

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 202/MP/2019**

Subject : Petition for increase in O&M Expenses on account of Pay/Wage revision and other pay hikes to Employees (Executives w.e.f. 1.1.2017, Non-Executives & Workmen w.e.f. 1.4.2014) of NLCIL's Power Stations & CISF w.e.f. 1.1.2016 including gratuity ceiling limit increase etc.- recovery from the beneficiaries of NLCIL Power Stations for the year 2014-19.

Date of Hearing : **28.6.2022**

Coram : Shri I.S. Jha, Member  
Shri Arun Goyal, Member  
Shri Pravas Kumar Singh, Member

Petitioner : NLC India Limited

Respondents: TANGEDCO & 18 ors.

Parties present : Ms. Anushree Bardhan, Advocate, NLCIL  
Ms. Shikha Sood, Advocate, NLCIL  
Ms. Shrishti Khindaria, Advocate, NLCIL  
Shri Nambirajan, NLCIL  
Shri Anil Kumar Sahni, NLCIL  
Shri A. Srinivasan, NLCIL  
Shri Anand K Ganesan, Advocate, Rajasthan Discoms  
Shri Amal Nair, Advocate, Rajasthan Discoms

**Record of Proceedings**

The case was called out for virtual hearing.

2. The learned counsel for the Petitioner submitted that this petition has been filed by the Petitioner, seeking additional O&M expenses on account of pay/wage revision and other pay hikes to employees (executives w.e.f. 1.1.2017, Non-executives & workmen w.e.f. 1.4.2014) of the Petitioners generating stations and CISF personnel w.e.f. 1.1.2016 for the 2014-19 tariff period, including the increase in the gratuity ceiling limit. The learned counsel also submitted that certain additional information, as called for by the Commission for various other generating stations, may be permitted to be filed by the Petitioner.

3. The learned counsel for the Respondent TANGEDCO submitted that the Petitioner's claim for additional O&M expenses under the heads namely, post-retirement medical assistance, central service unit, social overhead and storage etc may not be considered. He also submitted that the Petitioner may be directed to



provide a copy of the annual report of its generating stations (limited to O&M expenses) to the Respondent.

4. The learned counsel for the Respondent Rajasthan Discoms prayed for grant of time to file their replies to the additional information to be filed by the Petitioner.

5. After hearing the parties, the Commission directed the Petitioner to file the following additional information by **21.7.2022**, after serving copy on the Respondents:

- (i) Audited details of Station-wise, Mine wise actual O&M expenses for the period 2014-19 (showing pay / wages / benefits for Executives, Non-Executives & workmen & CISF) (as per **Annexure-A** enclosed, as applicable) after including the pay revision impacts (in both MS Excel and PDF format);
- (ii) Audited details of the actual O&M expenses of Corporate Centre/other common offices including pay revision impact (as per **Annexure-B** enclosed, as applicable) of the generating station for the 2014- 19 tariff period along with the allocation of total O&M expenses to the various generating stations/mines which are under construction, operational stations/mines and any other offices/business activity along with basis of allocating such expenditure (in both MS Excel and PDF format);
- (iii) Total normative O&M expenses aggregated to Company Level, as allowed for each year in the respective 2014-19 period truing up tariff / lignite transfer price orders or as claimed in pending 2014-19 truing up Petitions for all the Petitioner's Generating Stations and Linked Mines. (in both MS Excel and PDF format);
- (iv) Comparative table indicating the total actual O&M expenditure incurred (from (i) and (ii) above) versus the total normative O&M allowable/allowed to the generating stations, linked mines for the period from 1.4.2014 to 31.3.2019 (from (iii) above); (in both MS Excel and PDF format);
- (v) Break-up of Rs 783.64 crore pay revision impact claimed in the instant Petition, in respect of all categories of employees of the Petitioner, Security Personnel and others, if any, stationed at the generating stations/mines and Corporate Centre/other common offices employee cost allocated to the generating stations/mines (as per **Annexure-C** enclosed, as applicable); (in both MS Excel and PDF format);
- (vi) Copy of annual report of the Petitioner's Company published for the 2014-19 period, limited to details of O&M expenses.

6. The Respondents shall file their replies by **5.8.2022**, after serving copy to the Petitioner, who may file its rejoinder, if any, by **16.8.2022**. Pleadings shall be completed by the parties, within the due dates mentioned and no extension of time shall be granted for any reason.



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

**By order of the Commission**

**Sd/-**  
(B. Sreekumar)  
Joint Chief (Law)



**Annexure A**

<b>Details of actual O&amp;M expenses of Thermal Generating Station and linked mines</b>						
<b>Amount (Rs.in lakh)</b>						
<b>Sl. No.</b>	<b>Items</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
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					
	<b>Subtotal (Staff welfare Expenses)</b>					
7.3	Productivity linked Incentive					
7.4	Expenditure on VRS					
7.5	Ex-gratia					
7.6	Performance Related Pay (PRP)					
	<b>Sub Total (Employee Cost)</b>					
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 utilization 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.)					



**Annexure B**

<b>Details of corporate center expenses allocated to various operating stations and linked mines</b>						
		<i>Amount (Rs. in lakh)</i>				
	<b>PARTICULARS/YEAR</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
	Total Expenses of CC & RHQs-(A)					
	Transferred to Construction Projects -(B)					
	Transferred to any other business activity - (C)					
	Expenses related to stations under operation <b>(D)=(A)-(B)- (C)</b>					
	<b>Head Wise Details of D</b>					
1	Employee Expenses					
A	Salaries, Wages and Allowance					
B	Staff Welfare Expenses					
C	Productivity Linked Incentive					
D	Expenditure on VRS					
E	Ex-Gratia					
2	Administrative Expenses					
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>						
<b>DETAILS OF CORPORATE CENTRE EXPENSES ALLOCATED TO VARIOUS OPERATING STATIONS</b>						
		<i>Amount (Rs. in lakh)</i>				
	<b>PARTICULARS/YEAR</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
<b>S.No</b>	<b>Name of The Unit/Station</b>					
	Operational Station (1) / Mine					
	Operational Station (2) / Mine					



**FORMAT FOR CLAIMING WAGE  
REVISION IMPACT YEARWISE IMPACT  
OF REVISION IN SALARIES**

**Wage revision impact on employee cost of generating station and linked mines**

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)									
<b>Total</b>									
<b>Less: EDC</b>									
<b>Net employee cost</b>									

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

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									
2.1 Super Annuation Benefits (PF, Pension & PRMS)									
2.2 Gratuity									
2.3 Leave encashment (HPL/EL)									
<b>Total</b>									

