

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 220/GT/2020**

Subject : Petition for revision of tariff of Ramagundam Super Thermal Power Station Stage-III (500 MW) for the period from 1.4.2014 to 31.3.2019 after the truing up exercise.

Petitioner : NTPC Limited

Respondents : Andhra Pradesh Eastern Power Distribution Company Limited & 11 Ors

Date of Hearing : **13.4.2021**

Coram : Shri P.K.Pujari, Chairperson  
Shri I.S.Jha, Member  
Shri Arun Goyal, Member  
Shri Pravas Kumar Singh, Member

Parties present : Shri Venkatesh, Advocate, NTPC  
Shri Anant Singh, Advocate, NTPC  
Shri Abhishek Nangia, Advocate, NTPC  
Shri Vinodh Kanna, Advocate, TANGEDCO

**Record of Proceedings**

Case was called out for virtual hearing.

2. At the outset, the Commission observed that the petition has been re-listed to seek certain clarifications with regard to the claim of the Petitioner for additional O&M expenses considering the impact of wage revision and the details of Gross Calorific Value (GCV) for purpose of interest on working capital.

3. The learned counsel for the Respondent, TANGEDCO submitted that the details in Form 9D (Statement showing items claimed under exclusions for the years 2016-17 and 2018-19) had not been furnished by the Petitioner. He also submitted that the details of O&M expenses and Corporate expenses furnished by the Petitioner vide its affidavit dated 22.2.2021 (Annexures B & C) has not been certified by Auditor. The learned counsel further submitted that the Auditor certified statement in respect of impact of wage revision including employee cost has not been furnished by the Petitioner despite the specific direction of the Commission in this regard vide ROP of the hearing dated 13.8.2020. He also pointed out that the Petitioner in its affidavit dated 4.11.2020 has not furnished any details with respect to the chlorination system in Stage-III of the project. The learned counsel also submitted that the details of assets de-capitalised with regard to chlorine dosing system has not been furnished with respect to Stage-III of the project and, therefore, the claim of the Petitioner is not maintainable.



4. In response to the above, the learned counsel for the Petitioner pointed out that the revised Form-9D only for the years 2015-16 and 2017-18 were furnished in terms of the directions of the Commission vide ROP of hearing dated 13.8.2020. He also clarified that details of the wage revision impact duly certified by the Chartered Accountant has already been furnished vide affidavit dated 17.1.2020. The learned counsel further submitted that the claim on account of Chlorination system has been made in Petition No.444/GT/2020 which pertains to the determination of tariff of this generating station for the 2019-24 tariff period.

5. The Commission, after hearing the parties, directed the Petitioner to file additional information on the following, with advance copy to the Respondents, on or before 31.5.2021:

- a) *Breakup of actual O&M expenditure for the tariff period 2014-19 under various sub-heads (as per **Annexure-A** enclosed) after including the pay revision impact (employees, CISF and KV), wage revision impact (minimum wages). (To be provided in both MS Excel and PDF format);*
- b) *Break-up of actual O&M expenses including pay revision impact for Corporate Centre/other offices & breakup of claimed wage revision impact on employee cost, expenses on corporate centre and on salaries of CISF & KV employee of the generating station (as per **Annexure-B** & **Annexure-C** enclosed) for the 2014-19 tariff period along with the allocation of the total O&M expenses to the various generating stations under construction, operational stations and any other offices along with basis of allocating such expenditure.(to be provided in both MS Excel and PDF format);*
- c) *Gross Calorific Value (GCV) details on 'as received' basis for the months of January 2014 to March, 2014, which was already uploaded in the website of the Petitioner and shared with the beneficiaries.*

6. The Respondents are directed to file their replies on or before 14.6.2021, with advance copy to the Petitioner, who may file its rejoinder, if any, by 21.6.2021. Pleadings shall be completed by the parties within the due dates mentioned above and no extension of time shall be granted.

7. Subject to the above, order in the Petition was reserved.

By order of the Commission

Sd/-  
B.Sreekumar  
Joint Chief (Law)



Details of actual O&M expenses (Common for Hydro /Thermal Generating Station)						
Sl. No.	Items	2014-15	2015-16	2016-17	2017-18	2018-19
1	Consumption of stores & spares					
2	Repair & Maintenance					
3	Insurance					
4	Security					
5	Water Charges					
6	Administrative Expenses					
6.1	Rent					
6.2	Electricity charges					
6.3	Travelling & Conveyance					
6.4	Communication Expenses					
6.5	Advertising					
6.6	Foundation Laying & Inauguration					
6.7	Donation					
6.8	Entertainment					
6.9	Filing fee					
	<b>Subtotal (Administrative Expenses)</b>					
7.0	Employee Cost					
7.1.1	Salaries, Wages & Allowances					
7.1.2	Pension					
7.1.3	Gratuity					
7.1.4	Provident Fund					
7.1.5	Leave Encashment					
7.2	Staff welfare expenses					
7.2.1	-Medical expenses on superannuated employees					
7.2.2	-Medical expenses on regular employees & others					
7.2.3	-Uniform/Livries & safety equipment					
7.2.4	-Canteen expenses					
7.2.5	-Other staff welfare expenses					
	Subtotal (Staff welfare Expenses)					
7.3	Productivity linked Incentive					
7.4	Expenditure on VRS					
7.5	Ex-gratia					
7.6	Performance Related Pay (PRP)					
	Sub Total (Employee Cost)					
8	Loss of Store					
9	Provisions					
10	Prior Period Expenses					
11	Corporate Office expenses allocation					
12	Others					
12.1	Rates & Taxes					
12.2	Water cess					
12.3	Training & recruitment expenses					
12.4	Tender Expenses					
12.5	Guest house expenses					
12.6	Education expenses					
12.7	Community Development Expenses					
12.8	Ash utilisation expenses					
12.9	Books & Periodicals					
12.10	Professional Charges					
12.11	Legal expenses					
12.12	EDP Hire & other charges					
12.13	Printing & Stationery					
12.14	RLDC Fee & Charges					
12.15	Brokerage & Commission					
12.16	Bank charges					
12.17	Claims/advances written off					
12.18	Hiring of vehicle					
12.19	Payment to auditors					
12.20	Misc. Expenses					
	(Break-up Of Misc.)					
12.20.1	-Horticulture					
12.20.2	-Transport- Vehicle Running exp.					
12.20.3	-Hire charges & Operating Exp -Construction Equipment					
12.20.4	-Tree Plantation exp.					



Details of actual O&M expenses (Common for Hydro /Thermal Generating Station)						
Sl. No.	Items	2014-15	2015-16	2016-17	2017-18	2018-19
12.20.5	-R&D expenses					
12.20.6	Other Vehicles					
12.20.7	Consumptn-HSD/LDO-(Ind/Imp)-DG Set					
12.20.8	Exp/ Inc from Inv Diff					
12.20.9	Loss on sale of Investments					
12.20.10	Operating exp of diesel generating sets					
12.20.11	Furnishing Expenses					
12.20.12	Subscription to Trade and Other Association					
12.20.13	Hire Charges - Helicopter/Aircraft					
12.20.14	Visa & Entry Permit Charges - Overseas					
12.20.15	FX Monitoring Terminal Expenses					
12.20.16	Works/Conf.(Excl train R&D CENPEEP)Earlier Non FBT					
12.20.17	Workshop/Conf. Exp (train R&D CENPEEP) Earlier FBT					
12.20.18	Hire charges - Office equipment					
12.20.19	Payment for health club etc					
12.20.20	Gifts liable for Fringe Benefit Tax					
12.20.21	Festival expenses liable Earlier (FBT)					
12.20.22	Miscellaneous Expenses					
12.20.23	Rounding Off Difference					
12.20.24	Regional Power Committee Expenses					
12.20.25	Misc Exp. trf to CSR and IEDC					
12.20.26	Specify other sub head, if any.					
	<b>Sub Total (Others)</b>					
<b>13</b>	<b>(Total 1 to 12)</b>					
14	Revenue / Recoveries					
15	Net Expenses					
	<b>Total O&amp;M Cost</b>					

DETAILS OF CORPORATE CENTRE EXPENSES ALLOCATED TO VARIOUS OPERATING STATIONS						
					Amount (₹ in lakh)	
	PARTICULARS/YEAR	2014-15	2015-16	2016-17	2017-18	2018-19
	Total Expenses of CC & RHQs-(A)					
	Transferred to Construction Projects -(B)					
	Transferred to any other business activity - (C)					
	Expenses related to stations under operation (D)=(A)-(B)-(C)					
	<b>Head Wise Details of D</b>					
1	<b>Employee Expenses</b>					
a	Salaries, Wages and Allowance					
b	Staff Welfare Expenses					
c	Productivity Linked Incentive					
d	Expenditure on VRS					
e	Ex-Gratia					
2	<b>Administrative Expenses</b>					
a	Repair and maintenance					
b	Training and Recruitment					
c	Communication					
d	Travelling and Conveyance					
e	Rent					
f	Others -Break Up as per details given below:					
f-1	Advertisement and publicity					
f-2	Books & Periodicals					
f-3	EDP Hire and other charges					
f-4	Education expenses					
f-5	Ent. and hospitality					
f-6	Fin Expenses-IndAS					
f-7	Guest house expenses					
f-8	Hiring of Vehicles					
f-9	Insurance					
f-10	Legal Expenses					
f-11	Miscellaneous Expenses					
f-12	Community development Exp.					
f-13	Others.					
f-14	Payment to auditors					
f-15	Power Charges					
f-16	Printing and Stationery					
f-17	Prof chg & cons fees					
f-18	R&D EXPS					
f-19	Rates and taxes					
f-20	Tender expenses					
f-21	Trpt Veh running Exp.					
f-22	Water charges					
f-23	Workshop & Conf. Exp.					
	<b>Sub Total (Administrative Expenses)</b>					
3	Security					
4	Donations					
5	Provisions					
6	Depreciation					
7	Prior period expenses					
8	Total Expenses from 1-7					
	Less Recoveries (if any)					
9	Expenses related to Operation - D					
	<b>ALLOCATION TO OPERATIONAL STATIONS</b>					
S.No	Name of The Unit/Station					
	<b>Operational Station (1)</b>					
	<b>Operational Station (2)</b>					



**FORMAT FOR CLAIMING WAGE REVISION IMPACT****YEARWISE IMPACT OF REVISION IN SALARIES & WAGES PAID TO THE EMPLOYEES AND STAFF OF CISF & KV****1. Wage revision impact on employee cost of generating station****Amount (₹ in lakh)**

Component	2016-17			2017-18			2018-19		
	Pre Revised	Post Revision	Wage revision Impact	Pre Revised	Post Revision	Wage revision Impact	Pre Revised	Post Revision	Wage revision Impact
1.1 Basic Pay									
1.2 Dearness Allowance									
1.3 HRA									
1.4 Allowances & Perquisites									
1.5 PRP/Ex Gratia									
2.1 Super Annuation Benefits (PF, Pension & PRMS)									
2.2 Gratuity									
2.3 Leave encashment (HPL/EL)									
Total									
Less: EDC									
Net employee cost									



**Wage revision impact on Corporate Centre cost of generating station**

**Amount (₹ in lakh)**

Component	2016-17			2017-18			2018-19		
	Pre Revised	Post Revision	Wage revision Impact	Pre Revised	Post Revision	Wage revision Impact	Pre Revised	Post Revision	Wage revision Impact
CC Expenses									
1.1 Basic Pay									
1.2 Dearness Allowance									
1.3 HRA									
1.4 Allowances & Perquisites									
1.5 PRP/Ex Gratia									
Total									

**2. Wage revision Impact on Salaries of CISF & KV employee (if applicable)**

**Amount (₹ in lakh)**

Component	2015-16			2016-17			2017-18			2018-19		
	Pre Revised	Post Revision	Wage revision Impact	Pre Revised	Post Revision	Wage revision Impact	Pre Revised	Post Revision	Wage revision Impact	Pre Revised	Post Revision	Wage revision Impact
1.CISF												
2. KV												
Total												

Total Wage revision Impact												
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