

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 718/MP/2020

Coram:

Shri I.S. Jha, Member

Shri Arun Goyal, Member

Shri Pravas Kumar Singh, Member

Date of order: 23rd January 2023

In the matter of

Petition under section 62 and 79 (1) of the Electricity Act,2003 read with related provisions of the Chapter-V of the Central Electricity Regulatory Commission (Conduct of Business) Regulations,1999 and Regulations8(3) (Chapter-3), 54 (Power to Relax), and 55 (Power to Remove Difficulty) (Chapter-10) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014, for recovery of the impact of enhancement of gratuity limit during the financial year 2017-18 in respect of all the eight power stations of North Eastern Electric Power Corporation Limited (NEEPCO), Shillong.

And

In the matter of

North Eastern Electric Power Corporation Limited
Corporate Office: Brookland Compound Lower New Colony,
Shillong 793 003 Meghalaya

.....**Petitioner**

Vs

1. Assam Power Distribution Company Limited,
"Bijulee Bhawan", Paltanbazar,
Guwahati 781 001, Assam.
2. Meghalaya Power Distribution Corporation Limited,
Meter Factory area, Short Round Road,
Integrated Office Complex,
Shillong -793001, Meghalaya.
3. Power & Electricity Department,
Government of Mizoram, New Secretariat Complex,
Kawlphetha, Aizawl – 796001, Mizoram.



4. Manipur State Power Distribution Company Limited,
Electrical Complex, Khwai Bazar, Keishampat
Imphal-795001, Manipur.
5. Department of Power, Vidyut Bhawan,
Government of Arunachal Pradesh,
Itanagar-791111, Arunachal Pradesh.
6. Department of Power,
Government of Nagaland,
Kohima -797001, Nagaland.
7. Tripura State Electricity Corporation Limited,
Bidyut Bhavan, North Banamalipur,
Agartala -799 001, Tripura.
8. North Eastern Regional Power Committee,
NERPC Complex, Dong Parmaw
Lapalang, Shillong-793006,
Meghalaya.
9. North Eastern Regional Load Despatch Centre,
Dongtiah, Lower Nongrah,
Lapalang, Shillong -793006,
Meghalaya.

..... Respondents

The following were present:

Shri Rana Bose, NEEPCO
Shri D. Chaudhury, NEEPCO
Ms. Elizabeth Pyrbot, NEEPCO

ORDER

The North Eastern Electric Power Corporation Limited (hereinafter referred to as NEEPCO/the Company), a wholly owned subsidiary of NTPC Ltd, established under Companies Act, 1956 came into existence on 2nd April, 1976 with its Corporate Office at Shillong, Meghalaya. The Petitioner has made the following prayers:



I. Allow recovery of additional expenditure amounting to Rs. 6725.64 lakh recognized in Books of NEEPCO during the FY 2017-18 for enhanced limit for payment of Gratuity up to Rs.20.00 (Twenty) lakhs in compliance to the "Payment of Gratuity (Amendment) Act, 2018" notified by the Govt. of India vide gazette notification dated 29.03.2018 as detailed at paragraph 8 & 9 above and subsequently paid to LIC, the Gratuity Fund Manager of the Company, during the FY 2018-19 as detailed at paragraph 10 above, resulting in cash outflow for the Company.

II. Pass any other order in this regard as the Hon'ble Commission may find appropriate in the circumstances pleaded above.

Submission of the Petitioner:

2. The Petitioner owns power stations/projects at different states/locations of the North Eastern Region of the country as listed below:

Sl. No.	Station Name	IC (MW)	Location	COD
1	Kopili Hydro Electric Power Plant (KHEP)	4x50=200	Assam	12.07.1997
2	Kopili Hydro Electric Power Plant Stage-II (KHEP St-II)	1x25=25	Assam	26.07.2004
3	Khandong Hydro Electric Power Plant	2x25=50	Assam	04.05.1984
4	Doyang Hydro Electric Power Plant (DHEP)	3x25=75	Nagaland	08.07.2000
5	Ranganadi Hydro Electric Power Plant (RHEP)	3x135=405	Arunachal Pradesh	12.04.2002
6	Assam Gas Based Power Plant (AGBP)	291	Assam	01.04.1999
7	Agartala Gas Based Combined Cycle Power Plant (AGTCCP)	135	Tripura	01.09.2015
8	Tripura Gas Based Power Plant (TGBP)	101	Tripura	31.03.2017
9	Tuirial Hydro Electric Power Plant (TrHEP)	2X30=60	Mizoram	30.01.2018
10	Pare Hydro Electric Power Plant (PaHEP)	2X55=110	Arunachal Pradesh	28.05.2018



11	Kameng Hydro Electric Power Project	4X150=600	Arunachal Pradesh	U#I: 17.06.2020 U#II: 01.07.2020 U#III & U#IV : Not yet commissioned
----	-------------------------------------	-----------	-------------------	--

3. The petitioner has submitted that the electricity generated from the stations at Sl. Nos. 1 to 7 above is being supplied to the respondents at Sl.No.1 to Sl.No.7 and the power generated by Tripura Gas Based Power Plant (TGBP) (Sl. No. 8) is being supplied only to respondent at Sl. No. 7 mentioned herein above.

4. The Commission has determined the tariff and approved the Annual Fixed Charges (AFCs) of the generating power stations mentioned above at sl. No. 1 to 9 for the period 01.04.2014 to 31.03.2019 in accordance with the Central Electricity Regulatory Commission (Terms and Condition of Tariff) Regulations, 2014. The Petitioner has submitted petitions before the Hon'ble Commission for the above generating power stations for truing up of tariff for the period 01.04.2014 to 31.03.2019. The Petitioner submitted that Ministry of Labour and Employment, Government of India vide Gazette Notification dated 29.03.2018 had notified the Payment of Gratuity (Amendment) Act, 2018 enhancing the limit on payment of gratuity up to Rs. 20.00 lakh.

5. The Petitioner further submitted that the Normative Operation & Maintenance Expenses fixed by the Hon'ble Commission in respect of the above mentioned power stations for the period 01.04.2014 to 31.03.2019 through Regulation 29 of Chapter - 6 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 were based on the historical data submitted by the Petitioner and did not take into account effect of the enhancement of limit on payment of gratuity.

6. The Petitioner submitted that they had to bear an additional expenditure of Rs. 9578.91 lakh during the FY 2017-18, being the impact of Payment of Gratuity



(Amendment) Act 2018, based on actuarial valuation of gratuity on account of enhancement of gratuity limit up to Rs. 20.00 lakh as disclosed under “Plan Amendments: Vested portion at end of period (Past Service)” of the “Table 1: Disclosure item” of the Gratuity Actuarial Report. Out of the aforesaid total expenditure amounting to Rs. 9578.91 lakh recognized in the books of NEEPCO during the FY 2017-18, Rs. 6725.64 lakh has been charged off to the “Statement of Profit and Loss Accounts”, being related to Generating Stations under Operation and Corporate Share attributable to the said generating stations and the remaining amount of Rs. 2853.27 lakh has been recognised as “Incidental expenditure during construction”, being related to Projects under Construction. Generating station wise (including Corporate share) financial impact on account of enhanced gratuity limit due to the Payment of Gratuity (Amendment) Act 2018 amounting to Rs. 6725.64 lakh charged off to the Statement of Profit & Loss Account for the year ended 31.03.2018 are as follows:

Sl. No.	Station Name	Amount in Rs. Lakh
1	Kopili (200 MW) H.E.Power Plant	849.66
2	Khandong (50 MW) H.E.Power Plant	212.41
3	Kopili Stage-II (25 MW) H.E.Power Plant	106.21
4	Doyang (75 MW) H.E.Power Plant	798.57
5	Ranganadi (405 MW) H.E.Power Plant	916.44
6	Assam Gas Based Power Plant (291 MW)	1165.06
7	Agartala Gas Turbine CC Power Plant (135 MW)	432.74
8	Tripura Gas Based Power Plant (101 MW)	300.78
9	Corporate Share	1943.77
	Total	6725.64

- The petitioner has also submitted the audited documents certifying the financial impacts in the books of the petitioner during FY 2017-18 based on the actuarial valuation of gratuity on account of enhanced gratuity limit in compliance to “Payment of Gratuity (Amendment) Act, 2018 with project / office wise break up as an annexure.



8. The petitioner has apportioned the corporate share amounting to Rs. 1943.77 lakh as indicated in the above table based on the installed capacity of the individual generating stations as follows:

Sl. No.	Station Name	Amount in Rs. Lakh
1	Kopili (200 MW) H.E.Power Plant	303.24
2	Khandong (50 MW) H.E.Power Plant	75.81
3	Kopili Stage-II (25 MW) H.E.Power Plant	37.90
4	Doyang (75 MW) H.E.Power Plant	113.72
5	Ranganadi (405 MW) H.E.Power Plant	614.06
6	Assam Gas Based Power Plant (291 MW)	441.21
7	Agartala Gas Turbine CC Power Plant (135 MW)	204.69
8	Tripura Gas Based Power Plant (101 MW)	153.14
	Total	1943.77

9. The Petition was heard and admitted on 13.7.2021 and Commission reserved the order in this petition on 22.11.2022

Hearing dated 13.07.2021

10. The Petition was listed for hearing on admission on 13.07.2021. The Commission admitted the Petition and directed the parties to complete the pleadings. The Commission directed the Petitioner to file the following information as under:

(a) Clarify the period for which the additional expenditure of Rs. 6725.64 lakh has been claimed and also whether the above said amount claimed is of a recurring nature or a one-time adjustment;

(b) Confirmation as to whether the actual O&M expenses as indicated in the generation tariff petitions, include the additional expenditure towards enhanced gratuity limit as claimed in this petition;

Hearing dated 22.11.2022

11. The Petition was again heard on 22.11.2022 and Commission directed the Petitioner to file the following information as under:



- (a) *Breakup of the actual O&M expenses excluding gratuity impact as claimed in the petition (of all the eight generating stations against which gratuity of Rs.6725.64 lakh has been apportioned and one consolidated statement) for the 2014-19 tariff period, under various subheads (as per Annexure-A enclosed) after including the pay revision impact (employees, and Meghalaya Home Guards) (in both MS Excel and PDF format)*
- (b) *Break-up of the actual O&M expenses of Corporate Centre/other offices including pay revision impact (as per Annexure-B enclosed) of the generating station for the 2014-19 tariff period along with the allocation of total O&M expenses, to the various generating stations which are under construction, operational stations and any other offices/business activity along with basis of allocating such expenditure (in both MS Excel and PDF format).*
- (c) *Reconciliation Statement of actual O&M expenses as per audited Balance Sheet and its respective allocation to all stations (as per Annexure-C enclosed)*
- (d) *Comparative statement of the normative O&M expenses as per 2014 Tariff Regulations for respective stations versus the O&M expenses (excluding Gratuity claimed in petition) as allowed in the true-up orders for 2014-19 tariff period (as per Annexure-D enclosed);*

12. The Commission reserved the order and directed the parties to complete the pleadings. None present on behalf of the Respondents despite notice.

Analysis and Decision

13. The Petitioner in the instant petition is claiming for the impact due to the enhancement in the Gratuity limit to Rs.20 lakhs due to the amendment in The Payment of Gratuity Act in 2018 with respect to the eight generating stations, which were under operations along with the share of corporate expenses attributable to those eight generating stations of Rs.6725.64 Lakh (Sl No.1 to 8 indicated in the table in Para 3 above). The impact in respect of the other three generating stations of Rs. 2853.27 lakh (Sl. No.9 to 11 indicated in the table in



Para 3 above) were booked under IEDC and is forming part of the Capital cost of those three generating stations.

14. The petitioner has clarified in the reply of ROP of hearing dated 13.07.2021 that, the additional expenditure of Rs. 6725.64 Lakh as claimed, related to the Financial year 2017-18 and the impact occurred on account of “Change in law/Act” and is non-recurring in nature.
15. The petitioner has also clarified in the reply of ROP of hearing dated 13.07.2021 that, in the Books of NEEPCO, actual O&M expenses for the 2017-18 includes additional expenditure resulting from enhancement of gratuity limit due to the aforesaid Payment of Gratuity (Amendment) Act, 2018 notified by the Gol on 29.03.2018. However, O&M expenses indicated/considered in generation tariff petitions for the tariff control periods 2014-19 and 2019-24 are the Normative Operation & Maintenance expenses as per relevant regulations issued by the Hon’ble Commission viz, Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 notified on 21.02.2014 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 notified on 07.03.2019 respectively. No further addition on account of the aforesaid expenditure due to enhanced gratuity limit has been loaded on the normative O&M expenses in generation tariff petitions of NEEPCO Ltd.
16. The normative O&M expenses allowed by the commission in various generation tariff petitions of the petitioner during the 2014-19 tariff period are as follows:



S.N	Name of the Generating Station	Normative O&M Expense as per 2014-19 Tariff Regulations as allowed by the Commission					
		2014-15	2015-16	2016-17	2017-18	2018-19	TOTAL
1	Kopili HPS (4 X 50 MW)	6132.72	6540.18	6974.71	7438.11	7932.30	35018.02
2	Khandong HPS (2 X 25 MW)	1233.87	1317.89	1405.45	1498.82	1598.41	7054.44
3	Kopili Stg II HPS (1 X 25 MW)	321.00	342.33	365.07	389.32	415.19	1832.91
4	Doyang HPS (3 X 25 MW)	3900.10	4159.22	4435.56	4730.26	5044.54	22269.68
5	Ranganadi HPS (3 X 135 MW)	7033.08	7500.36	7998.68	8530.12	9096.86	40159.10
6	Assam Gas Based Power station (291 MW)	9728.13	10388.70	11095.83	11852.43	12658.50	55723.59
7	Agartala Gas Turbine CC Power Plant (135 MW)	3470.88	4373.47	5147.55	5498.55	5872.50	24362.95
8	Tripura Gas Based Power Station (101 MW)	0.00	501.85	1984.52	3267.35	3490.56	9244.28
	TOTAL	31819.78	35124.00	39407.37	43204.96	46108.86	195664.97

17. Further in addition to the normative O&M allowed in the various tariff petitions of the generating stations as indicated in the above table, the petitioner claimed and was allowed wage revision impact during true up of 2014-19 tariff period in two generating stations, while the wage revision impact was disallowed in three generating stations and three true up petitions are pending for order issuance. The details are as follows: -



Rs.in Lakh

Sl. No.	Name of the Generating Station	Addl. O&M for Impact of Wage revision allowed	Addl. O&M for Impact of Wage revision claimed	True Up Order No	True Up Order Date
A. True Up order issued:-					
1	Kopili Stg II HPS (1 X 25 MW)	151.22		372/GT/2019	25-03-2022
2	Doyang HPS (3 X 25 MW)	1562.20		293/GT/2019	31-03-2022
3	Ranganadi HPS (3 X 135 MW)	0.00		273/GT/2019	07-06-2021
4	Assam Gas Based Power station (291 MW)	0.00		298/GT/2019	21-12-2021
5	Tripura Gas Based Power Station (101 MW)	0.00		271/GT/2019	26-05-2021
		1713.42			
B. Final Tariff order issued True Up order pending :-					
1	Agartala Gas Turbine CC Power Plant (135 MW)		1042.96	Petition dt.15.10.2019, True up order pending	
2	Kopili HPS (4 X 50 MW)		1231.08	Petition dt.27.09.2019, True up order pending	
3	Khandong HPS (2 X 25 MW)		307.77	Petition dt.01.10.2019, True up order pending	
			2581.81		

18. We have considered the submissions of the Petitioner. In respect of the 2014-19 Tariff period, the Commission has already approved a methodology for allowing additional O&M expenses due to impact of wage revision during 2014-19 tariff period by comparing normative O&M expenses allowed to a generating station with the Actual O&M expenses after normalization for the particular station. On the same methodology, the wage revision impact of five of the petitioner's generating station during the 2014-19 tariff period was also decided and trueing up petitions are pending for three generating stations as indicated in para 18 above. The same methodology can be exercised in this petition for the additional claim due to the impact of enhancement of gratuity limit up to Rs. 20.00 lakh during the 2014-19 tariff period.



19. Admittedly, the 2014 Tariff Regulations notified by the Commission for the 2014-19 tariff period, has not factored in the impact of revision in salary and wages of employees of the Petitioner, with effect from 1.1.2017 as well as the additional impact due to the enhancement of the gratuity limit up to Rs. 20.00 lakh from the earlier limit of Rs.10.00 lakh as per the Payment of Gratuity (Amendment) Act 2018. In our view, the additional expenditure incurred due to enhancement in the gratuity limit as per the Payment of Gratuity (Amendment) Act 2018 of the generating company form part of the cost of electricity and needs to be serviced. By parity of reasoning, we are of the considered view that the Petitioner should be suitably compensated the impact on account of the enhancement of the gratuity limit during FY 2017-18. The Hon'ble Supreme Court in West Bengal Electricity Regulatory Commission v CESC Limited (2002) 8 SCC 715, has observed that employees' cost prudently incurred, needs to be reimbursed to the utility.
20. First step is to compare the normative O&M expenses with the actual O&M expenses for the period from 2014-15 to 2018-19, commensurate to the period for which enhanced gratuity limit impact has been claimed. For like to like comparison, the components of O&M expenses like Productivity linked incentive, Performance Related Payment (PRP), Exgratia, CSR Expenses, Filing Fees (separately recoverable), donations, etc. which were not considered while framing the O&M expenses norms for the 2014-19 tariff period, have been excluded from the yearly actual O&M expenses of the generating station as well as Corporate Centre. Having brought the normative O&M expenses and actual



O&M expenses at same level, if normative O&M expenses for the period 2014-19 are higher than actual O&M expenses (normalized) for the same period, the impact due to enhanced gratuity limit (excluding PRP and ex-gratia) as claimed for the period is not admissible/ allowed as the impact due to enhanced gratuity limit gets accommodated within the normative O&M expenses. However, if the normative O&M expenses for the period 2014-19 are less than the actual O&M expenses (normalized) for the same period, the enhanced gratuity limit impact (excluding PRP and ex-gratia) to the extent of under recovery or the enhanced gratuity limit impact (excluding PRP and ex-gratia), whichever is lower, is required to be allowed as enhanced gratuity limit impact for the period 2014-19.

21. As stated, for a like to like comparison of the actual O&M expenses and normative O&M expenses, the expenditure against O&M expenses sub-heads as discussed above, has been excluded from the actual O&M expenses to arrive at the actual O&M expenses (normalized) for all the eight generating stations for which the impact due to enhanced gratuity amount claim has been made in this petition.
22. The following tables portray the comparison of normative O&M expenses vis a vis the actual O&M expenses (normalized) excluding the impact of enhanced gratuity limit claimed by the Petitioner for all the eight generating stations for the tariff period 2014-19 (on combined basis) commensurate with the enhanced gratuity limit impact claim being spread over these five years: -



Rs.in Lakhs

S. No.	Name of the Generating Station	Normative O&M Expense allowed in various tariff petitions during 2the period 2014-19						Impact of Wage Revision allowed in True up*	Total O&M Allowed
		2014-15	2015-16	2016-17	2017-18	2018-19	TOTAL		
1	Kopili HPS (4 X 50 MW)	6132.72	6540.18	6974.71	7438.11	7932.3	35018.02		35018.02
2	Khandong HPS (2 X 25 MW)	1233.87	1317.89	1405.45	1498.82	1598.41	7054.44		7054.44
3	Kopili Stg II HPS (1 X 25 MW)	321.00	342.33	365.07	389.32	415.19	1832.91	151.22	1984.13
4	Doyang HPS (3 X 25 MW)	3900.10	4159.22	4435.56	4730.26	5044.54	22269.68	1562.20	23831.88
5	Ranganadi HPS (3 X 135 MW)	7033.08	7500.36	7998.68	8530.12	9096.86	40159.1	0.00	40159.10
6	Assam Gas Based Power station (291 MW)	9728.13	10388.7	11095.83	11852.43	12658.5	55723.59	0.00	55723.59
7	Agartala Gas Turbine CC Power Plant (135 MW)	3470.88	4373.47	5147.55	5498.55	5872.5	24362.95	0.00	24362.95
8	Tripura Gas Based Power Station (101 MW)	0	501.85	1984.52	3267.35	3490.56	9244.28	0.00	9244.28
TOTAL O&M allowed (A)		31819.78	35124	39407.37	43204.96	46108.86	195664.97	1713.42	197378.39

*Does not include the impact of enhancement in Gratuity limit now being claimed in this petition

Rs.in Lakhs

S. No.	Name of the Generating Station	Actual O&M Expenses during 2014-19 Tariff period (excluding impact of enhancement in limit of Gratuity)					
		2014-15	2015-16	2016-17	2017-18	2018-19	TOTAL
1	Kopili HPS (4 X 50 MW)	7395.19	7763.95	8129.94	9014.32	10198.23	42501.63
2	Khandong HPS (2 X 25 MW)	1722.92	1956.89	1923.52	2243.83	2341.21	10188.37
3	Kopili Stg II HPS (1 X 25 MW)	956.16	1017.87	973.28	1078.79	1139.53	5165.64
4	Doyang HPS (3 X 25 MW)	5349.20	5913.83	6133.43	6965.60	7705.82	32067.88
5	Ranganadi HPS (3 X 135 MW)	9097.55	12624.76	9652.49	12055.90	12662.03	56092.74
6	Assam Gas Based Power station (291 MW)	13734.35	15578.84	11613.97	13386.82	15891.51	70205.49
7	Agartala Gas Turbine CC Power Plant (135 MW)	5045.60	6892.09	5629.42	6300.86	6976.52	30844.50
8	Tripura Gas Based Power Station (101 MW)		905.40	1759.90	4254.81	5466.10	12386.21
TOTAL Actual O&M		43300.98	52653.64	45815.94	55300.93	62380.95	259452.45
Less: Exclusions							31725.49
Normalised Actual O&M Expenses excluding impact of enhancement in limit of Gratuity (B):-							227726.95



(Rs in lakh)

Normative O&M Expenses and Impact of Wage Revision allowed in the generation tariff petitions (A)	197378.39
Normalised Actual O&M expenses excluding impact of enhancement in limit of Gratuity (B)	227726.95
Deficit/ (Surplus) C = (B-A)	30348.56

23. From the above discussions, it is clear that total normalized actual O&M Expenses excluding the impact due to enhancement in limit of Gratuity incurred by the Petitioner are more than the normative O&M Expenses and the impact of wage revision allowed in the respective generating stations allowed by the Commission during 2014-19 control period. Further even if the wage revision impact of Rs.2581.81 lakh (as shown in the table under Para 17 above) as claimed by the petitioner in respect of the three-tariff true up petitions which are pending for order issuance are allowed after prudence check, even then there will be substantial deficit between the actual normalized O&M expenses and O&M expenses allowed in respect tariff petitions.

24. As the normative O&M expenses for 2014-19 tariff period along with the wage revision impact allowed by the commission in the respective generation tariff petitions are less than the normalized actual O&M Expenses, therefore Commission is of the view that, the additional impact of Rs.6725.64 lakh be allowed as a one-time reimbursement for the additional O&M expenses claimed by the Petitioner on account of the impact due to enhancement of limit on



account of gratuity up to Rs. 20 lakh as per the Payment of Gratuity (Amendment) Act 2018 vide Notification dated 29.03.2018 as under:

	<i>Rs.in lakh</i>
Impact of enhancement of limit on account of gratuity up to Rs. 20 Lakh as per the Payment of Gratuity (Amendment) Act 2018 for employees of Generating Station	4781.87
Impact of enhancement of limit on account of gratuity up to Rs. 20 Lakh as per the Payment of Gratuity (Amendment) Act 2018 for Corporate Employees	1943.77
Total	6725.64

25. Accordingly, we in exercise of the power under Regulation 54 of the 2014 Tariff Regulations, relax Regulation 29(3)(a) of the 2014 Tariff Regulations in respect of O&M expenses and allow the reimbursement of the claimed amount of Rs.6725.64 lakhs on account of the impact due to enhancement of limit on account of gratuity up to Rs. 20 lakh as per the Payment of Gratuity (Amendment) Act 2018 vide Notification dated 29.3.2018, as additional O&M expenses, for the period 2014-19.
26. The arrear payments on account of the impact of enhanced gratuity amount is payable by the beneficiaries in twelve equal monthly instalments starting from February, 2023. However, keeping in view the passage of time and in consumer's interest, we, as an exceptional case, in exercise of our regulatory power, hereby direct that no interest shall be charged by the Petitioner on such arrear payments on account of the enhanced Gratuity impact, as allowed in this order. This arrangement, in our view, will balance to a large extent the interest of both, the Petitioner and the Respondents. Further, in view of the fact that the



impact due to enhancement in the Gratuity limit has been allowed in exercise of the power to relax, these expenses shall not be made part of the O&M expenses and consequent annual fixed charges for all the eight generating stations for the 2014-19 tariff period.

27. Petition No. 718/MP/2020 is disposed of in terms of the above.

Sd/-
(Pravas Kumar Singh)
Member

Sd/-
(Arun Goyal)
Member

Sd/-
(I. S. Jha)
Member

