



ORDER

OF THE

**WEST BENGAL ELECTRICITY REGULATORY
COMMISSION**

IN CASE NO.: APR – 19 / 10 – 11

**IN RE THE APPLICATION OF THE DPSC LIMITED FOR
ANNUAL PERFORMANCE REVIEW FOR THE FINANCIAL
YEAR 2009 – 2010 IN TERMS OF REGULATION 2.6
OF THE WEST BENGAL ELECTRICITY REGULATORY
COMMISSION (TERMS AND CONDITIONS OF TARIFF)
REGULATIONS, 2011.**

DATE: 24.08.2012



CHAPTER – 1 INTRODUCTION

- 1.1 In terms of the provisions contained in regulation 2.6 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2007 as amended, (hereinafter referred to as the “Tariff Regulations, 2007”) the generating companies or the licensees, as the case may be, were subject to an Annual Performance Review (in short ‘APR’). DPSC Limited (in short “DPSC”) have submitted their application for APR for the year 2009 – 2010 on 29 November, 2010 as per provisions of Tariff Regulations, 2007. The application was admitted by the Commission for processing and the same was numbered as APR-19/2010-11.
- 1.2 The West Bengal Electricity Regulatory Commission (hereinafter referred to as the ‘Commission’) introduced Multi Year Tariff (in short “MYT”) procedure and as such, APR aims at carrying out adjustments arising out of difference between the actual performances and projected performances under different factors / heads of accounts. Such adjustments are now to be done in the manner as specified in the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 which has been published on 29.04.2011 with effect from the date of publication after repealing the Tariff Regulations, 2007.
- 1.3 Since the Tariff Regulations, 2007 has been repealed and West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 (hereinafter referred to as the “Tariff Regulations”) is effective from 29th April, 2011, the instant application needs to be dealt with as per provisions of the Tariff Regulations.
- 1.4 The instant application of DPSC is their fourth application for the APR, the first, the second and the third ones were for the financial years 2006 – 2007, 2007 – 2008 and 2008 – 2009 respectively. The adjustments, as were found necessary on review of the performances of those years, were effected while determining



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- the amount recoverable through tariff during the years following the years of such review. Similarly, the adjustments, as may arise out of the review of the instant application for 2009 – 2010 will be considered for giving effect while determining the amount of revenue recoverable through tariff order of any ensuing year or through separate order as specified in regulation 2.6.6 of Tariff Regulations.
- 1.5 The APR for the year 2009 – 2010 is the review of the different factor elements of fixed charges, categorized as controllable and uncontrollable, allowed to DPSC Limited through the Aggregate Revenue Requirement (in short 'ARR') for the year 2009 – 2010, vis-à-vis actuals as per the audited accounts. The Tariff Regulations (vide regulation 2.5.5) provides that the variations out of uncontrollable factors of expenses are to be passed through the tariffs in an appropriate manner as may be decided by the Commission.
- 1.6 The APR is to cover the annual fixed charges allowed to the licensee, incentives and the effect of gain sharing as per Schedule – 10 and Schedule – 9B to the Tariff Regulations, 2007. Element of performance incentive or gain sharing on account of achieving better operational norms, however, was not considered for DPSC Limited while determining its Aggregate Revenue Requirement (in short 'ARR') for the year 2009 – 2010. The analyses of the Commission and taking views thereon will be with reference to the audited data. The instant application of DPSC Limited for the year 2009 – 2010 is being viewed in the subsequent parts of this order.
- 1.7 In its application for APR for the financial year 2009 – 2010, DPSC Limited brought out the following major issues for the consideration of the Commission.
- 1.7.1 The actual Plant Load Factor (PLF) achieved at its Dishergarh and Chinakuri generating stations were 23.72% and 68.92% respectively as against normative of 48% and 80% respectively. Such low PLF resulting in considerable shortfall in the target generation was attributable to non-availability of requisite supply of



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coal. Such actual position should be kept in view while deciding upon the recovery of capacity charges in terms of the Tariff Regulations.

1.7.2 DPSC highlighted the necessity of allowing them total amount of Rs. 8511.73 lakh as against Rs. 7050.90 lakh allowed earlier through the tariff order for the year 2009 – 2010. The major head wise breakup to the amount of fixed charges so claimed had been shown as under:

	Rs. in lakh
i) Employee cost	2999.49
ii) Coal & Ash Handling Expenses	103.20
iii) Administrative & General Expenses	1519.51
iv) Interest & Finance Charges	1018.75
v) Lease Rental	422.10
vi) Depreciation	479.38
vii) Water Cess	7.30
viii) Bad Debt	37.12
ix) Income Tax	290.69
x) Reserve for Unforeseen Exigencies	30.90
xi) Normative Returns	1169.66
xii) Special Allocation	433.63
Total:	8511.73

1.8 DPSC provided requisite data / information in the specified proforma with clarifying notes. A copy of its annual reports and audited annual accounts for the concerned year was also submitted by DPSC along with the instant application.

1.9 The Commission has taken careful note of the above representations made by DPSC. The relevant issues will be addressed to and the views will be taken accordingly while examining the admissibility of expenses under different heads of accounts.



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- 1.10 The application for APR for the year 2009-10, though submitted by DPSC Limited in terms of the provisions of Tariff Regulations, 2007, is to be dealt with in terms of the provisions of the Tariff Regulations now in force.
- 1.11 In terms of regulation 2.6.12 of the Tariff Regulations, DPSC Limited was asked vide letter No. WBERC/APR-19/10-11/0131 dated 5.5.2011 to submit a draft gist of the application of APR for the year 2009-10 for approval of the Commission. Accordingly, DPSC Limited submitted a draft gist of the APR application on 12.5.2011.
- 1.12 On receipt of the draft gist submitted by DPSC Limited, the application for APR of DPSC Limited was admitted by the Commission on 19.05.2011 in Case No. APR-19/10-11. After admission of the application DPSC Limited was directed to publish, in terms of regulation 2.6.12 of the Tariff Regulations, the gist of the application, as approved by the Commission, in at least four daily newspapers having wide circulation in the area of supply of DPSC Limited at least one each of such newspapers being in Bengali and English and also in the website of DPSC Limited. The gist was accordingly, published simultaneously on 23 May, 2011 in 'The Times of India', 'Bartaman', 'Dainik Lipi, Asansol' and 'Prabhat Khabar'. The publication invited the attention of all interested parties, stake holders and the members of the public to the application for APR for the year 2009 – 2010 of DPSC Limited and requested for submission of objections, comments etc., if any, on the application to the Commission by 14th June, 2011 at the latest. Opportunities were also afforded to all to inspect the application and take copies thereof.
- 1.13 No comment, suggestion, objection on application for APR for the year 2009 – 2010 of DPSC Limited has been received.



CHAPTER – 2 FIXED CHARGES

2.1 The uncontrollable elements of fixed charges are those elements where variations of actual expenditures with the expenditures allowed by the Commission in the tariff order for the concerned year are caused by the factors beyond the control of the generating company or the licensee. The amounts of actual expenses / charges under such different heads of accounts are, therefore, to be considered on prudent check for carrying out positive or negative adjustments, as the case may be. On the contrary, in case of controllable head of expenses, the applicant is supposed to contain the expenditure within the total amount so allowed and savings located under controllable head will go to their account. The review of each of such controllable and uncontrollable head of fixed charges with reference to the amount allowed through tariff and the actuals based on the audited accounts of DPSC Limited is being taken up hereunder one by one.

2.2 **Employee Cost:**

2.2.1 DPSC Limited was allowed a total amount of Rs. 2406.99 lakh towards employees' cost which includes salaries, wages, bonus, contribution to PF and other funds as well as staff welfare expenses including terminal benefits. The actual expenditure for salary and wages, etc. including terminal benefits and directors' fees and Managing Director's commission comes to Rs. 2982.42 lakh for 2009 – 2010 as per the audited accounts for the concerned year, vide schedule – 15 to the profit and loss account. However, the amount of Rs. 2982.42 lakh is inclusive of Rs. 51.72 lakh being the VRS amortization included in the account. If we exclude this amount of Rs. 51.72 lakh, then the employee cost comes to Rs. 2930.70 lakh.

2.2.2 The amount of Rs. 2999.49 lakh claimed by DPSC Limited towards employee cost includes Rs. 68.80 lakh as payment to contract labours. In this regard, it is to be noted that the payment to contract employees on the regular establishment are to be treated as employee cost only. However, it is seen from the Note to



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Accounts under schedule – 17 of the annual report that the payment to contract labour are related to repair and maintenance of plant and machinery and building and booked under repair and maintenance head. The entire amount of Rs. 68.80 lakh towards payment to contract labours is, therefore, not to be classified under employee cost. The Commission thus allows a total amount of Rs. 2930.70 lakh under the head employee cost going by the audited accounts.

- 2.2.3 The cost center-wise breakup of the amount allowed through tariff for the year 2009 – 2010 and the amount as admitted above after allocating the centrally maintained expenses are found as under:

Rs. In Lakh

Particulars	As per Tariff Order for 2009-10	Admitted in APR for 2009-10
Generation		
Dishergarh	399.53	581.26
Chinakuri	646.81	975.25
Total	1046.34	1556.51
Distribution	1360.65	1374.19
Grand Total	2406.99	2930.70

2.3 Coal and Ash Handling Charges:

- 2.3.1 The actual expenditure on this score had not been separately classified in the audited accounts. The Commission under such circumstances considers the amount indicated by the applicant in its application and directs DPSC henceforth to provide the auditor's certificate separately in regard to the heads of expenses which are not directly available from the audited accounts. The amounts of expenditure towards coal and ash handling as were allowed in the tariff and as were stated incurred at different generating stations of DPSC compare as under:

Rs. In Lakh

Generating Station	As per tariff order	Actual
Dishergarh	42.36	47.29
Chinakuri	50.09	55.91
Total	92.45	103.20



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2.3.2 The Commission allowed the expenses for coal and ash handling charges in the tariff order for the respective year considering an inflationary trend over the expenses allowed for 2007 – 2008. However the coal and ash handling charges are mostly variable with the quantum of generation and use of coal and the Commission decides to view the amount claimed with reference to the actual generation vis-à-vis targets set for generation and amount admitted in the tariff order. The position in this regard comes as under:

Rs. In Lakh

Generating Station	Target Generation (MU)	Expenses as per tariff order	Actual Generation (MU)	Actual Expenses
Dishergarh	51.299	42.36	25.35	47.29
Chinakuri	210.240	50.09	181.13	55.91
Total	261.539	92.45	206.48	103.20

2.3.3 It may be seen from the above table that actual expenses under this head are much higher than the expenses proportionate to actual generation in both Dishergarh and Chinakuri generating stations. The Commission thus consider not to allow the actual expenses under this head and admits the same as allowed in the tariff order for 2009 – 2010 for the respective generating station. The station wise allocation will remain same at Rs. 42.36 lakh and Rs. 50.09 lakh for Dishergarh and Chinakuri generating stations respectively.

2.4 Water Charges:

2.4.1 Similar to coal and ash handling charges, the actual expenditure on this score is not separately identifiable from the audited accounts and the directions given above will equally apply in this regard. The actual amount of total expenditure incurred by DPSC under this head of accounts has been indicated as Rs. 7.30 lakh as against Rs. 7.17 lakh allowed in the tariff for the concerned year. It is found that the actual expenditure under this head is higher than the expenditure



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allowed in the tariff order, though the actual generation in both the generating station during the year was less than the target generation. The Commission, thus, decides not to allow the actual expenditure under this head but to restrict the expenditure allowed in the tariff order for 2009 – 2010. The station wise allocation will remain same at Rs. 0.37 lakh and Rs. 6.80 lakh for Dishergarh and Chinakuri generating stations respectively.

2.5 Interest on Capital Borrowings:

2.5.1 DPSC Limited made capital borrowings from the single source, i.e., State Bank of India.

As per the details submitted in Form – C, the capital borrowings were made for the construction of additional three floors in its existing building at Salt Lake, Kolkata and for incurring capital expenditures in its distribution system. The amount of chargeable interest during the year came to Rs. 141.69 lakh out of which Rs. 73.23 lakh pertains to construction of additional three floors in the existing building at Salt Lake. The balance amount of Rs. 68.46 lakh has been asked by DPSC Limited through APR.

2.5.2 In addition to above stated amount of interest of Rs. 68.46 lakh on actual borrowings, DPSC Limited also claimed an amount of Rs. 179.59 lakh as interest on normative borrowings for capital expenditures. As per the details submitted in form 1.19(a), the capital expenditures incurred and capitalized during the year after netting off value of assets retired from operation and the amount of capital contributions received from the consumers was for an amount of Rs. 371.32 lakh.

2.5.3 The amount allowable towards interest on normative loan computes as under:

Particulars	Derivative	Amount in Rs. in Lakh
Opening normative debt	a	1532.16
Actual addition to debt for the year	b	1.96
Addition to the fixed assets during the year	c	371.32
Normative addition to debt @ 70% of the addition to fixed asset during the year	$d = c \times 0.7$	259.92
Addition to debt for the year to be considered to ARR	e = higher of b and d	259.92



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Additional normative debt during the year	$f = e - b$	257.96
Closing balance of additional normative debt	$g = a + f$	1790.12
Average normative debt	$h = (a+g)/2$	1661.14
Weighted average rate of interest	$i = 10.60\%$	
Interest on normative debt allowed in APR for 2009 – 2010	$j = h \times i$	176.08

2.5.4 The admissible amount of interest in APR for 2009 – 2010 is as below:

Particulars	Amount (Rs. in Lakh)
Interest on actual capital borrowings	68.46
Interest on normative borrowings	176.08
Total	244.54

2.5.5 The allocation of this admissible amount of capital borrowings to generation and distribution functions, in the line as suggested by DPSC, comes as under:

Rs. In Lakh

Sl. No.	Particulars	Amount	Amount
1.	Generation		
	Dishergarh	0.00	
	Chinakuri	45.42	45.42
2.	Distribution		199.12
	Total		244.54

2.6 Interest on Working Capital:

2.6.1 An amount of Rs. 666.78 lakh was considered in the tariff for the year towards interest on working capital. In its application for APR, DPSC claimed an amount of Rs. 736.00 lakh on this account considering an amount of Rs. 6690.89 lakh as normative need of working capital borrowing at the rate of 11.00%. It has been observed from the submission as well as from the audited accounts that DPSC, in actual, arranged working capital by way of cash credit from the banks. The outstanding opening balance of such borrowings through cash credit was Rs. 1111.94 lakh and same came down to Rs. 627.07 lakh at the end of the year.



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The actual total interest charge for the year 2009 – 2010 came to Rs. 141.38 lakh.

2.6.2 In terms of regulation 4.6.5.1 of the Tariff Regulations, working capital requirement shall be assessed on normative basis @ 18% on the summation of annual fixed charges and FPPC reduced by the amounts of depreciation etc. The following are the calculation in this regard.

Sl. No.	Particulars	Amount in Rs. in lakh	Amount in Rs. in lakh
1	Net Fixed charges excluding interest on working capital	-	7256.77
2	Fuel and Power Purchase Cost as admitted in FPPCA Order dated 04.06.2012	-	33639.09
	Total	-	40895.86
	Less:		
3	Depreciation	479.38	
4	Deferred Revenue Expenditure	0.00	
5	Return on Equity	1169.72	
6	Provision for Bad Debt	37.12	
7	Reserve for Unforeseen Exigencies	30.90	
8	Withheld amount of previous year	433.63	2150.75
9	Total		38745.11
10	Normative requirement of Working Capital [18% on (9) above]		6974.12
11	Interest allowable on above @ 11%		767.15

2.6.3 The allocations of amount considered in the tariff as well as the amount now admitted on APR, in the line as proposed by DPSC are as follows:

Rs. In Lakh

Sl. No.	Particulars	As per Tariff Order	As admitted in APR for 2008 - 2009
1.	Generation		
	Dishergarh	40.66	26.01
	Chinakuri	116.79	121.66
2.	Distribution	509.33	619.48
	Total	666.78	767.15



2.7 Interest on Consumers' Security Deposit:

2.7.1 The actual amount of interest paid / payable on the Consumers' Security Deposits as per the audited account was Rs. 17.72 lakh as against Rs. 18.00 lakh allowed in the tariff for the year 2009 – 2010. As seen from the audited balance sheet, the total amount of such deposits at the beginning of the year was Rs. 287.98 lakh and the same rose to Rs. 294.51 lakh at the end of the year. The Commission admits the actual amount of such interest of Rs. 17.72 lakh in APR for 2009 – 2010 and allocates the same to distribution function.

2.8 Other Finance Charges:

2.8.1 Other Finance Charges stated to have been incurred towards bank charges, etc. was Rs. 17.50 lakh. It has been observed that the amount was not separately classified as such in the audited accounts and might have been classified as miscellaneous expenses in schedule 15 to the audited accounts. The Commission, however, admits the amount of Rs. 17.50 lakh as claimed with the direction to make a separate disclosure of the said head of expenses in the audited accounts or through the audited certificate from the statutory auditor. The amount is allocated to Dishergarh, Chinakuri and distribution system as proposed by DPSCL.

Sl. No.	Particulars	Amount (Rs. in Lakh)
1.	Generation	
	Dishergarh	0.58
	Chinakuri	2.69
2.	Distribution	14.23
	Total	17.50

2.9 Rent:

2.9.1 An amount of Rs. 21.42 lakh was allowed in tariff order for 2009 – 2010 towards rent, rates and taxes for distribution function only and provision for rent was not separately considered for generation function in the tariff order. As per audited accounts of DPSCL, actual expenditure on rent is Rs. 11.97 lakh. According to



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- the details submitted by DPSC in appendix 1.1, no rent was paid for any generating station.
- 2.9.2 In terms of regulation 5.7.2(i) of the Tariff Regulations, administrative and general expenses also include rent and lease charge for asset other than generating station. In view of the above, the Commission decides that rent and lease rental for generating station are uncontrollable and thus admits the actual expenditure in APR for 2009 – 2010. However, rent and lease rental for function other than generating station are treated as controllable being part of O&M expenses and thus restrict to admit their claim corresponding to the amount allowed in the tariff order for 2008 – 2009 and will be dealt appropriately under O&M head of distribution function.
- 2.9.3 In view of above, the Commission decides not to allow any rent in APR for 2009 – 2010 separately for generating function and the expenditure on rent amounting to Rs. 11.97 lakh relating to distribution function is decided to be dealt as a part of O & M expenses appropriately.
- 2.10 Lease Rental (For Generating Station):**
- 2.10.1 As per audited account, DPSC has spent Rs. 430.14 lakh on lease rental. This amount includes Rs. 8.04 lakh towards expenditure other than in respect of generating station. An amount of Rs. 393.26 lakh was considered in the tariff order towards lease rental payable to M/s Eastern Coalfields Limited for Chinakuri generating station. In terms of regulation 5.7.2(i) of the Tariff Regulations, the lease rental charges for generating station are uncontrollable and the Commission decides to admit the amount of actual payment of Rs. 422.10 lakh (Rs. 430.14 lakh – Rs. 8.04 lakh) for Chinakuri generating station in APR for 2009 – 2010.
- 2.10.2 As discussed earlier in this order, rent and lease rental for function other than generating station are treated as controllable being part of O & M expenses and



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thus restrict to admit their claim corresponding to the amount allowed in the tariff order for 2009 – 2010 and will be dealt appropriately under O&M head of distribution function.

2.11 Rates & Taxes (Other than on Income & Profit):

2.11.1 No amount was separately considered towards Rates & Taxes (Other than tax on Income & Profit) in the tariff order for the year 2009 – 2010 for generation function and an amount of Rs. 21.42 lakh was allowed towards rent, rates and taxes for distribution function. The projected amount on such accounts was considered as the part of overall operation and maintenance expenses which were treated as controllable. In the Tariff Regulations, 2007, as amended, the Commission recognized such expenditures as separate item and categorized the same as uncontrollable.

2.11.2 As per schedule 15 of audited accounts of DPSC for 2009 – 2010, the expenditure on rates and taxes was Rs. 26.71 lakh. DPSC in its application for APR for 2009 – 2010 further claimed that licence and filing fees paid during 2009 – 2010 to the Commission and Appellate Tribunal amounting to Rs. 13.16 lakh is to be included under rates and taxes. The amount of licence fees and filing fees is identifiable from the audited certified details of miscellaneous expenses although not categorised as rates and taxes in the audited accounts of DPSC. The Commission decides to admit Rs. 13.16 lakh along with Rs. 26.71 lakh, the audited amount of rates and taxes. The actual amount of Rs. 39.87 lakh (Rs. 26.71 lakh + Rs. 13.16 lakh) during the year on that head of accounts is being admitted with following cost centre-wise allocation as proposed by DPSC:

Sl. No.	Particulars	Amount (Rs. in Lakh)
1.	Generation	
	Dishergarh	2.02
	Chinakuri	9.06
2.	Distribution	28.79
	Total	39.87



2.12 Insurance Premium:

2.12.1 Similar to rates & taxes, as stated above, the provision towards insurance expenses was clubbed with the overall allowable amount towards operation and maintenance expenses. Since as per Tariff Regulations, 2007 the expenditures towards taking appropriate insurance coverage have been categorized as uncontrollable, the actual expenditures totaling to Rs. 22.07 lakh has been admitted with the following cost centre-wise allocation.

Sl. No.	Particulars	Amount (Rs. in Lakh)
1.	Generation	
	Dishergarh	0.17
	Chinakuri	7.03
2.	Distribution	14.87
	Total	22.07

2.12.2 However, in order to avail the same, DPSC is to confirm in its next APR application that the provision stipulated under regulation 5.23.1 of the Tariff Regulations has been complied with in this regard.

2.13 Depreciation:

2.13.1 As shown in Form – B of the submission as well as in Schedule – 4 to the audited accounts, the total amount of chargeable depreciation for the year 2009 – 2010 came to Rs. 537.20 lakh as against Rs. 504.07 lakh considered in the tariff order for the said year. The positive variation of Rs. 33.13 lakh is mainly due to net addition of Rs. 585.18 lakh to the opening gross block of fixed assets. DPSC, however, proposed to allow it an amount of Rs. 479.38 lakh as against the amount of actual chargeable depreciation by making the following adjustments:



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Sl. No.	Particulars	Amount (Rs. in Lakh)	
1.	Depreciation charges in the books of accounts	537.20	
	Less::		
2	Depreciation on cost of additional 3 floors of its building at Salt Lake in Kolkata including the cost of air conditioning, plant and elevator	53.09	
3	Depreciation on leasehold land at Salt Lake in Kolkata	4.39	
4	Depreciation on defunct Sibpur generating station	0.34	57.82
5	Depreciation claimed in APR for 2009 – 2010		479.38

2.13.2 The Commission thus allows the amount of depreciation charged in the audited accounts reduced by the adjustments as proposed by DPSC. The amount so allowed comes to Rs. 479.38 lakh. The allocation of this amount to generation and distribution functions in the line as proposed by DPSC comes as follows:

Sl. No.	Particulars	Amount (Rs. in Lakh)
1.	Generation	
	Dishergarh	21.27
	Chinakuri	102.80
2.	Distribution	355.31
	Total	479.38

2.14 Reserve for Unforeseen Exigencies:

2.14.1 DPSC was allowed an amount of Rs. 34.87 lakh towards reserve for unforeseen exigencies computed @ 0.25% of the value of projected gross fixed assets at the beginning of the year 2009 – 2010 under the provisions of the Tariff Regulations. The actual gross value of fixed assets as on 1 April, 2009, as per the audited accounts, vide Schedule – 4 thereto was Rs. 14260.06 lakh. However, the above fixed assets are to be reduced by the cost of additional three floors of corporate office of Kolkata and cost of lease hold land to arrive at the gross value of opening fixed assets of Rs. 12359.28 lakh for the purpose of computation of reserve for unforeseen exigencies. The allowable reserve for unforeseen



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exigencies, thus, comes to Rs. 30.90 lakh, being 0.25% of above amount of Rs. 12359.28 lakh as per regulation 5.11.1 and the Commission admits the same with the following allocation.

Sl. No.	Particulars	Amount (Rs. in Lakh)
1.	Generation	
	Dishergarh	1.71
	Chinakuri	6.79
2.	Distribution	22.40
	Total	30.90

2.14.2 The actual amount of such reserve created by DPSC Limited as on 1 April, 2009 was Rs. 75.98 lakh and appropriated amount out of profit during 2009 – 2010 is Rs. 35.65 lakh. As per schedule 5 of audited balance sheet as on 31 March, 2010, DPSC Limited had invested Rs. 79.20 lakh. The interest received in respect of the fund for an amount of Rs. 5.00 lakh has been reinvested in terms of regulation 5.24.2 of the Tariff Regulations.

2.14.3 In terms of regulation 5.24.1 of the Tariff Regulations, DPSC Limited has also furnished auditor's certificate that book value as on 30 September, 2010 of the investment relating to reserve for unforeseen exigencies pertaining to the financial year ending 31 March, 2010 is Rs. 109.20 lakh against the reserve for unforeseen exigencies as on 31 March 2010 of Rs. 111.63 lakh.

2.15 Bad Debts:

2.15.1 DPSC Limited charged an amount of Rs. 37.12 lakh as bad debts written off in its books of accounts for the year and claimed the amount through APR for 2009 – 2010. The amount is admitted in terms of regulation 5.10.1 of the Tariff Regulations. The amount relates to distribution function.



2.16 Special Allocation:

2.16.1 An amount of Rs. 433.63 lakh was allowed to DPSC in the tariff order for the year 2009 – 2010. The amount was towards adjustment relating to earlier years.

2.16.2 The amount of Rs. 433.63 lakh relating to earlier years, therefore, remained unaltered and was found relating to distribution function.

2.17 Taxes under Income Tax Act:

2.17.1 A total amount of Rs. 40.50 lakh was allowed in the tariff for the year 2009 – 2010 towards taxes payable under the provisions of Income Tax Act with the following breakup:

	Rs. in Lakh
Fringe Benefit Tax (FBT)	40.50
Total:	40.50

2.17.2 As per information now submitted in Annexure 3 to Form 1.17 chronologically from the assessment year 2001 – 2002 to 2010 – 2011, the actual position of income tax assessed came to Rs. 658.34 lakh. As against this amount of tax on income, the Commission so far allowed (upto the financial year 2009 – 2010) Rs. 367.65 lakh in tariff. The balance amount of Rs. 290.69 lakh had now been claimed for the reimbursement through APR. The amount so claimed is found admissible.

2.17.3 In regard to fringe benefit tax, the actual amount came to nil as against Rs. 40.50 lakh allowed in the tariff, since the same has been abolished in 2009 – 2010.

2.17.4 The total amount of taxes under the provision of Income Tax Act, thus, admitted are as follows:



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	Rs. in Lakh
Taxes on Profit	290.69
Total:	290.69

2.17.5 The allocations of the total amount so admitted on APR for 2009 – 2010 to different cost centres, as proposed by DPSC, is agreed as under:

Sl. No.	Particulars	Amount (Rs. in Lakh)
1.	Generation	
	Dishergarh	9.84
	Chinakuri	46.10
2.	Distribution	234.75
	Total	290.69

2.18 Return on Equity:

2.18.1 Based on the inputs below, the actual average equity base for the year 2009 – 2010 is to be computed.

2.18.2 DPSC in its application for APR 2009 – 2010 indicated actual addition to equity base during the year as Rs. 369.36 lakh. The Commission decides to go by the audited accounts of DPSC to arrive at actual equity base.

2.18.3 Actual equity base at the opening and closing of the year 2009 – 2010 arrived at from the audited balance sheet of DPSC is as below:

Particulars	Amount (Rs. in Lakh)			
	Opening Balance		Closing Balance	
Share Capital	423.39		423.39	
Free Reserve:				
Share Premium	1659.39		1659.39	
General Reserve	3757.90		3757.90	
Profit & Loss A/c	2674.09	8091.38	4002.82	9420.11
Total	8514.77		9843.50	
Less: Cost of lease hold land at corporate office including registration charges		308.91		308.91
Grand Total	8205.86		9534.59	



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- 2.18.4 Actual addition to the equity base during 2009 – 2010 is Rs. 1328.73 lakh being the difference between actual opening and closing equity base.
- 2.18.5 Addition to the original cost of fixed assets during the year 2009 – 2010 is Rs. 371.32 lakh.
- 2.18.6 Equity base for allowing returns to the licensees at the specified rate is an uncontrollable factor in terms of the Tariff Regulations. DPSC Limited was allowed return on the projected average equity base of generation function and distribution function @ 15.50% and 16.50% respectively and it comes to Rs. 247.88 lakh for generation function and Rs. 892.48 lakh for distribution function aggregating to Rs. 1140.36 lakh. The return on equity of generation function was allocated between Dishergarh and Chinakuri generating stations in proportion to their estimated equity base as Rs. 51.24 lakh and Rs. 196.64 lakh respectively. The actual average equity base for the purpose of computation of return on equity during the year 2009 – 2010 comes to Rs. 7208.69 lakh as per the computation shown hereunder:

Sl. No.	Particulars	Amount (Rs. in Lakh)
1	Actual equity base at the beginning of the year	8205.86
2	Admissible equity base at the beginning of the year 2009 – 2010	7152.99
3	Actual addition to equity base during the year	1328.73
4	Actual equity base at the end of the year (1+3)	9534.59
5	Net Addition to the original cost of fixed assets during the year	371.32
6	Normative addition to equity base (30% of 5)	111.40
7	Addition to equity base considered for the year (lower of 3 and 6)	111.40
8	Admissible equity base considered at the closing of the year (2+7)	7264.39
9	Average equity base for allowing returns (2+8)/2	7208.69
10	Excess of actual closing equity base over admitted closing equity base for the purpose of computation of ROE (4-8)	2270.20



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2.18.7 Based on ratio of the gross cost of fixed assets at the beginning of the year and addition during the year as submitted by DPSC, allocation of equity base between generation function and distribution function is as below:

Rs. In Lakh

Particulars	Opening equity base of 2009-10	Closing equity base of 2009-10	Average equity base of 2009-10	Return on equity (in percent)	Return admitted in APR for 2009-10
Generation					
Dishergarh	396.28	396.28	396.28	15.50	61.42
Chinakuri	1571.51	1578.37	1574.94	15.50	244.12
Distribution	5185.20	5289.74	5237.47	16.50	864.18
Total	7152.99	7264.39	7208.69	-	1169.72

2.18.8 The cost center-wise breakups of the amount of return considered in tariff and now admitted are as under:

Rs. In Lakh

Particulars	As considered in the Tariff Order	As admitted in APR for 2008 - 2009
Generation		
Dishergarh	51.24	61.42
Chinakuri	196.64	244.12
Distribution	892.48	864.18
Total	1140.36	1169.72

2.19 Performance Incentive:

2.19.1 Schedule 10 to the Tariff Regulations provides for allowing incentives to generating companies and the licensees, as the case may be for their improved performances. Since ARR for the concerned year was determined on prospective basis, no amounts towards such incentives were provided therein. Now the actual performance of DPSC on different criteria, as came out from their submission, is found not eligible for any performance incentive and DPSC also in their application for APR 2009 – 2010 did not claim any amount for the same. Thus, no performance incentive is admitted to DPSC in APR for 2009 – 2010.



2.20 Operation & Maintenance Expenses:

2.20.1 Operation & Maintenance (O&M) expenses viz. Repairs and Maintenance including cost of consumables, legal and professional charges, audit fees, administrative and general expenses are categorized as controllable in terms of the Tariff Regulations.

2.20.2 In the Tariff Regulations, the treatment in respect of following heads of expenses previously treated as a part of O&M expenses and controllable expenses have been exceptionalized.

- i) Insurance Premium: In terms of regulation 5.23.1 read with table 2.5-1, it is to be treated as uncontrollable.
- ii) Rates and Taxes: In terms of table 2.5-1, it is to be treated as a separate identifiable component in computation of ARR and is to be treated as uncontrollable.
- iii) Rent and Lease Charges: In terms of regulation 4.7.2, administrative and general expenses will include rent and lease charges for assets other than those of generation function. The expenditure on account of rent and lease charges for assets is to be considered separately for generation function, but to be considered as a part of O&M expenses for assets other than generation function.

2.20.3 In view of the above, the O&M expenses approved in the tariff order is regrouped wherever necessary to take a considerate view in this regard. The table given below depicts the amount approved in the tariff order under the head O&M expenses vis-à-vis actual expenses (where comparison is required) thereof separately for generation and distribution functions.

2.20.4 O&M expenses for generating stations being controllable are admitted in terms of norms specified in schedule 9A of the Tariff Regulations, which is the same as



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that was considered in the tariff order after adjustment of insurance premium, rent, rates and taxes.

2.20.5 O&M expenses for generation function (actual has not been shown as the same is not relevant) as considered in the tariff order for 2009 – 2010 vis-à-vis admitted in APR for 2009 – 2010 is as under:

Rs. In Lakh

Particulars	As considered in Tariff Order	Amount admitted in APR for 2009 – 2010
Dishergarh	172.75	170.56
Chinakuri	318.60	302.51
Total	491.35	473.07

2.20.6 O&M expenses for distribution function as considered in the tariff order vis-à-vis actual are presented in the table below after necessary regrouping as per Tariff Regulations discussed in the paragraph 2.20.2 above.

2.20.7 The Commission in its tariff order for 2009 – 2010 directed that in case the actual expenditure under repair and maintenance head of distribution system is found to be less than the admitted amount, the Commission will allow the actual expenditure under this head in APR for the concerned year. DPSC has provided separately actual expenditure on repair and maintenance for 2009 – 2010 as Rs. 804.34 lakh after adjustment of Rs. 149.95 lakh for item considered separately allocating between generation and distribution functions. The actual allocation for repairs and maintenance in tariff order is inseparable from the total allocated O&M expenses in case of generation function and hence cannot be compared one to one basis. However, in case of distribution function, it is observed that actual expenditure of DPSC on repairs including consumable stores surpassed the total O&M expenses so allowed in the tariff order. The Commission, therefore, decides to admit the expenses of repairs including consumable stores for its distribution function as was allowed in the tariff order. It is observed from schedule 15 to audited accounts of DPSC that head of expenses like other



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administrative and general expenses, legal and professional charges etc. are not directly available. DPSC is directed to provide actual audited figure for each head of expenditure whether controllable or uncontrollable properly allocating between generation and distribution functions in future. DPSC may, however, submit reconciliation statement for each head of expenses necessitating any adjustment separately.

2.20.8 Based on the above analysis, and O&M expenditure being controllable in nature, the amount admitted as O & M expenses for distribution function in APR for 2009 – 2010 is as below:

Rs. in Lakh

Sl. No.	Particulars	As approved in Tariff Order	Actual Expenditure	Amount admitted in APR under O&M Head	Remarks
1	Repairs & Maintenance	259.08	429.90	259.08	-
2	Other Administrative & General expenses	349.38	416.04	349.38	-
3	Rent		11.97	11.97	-
4	Rates & Taxes	21.42	28.79	-	Treated rates & taxes separately
5	Legal & Professional Charges	17.65	14.90	17.65	-
6	Audit Fees	13.03	14.40	13.03	-
7	Insurance	10.91	14.87	-	Treated Separately
8	Lease Rental	Nil	8.04	8.04	-
9	Total (Regrouped)	671.47	939.00	659.15	-

2.21 Income from Investments:

2.21.1 An amount of Rs. 151.19 lakh was deducted from the gross amount of fixed charges towards projected income from investments and bank balances in the tariff order for 2009 – 2010. As it came out from schedule 14 to the audited accounts, the total of such income was Rs. 31.59 lakh including the earning of Rs. 6.41 lakh from the investment of the reserve for unforeseen exigencies, which required to be included in that reserve fund. The balance amount of Rs. 25.18 lakh is found deductible from gross amount of allowable fixed charges. The



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allocation of the same to different cost centres in ratio of the projected amounts comes as under:

Sl. No.	Particulars	Amount (Rs. in Lakh)	
		As per Tariff Order	As admitted in APR for 2009 - 2010
1.	Generation		
	Dishergarh	6.67	1.11
	Chinakuri	27.84	4.65
2.	Distribution	116.58	19.42
	Total	157.19	25.18

2.22 Other Miscellaneous Incomes:

2.22.1 As per the audited accounts, miscellaneous receipts derived by DPSC Limited during the year were Rs. 85.83 lakh. Rs. 85.83 lakh excludes an amount of Rs. 156.51 lakh towards rental income derived from additional three floors constructed at the corporate building at Salt Lake, Kolkata being income from investment made out of fund exclusively meant for non-core business. The total amount of miscellaneous receipts, i.e., Rs. 85.83 lakh, requires to be adjusted as income in APR 2009 – 2010 which is entirely related to distribution function.

2.23 Admissibility of recovery of Full Capacity Charges based on availability:

2.23.1 In terms of regulation 6.4.2 of the Tariff Regulations, from the second control period, the recovery of capacity charges for all the generating stations of the licensee and generating company shall be against the normative availability and in case the generating stations are not covered by on-line monitoring display arrangement at SLDC along with dedicated audio communication then the recovery for capacity charges shall be done on the basis of normative PLF only. The Dishergarh power station of DPSC Limited was not covered by ABT and Chinakuri power station was not connected online with SLDC during the entire period of 2009 – 2010. Hence, for both the generating stations, the full capacity charge recovery will be determined on the basis of actual generation vis-à-vis targeted



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generation at targeted PLF. The generating station-wise comparative position is given in the table below:

Generating Station	Targeted Generation (MU)	Actual Generation (MU)	Targeted PLF (%)	Actual PLF (%)
Dishergarh	51.299	25.353	48.00	23.72
Chinakuri	210.240	181.134	80.00	68.92
Total	261.539	206.487	-	-

2.23.2 DPSC has submitted in its application for APR for 2009 – 2010 that such low generation was attributable to continued short availability of coal despite the Plant Availability Factor (in short “PAF”) of Dishergarh power station was 87.66% and Chinakuri Power Station was 81.87% against targeted PAF of 48% and 82% respectively. In terms of regulation 6.4.3 of the Tariff Regulations, DPSC confirmed in its application that it has explored all the possibilities to meet the coal shortage. DPSC has further confirmed in its application that considering the normative station heat rate prevailed during the year, had the coal been available, the possible generation would have been 28.382 MU at Dishergarh power station (at 26.56% PLF) and 219.239 MU at Chinakuri power station (at 83.42% PLF). DPSC, however, submitted that due to locational problem import of coal was not a viable option for them.

2.23.3 The Commission, based on the submission of DPSC decides to allow the recovery of capacity charges to the extent it was affected due to shortage of coal. The table given below depicts the position in a nut-shell.

Generating Station	Targeted PLF (%)	Actual PLF on normative basis with shortage of coal (%)	Shortfall in %	Net Capacity Charge for 2009 – 2010 (Rs. in lakh)	Disallowed due to shortfall (Rs. in lakh)	Admitted Capacity Charge in APR for 2009 – 2010 (Rs. in lakh)
Dishergarh	48	26.56	21.44	916.46	196.49	719.97
Chinakuri	80	83.42	0.00	2337.77	0.00	2337.77



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2.23.4 As may be seen from paragraph 2.23.3 above, actual PLF on normative basis with shortage of coal in respect of Chinakuri generating station is higher (83.42%) as against the targeted PLF (80%). But, since the actual PLF (68.92%) physically achieved in Chinakuri generating station is lower than the targeted PLF, no incentive for improved performance in terms of regulation at paragraph no. 1 of the schedule – 10 to the Tariff Regulations is allowed.

2.24 Fixed Charges as Admitted:

2.24.1 Based on the foregoing analyses, the amounts of net fixed charges allowable under different heads in respect of Dishergarh and Chinakuri generating stations and distribution function of DPSC Limited have been shown in Annexure 2A. As shown in the referred annexure, the gross amount of fixed charges (less other income) for DPSC Limited for the year 2009 – 2010 comes to Rs. 8023.92 lakh as against Rs. 7050.90 lakh allowed in ARR for 2009 – 2010.

2.24.2 The net amount of fixed charges for DPSC Limited for the year 2009 – 2010, has been derived deducting the amount specified in paragraphs 2.23.3, and the same comes to be Rs. 7827.43 lakh. This has been shown in Annexure 2A with break-up in Dishergarh and Chinakuri generating stations and distribution function as Rs. 719.97 lakh, Rs. 2337.77 lakh and Rs. 4769.69 lakh respectively.



Annexure – 2A

Rs. in Lakh

Sl. No.	Head of Fixed Charges	As per Tariff Order				As Admitted in APR			
		Generation		Distribution	Total	Generation		Distribution	Total
		Dishergarh	Chinakuri			Dishergarh	Chinakuri		
1	Employee Cost	399.53	646.81	1360.65	2406.99	581.26	975.25	1374.19	2930.70
2	Water Charges	0.37	6.80	0.00	7.17	0.37	6.80	0.00	7.17
3	Coal & Ash Handling Expenses	42.36	50.09	0.00	92.45	42.36	50.09	0.00	92.45
4	Operation & Maintenance Expenses	172.75	318.60	639.14	1130.49	170.56	302.51	659.15	1132.22
5	Interest on Capital Borrowings	0.00	20.00	311.67	331.67	0.00	45.42	199.12	244.54
6	Interest on Consumers' Security Deposit	0.00	0.00	18.00	18.00	0.00	0.00	17.72	17.72
7	Interest on Working Capital	40.66	116.79	509.33	666.78	26.01	121.66	619.48	767.15
8	Other Finance Charges	0.77	3.23	13.50	17.50	0.58	2.69	14.23	17.50
9	Lease Rental (for generating station)	0.00	393.26	0.00	393.26	0.00	422.10	0.00	422.10
10	Rates & Taxes (Other than on Income & Profit)	0.00	0.00	21.42	21.42	2.02	9.06	28.79	39.87
11	Insurance Premium	0.00	0.00	10.91	10.91	0.17	7.03	14.87	22.07
12	Depreciation	23.46	98.31	382.30	504.07	21.27	102.80	355.31	479.38
13	Reserve for unforeseen Exigencies	1.57	6.01	27.29	34.87	1.71	6.79	22.40	30.90
14	Bad Debts	0.00	0.00	0.00	0.00	0.00	0.00	37.12	37.12
15	Special Allocation	0.00	0.00	433.63	433.63	0.00	0.00	433.63	433.63
16	Taxes as per Income Tax Act	1.79	7.49	31.22	40.50	9.84	46.10	234.75	290.69
17	Return on Equity	51.24	196.64	892.48	1140.36	61.42	244.12	864.18	1169.72
18	Gross Fixed Charges for the year (1 to 17)	734.50	1864.03	4651.54	7250.07	917.57	2342.42	4874.94	8134.93



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Sl. No.	Head of Fixed Charges	As per Tariff Order				As Admitted in APR			
		Generation		Distribution	Total	Generation		Distribution	Total
		Dishergarh	Chinakuri			Dishergarh	Chinakuri		
	Less: Adjustment								
19	Income from Investment	6.67	27.94	116.58	151.19	1.11	4.65	19.42	25.18
	Other Miscellaneous Income	0.00	0.00	47.98	47.98	0.00	0.00	85.83	85.83
	Total (19)	6.67	27.94	164.56	199.17	1.11	4.65	105.25	111.01
20	Total Fixed Charges (18-19)	727.83	1836.09	4486.98	7050.90	916.46	2337.77	4769.69	8023.92
21	Disallowance of cost as per paragraph 2.23.3	0.00	0.00	0.00	0.00	196.49	0.00	0.00	196.49
22	Net Fixed Charges for the year (20-21)	727.83	1836.09	4486.98	7050.90	719.97	2337.77	4769.69	7827.43



CHAPTER – 3 AMOUNT ADJUSTABLE ON ANNUAL PERFORMANCE REVIEW

- 3.1 Based on the forgoing analyses and admissions of the adjustments under different controllable / uncontrollable factors / elements of fixed charges, the re-determined allowable fixed charges separately for each of the generating stations of DPSC Limited as well as for its distribution functions come as under:

Particulars	Amount (Rs. in Lakh)
Generation	
Dishergarh	719.97
Chinakuri	2337.77
Distribution	4769.69
Total	7827.43

- 3.2 In its order dated 04.06.2012 in case No. FPPCA-44/10-11, the Commission also re-determined the fuel and power purchase cost allowable to DPSC Limited totaling to Rs. 33639.09 lakh, after meeting the amounts relating to shares of various gains attributable to its consumers and WBSEDCL in terms of the Tariff Regulations vide paragraph 4.4 of the aforesaid order. The cost centre-wise breakup of this total amount of Rs. 33639.09 is as follows:

Rs. In Lakh				
Particulars	Dishergarh	Chinakuri	Distribution	Total
Fuel Cost (allocated in the ratio of normative cost of Order dated 04.06.2012 in Case No. FPPCA-44/10-11.	624.77	3372.29	0.00	3997.06
Power Purchase Cost	0.00	0.00	29642.03	29642.03
Total	624.77	3372.29	29642.03	33639.09



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3.3 It comes out from the enumerations as shown above, DPSC's total realizable sales revenue from its consumers and WBSEDCL during the year 2009 – 2010 comes as follows:

	Rs. In Lakh
Fuel & Power Purchase Cost	33639.09
Fixed Charges	7827.43
Total:	41466.52

3.4 Gains through Better Performance in Distribution Loss than the Norms:

3.4.1 In terms of paragraph D of Schedule 9B of the Tariff Regulations, gains accruing to a distribution licensee due to its performance in distribution loss being better than the norms of distribution loss in any year may be retained by that distribution licensee in that year subject to gain sharing applicable separately for fuel cost of own generation as specified in paragraph A of Schedule 7A of the Tariff Regulations during Fuel and Power Purchase Cost (FPPC) determination. In terms of paragraph 3.3 of the Fuel and Power Purchase Cost Adjustment (FPPCA) order of DPSC for the year 2009 – 2010 vide order dated 04.06.2012 in Case No. FPPCA-44/10-11, DPSC could save 21.32 MU for better performance in distribution loss than the norms and they have been allowed to retain the benefit for such savings amounting to Rs. 700.43 lakh during FPPC determination for 2009 – 2010.

3.4.2 In terms of paragraph 3.3 above, the total admitted variable and fixed cost in APR for 2009 - 2010 of DPSC for sale of energy to consumers and WBSEDCL come to Rs. 41466.52 lakh for 965.84 MU of energy. Units saved through reduction of distribution loss in 2009 – 2010 is 21.32 MU and therefore DPSC is allowed to retain the revenue earned i.e., Rs. 915.33 lakh (Rs. 41466.52 lakh / 965.84 MU x 21.32 MU) subject to adjustment of gain sharing accruing to them



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amounting to Rs. 700.43 lakh through the FPPCA order referred above. The net adjustment with the actual revenue realized from such savings in sale of energy to own consumers and WBSEDCL comes to Rs. 214.90 lakh (Rs. 915.33 lakh – Rs. 700.43 lakh).

- 3.5 Actual revenue realized from sale of energy to the consumers and WBSEDCL during the year 2009 – 2010 as per audited certificate furnished by DPSC is Rs. 39285.17 lakh.
- 3.6 In terms of paragraph 3.4.2 above, Rs. 214.90 lakh is to be adjusted against actual revenue realized from sale of energy for 2009 – 2010 amounting to Rs. 39285.17 lakh. Accordingly, the re-determined actual revenue realized by DPSC from sale of energy to own consumers and WBSEDCL comes to Rs. 39070.27 lakh (Rs. 39285.17 lakh – Rs. 214.90 lakh) and the same is allocated to different generating stations and distribution function as below.

Particulars	Amount in Rs. in Lakh
Generation	
Dishergarh	1266.88
Chinakuri	5380.65
Distribution	32422.74
Total	39070.27

- 3.7 Based on the analyses as done in the foregoing paragraphs, DPSC is to recover an amount of Rs. 2396.25 lakh (Rs. 41466.52 lakh – Rs. 39070.27 lakh) for the year 2009 – 2010 with cost centre wise break-up as given below:



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Generating Station	Amount Recovered	Fuel & Power Purchase Cost	Fixed Charges	Total Recoverable	Balance amount recoverable
1	2	3	4	5 (3+4)	6 (5-2)
Dishergarh	1266.88	624.77	719.97	1344.74	77.86
Chinakuri	5380.65	3372.29	2337.77	5710.06	329.41
Distribution	32422.74	29642.03	4769.69	34411.72	1988.98
Total	39070.27	33639.09	7827.43	41466.52	2396.25

- 3.8 In pursuance to the order dated 06.09.2011 of the Hon'ble Appellate Tribunal for Electricity in Appeal No. 67 of 2009, the Commission re-determined the interest on working capital of DPSC for APR 2006 – 2007 in its order dated 23.05.2012. In the said order, the Commission considered to adjust the recoverable amount of Rs. 109.46 lakh in the APR of DPSC for 2009 – 2010.
- 3.9 The Commission also passed an order on 23.05.2012 re-determining the interest on working capital of DPSC for the APR for 2008 – 2009 in pursuance to the order dated 05.01.2012 of the Hon'ble Appellate Tribunal for Electricity in Appeal No. 1 of 2011 and considered to adjust the recoverable amount of Rs. 416.36 lakh in the APR of DPSC for 2009 – 2010.
- 3.10 The Commission also passed an order on 04.06.2012 re-determining the interest on working capital of DPSC for the APR for 2007 – 2008 in pursuance to the order dated 06.09.2011 of the Hon'ble Appellate Tribunal for Electricity in Appeal No. 137 of 2009 and considered to adjust the recoverable amount of Rs. 123.21 lakh in the APR of DPSC for 2009 – 2010.
- 3.11 Considering the above adjustment as mentioned in paragraphs 3.8, 3.9 and 3.10 with the recoverable amount of Rs. 2396.25 lakh as found in paragraph 3.7 above, total recoverable amount comes to Rs. 3045.28 lakh, which is given below along with cost centre wise break-up.



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Unit	Balance amount recoverable as per para 3.7	Adjustment as per para 3.8	Adjustment as per para 3.9	Adjustment as per para 3.10	Total amount recoverable
1	2	3	4	5	6
Dishergarh	77.86	4.42	11.91	4.56	98.75
Chinakuri	329.41	20.26	68.36	20.82	438.85
Distribution	1988.98	84.78	336.09	97.83	2507.68
Total	2396.25	109.46	416.36	123.21	3045.28

3.12 In terms of the Tariff Regulations, the entire recoverable amount of Rs. 3045.28 lakh or a part thereof shall be adjusted with the amount of Aggregate Revenue Requirement for the year 2011 – 2012 or that for any other ensuing year or through a separate order, as may be decided by the Commission. The decision of the Commission in this regard will be given in the tariff order of DPSC for the year 2011 – 2012 or any ensuing year or in a separate order.

3.13 DPSC is to take a note of this order.

Sd/-
(SUJIT DASGUPTA)
MEMBER

Sd/-
(PRASADRANJAN RAY)
CHAIRPERSON

DATED: 24.08.2012