past 12 years.



3.9.4 In view of the above, the Petitioner claims that the ceiling Man/MW ratio under Paragraph 8 should not be applicable in its case. Instead, the manpower norms should be determined based on the actual number of employees deployed at the station.

3.9.5 Accordingly, for the purpose of computing the employee cost for FY 2023-24, the Petitioner has considered the actual Man/MW ratio and the actual manpower strength of 711 personnel and has claimed to approve the employee cost of ₹5279 Lakh for the FY 2023-24.

Observations of the Commission

3.9.6 The Commission, in its Order dated 31.03.2025 and in accordance with Paragraph 8 of Schedule 9D of the Tariff Regulations, has approved a ceiling Man/MW ratio of 1.3 for the Petitioner's generating station. Based on the installed capacity, it arrives to a maximum admissible manpower of 702, which comprise of own employees and contractual manpower of 438 and 264 respectively, as engaged under their regular establishment. The Commission decides to reduce the excess manpower from contractual employees to match the overall limit specified in terms of the Tariff Regulations. Accordingly, 438 number of own employee and 264 number of contractual manpower in their establishment have been considered by the Commission and the manpower cost is admitted with admissible total manpower of 702.

3.9.7 The Commission refers to the Note 31, 28 and Profit & Loss Statement of audited Financial Account for FY 2023-24 as well as Form: 1.17(h) as submitted by APNRL in their petition, and admitted ₹3648.55 Lakh for their 438 number of own employees along with the prorated amount of ₹1517.27 Lakh ($₹1569.00 \times 264/273$) for 264 number of contractual employees. Further, the Commission also admits the Director sitting fee of ₹28.03 Lakh,



as claimed by the Petitioner on this head and the details of the computation is shown below:-

Table-3.14: Employee Expenses

Particular	Unit	Claimed (₹ Lakh)	Admitted (₹ Lakh)
Number of Own Employees	Nos	438	438
Number of Contractual	Nos	273	264
Total Number of Employees	Nos	711	702
Employee Expenses (Own)	₹ Lakh	3682	3682.00
Less OCI (attributable to Loss)	₹ Lakh		(-)33.45
Employee Expenses (Own) as per Audited Financial Statement	₹ Lakh		3648.55
Employee Expenses (Contractual)	₹ Lakh	1569	1517.27
Director's Sitting Fees	₹ Lakh	28	28.03
Total	₹ Lakh	5279	5193.85

3.10 Water Charges:

Submission of the Petitioner

3.10.1 The Petitioner submits that water requirement of the generating station of the Petitioner is met from Subarnarekha River and the Petitioner has to make payment from FY 2023-24 based on the rate specified for the industries for using as downstream water source, as specified in the notification dated 17.01.2023 of Water Resources department ("WRD") of Jharkhand. The



Petitioner mentions that in line with Clause 18 of the Water agreement and as per the request of the Petitioner to reduce the water quantity to 17.60 MCM per annum as compared to original allotment of 35.60 MCM per annum on the basis of installation of reduced capacity i.e. only 540 MW power plant as against the original plan of 1000 MW power plant, the Government of Jharkhand has principally agreed to consider approximately 17.60 MCM as water quantity with effect from 1st April, 2023 with a provision for further reduction to 11.46 MCM per annum based on measurement of actual consumption with effect for signing of the renewed agreement.

3.10.2 The Petitioner also mentions that prior to FY 2023-24, there was a dispute regarding the source of water and the Petitioner had escalated issue to the Hon'ble High Court at Ranchi, which is still sub-judice before the Hon'ble High Court.

3.10.3 In regard to quantity and source of water prior to 1st April, 2023, both parties have agreed to abide by the final decision from the competent court for the existing disputes lying before the Hon'ble High Court of Ranchi, Jharkhand both for quantity and source of water, which will automatically determine the applicable rate of the water.

3.10.4 Considering the above facts and circumstances, the Petitioner has claimed ₹2292.81 Lakh towards the water charges as per the audited accounts of FY 2023-24 and rate specified by the WRD in its notification as mentioned above. The Petitioner has computed and claimed the water charges as per the following table: -



Table-3.15A: Water Charges Claimed

Particulars	Derivative	Amount
Water Requirement in MGD	A	10.60
Days in FY 2023-24	B	366
Water Requirement in MG	$C = AXB$	3879.60
# Water Requirement in KL	$D = CX 1000 \times 4.54609$	17637010.76
Downstream Rate (as per WRD) in ₹/KL	E	13.00
Water Charges in ₹ Lakh	$F = D \times E / 10^5$	2292.81

The UK imperial gallon (imp. Gal), defined as 4.54609 litres

Observations of the Commission

3.10.5 The Commission observes that the water consumption for the gross generation of 3740.29 MU of the plant arrives at $4.72\text{m}^3/\text{Mwh}$ [i.e. $(17637010.76/1000) / 3740.29$], which is more than the maximum normative level: $3.5\text{m}^3/\text{Mwh}$ or 3500 kL/MU for the thermal power plant in terms of the Notification of Ministry of Environment, Forest and Climate Change (MoEF&CC).

3.10.6 Hence, in terms of the aforesaid Notification of Ministry of Environment, Forest and Climate Change (MoEF&CC), the Commission has computed and admitted the consumption of water vis-à-vis the charges thereon for FY 2023-24 in the following table: -

Table-3.15B: Water Charges- Admitted

Particulars	Derivative	Amount
Water Requirement in KL (3500×3740.29) as per the Notification MoEF&CC.	A	13091015.00
Downstream Rate (as per WRD Notification) in ₹/ KL	B	13.00
Water Charges in ₹ Lakh	$C = AXB / 10^5$	1701.83



3.11 Ash Handling Expenses:

Submission of the Petitioner

3.11.1 The Petitioner submits that, as per the notifications provided by the MOEF&CC from time to time, has been transporting ash from its power station to various cement and brick manufacturing units for 100% utilization in an economical manner and only for the eco-friendly purposes, upon which the Petitioner has incurred the expenditure towards the same.

3.11.2 The Petitioner submits the copy of the advertisements inviting bids for the sale of fly ash and the corresponding bid document etc. along with the petition. The Petitioner also submits the certificate from Vijay Tulshyan & Co., Chartered Accountants containing the details of the quantity of ash generated, ash transportation cost along with the revenue generated from the sale of ash in FY 2023-24 and claims ₹490 Lakh as net Ash Disposal expenses.

Observations of the Commission

3.11.3 The Commission, considering the submission of the Petitioner along with the relevant certificate from Vijay Tulshyan & Co., Chartered Accountants containing the details of the quantity of ash generated, ash transportation cost along with the revenue generated from the sale of ash, admits Ash Disposal Expenses in terms of the various Notifications issued by MoEF&CC in the following table:

Table-3.16: Ash Disposal Expenses

SI No.	Particulars	Unit	Derivative	Claimed	Admitted
1	Quantity of Ash Transported / Disposal Expenses Dist.<100 KM	MT		518213	518213
2	Total Quantity Ash Transported	MT	A	518213	518213
3	Transportation Cost / Disposal Expenses (Dist. < 100Km)	₹ Lakh		529	528.97
4	Total Transportation Cost / Disposal Expenses	₹ Lakh	B	529	528.97



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SI No.	Particulars	Unit	Derivative	Claimed	Admitted
5	Less: Revenue from sale of Ash #	₹ Lakh	C	(-) 39	(-) 38.95
6	Net Ash Disposal Expenses	₹ Lakh	D = B - C	490	490.02

Revenue from sale of fly ash is deducted from ash handling charges, has not been treated as Non-Tariff Income.

3.12 Statutory Charges:

Submission of the Petitioner

3.12.1 The Petitioner claims the Statutory fees and charges excluding any penal charges, payable by the generating stations, which they request to allow separately in terms of regulation 5.7.2.2 of the WBERC Tariff Regulations, 2023 (4th Amendment).

3.12.2 The Petitioner submits the statutory charges which appear under the books of accounts and duly certified by Vijay Tulshyan & Co., Chartered Accountants containing the break-up of the charges as given below:

Table-3.17A: Statutory Charges - Claimed

SI No	Particulars	Unit	Amount Claimed	Remarks
1	Filing Fees for FY 2023-24	₹ Lakh	7.25	Paid as per WBERC office Orders.
2	Factory Licence (2023-24)	₹ Lakh	3.46	Required under the Factories Act for operation of thermal generating station employing workers and machinery.
3	Application Fee for NABL Accreditation	₹ Lakh	0.13	Required for statutory accreditation of testing labs (e.g., coal) within the generating station
4	Consent to operate for unit-1	₹ Lakh	7.16	Mandatory clearance under the Air & Water Acts from State Pollution Control Board for operating the unit.
5	Weigh Bridge Licence	₹ Lakh	3.00	Statutory under Legal Metrology Act for coal measurement and handling at thermal plants.
6	Licence renewal for store Compressed gas Chlorine	₹ Lakh	0.20	Required under Explosives and Gas Cylinder Rules for handling chlorine used in water treatment processes
7	Licence renewal for store Compressed gas Hydrogen	₹ Lakh	0.45	Required under PESO* guidelines for safe storage of hydrogen used in generator cooling systems



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SI No	Particulars	Unit	Amount Claimed	Remarks
8	LEI (Legal Entity Identifier) Certificate	₹ Lakh	0.14	Mandatory under RBI/SEBI Regulations for financial and trading activities related to power business.
9	Boiler Licence	₹ Lakh	1.65	Required under Indian Boilers Act for operating high-pressure boilers at the generating station
10	Testing of lifting Equipment	₹ Lakh	4.21	Statutory requirement under Factories Act for periodic inspection of lifting equipment used in the plant
11	Total Charges	₹ Lakh	27.66	

Observations of the Commission

3.12.3 The Commission has noted the statutory expenses provided in Form 1.17e with Note-3 of the Audited Financial Statement for FY 2023-24, and admits the statutory expenses including the filing charges as shown in the following table:

Table-3.17B: Statutory Charges - Admitted

SI. No.	Particulars	Unit	Admitted in ₹ Lakh
1	Filing Fees for FY 2023-24	₹ Lakh	7.25
2	Factory Licence for FY 2023-24	₹ Lakh	3.46
3	Application Fee for NABL Accreditation	₹ Lakh	0.13
4	Consent to operate for unit-1	₹ Lakh	7.16
5	Weigh Bridge Licence	₹ Lakh	3.00
6	Licence renewal for store Compressed gas Chlorine	₹ Lakh	0.20
7	Licence renewal for store Compressed gas Hydrogen	₹ Lakh	0.45
8	LEI (Legal Entity Identifier) Certificate	₹ Lakh	0.14
9	Boiler Licence	₹ Lakh	1.65
10	Testing of lifting Equipment	₹ Lakh	4.21
11	Total Charges	₹ Lakh	27.66



3.13 Interest on Working Capital (IoWC):

Submission of the Petitioner

3.13.1 The Petitioner has claimed Interest on working capital as per Regulation 5.6.5 of Tariff Regulations (4th amendment). The Petitioner, upon considering the cost of coal stock, advance payment for coal and cost of secondary fuel oil along with 80% normative PLF and the entire installed 540 MW capacity of the plant, has claimed ₹5782 Lakh as the interest on working capital for FY 2023-24 considering the SBI MCLR rate of 8.50% as on 01.04.2023. The Petitioner has submitted the relevant Form-1.17b in this regard.

Observation of the Commission

3.13.2 In terms of clause (a) of Regulation 5.6.5.1 of Tariff Regulations (4th amendment), Working capital for coal based generating station shall cover:

- (i) Cost of coal towards stock for 10 days for pit head generating stations and 20 days for non-pit head generating stations for generation corresponding to the normative annual plant availability factor or maximum coal stock storage capacity, whichever is lower;
- (ii) Advance payment for 30 days towards cost of coal for generation corresponding to the normative annual plant availability factor;
- (iii) Cost of secondary fuel oil for two months for generation corresponding to the normative annual plant availability and in case of use of more than one secondary fuel oil, cost of oil stock for main secondary fuel oil;
- (iv) O&M expenses, employee cost and water charges for one month;
- (v) Maintenance spares@ 20% of O&M expenses including water charges;
- (vi) Receivables equivalent to 45 days of fixed charges and variable charges for sale of electricity computed on the normative annual availability factor and excluding incentives, if any;



Provided further that for the purpose of Truing-up, the working capital shall be computed based on the scheduled generation or targeted availability of generating station, whichever is lower

3.13.3 In view of the above, while computing the variable expenses of the plant, the scheduled generation of the whole plant has been considered from the DC certificate issued by ERPC, as submitted by the Petitioner and the same has been shown in Annexure-3C. Since such scheduled generation of 2680.606 MU for the entire plant is less than the net generation based on normative PAF (85%), the Commission has computed and admitted the Variable cost in the table below: -

Table-3.18A: Variable Cost to be considered for Working Capital

Sl. No.	Particular	Unit	Derivative	Admitted
1	Normative PAF	%	B	85.00%
2	Installed capacity	MW	C	540
3	Gross Generation @NAPAF	MU	$D = CX24X366XB/10^3$	4031.856
4	Net energy generation @NAPAF considering Normative Aux consumption: 9%	MU	$E = D (1-9\%)$	3668.989
5	Scheduled generation as per DC certificate issued by ERPC (Ref to Annexure-3C)	MU	F	2680.606
6	Minimum between E & F as per Tariff Regulations, 2023	MU	$G = \text{MIN} (E \& F)$	2680.606
7	Energy Charges (as per Table-2.8)	₹./kWh	H	2.789
8	Variable Expenses	₹. Lakh	$I = G \times H$	74762.10

3.13.4 The Interest on Working Capital (IoWC) has been computed hereunder as per Tariff Regulations with applicable interest @ 11.00% (SBI MCLR as on 01.04.2023 + 250 basis point) in the table below: -



Table-3.18B: Interest on Working Capital Claimed and Admitted

Particulars	Units	Derivation	Claimed	Admitted
Cost of Coal stock (non-pit head 20 days)	₹ Lakh	A	8013	5017.11
Advance payment of coal (30days)	₹ Lakh	B	12019	7525.66
Cost of Secondary fuel oil for 2 months	₹ Lakh	C	523	517.29
O&M expenses for 1 month	₹ Lakh	D	1276	501.30
Employee cost for 1 month	₹ Lakh	E	440	432.82
Water Charge for 1 month	₹ Lakh	F	191	141.82
Maintenance Spare - 20% O&M	₹ Lakh	G	3062	1203.12
Receivables equivalent to 45 days #	₹ Lakh	H	27040	15580.52
Working Capital Requirement	₹ Lakh	I = SUM(A:H)	52564	30919.64
Interest Rate at SBI MCLR + 250 basis point		J	11.00%	11.00%
Interest on Working Capital	₹ Lakh	K = I X J	5782	3401.16

Receivable equivalent to 45 days computed as: (Variable Cost + Fixed cost) X 45 / 366

3.14 Non-Tariff Income:

Submission of the Petitioner

3.14.1 The Petitioner claims the Non-Tariff Income (NTI) amounting to ₹1133.79 Lakh, as per Regulation 5.20 of Tariff Regulations, based on Form-1.26 submitted along with the audited statement for FY 2023-24. Further, the revenue from sale of ash has already been accounted for as a reduction in ash disposal expenses.

Observation of the Commission

3.14.2 The Commission, as per Note-26 of audited financial statement for the year 2023-24 finds that Liabilities written off and settled being adjustments, thereby cannot be considered as non-tariff income. Since the revenue from



sale of fly ash is deducted from ash handling charges, therefore, this income has not been treated as Non-Tariff Income. The Commission thus, admits non-tariff income as follows: -

Table-3.19: Non-Tariff Income Claimed Vis-à-Vis Admitted

Sl. No.	Particulars	Claimed (₹ Lakh)	Admitted (₹ Lakh)
1	Interest Income on Bank Deposit	970	969.69
2	Old Liabilities Written Back & Settled	396	0
3	Miscellaneous Income	203	203.05
4	Less: Old liabilities written back and settled (being adjustment, hence deducted)	(-)396	0
5	Less: Revenue from Fly Ash Sale	(-)39	0
6	Total	1134	1172.74

3.15 Summary of Annual Fixed Charges:

Observation of the Commission

3.15.1 The Annual Fixed Charges claimed vis-à-vis admitted is shown in the table below:

Table-3.20: Annual Fixed Charge claimed vis-à-vis admitted

Sl. No.	Particulars	Derivative	Claimed (₹ Lakh)	Admitted (₹ Lakh)
1	Depreciation	A	16474	15957.73
2	Interest on Loan	B	11147	16775.02
3	Return on Equity	C	14481	2757.54
4	O&M Expenses	D	15309	6015.60
5	Employee Expenses	E	5279	5193.85
6	Water Charges	F	2293	1701.83
7	Ash and Coal Handling Expenses	G	490	490.02
8	Statutory Charges	H	28	27.66
9	Interest on Working Capital (as per table: 3.18B)	I	5782	3401.16
10	Add: Loss amount for O&M expenses to be shared with beneficiary, as per Regulations, 2023	J	0	811.83



Sl. No.	Particulars	Derivative	Claimed (₹ Lakh)	Admitted (₹ Lakh)
11	Sub-Total Fixed Cost	$K = \text{SUM (A:J)}$	71283	53132.24
12	Less: Non-Tariff Income (NTI)	L	1134	1172.74
13	Total Fixed Cost #	$M = K - L$	70149	51959.50

#Actual Fixed cost claim of APNRL is ₹70148 Lakh as per petition.

3.16 Fixed Cost Attributed to WBSEDCL:

Submission of the Petitioner

3.16.1 The Petitioner has submitted that MoU was executed by them with the State Govt. of Jharkhand in October 2005. Pursuant to the MoU, as an essential condition precedent for the establishment of the plant, the home state has the first right to claim 25% of the total installed net capacity of the plant and 12% of the total power generated by the Petitioner available to the home state at a variable cost only. Considering the above grounds, the Petitioner has only 88% of the total net capacity (88% of 491.4 MW = 432.43 MW) available to recover the capacity charge. Therefore, keeping in view of the abovementioned scenario, the Petitioner had quoted and billed the capacity charge to the PTC/WBSEDCL under the tariff proposed initially under the negotiated route. The Petitioner submits here that this scenario can be comparable to the case of Hydro Power Generating Station where 12% of free power needs to provide to the home state. In line with the above, the Petitioner has considered the saleable capacity of 432.43 MW, and requests this Commission to consider the same.

3.16.2 The Petitioner has submitted ₹16227 Lakh as Fixed cost attributable to WBSEDCL.



Observation of the Commission

3.16.3 The Commission observes that as per the PPA, 'contracted capacity' means a net contracted capacity of 100 MW to be made available by the seller (APNRL) at the delivery point. Thus, the capacity charge shall be prorated at a ratio of 100:491.40 (Sent-out capacity after adjusting normative auxiliary consumption).

3.16.4 In view of the above, the Commission has computed and admitted the fixed cost attributable to WBSEDCL and the same is shown in the table below: -

Table-3.21: Fixed Cost Admitted as Attributable to WBSEDCL

Sl. No.	Particulars	Derivative	Unit	Admitted
1	Total Gross Installed Capacity	A	MW	540
2	Net Capacity of the Plant	B	MW	491.40
3	Free capacity to Jharkhand (12% of Net Capacity)	C	MW	0.00
4	Total Saleable net capacity	D	MW	491.40
5	Contracted Capacity with WBSEDCL	E	MW	100
6	Total Fixed Cost (Less Filing Charge: ₹7.25 Lakh) for Whole Capacity (Ref to Table-3.20)	F	₹ Lakh	51952.25
7	Fixed Cost Share (WBSEDCL)	$G = F \times E / D$	₹ Lakh	10572.29
8	Add: Filing Charge	H	₹ Lakh	7.25
9	Total Fixed Cost Attributed to WBSEDCL	$I = G + H$	₹ Lakh	10579.54



3.17 Capacity Charge Computation as Attributable to WBSEDCL

Submission of the Petitioner

3.17.1 The Petitioner submits a copy of notification issued by the SLDC (WB) on 23.03.2023, wherein SLDC has declared the peak and off-peak hours during a day for high and low demand season.

3.17.1 Based on the methodology provided in the Tariff Regulations (4th amendment), the Petitioner computes and claims the capacity charge of ₹14928 Lakh for FY 2023-24 as per relevant Regulation 6.11.4 of Tariff Regulations (4th Amendment).

Observation of the Commission

3.17.2 The Commission observes that, in terms of Regulation 6.11.4, the capacity charge shall be recovered under two segments of the year, i.e. High Demand Season (period of three months) and Low Demand Season (period of remaining nine months), and within each season in two parts viz., Capacity Charge for Peak Hour of the month and Capacity Charge for Off-Peak Hour of the month. Further, the Normative Plant Availability Factor for "Peak" and "Off-Peak" Hour in a month shall be equivalent to the NAPAF specified in Schedule-9A of these Regulations. The number of hours of "Peak" and "Off-Peak" periods during a day shall be four hours and twenty hours respectively.

3.17.3 As per the methodology of the aforesaid Regulation along with the certificate issued by the SLDC dated 23.03.23, the capacity charge recoverable from WBSEDCL has been computed and admitted by the Commission as follows: -



Table-3.22: Capacity Charge Recoverable from WBSEDCL for FY 2023-24

Month	Season	Fixed Cost (₹ Lakh)	Cumm Peak %	Cumm Off-Peak %	PEAK Hour		OFF-PEAK Hour		TOTAL Capacity Charge Recoverable (₹ Lakh)
					CCp (₹ Lakh)	Cumulative CCp (₹ Lakh)	Ccop (₹ Lakh)	Cumulative Ccop (₹ Lakh)	
April	HD	10579.54	50.00%	50.00%	103.72	103.72	414.88	414.88	518.61
May	HD		50.00%	50.00%	103.72	207.44	414.88	829.77	518.61
June	HD		58.23%	57.66%	154.97	362.41	605.57	1435.34	760.54
July	LD		98.48%	99.26%	176.33	176.33	705.30	705.30	881.63
August	LD		98.32%	98.45%	176.33	352.65	705.30	1410.61	881.63
September	LD		98.54%	98.61%	176.33	528.98	705.30	2115.91	881.63
October	LD		98.76%	98.96%	176.33	705.30	705.30	2821.21	881.63
November	LD		98.70%	99.16%	176.33	881.63	705.30	3526.51	881.63
December	LD		97.29%	97.56%	176.33	1057.95	705.30	4231.82	881.63
January	LD		97.05%	97.40%	176.33	1234.28	705.30	4937.12	881.63
February	LD		96.38%	96.68%	176.33	1410.61	705.30	5642.42	881.63
March	LD		96.50%	96.77%	176.33	1586.93	705.30	6347.73	881.63
TOTAL									9732.41

3.17.4 The total recoverable amount including carrying cost as admitted for WBSEDCL has been analysed and the necessary Order for FFPCA and APR for the FY 2023-24 has been issued by the Commission in the subsequent chapter.



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Annexure 3A

Additional Capital Cost claimed vis-à-vis Admitted during FY: 2023-24

Sl. No.	Item of Add-Cap	Claimed (₹ Lakh)	Admitted (₹ Lakh)	Petitioner's justification	Observation of the Commission
1.	DCS hardware and Software in Ash Handling Plant	82	82	The capital expenditure for the upgradation of the DCS (Distributed Control System) Operating System, application software, and hardware for the Ash Handling Plant (AHP) has been incurred to ensure the continued safe and efficient operation of the thermal power plant. It is now obsolete in the absence of support and service Hence upgradation of the system is necessary. Power plant's automation systems are fully reliant on DCS , This capital expenditure is necessary to endure reliable and secure operation of the plant .	Upgradation of DCS Hardware and software for Ash Handling Plant Unit -1 is done to ensure the continued safe and efficient operation of the thermal power plant . Hence the capitalization is allowed as per Regulation 5.2.2 (iv) of Tariff Regulations.
2.	Variable Frequency Drive	104	104	The expenditure for the procurement and installation of a Variable Frequency Drive (VFD) for the Condensate Extraction Pump (CEP) Motor was incurred to enhance the efficiency and operational control of the power plant. This upgradation is a critical step toward optimizing plant performance and reducing the carbon footprint, in line with modern energy efficiency standards. Such an improvement could not have been anticipated during the original project planning and construction phases prior to COD, as technological advancements in VFD application and the plant's operational data revealed the potential for substantial efficiency gains.	Upgradation of VFD drive for CEP is done to optimizing plant performance as submitted. Further such improvement could not have been anticipated during the original project planning and construction phases prior to COD, The capitalization is allowed as per Regulation 5.2.2 (iv) of Tariff Regulation 2011 as amended.
3.	BFP Scoop Electromechanical Actuator for Unit-1 and Portable Vibration Meter	30	30	The capital expenditure incurred for the procurement of the BFP (Boiler Feed Pump) Scoop Electromechanical Actuator for unit-1 and the Portable Vibration Meter was essential for ensuring more efficient and reliable plant operations. The existing mechanism had limitations in terms of control accuracy and reliability, leading to potential performance inefficiencies. The new electromechanical actuator ensures smoother and more accurate control, which is critical for maintaining optimal boiler feed water levels and, consequently, the overall operational stability of the power plant. The Portable Vibration Meter was acquired for the critical task of measuring and monitoring the	The procurement of BFP Scoop Electromechanical actuator for BFP and Portable vibration meter for Unit 1 is done ensuring more efficient and reliable plant operations.. Such an improvement could not have been anticipated during the original project planning and construction phases prior to COD, The capitalization is allowed as per Regulation 5.2.2 (iv) of Tariff Regulations



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Sl. No.	Item of Add-Cap	Claimed (₹ Lakh)	Admitted (₹ Lakh)	Petitioner's justification	Observation of the Commission
				vibration parameters of various rotating equipment within the plant, including the BFP. The installation of the Electromechanical Actuator and the procurement of the Portable Vibration Meter could not have been anticipated or planned prior to the COD.	
4.	Balance work in residential colony	53	53	The capital expenditure incurred for the completion of the balance work in the residential colony was necessary to fulfill the infrastructural requirements for housing plant employees and supporting staff, ensuring a stable and conducive living environment. During the initial construction phase of the residential colony, certain infrastructural works remained incomplete due to budgetary constraints, prioritization of critical plant operations, or unforeseen site conditions. This expenditure is justified as it provides long-term benefits to plant operations, supporting workforce stability and contributing to the overall performance of the power plant.	Certain expenditure towards completion of balance civil work in residential colony is done which was incomplete due to budgetary constraints, prioritization of critical plant operations, or unforeseen site conditions. The capitalization is allowed as per Regulation 5.2.2 (iv) of Tariff Regulations
5.	Vehicle	23	23	The capital expenditure for the procurement of vehicles was incurred to support essential operations within the plant. Vehicles are a critical asset for ensuring efficient mobility of personnel, tools, and equipment across the large operational area of the thermal power plant, facilitating quicker response times for maintenance, inspections, and other operational needs. Additionally, two vehicles were also decapitalized.	The capital expenditure is done to procure vehicle for transporting people, goods and for logistic purpose. Two old vehicles also de capitalized. The capitalization is allowed as per Regulation 5.2.2 (iv) of Tariff Regulations
6	Other Assets	19	-	The capital expenditure incurred for the procurement of various other assets, including cameras, laptops, air conditioning units, fans, and UPS systems, was essential to support the smooth and efficient functioning of plant operations.	UPS, Printer etc. are considered as Minor assets, which, are not allowed to be capitalized vide Regulation 5.2.3 of Tariff Regulations, , carpets, mattresses etc.
	TOTAL	311	292		



Annexure 3B

Admissible Depreciation for the FY 2023-24

SI No	Particulars	Claimed in ₹ Lakh		Admitted in ₹ Lakh	
		GFA	Depreciation	GFA	Depreciation
1	Opening value for the year	341630.71	115698.77	327047.05	115515.41
2	Land - free hold	10137.00	0.00	10137.00	0.00
3	Goodwill	183.82	0.00	183.82	0.00
4	Asset fully depreciated	0.00	0.00	0.00	0.00
5	Asset depreciated 70 to 90%	324.66	291.78	310.80	279.32
6	Asset depreciated less than 70%	331169.05	115406.99	316415.42	115236.09
7	Addition of asset during the year inclusive Discharge of liabilities	1289.00		1271.00	
8	Retirement of asset during the year	17.00		17.00	
9	Asset to be depreciated during the year	342902.71	16652.63	328301.05	15957.73
10	Land freehold	10137.00	0.00	10137.00	0.00
	Goodwill	183.82	0.00	183.82	0.00
11	Asset depreciated 70 to 90%	337.43	6.15	323.06	5.89
12	Asset depreciated less than 70%	332244.45	16646.48	317657.16	15951.84
13	Less: Depreciation of funded assets	0.00	0.00	0.00	0.00
14	Net Depreciation		16652.63		15957.73
15	Closing value for the year	342902.71	132351.40	328301.05	131473.14



Annexure 3C

Scheduled Generation as per ERPC DC certificate

Month	Peak in MWh	Off-Peak in MWh	Total Scheduled Generation (MWh)	Total Scheduled generation (MU)
Apr'23	22012.79	104032.70	126045.49	
May'23	21067.70	94951.40	116019.10	
June'23	8541.48	177958.81	186500.29	
July'23	47749.40	223782.25	271531.65	
Aug'23	47187.95	224884.75	272072.70	
Sept'23	45597.00	214022.50	259619.50	
Oct'23	47464.54	224864.50	272329.04	
Nov'23	42853.25	192420.00	235273.25	
Dec'23	41663.82	185116.88	226780.70	
Jan'24	45256.19	209946.16	255202.35	
Feb'24	41609.10	184556.75	226165.85	
March'24	51365.30	181700.61	233065.91	
Total	462368.52	2218237.31	2680605.83	2680.606



CHAPTER 4

AMOUNT ADJUSTABLE IN ARR AND FPPCA

4.1 Annual Revenue Recoverable by APNRL from WBSEDCL

4.1.1 In view of the analysis in the foregoing chapter, the Commission has computed the total Annual Revenue Requirement (ARR) for FY 2023-24 as per following table: -

Table-4.1: ARR Recoverable from WBSEDCL

Sr. No.	Particulars	Derivative	Claimed (₹ Lakh)	Admitted (₹ Lakh)
1	Fuel Cost Attributed to WBSEDCL (as per table: 2.16)	A	20815	13226.09
2	Capacity Charge (based on Fixed Cost Attributed to WBSEDCL) (as per table: 3.22)	B	14928	9732.41
3	Gross ARR Recoverable for WBSEDCL	C = A + B	35743	22958.50

4.2 Annual Revenue Recovered by APNRL from WBSEDCL

Submission of the Petitioner

4.2.1 The Petitioner submits that the revenue recovered from WBSEDCL at an effective rate of ₹4.34/kWh (i.e., ₹4.40/kWh less a trading margin of ₹0.06/kWh) is as follows: -

Table-4.2: Revenue recovered from WBSEDCL during FY 2023-24

Particulars	Units	Values
Composite Tariff excluding trading margin as per Order dated 29.07.2022	₹/ kWh	4.34
Energy billed to WBSEDCL	MU	479.08
Actual Revenue Recovered by APNRL	₹ Lakh	20792.01



4.2.2 Based on the above, the Petitioner has claimed the Gap / Surplus as given below: -

Table-4.3: Gap / (Surplus)

SI No	Particulars	Units	Claimed
1	Total recoverable amount	₹ Lakh	35743
2	Total amount recovered	₹ Lakh	20792
3	Revenue Gap/(Surplus)\$	₹ Lakh	14951

\$ APNRL claimed the Revenue Gap of ₹14950 Lakh as per petition

4.2.3 Further, the Petitioner, in terms of Regulation 2.6.6(iv) of the Tariff Regulations (4th amendment) has claimed total carrying cost of ₹3349 Lakh (at applicable rate of interest) on revenue gap of ₹14950 Lakh for the period 2023-24. The total claim amount of APNRL from the WBSEDCL is ₹18299 Lakh in the APR & FCA for FY 2023-24.

Observation of the Commission

4.2.4 The Commission observes that APNRL has recovered an amount of ₹20792.01 Lakh from WBSEDCL, excluding the trading margin for the year 2023-24. Accordingly, the Gap / Surplus is shown below: -

Table-4.4: Revenue Gap / Surplus : Claimed vis-à-vis Admitted

Sr. No.	Particulars	Derivative	Admitted (₹ Lakh)
1	Total Recoverable Amount as per Table-4.1	A	22958.50
2	Total Amount Recovered from WBSEDCL as per Table-4.2	B	20792.01
3	Revenue Gap (Surplus)	C = A-B	2166.49

4.2.5 Considering the above, the revenue Gap amount and in terms of Tariff Regulations (4th amendment), the Commission has computed the carrying



FUEL COST ADJUSTMENT (FCA) AND ANNUAL PERFORMANCE REVIEW (APR) OF
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cost on and from 01.04.2024 applying an interest rate equivalent to the SBI MCLR plus 250 basis point as on 1st April of the relevant year. The total recoverable amount along with the applicable carrying cost stands as follows:

Table-4.5: Carrying Cost Admitted for WBSEDCL

Sl. No	Particulars	Unit	FY 2024-25	FY 2025-26	April'26 To Aug '26	Sep'26	Oct'26	Nov'26	Dec'26	Jan'27	Feb'27	Total
1	Months Considered for Carrying cost (A)	Months	12.00	12.00	5.00	1.00	1.00	1.00	1.00	1.00	1.00	
2	Interest Rate (SBI MCLR rate as 1st April+250 basis point) (B)	%	11.15%	11.50%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	
3	Gap / (Surplus) (C)	₹ Lakh	2166.49	2166.49	2166.49	2166.49	1805.41	1444.33	1083.24	722.16	361.08	
4	Recovery (D)	₹ Lakh	0.00	0.00	0.00	361.082	361.082	361.082	361.082	361.082	361.082	2166.49
5	Closing gap {E=C-D}	₹ Lakh	2166.49	2166.49	2166.49	1805.41	1444.33	1083.24	722.16	361.08	0.00	
6	Average gap {F=(C+E)/2}	₹ Lakh	2166.49	2166.49	2166.49	1985.95	1624.87	1263.79	902.70	541.62	180.54	
7	Carrying Cost {G = F×BXA/12}	₹ Lakh	241.56	249.15	100.65	18.45	15.10	11.74	8.39	5.03	1.68	651.75
8	Total Recoverable amount (including Carrying Cost) (H)	₹ Lakh										2818.24

Table-4.6: Total Recoverable amount including Carrying Cost as Admitted for WBSEDCL

Sl No.	Particulars	Derivative	Unit	Admitted
1	Total Recoverable Amount	A	₹ Lakh	22958.50
2	Total Amount Recovered	B	₹ Lakh	20792.01
3	Revenue Gap / (Surplus) (as per table: 4.4)	C = A - B	₹ Lakh	2166.49
4	Carrying Cost (as per table:4.5)	D	₹ Lakh	651.75
5	Total	E = C + D	₹ Lakh	2818.24



ORDER

- 4.3** In terms of Regulation 2.6.6 of the Tariff Regulations, the entire recoverable amount of ₹2818.24 Lakh inclusive of the admissible carrying cost, shall be recovered by APNRL from the WBSEDCL in respect of the APR & FPPCA for FY 2023-24 in 6 equal monthly installments from the billing month of September'2026.
- 4.4** APNRL shall take necessary action in accordance with this Order.
- 4.5** APNRL is directed henceforth, to submit the Auditors' Certificates as prescribed in the Tariff Regulations instead of certificates of others not appointed as Auditor in all their Petitions, wherever required.
- 4.6** A copy of the Order shall be posted in the website of the Commission.
- 4.7** APNRL shall download a copy of this Order from the Commission's website 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

Dated: 25.08.2026

Sd/-

DEPUTY DIRECTOR, WBERC