

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 179/MP/2023

Subject : Petition under Section 11(2) of the Electricity Act, 2003 read with 79 of the Electricity Act, 2003, along with Regulation 111-n 113 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 inter-alia seeking a declaration/ direction with regard to the principles/ methodology to be adopted for computation of the rate/ compensation at which such supply of power to Respondent Nos. 1 to 8 for the period between being 15.03.2023 to 16.06.2023, or such other period as extended by Ministry of Power from time to time, based on principles laid down with respect to Section 11(2) of the Electricity Act, 2003.

Petitioner : Tata Power Company Limited (TPCL).

Respondent : Gujarat Urja Vikas Nigam Limited (GUVNL) and Ors.

Date of Hearing : **8.1.2026**

Coram : Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member

Parties Present : Shri Sanjay Sen, Sr. Advocate, TPCL
Ms. Shubhi Sharma, Advocate, TPCL
Shri Shreshth Ramesh Sharma, Advocate, TPCL
Ms. Shambhavi Jha, Advocate, TPCL
Ms. Vandana Ragwani, Advocate, TPCL
Shri Aashwyn Singh, Advocate, TPCL
Ms. Devishi Gupta, Advocate, TPCL
Shri M. G. Ramachandran, Sr. Advocate, GUVNL, PSPCL & HPPC
Ms. Ranjitha Ramachandran, Advocate, GUVNL
Ms. Shristi Khindaria, Advocate, GUVNL
Ms. Shree Dwivedi, Advocate, PSPCL & HPPC
Ms. Kavya Madan, Advocate, PSPCL & HPPC
Shri Shubham Arya, Advocate, PSPCL & HPPC
Ms. Pallavi Saigal, Advocate, PSPCL & HPPC
Shri Rishabh Saxena, Advocate, PSPCL & HPPC
Ms. Yachana Gupta, Advocate, MSEDCL
Ms. Nikita Choukse, Advocate, MSEDCL
Shri Anand K Ganesan, Advocate, Rajasthan Discoms
Ms. Swapna Seshadri, Advocate, GUVNL, Rajasthan Discoms
Shri Amal Nair, Advocate, Rajasthan Discoms
Ms. Khyati Chhabra, Advocate, Rajasthan Discoms

Record of Proceedings

Learned senior counsel for the Petitioner submitted that pursuant to the liberty granted by the Commission *vide* Record of Proceedings for the hearing dated 25.11.2025, the Petitioner has filed its affidavit pertaining the details of computation of the ECR/claim as per the principles/methodology laid by the Commission in its order, duly supported by month-wise weighted average FOB prices, based on shipment-wise quantities, for the period from 16.4.2023 to 10.3.2025. He further referred to the Commission's interim order dated 10.3.2025 ("Interim Order") passed in this case, the order of the APTEL dated 31.10.2025 ("APTEL Order") and made detailed submissions. He submitted, *inter alia*, that the APTEL Order has noted that, as regards the data for November 2023, 7 out of 13 coal shipments were on a CFR basis and were not FOB values as mentioned in the Petitioner's data and therefore, in the Interim Order as well. For the coal shipments, which were procured on CIF basis and not FOB basis, the freight component has been taken as zero in the ECR computation, and accordingly, there is no double calculation of freight, and ultimately, it is the CIF value which is considered for the computation of ECR. He further pointed out that even while providing the methodology for computation of adverse financial impact in the order dated 3.1.2023 passed in Petition No. 128/MP/2022, the Commission had specified that in case of shipments procured on FOB basis, transportation charges will be added to work out CIF cost in USD/MT; however, for shipments procured on CIF basis, CIF cost of coal shall be considered. In the computation of ECR, whether the coal cost is calculated as FOR + Freight & Insurance or as a single consolidated CIF value is considered, the ECR remains the same. He further sought liberty to file a note in lieu of a rejoinder on the objections/ submissions made by the GUVNL *vide* affidavit dated 5.1.2026.

2. Learned senior counsel for the Respondents, GUVNL, PSPCL & HPPC submitted that in terms of the APTEL Order read with Interim Order passed by this Commission, Tata Power was required to provide the FOB cost of coal in respect of each of the shipments involved for the imported coal used for generation and supply of electricity during the period from 16.4.2023 to 10.3.2025, and the FOB cost should alone be the basis for determination, if any, of the increase qua FOB cost of imported coal having GCV of 5000 kCal/Kg stated to be considered by the Committee appointed by the Central Government under Section 11(1) of the Act. He submitted that in the Interim Order this Commission has specifically referred to 'transportation and coal handling charges' in para 82(e)(ii) distinct from the FOB Cost of coal in sub-para (i) and the APTEL Order has also considered that FOB Cost of coal is only relevant data for the purposes of para 82(e)(i) and the CFR cost cannot be the consideration. The FOB of coal and transportation charges are to be compared to the respective aspects individually and not collectively, as sought to be done by Tata Power by considering the CIF Value. He further submitted that in the proceedings before this Commission leading to the passing of the Interim Order and in the proceedings before the APTEL in an Appeal, it was not the case of Tata Power that it would claim the difference in the CIF or CFR Price on an actual basis. It was also not the plea of Tata Power that the shipment of coal on CFR cannot be duly converted to the FOB price of coal by excluding the ocean freight. It is, therefore, not open to Tata Power to now claim that it will give the CFR/CIF Cost only in the case of coal shipments described as CFR shipments, and the CIF cost based thereon is sufficient to claim relief. He pointed out that such a contention has been made to avoid the claim for substantially higher cost

of shipping and transportation as against the admissible cost of ocean freight as per para 82(e)(ii) of the Interim Order, and further to inflate the claim of CIF price of coal when the corresponding FOB price is much less. He also referred to the Annexure B to GUVNL's affidavit, wherein GUVNL has placed its computation for the month of November 2023 based on the FOB Cost of coal as finally claimed by Tata Power in respect of FOB shipments; the FOB cost of coal determined after excluding the ocean freight where the shipment is claimed by Tata Power to be on CFR Basis and also excluding the attempt made by Tata Power of considering mining profit adjustment in deviation to what the Committee had considered while considering the other parameters, including the freight, as per the PPA rates or actual, whichever is lower.

3. Due to a paucity of time, the arguments of the learned senior counsel for the Respondent, GUVNL, PSPCL & HPPC, could not be concluded and therefore, the matter remained part-heard.

4. Considering the submissions made by the learned senior counsel for the Parties, the Commission permitted the Petitioner to file its note, as above, within a week, with a copy to the Respondents.

5. The Petition will be listed for hearing on **20.1.2026**.

By order of the Commission
Sd/-
(T.D. Pant)
Joint Chief (Law)