

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 402/GT/2019

Subject : Petition for approval of tariff for the period from 30.9.2019 to 31.3.2024 for Khargone Super Thermal Power Station (1320 MW).

Petitioner : NTPC Limited

Respondents : Madhya Pradesh Power Management Company Limited & 6 ors

Date of Hearing : **25.2.2022**

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

Parties Present : Shri Venkatesh, Advocate, NTPC
Shri Tushar Srivastava, Advocate, NTPC
Shri Jayant Baja, Advocate, NTPC
Shri V.V. Siva Kumar, NTPC
Shri Ravi Sharma, Advocate, CSPDCL
Shri Biplab Dutta, CSPDCL
Shri Ravin Dubey, Advocate, MPPMCL
Shri Ravindra Khare, MPPMCL

Record of Proceedings

Case was called out for virtual hearing.

2. During the hearing, the learned counsel for the Petitioner circulated note of arguments and made detailed oral submissions in the matter. At the request of the learned counsel, the Commission permitted the Petitioner to place on record the said note of arguments.

3. The learned counsel for the Respondent, MPPMCL and Respondent, CSPDCL prayed for grant of time to file their replies/ additional replies in the matter. The Respondent, CSPDCL also pointed out that the Petitioner may be directed to implead Khargone Transmission Limited, as party Respondent in the matter, as they are necessary party in the proceedings.



4. The Commission after considering the submissions of the learned counsel for the Respondent CSPDCL, directed the Petitioner to implead Khargone Transmission Limited as Respondent in the matter and to file amended memo of parties. The Petitioner was also directed to serve copies of the petition on the said respondent.

5. The Petitioner is directed to submit the following additional information, after serving copy to the Respondents, on or before 25.3.2022, after serving copy to the Respondents:

- (i) *Clarification as to whether the capital expenditure towards Railway infrastructure and its augmentation for transportation of coal has been capitalized in the books of accounts of the Petitioner or the Railways.*
- (ii) *Clarification as regards the gain on account of foreign exchange variation being added to the capital cost (paragraph 13 of the petition).*
- (iii) *The value of freehold land as per Form-B is Rs.5483.34 lakh as on COD of Unit-I and Rs.5587.28 lakh as on COD of Unit-II. However, the same as per Form-11 is Rs.23940.69 lakh as on COD of Unit-I and Rs.24020.53 lakh as on COD of Unit-II. Reconciliation of the value of land as per these two forms.*
- (iv) *Details/reconciliation of total financing charges (FC) in the statement as used for IDC in Form-14(B).*
- (v) *Interest and FERV included in the workings at Form-14(B) is on actual basis. Clarification for the inclusion of Rs.4734.44 lakh under the head "Amort Exp Vendor Disc-IND AS" in the IDC statement for the purpose of tariff.*
- (vi) *Clarify the relevance of showing IDC capitalised as – IDC capitalised without unwinding and IDC capitalised with unwinding in Form-14(B). Also, explanation of the term "unwinding" as used in the Petition.*
- (vii) *Investment approval as per Form-A is Rs.11825.98 crore and the same as per Form-B is Rs.11553.77 crore. This variance shall be reconciled with clarification;*
- (viii) *The gross block as on COD of respective units in Form-L is at variance with the same as per auditor certified Gross Block as per IGAAP. This variance needs to be reconciled along with necessary modification, if any, of the tariff filing forms / auditor certificate;*
- (ix) *Auditor certified statement showing amount of depreciation capitalized to Gross Block (and forming part of it) and CWIP as on COD of respective units;*
- (x) *Auditor certified statement in respect of financing charges showing total financing charges incurred, un-amortized financing charges claimed separately as on COD, financing charges capitalized to gross block, financing charges*



capitalized as CWIP and financing charges charged to P&L account upto COD of respective units;

(xi) Reconciliation of IDC & FC claimed as on COD of both the units as per Form-B with that as per Form-14(B);

(xii) Soft copy of IDC, FC, FERV and notional IDC calculations with links.

6. Reply shall be filed by the Respondents by 7.4.2022, after serving copies to the Petitioner, who may file its rejoinder, if any, by 14.4.2022.

7. The matter shall be listed for hearing in due course for which separate notice will be issued to the parties

By order of the Commission

Sd/-

(B. Sreekumar)
Joint Chief (Law)

