

***Supplementary Petition for Approval of FPPCA for the  
year 2020-21***

**Volume - 1**

**FPPCA Petition**

***Submitted to***

**THE HON'BLE WEST BENGAL  
ELECTRICITY REGULATORY COMMISSION**

***by***



**CESC HOUSE  
CHOWRINGHEE SQUARE  
KOLKATA 700 001**

**2020-21**

# Index

	Page Nos.
Submission Text	1 – 60
Affidavit	61 – 62
Annex 1 (Applicable forms till 1.28)	63 – 107
Form E(A) - Summarized Revenue Requirement - Part-A	108
Detailed computations, relevant parameters relating to fuel and Form D	109 – 152
Auditor's Certificates	153 - 178
Note on GST for captive coal	179 - 210
MoM of Scrutiny Committee etc.	211 - 216
List of CIL empaneled third part testing agency	217 - 219
Coal procurement process and logistics	220 – 226
Status report on various compliance requirements	227 - 232
Reconciliation Statement between FPPCA and MVCA	233
Gist	234



**BEFORE THE HON'BLE WEST BENGAL ELECTRICITY  
REGULATORY COMMISSION, KOLKATA**

FILE NO.

CASE NO.

**IN THE MATTER OF:**

Supplementary Petition to the FPPCA  
Petition for the year 2020-21 in terms of the  
West Bengal Electricity Regulatory  
Commission (Terms and Conditions of Tariff)  
Regulations, 2011

AND

**IN THE MATTER OF:**

CESC Limited,  
CESC House,  
Chowringhee Square,  
Kolkata-700001

... Petitioner



1

  
**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

**SUPPLEMENTARY PETITION TO THE FPPCA PETITION FOR THE  
YEAR 2020-21 IN ACCORDANCE WITH THE REGULATIONS OF THE  
HON'BLE WEST BENGAL ELECTRICITY REGULATORY  
COMMISSION**

The humble petition of the Petitioner abovenamed –

**MOST RESPECTFULLY SHEWETH:-**

**Introduction**

1. The Petitioner herein, CESC Limited (hereinafter referred to as “CESC” or “the Company”), is a Company registered under the erstwhile Companies Act, 1956 having its Registered Office at CESC House, Chowringhee Square, Kolkata – 700001 and is a distribution licensee in terms of the first proviso to Section 14 of the Electricity Act, 2003. CESC is also a generating company within the meaning of Section 2 (28) of the Electricity Act, 2003.
2. The Hon'ble West Bengal Electricity Regulatory Commission (hereinafter referred to as the “Hon'ble Commission”), determines the tariff of the Petitioner in accordance with Section



2

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62 of the Electricity Act, 2003 and the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 (hereinafter referred to as the “**Tariff Regulations**”).

### **Background**

3. CESC Limited has submitted FPPCA Petition for 2020 – 21 on 1.04.2022. Subsequently the Hon’ble Commission has issued FPPCA and APR orders for 2015-16, 2016-17 & 2017-18, in Case No. FPPCA – 79/16-17 AND APR – 58/16-17, Case No. FPPCA – 85/16-17 AND APR – 65/17-18, and Case No. FPPCA – 93/18-19 AND APR – 73/18-19 on 01.08.2022 (“**APR-FPPC Orders dated 01.08.2022**”).

4. The Company hereby submits the revised computations for FPPCA for 2020-21 in accordance with the methodology adopted by the Hon’ble Commission for determination of the following items in the APR-FPPCA Orders dated 01.08.2022, to the extent applicable and consistent with the Tariff Regulations.

(I) valuation of swap-in and swap-out,

(II) Valuation of power export, and

(III) Adjustment of coal cost of captive mine



3

  
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Accordingly, Volume I of the FPPCA Petition dated 1.04.2022 may kindly be replaced with this instant Volume. These submissions may kindly be read along with Volume 2 to 7 of the Petition dated 1.04.2022.

### Fulcrum of the Statutory Provisions

5. At the outset it is important to underscore that the Electricity Act, 2003 is a special statute, being ***“An Act to consolidate the laws relating to generation, transmission, distribution, trading and use of electricity and generally for taking measures conducive to development of electricity industry, promoting competition therein, protecting interest of consumers and supply of electricity to all areas, rationalisation of electricity tariff, ensuring transparent policies regarding subsidies, promotion of efficient and environmentally benign policies, constitution of Central Electricity Authority, Regulatory Commissions and establishment of Appellate Tribunal and for matters connected therewith or incidental thereto.”***



(emphasis supplied)

4

  
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6. In terms of Section 61 of the Electricity Act, 2003, specification of the terms and conditions for tariff determination are guided, *inter alia*, by the following:-

“ .....

(b) *the generation, transmission, distribution and supply of electricity are **conducted on commercial principles**;*

(c) *the factors which would encourage competition, efficiency, economical use of the resources, good performance and **optimum investments**;*

(d) ***safeguarding of consumers' interest** and at the same time, **recovery of the cost of electricity in a reasonable manner**;*

.....

(i) *the National Electricity Policy and tariff policy.”*

(emphasis supplied)



5

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A handwritten signature in black ink, appearing to be the signature of the Managing Director (Generation) of CESC Limited.

Extracted from Section 61 of the Electricity Act, 2003.

7. The framework and principles of fuel and power purchase cost adjustment applicable for the Company for the year 2020-21 is guided by the provisions of the applicable Regulations and principles laid out by the Hon'ble Commission in the APR-FPPCA Orders dated 01.08.2022 to the extent applicable, following the letter and spirit of the Electricity Act, 2003 and in furtherance of the objects of the Act.
  
8. The necessity of substantial investment in all aspects of the electricity sector is an oft-repeated theme of the National Electricity Policy and the Tariff Policy issued under Section 3 of the Electricity Act, 2003. Encouragement of investment by the private sector is detailed in Clause 5.8.1 of the National Electricity Policy. The Tariff Policy states that one of the prime objectives of the Policy is to *"ensure financial viability of the sector and attract investments"* (Clause 4.0 (b) of the Tariff Policy). Section 61 of the Electricity Act, 2003 requires that the Appropriate Commission shall safeguard consumers' interest and at the same time ensure recovery of cost of electricity in a reasonable manner. Clause 8.2.1



6

  
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(7) of Tariff Policy also echoes the same principle of recovery of cost through determination of tariff.

9. Securing optimum investment and recovery of costs in the sector and ensuring financial viability is relevant in the context of the developments that took place in the legal regime pertaining to coal in the last few years, which is of great significance for the generation sector of the country (69% of generation in India is coal based). Around 78% of coal produced in India is consumed in power generation.

10. As has already been submitted, the Electricity Act, 2003 is a special statute, which consolidates all electricity laws of the land. The Hon'ble Commission, through its Tariff Regulations under the said Act, is mandated to ensure, *inter alia*, that generation, distribution and supply of electricity is conducted on commercial principles [Section 61 (b)], optimum investment in the sector is encouraged [Section 61 (c)], consumers' interest is safeguarded together with allowing recovery of the cost of electricity in a reasonable manner [Section 61 (d)], and the principles of tariff determination be guided by the National Electricity Policy and the Tariff Policy [Section 61 (i)]. This petition is being submitted in the



7

  
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backdrop of and pursuant to the above basic tenets of the Electricity Act, 2003 which are reflected through the Tariff Regulations read with orders of the Hon'ble Commission.

11. *"The principles rewarding efficiency in performance"* has been recognised in the Electricity Act, 2003 as one of the major guiding factors for determination of tariff. The relevant Regulations of the Hon'ble Commission also echo the same. The Hon'ble Commission has adopted the principle enshrined in the National Electricity Policy vis-à-vis sharing of the gains on operating norms.

*"5.8.5 All efforts will have to be made to improve the efficiency of operations in all the segments of the industry. Suitable performance norms of operations together with incentives and disincentives will need to be evolved along with appropriate arrangement for sharing the gains of efficient operations with the consumers. This will ensure protection of consumers' interests on the one hand and provide motivation for improving the efficiency of operations on the other."*



8

  
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Extracted from the National Electricity Policy issued under Section 3 of the Electricity Act, 2003.

12. That the Tariff Policy issued under the aegis of the Electricity Act, 2003, also echoes the same principles.

#### **"5.0 GENERAL APPROACH TO TARIFF**

.....

#### **5.11 (f) Operating Norms**

*Suitable performance norms of operations together with incentives and disincentives would need be evolved along with appropriate arrangement for sharing the gains of efficient operations with the consumers. Except for the cases referred to in para 5.11 (h)(2), the operating parameters in tariffs should be at "normative levels" only and not at "lower of normative and actuals". This is essential to encourage better operating performance. The norms should be efficient, relatable to past performance, capable of achievement and progressively reflecting increased efficiencies and may also take into*



9

  
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*consideration the latest technological advancements, fuel, vintage of equipments, nature of operations, level of service to be provided to consumers etc. Continued and proven inefficiency must be controlled and penalized.”*

.....

***In cases where operations have been much below the norms for many previous years, the SERCs may fix relaxed norms suitably.....***

(emphasis supplied)

.....

**“5.11 (h) 2)**

***In cases where operations have been much below the norms for many previous years, the initial starting point in determining the revenue requirement and the improvement trajectories should be recognized at “relaxed” levels and not the “desired” levels. Suitable benchmarking studies may be conducted to establish the “desired” performance standards.***



10

  
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*Separate studies may be required for each utility to assess the capital expenditure necessary to meet the minimum service standards.”*

(emphasis supplied)

Extracted from the Tariff Policy issued under Section 3 of the Electricity Act, 2003.

### **Components of Variable Costs**

#### **A. General**

13. The licensed distribution business of the Company has been procuring power generated by the generating stations of its generation business in terms of the orders issued by the Hon'ble Commission from time to time and the Minutes of Meeting dated 22 March 2007 signed between the generation and distribution divisions of the Company. The period under consideration posed significant challenges and adversities for the Company due to Covid-19 induced pandemic. Consumer demand was significantly suppressed during major parts of the year. Therefore, considering



11

  
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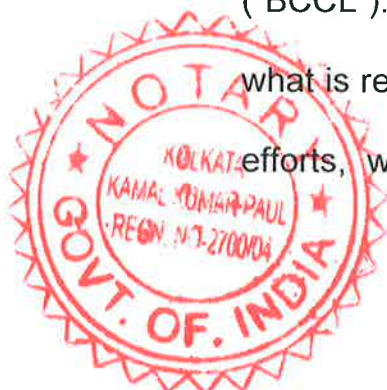
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the best interest of the end consumers, Southern Generating Station was operated following appropriate economic dispatch in terms of merit order principle and associated technical issues. It is respectfully submitted that operation of conventional generating stations requires steady load and hence, frequent start-up – shut-down activities affect health and life of conventional plants. Keeping this in mind, operation of Southern Generating Station was undertaken to ensure continuous operation of the units for a minimum time period. Southern was generally not operated when prices in power exchanges were more favourable in the best interest of end consumers. Kindly refer to documents placed in Appendix (Pages 84 to 86 of Volume 7 of the Petition dated 1.04.2022).

## **B. Fuel Sourcing**

### **Linkage Coal**

14. CESC, for its Budge Budge Unit 3 and other stations, has Fuel Supply Agreements (FSAs) with subsidiaries of CIL, namely Eastern Coalfields Limited (“ECL”) and Bharat Coking Coal Limited (“BCCL”). The aggregate available quantity is generally less than what is required by the Company. The Company, through diligent efforts, was able to manage coal procurement at reasonable



12

  
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levels. The relevant FSAs are already in the records of the Hon'ble Commission. Domestic coal procured through linkage has been recognised as one of the sources of procurement in terms of Regulation 5.8.4 (2) of the Tariff Regulations. It is humbly submitted that the responsibility of loading of coal at railway siding lies with the Coal Company and therefore the procurer does not have any control / role whatsoever, on overloading / underloading charges. The FSAs also provide for coal delivery through road / Road-cum-Rail ("RCR") mode of arrangement at the Supplier's discretion. It is respectfully submitted that the Supplier, i.e. subsidiaries of CIL are also empowered to offer coal from any other subsidiary and decision in this regard of the CIL subsidiaries are binding on the Company. It is pertinent to mention that coal from CCL was sourced in terms of relevant provision of FSA. The Company craves leave to refer to the FSAs, whenever necessary.

### **Captive Mine**

15. CESC has consumed about 47% of its annual requirement from coal produced from its captive mine located at Sarisatolli. Details regarding cost and quantum of captive coal has been furnished in terms of relevant forms as mentioned in Regulation 5.8.4 (2) of



13

  
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Tariff Regulations. Detailed chronology of events leading to allocation of the captive coal mine at Sarisatolli, emergence of this mine as the primary and least-cost source for CESC's generating units, subsequent de-allocation as well as securing back of the mine through e-auction, issues and factors affecting mining operations presently are already in the records of the Hon'ble Commission and the details are not repeated herein to avoid prolixity. The Company craves leave to rely upon the same, whenever necessary. The risk / cost of coal procurement has indisputably enhanced to a great extent, which is affecting financial viability and investment in the sector.

16. It is worthwhile to mention in this context that the Tariff Regulations provides for case-to-case basis of determination of cost of coal sourced from captive mine in terms of Regulation 5.8.6 (3). Post de-allocation of Sarisatolli mine and allotment through subsequent allocations, the consumers are not bearing the mining cost, therefore reject sale proceeds are not liable to be shared with consumers. The same principle is also echoed in Tariff Regulations framed by the Hon'ble Central Electricity Regulatory Commission (hereinafter referred to as the "CERC"), which states that benefit sharing for reject sale is not required for auctioned



14

  
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mines. Relevant extract (Regulation 36P (2)) has been placed in the Appendix in page 375-376 of Volume 2 of the Petition dated 1.04.2022. In this regard it is important to highlight that as per Para 4.4.3 of the Washery Reject Policy issued by the Ministry of Coal on 27.05.2021, benefit sharing for reject sale is not required for auctioned mines. Relevant extracts of the Washery Reject Policy dated 27.05.2021 is placed in the Appendix in pages 372-373 of Volume 2 of the Petition dated 01.04.2022.

17. Captive coal was mined to the extent possible. Some uncontrollable factors hindered production, which include rapid spread out of fire in and around areas of coal seam close to working areas, restrictions imposed by Directorate General of Mines Safety (DGMS) on blasting in some parts, difficult geographical terrain inside the mines resulting into deeper sections with narrower angles, necessitating use of smaller equipment, existing district board road through the mine which is being used as a thoroughfare etc. All such factors have made extraction extremely difficult at times and the issues have been regularly placed before the Appropriate Authority through monthly status reports / communications. In this regard, as has already been intimated to the Hon'ble Commission that matters relating to



performance standards and production issues under the Coal Mine Development and Production Agreement (CMDPA) is presently sub-judice before the Hon'ble Tribunal, Rajmahal Project Area, Lalmatia Godda, Jharkhand, constituted under the Coal Bearing Areas (Acquisition and Development) Act, 1957, which is also the appropriate authority for adjudication under the Coal Mines (Special Provisions) Act, 2015. Subsequently, in the matter of issues relating to lower production from the mine, various difficulties faced in the mine was represented before the Scrutiny Committee constituted by Ministry of Coal. The Committee recommended the Nominated Authority to take opinions / comments of Central Mine Planning and Design Institute Limited (CMPDIL). In response CMPDIL in July 2021 communicated to the Coal Ministry that "the fire is affecting the production capacity of the mine, however, for assessing the impact of fire on the annual production capacity of the mine a detail study would be required involving considerable resources in terms of time and money". A copy of the Minutes of Meeting of the Scrutiny Committee and also the report of CMPDIL have been placed in pages 211 to 216 of Volume 1 of this Petition. Even for 2020-2021 similar representations were made and the Scrutiny Committee has so far refrained from recommending imposition of any performance



16

  
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shortfall penalties due to the conditions beyond the control of the Management.

18. It is pertinent to mention in this context that significant developments have taken place regarding treatment of change in law events and pass through of associated cost in the national scenario. The Central Government, in exercise of the powers conferred under Section 107 of the Electricity Act, 2003, has issued direction to CERC on 27.08.2018 to allow pass through of cost for any change in duties, levies, cess and taxes imposed by any Government Instrumentality as the same is construed as "Change in Law". The Hon'ble Appellate Tribunal for Electricity as well as various Electricity Regulatory Commissions have reiterated the above principle and allowed pass through of associated cost along with corresponding carrying costs favourably in their judgments / orders.

19. Significant quantum of coal sourced from the captive mine has been washed taking into account quality of coal and blending needs, environmental constraints relating to ash utilization, directives of West Bengal Pollution Control Board etc. Detailed communications in this regard are already in the records of the



17

  
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Hon'ble Commission. The Hon'ble Commission, in Order dated 02.03.2020 in Case No. TP-72/16-17-COMPLIANCE has observed that washing is done to adhere to environmental needs and the associated cost impact is insignificant. The Regulations of the Hon'ble Commission also recognise the need to comply with environmental standards. CESC, as directed by the Hon'ble Commission had approached the West Bengal Pollution Control Board to explore the possibility of exemption from the requirement of coal beneficiation. However, the West Bengal Pollution Control Board has reiterated the requirement of utilisation of coal with ash content not beyond 33% at the Budge Budge Generating Station. Relevant details have been placed in the Appendix in pages 359 to 364 of Volume 2 of the Petition dated 1.04.2022. The Company is, therefore, required to resort to a judicious mix of supply from CIL sources and other sources including beneficiated coal from appropriate blending.

### **E-auction**

20. In this context, it is worthwhile to mention that after exhausting the FSA route and mining captive coal to the extent feasible, CESC had to procure coal, in terms of the Regulation 5.8.2 first proviso



18

  
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(recognising the e-auction mode of procurement), through the e-auction mechanism rolled out by the Government of India from some of the specified mines of CIL and its subsidiaries, considering the quality, delivery schedule and blending requirements. This is an enabling provision to address the scarcity of coal and at the same time keeping less reliance on imported coal. The Company was able to keep the procurement through e-auction mode at a lower level considering reduced generation level due to suppressed consumer demand driven by the Covid-19 induced pandemic. The Company, however, needed to be vigilant and undertake the planning of coal procurement through e-auction as the e-auction schedules are usually non-uniform and without any specific delivery commitment / schedule. Moreover, coal available through e-auction mode are subject to high volatility of price owing to variation in premium depending on the nature of demand and other associated factors. Procuring coal through e-auction route calls for bidding over a predetermined reserve price, that includes a premium over basic prices of similar grades of coal supplied through linkage. It is pertinent to reiterate that delivery schedules in this mode of procurement is non-specific, and shipments of coal are received in tranches. Accordingly, part of E-auction procurement for 2020-21 materialised from those



19

  
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undertaken in 2019-20. Hence, any upward revision in notified price of coal is also considered by CIL subsidiaries for automatic scaling up of coal e-auction discovered price with retrospective applicability. It is pertinent to mention that the responsibility of loading of coal at railway siding lies with the Coal Company and therefore the procurer does not have any control / role whatsoever, on overloading / underloading charges.

21. In terms of recommendations of the Group of Ministers (GoM) (as has been approved by the Ministry of Power) for resolution of stressed thermal power projects, Ministry of Coal may earmark at least 50% coal sourced under e-auction mode for use in the power sector. Hence, utilisation of e-auction coal for power sector is an accepted and widely acknowledged position by the Government of India. Details relating to sale intimation notices / sale orders containing price discovered in the bid, have been placed in the Appendix (Volume 2, Pages 243 to 291) of the Petition dated 1.04.2022 for kind consideration of the Hon'ble Commission.

22. The Company, as prudent practice, booked coal through e-auction processes conducted during earlier years. This was done by the Company in consumer interest. However, Covid-19 induced



20

  
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pandemic caused enormous problems and forecasts of the Company went haywire. During 2020-21, the Company had to absorb coal booked under e-auction processes held in earlier years. About 90% of e-auction coal consumed during 2020-21 was booked through e-auction processes held in earlier years. It is also required to be noted that any batch of procurement secured through e-auction is usually delivered by the coal companies in multiple tranches. Depending on the time of the e-auction, sometimes a part / full quantum is delivered in the next financial year.

23. It is submitted that the e-auction premium of coal booked under e-auction during 2020-21 is 0% for Mahanadi Coalfields Limited ("MCL") and 10% for Central Coalfields Limited ("CCL"). Apart from this, some e-auction coal, booked during previous years had been consumed during 2020-21 and premium for such e-auction coal is up to 15%.

24. Since, CESC had explored such procurement decisions judiciously keeping the interest of consumers in the forefront with continuous monitoring of the coal market and abiding by the principles of coal procurement specified in the Tariff Regulations (Regulation 5.8.2),



21

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the Hon'ble Commission may kindly consider the cost of e-auction coal in terms of the extant Tariff Regulations to protect the Company from any adverse price impact.

## Road Transportation

25. In 2015, the government brought in a policy level change to shift from imported coal to developing new areas for mining and supplying domestic coal. When the new mines opened up absence of adequate railway siding and tracks posed severe problem for coal evacuation. At this juncture, as a policy decision, coal consumers were also encouraged to lift coal from mine on their own and carry it to railway siding for further transport. This mechanism is known as "Road-Cum-Rail" or RCR in common parlance. Shift in policy stance from import to domestic RCR route also gets evidenced from the decision of the Railway Authority keeping in abeyance in 2016 the "Logistic Plan" introduced in 2011 for handling imported coal. Road transportation by trucks is also allowed in the Environment (Protection) Amendment Rules, 2020

26. The Ministry of Coal has formed the Infrastructure Constraints Review Committee to look into the coal shortage issues in thermal



22

  
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power plants. Reports of the sub group constituted by Infrastructure Constraints Review Committee, having representation from the Ministry of Coal, the Ministry of Power, the Central Electricity Authority, Railways, Coal Companies, NTPC etc., show that not only the Independent Power Plants (“IPP”), but the Public Sector Undertakings like NTPC Limited, DVC etc. were also encouraged to lift coal through RCR route and had concurrence / approval of the Ministry of Power and other government authorities.. Thus, the generating companies started procuring coal through RCR mode in addition to already existing rail mode. As per the Annual Report of Coal India Limited for the year 2020-21, around 324.80 Million Tonnes (about 57%) out of a total dispatch of 573.60 Million Tonnes was through the rail mode. Even under the assumption that all of the coal dispatched by rail mode was to the power sector (about 445 Million Tonnes), that would still mean that road dispatches to the power sector as of 2020-21 accounted for at least 27% of total dispatches. In contrast, only 1.83% of coal sourced through FSA, and 0.01% of coal sourced through e-auction has been transported through RCR mode for the Company for the year 2020-21. Overall, 0.73% of the coal sourced by the Company has been through the RCR mode,



23

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reflecting the prudence the Company has exercised to control costs in this regard.

27. It is humbly submitted that the mode of lifting of coal in e-auction is notified by the Coal India subsidiaries, and the FSAs also provide for coal delivery through road / Road-cum-Rail ("RCR") mode of arrangement at the Supplier's discretion. Therefore, at times the Company had to resort to RCR mode of transport for coal sourced through both linkage and e-auction modes for the period under consideration. In terms of Regulation 5.8.2 read with paragraph 8.1 (iii) under Schedule-1 of the Tariff Regulations, cost of transportation through road mode is a part of fuel cost. However, in the interest of the consumers, mode of transport has been shifted from road to rail, whenever the dispensation was allowed by the Coal India subsidiaries, especially during the hardship times of Covid-19. Relevant details of such temporary dispensation allowed for a quarter of the year has been furnished in the Appendix in page 276 of Volume 2 of the Petition dated 1.04.2022.

28. The existing sidings at the mines were not available for rail transportation. Therefore, available nearby railway sidings were explored and selection was done considering the parameters such



24

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as, whether sidings are operational or not, whether length of the siding could accommodate entire rake so as to minimise loading time, and whether such sidings were used exclusively for loading coal into railway rakes or for movement of any other commodity. Accordingly, for ECL RCR mode, Barabani siding was selected for onward transportation of coal received for transportation by the Company.

29. Since, CESC had explored such procurement decisions judiciously keeping the interest of consumers in the forefront and abiding by the principles of coal procurement specified in the Tariff Regulations (Regulation 5.8.2), the Hon'ble Commission may kindly consider the cost of transportation of coal in terms of the extant Tariff Regulations to protect the Company from any adverse price impact.

### C. Fuel Quality

30. The Hon'ble Commission while determining fuel cost in the Tariff Order dated 01.08.2022 in Case No: TP – 96 / 20-21 has considered "as received GCV" at the same level as the minimum notified GCV of the respective grades. The Hon'ble Commission



25

  
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has also directed CESC to arrange for measuring GCV of coal through third party sampling in terms of fourth proviso of regulation 5.8.2 of the Tariff Regulations and to submit a report. In this context, it is respectfully submitted that actual measurement by enlisted third party testing agencies have already been in place since long. Such testing agency is selected from the list of CIL-empaneled testing agencies. The aforesaid list is placed in the Appendix (pages 217 to 219 of Volume 1 of this Supplementary Petition). Such testing arrangements were in vogue for long period (i.e., before FY 2020-21). Requisite documents, in terms of applicable regulations, have already been placed before the Hon'ble Commission from time to time.

31. Coal in India is in short supply and Indian coal has a monopoly market where Coal India Limited is in dominant position operating through its subsidiaries. It is an unfortunate but settled position that there is a serious mismatch between the "as billed" and "as received" heat values. Further, heat losses take place in various stages between "as received" coal and coal as fired into the boilers. After careful consideration, the Hon'ble Commission has introduced the concept of "as received" GCV of coal at the unloading end of the power stations through the notification of the



26

  
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Third Amendment Regulations. It was specified that this newly introduced GCV "as received" shall form the basis of computation of fuel cost and energy charge for the generating stations. Thus, in consideration of such reality and also the relevant Indian Standards, the Hon'ble Commission has introduced "as received" heat value of coal as a basis in the aforesaid regulations. Accordingly, the Hon'ble Commission amended Regulation 5.8.4(1) and 1.2.1(lxa) of the Tariff Regulations through the third amendments.

32. Relevant extracts of the above regulations are appended below.

(i) Definition of "GCV as received"

"1.2.1(lxa)

*"GCV as received" means the GCV of coal as measured at the unloading point of the thermal generating station through collection, preparation and testing of samples from the loaded wagons, trucks, ropeways, Merry-Go-Round (MGR), belt conveyors and ships in accordance with the IS 436 (Part- I / Section 1)- 1964 and clause 6.2 of IS 1350 (Part-II)-1970:*

*Provided that the measurement of coal shall be carried out through sampling by a third party to be appointed by*



27

  
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*the generating companies from the list maintained by the Ministry of Coal, Government of India / Coal India Limited:*

*Provided further that samples of coal shall be collected either manually or through hydraulic augur or through any other method considered suitable keeping in view the safety of personnel and equipment:*

*Provided also that the generating companies may adopt any advanced technology for collection, preparation and testing of samples for measurement of GCV in a fair and transparent manner.”*

*[emphasis supplied]*

- (ii) Regulation 5.8.4 (1) Gross Calorific Value (GCV) of primary fuel:

**“5.8.4 Gross Calorific Value (GCV) of primary fuel:**

*(1) The gross calorific value for computation of energy charges as per paragraph 8.1 (ii) of Schedule-I of these regulations shall be done considering weighted average 'GCV of coal as received', in kCal/ kg for coal-based stations less 120 kCal/ Kg on account of variation during storage at generating station.*

- .....  
(iii) Relevant extract from Schedule 1

**“Schedule 1**



28

  
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## 8. Energy Charges for Thermal Generating Stations:

.....

(ii) Energy Charge Rate (ECR) in Rupees per kWh on ex-power plant basis shall be determined to three decimal places in accordance with the following formula:

a) For coal based and lignite fired stations

$$ECR = \{(GHR - SFC \times CVSF) \times LPPF/CVPF + LC \times LPL + SFC \times LPSF\} \times 100 / (100 - AUX)....$$

.....

CVPF = (a) Weighted Average Gross calorific value of coal as received, in kCal per kg for coal-based stations less 120 Kcal/Kg on account of variation during storage at generating station;"

33. While dealing with the definition of "GCV as received" in regulation 1.2.1(lxa), the Hon'ble Commission observed the following in paragraph 5.3 of the Statement of Reasons (SoR):

*"...2. The concern of CESC Ltd. and HEL regarding low quality assurance of coal has already been addressed to by considering "as received GCV" of coal at the unloading point of the thermal generating station through 3rd party sampling....."*



29

  
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34. Further, there happens more deterioration in heat value of coal when the coal is unloaded and stored in the power station yard, due to ingress of moisture. The Hon'ble Commission also observed the following in paragraph 10.3 of the SoR in connection with Regulation 5.8.4(1) of the Tariff Regulations, dealing with the gross calorific value for computation of energy charges:

*“2. .... In regard to submissions made by CESC Ltd. and HEL, the Commission observes that, the heat loss from loading point to unloading point has already been addressed to by way of considering "as received GCV" at unloading point. The Commission further notes that heat loss of 120 kCal/kg has already been allowed on account of loss from unloading point to stacking of coal. storing and upto feeding to boiler. ....”*

35. The above factors led to the following considerations in matters of ascertaining heat content of coal in as received condition at the generating stations.



30

  
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(i) Independent third-party testing of coal at unloading end of generating stations for which list of testing agencies is approved by Coal India Limited.

(ii) Clause 6.2 of Indian Standard IS 1350, (Part-II) -1970 was specified to factor in moisture correction of the heat value of coal. Also, Indian Standard IS 436 (Part – I/Section 1) – 1964 was specified for correct method of sample collection, preparation and testing procedure.

(iii) Relevant excerpts of IS 1350 (part 2), Para 6.2 are as under:

*“6.1.1 The following symbols shall be used without any suffix :*

*M = percentage of moisture in the sample,*

*Q = calorific value of the sample.*

*6.2 As-Received Basis*

*6.2.1 The symbols indicated in 6.1.1 shall be used with suffix 1.*

*6.2.2 The results of the as-received basis are then obtained as follows:*

*Moisture = M<sub>1</sub>*



31

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A handwritten signature in black ink, appearing to be 'S. B.', positioned above the typed name of the Managing Director.

$$Q_1 = \frac{Q \times (100 - M_1)}{100 - M}$$

.....”

36. Accordingly, the heat value of coal is considered in terms of the Gross Calorific Value of coal on “as received” basis less 120 kCal/Kg on account of stacking loss as per the Regulation 5.8.4 (1) and 1.2.1(lxa) of Tariff Third Amendment Regulations. Technical Certificates for all consignments have been placed in the Appendix, pages 205-323 of Volume 4 of the Petition dated 1.04.2022. Relevant Auditor’s Certificates have also been furnished in the Petition dated 1.04.2022. Heat value certificate of Light Diesel Oil (LDO) was issued through monthly periodic testing by NABL accredited third party and are placed in pages 324 to 347 of Volume 4 of the petition. An auditor’s certificate on monthwise details of heat value of LDO for Budge Budge and Southern Generating stations is placed in page 178 of Volume 1 of the petition.

37. Coal cost has been arrived at in deference to the extant regulations of the Hon’ble Commission which lays down the principle and methodology for furnishing details of coal in specified formats, both



32

MANAGING DIRECTOR (GENERATION)

CESC LIMITED

relating to quantity and quality, recognising aspects of significant heat loss during transportation and storage. In this context it is pertinent to mention the prevalent skewed practice of adjustment of grade slippage where the Company is charged at base rate plus applicable taxes and duties for any improvement of heat value of delivered coal, but is compensated only for the base rate for any grade slippage. The Company tries to alleviate the impact due to the above through pursuance but without any major resolution to this issue till date.

#### **D. Fuel Price**

38. In terms of definition as provided in Regulation 1.2.1 (Ivi) read with 5.8.2 of Tariff Regulations, fuel cost comprises cost of basic content as well as associated transportation and handling / other incidental charge as applicable. Over past few years, price of coal has been increased by modifying different price components of coal. Apart from changing the basic rates, the monopoly supplier



33

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

and transporter caused to increase the cost of coal, the primary fuel for power generation, through introduction / imposition of new charges, changing various components of coal price / freight and by enforcing new constraints / conditions etc. This price rise was further accentuated by imposition of taxes and levies. Detailed write-up of the aforesaid issues has been provided below:

(a) CIL carried out significant upward revision in basic prices on 08.01.2018 in most prevalent grades of coal used in generation of power. This effectively increased the applicable royalty (as applicable), taxes and duties on an ad valorem basis, which are linked to the basic price of coal. Further, vide price notification dated 27.11.2020, the basic prices of all run of mine grades of coal were enhanced. This was made effective from 01.12.2020 accentuating the consequential impact on the overall landed price of coal as mentioned already.

(b) BCCL revised the prices of washery grades of coal vide Notifications dated 24.04.2020 (effective from 25.04.2020) and 20.10.2020 (effective from 21.10.2020). Similarly, CCL carried out revisions in the washery grade coal prices with effect from 15.09.2018 vide Notification dated 29.12.2018. The above price



34

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

revisions resulted in a corresponding increase in fuel cost for CESC.

(c) Railway freight for transportation of coal was increased by the Ministry of Railways on 09.01.2018. Freight was increased and demarcation of busy and non-busy season was removed and the same enhanced rates were made applicable uniformly throughout the year without any seasonal distinction. These new rates effectively increased the freight cost for transportation of coal significantly. Thus, landed cost of coal increased substantially. These enhanced rates were further increased significantly by the Ministry of Railways on 31.10.2018. The freight tables are placed in pages 14 to 16 of Volume 3 of the Petition dated 1.04.2022.

(d) Railways Freight is charged by Indian Railways on full carrying capacity of wagons and not on the actually loaded quantity. Railway wagons are often not capable to carry upto the original carrying capacity due to ageing. Stenciled capacity of wagons is the allowable capacity which can be safely loaded onto a particular wagon considering its age. Overloading charges are computed on the basis of permissible carrying capacity of

35

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED



wagons specified by the Indian Railways. However, CIL refunds for underloading based on the difference of actual weight of coal and the stenciled capacity / permissible carrying capacity, whichever is lower; hence, cost for carriage based on carrying capacity is not neutralised by compensation for underloading. Due to this reason, actual railway freight on Rs. / Te basis is normally higher than the rates provided in the railway freight table placed in pages 14 to 16 of Volume 3 of the Petition dated 1.04.2022. It is humbly submitted that the responsibility of loading of coal at railway siding for coal sourced through linkage mode and e-auction route via rail mode lies with the Coal Company and therefore the procurer does not have any control / role whatsoever, on overloading / underloading charges. Sample copies of the bills / railway receipts and a summary of railway freight based on such receipts are enclosed in page 23 - 53 of Volume 3 of the Petition dated 1.04.2022.

(e) Additionally, the Ministry of Railways has imposed 5% GST on “transportation of goods by Rail” from 01.07.2017.

(f) Sizing Charges were increased (f) by around 10% with effect from 01.09.2017.



36

  
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- (g) Surface Transport Charges were enhanced by ECL (vide Notifications dated 31.01.2019 and 01.08.2019), BCCL (vide Notifications dated 01.06.2019 and 31.08.2020) and CCL (vide Notifications dated 30.11.2019, 05.10.2020 and 03.12.2020) respectively.
- (h) An additional amount of Rs. 50 per tonne as 'Evacuation Facility Charge' has been introduced by CIL from 20.12.2017.
- (i) Terminal Charge at Rs. 20 per tonne has been introduced vide Ministry of Railways Notification dated 27.12.2018. This is levied on traffic handled by the Railways and consequently increased the overall freight charges paid by the Company.
- (j) Mines and Minerals (Development and Regulation) Act, 1957 was amended in March 2015 to give effect of levy of two additional charges towards payment for District Mineral Foundations and National Minerals Explorations Trust. These charges being ad-valorem to royalty, works out to be proportional to the basic notified price of coal.



37

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

(k) Following shift to Goods and Services Tax (GST) regime from 01.07.2017, the Clean Environment Cess of Rs. 400 per tonne has been incorporated under the GST Compensation Cess list and has been renamed as the GST Compensation Cess. GST on coal is 5% and the same is 18% on mining support services. It is respectfully submitted that though no GST is applicable on captive coal, the Company, under applicable statutes, needs to pay 18% GST to agencies engaged for mining, sizing, transportation, evacuation facility charge, washing, security, road repair etc. CESC also needs to pay GST at appropriate rate on Reverse Charge Basis on Fixed Rate, Additional Premium, Royalty etc. The Hon'ble Commission has directed the Company to obtain appropriate ruling for 'Nil' rating of GST on captive coal consumption. A detailed note in this regard has been placed in the Appendix in pages 179 to 210 of Volume 1 of this petition.

(l) ECL imposed following cess/fees on coal supplied from mines in the state of West Bengal:

- i. Rural Employment Cess (RE Cess) – 20% of the Notified Price



38

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED



- ii. Primary Education Cess (PE Cess) – 5% of the Notified Price
- iii. AMBH Cess – Re. 1/ Ton
- iv. PWD Road Cess – Re. 1/Ton

(m) CCL, vide Notification dated 06.07.2020, has apprised about imposition of Covid 19 Pandemic Cess at Rs. 10 per Tonne for all coal despatched from coal bearing land. This charge has been made applicable by the State Government of Jharkhand.

(n) CCL, vide Notification dated 09.11.2020, has levied forest transit fee at Rs. 57 per Tonne of coal dispatched from coal mines operating completely in forest land. This charge has been made applicable vide the Jharkhand Forest Produce Transit Rules 2020 with effect from 01.10.2020.

(o) CCL and ECL imposed Management Fees of Rs. 1/ Ton on coal supplied from its mines.

Thus, all the aforesaid factors resulted in considerable increase in the overall landed cost of coal. Supporting



39

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

documents, in form of notifications / sample bills are placed in the Petition dated 1.04.2022 as mentioned in Paragraph 41.

Particulars	Notified by / Imposed on	Impact
Basic Prices of Non-coking coal	CIL	Around 14-20% increase for most prevalent grades, resulting in ad-valorem increase in royalty, taxes and duties. Rs. 10 per tonne enhancement of price (with effect from 01.12.2020) for all grades of coal.
Basic prices of washery grades of high volatile medium coking coal	BCCL	Around 10% increase
Basic price of washery grade of coal	CCL	Around 16% increase



40

  
**MANAGING DIRECTOR (GENERATION)**  
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Particulars	Notified by / Imposed on	Impact
Railway Freight increase and applicability of enhanced rates across the year without seasonal distinction	Ministry of Railways	Around 8.7% increase
Sizing Charge	CIL	About 10% increase
Imposition of Evacuation Facility Charge	CIL	Rs. 50 per tonne
Imposition of Terminal Charge	Ministry of Railways	Rs. 20 per tonne
Imposition of Covid 19 Pandemic Cess	Government of Jharkhand	Rs. 10 per tonne
Imposition of Forest Transit Fee	Government of Jharkhand	Rs. 57 per tonne
Imposition of Admin charges	CCL e-auction	Rs. 77 per tonne

39. The Hon'ble Commission is kindly aware that multiple agencies are involved in the coal supply chain – the Coal India Limited and its subsidiaries, sampling agencies, Indian Railways and various other government agencies to name a few. The Company, in the



41

MANAGING DIRECTOR (GENERATION)  
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interest of the end consumers and to ensure timely delivery of adequate quantity of coal, needs to maintain close liaising with these offices / agencies. Such activities are undertaken by Coal Handling Agents on behalf of the Company and the associated costs have been shown as "Handling, Sampling and such other similar Charges" in the applicable format. It is worthwhile to mention that in terms of the Tariff Regulations, handling, sampling and such other similar charges are a part of landed cost of fuel in terms of Regulation 1.2.1 (Ivi). Handling agents are normally identified through competitive bidding. Relevant supporting documents in adherence to the directives of the Hon'ble Commission in this respect, to the extent feasible and practicable have been placed in the **Appendix**, in pages 55 to 245, Volume 3 of the Petition dated 1.04.2022. As already submitted, for linkage and e-auction rail mode, loading of coal on railway wagons is on the scope of CIL and its subsidiaries and the Handling agents have no wherewithal to control overloading / underloading of wagons and other related matters.

40. Coal handling agents provide host of services, some of which are detailed hereinbelow:



42

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

- (a) Release of delivery order
- (b) Rake allotment, rake offering, indent placement and rake loading as per advise of CESC
- (c) Coordination with supplier (ECL, BCCL, CCL or MCL as applicable) mines staff and Headquarters for ensuring smooth and continuous flow of rakes from sidings as per advice of CESC
- (d) Arrangement of sufficient tippers / trucks and manpower for supervision to ensure regular and smooth dispatches of coal supplies from colliery
- (e) Supervision of loading and ensuring coal of proper quality and quantity matching with grades declared by supplier free from shale / stone, big size boulders etc.
- (f) Transportation of coal as per road delivery order (RDO) against monthly allocation, to the railway siding for onward movement to the generating station in case of RCR coal



43

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

- (g) Service provider will ensure that all railway wagons are healthy and shall be responsible for monitoring of sick wagons which have been detached from running train
- (h) Collection of coal invoices, RRs and other documents from supplier immediately after issuance and forwarding the same to CESC
- (i) Submission of E-way bill for transportation of coal by rail mode.

41. Copies of coal price notification of CIL along with other related documents, royalty rates notified by Ministry of Coal, Government of India, railway freight notified by Ministry of Railways, Government of India, terminal charge notified by the Ministry of Railways, GST Compensation Cess from Ministry of Finance, Government of India, notifications under the amended Mines and Minerals (Development and Regulations) Act, 1957 towards payment for District Mineral Foundations and National Minerals Explorations Trust, cess / charges imposed by the Government of Jharkhand along with some sample bills are placed in the Appendix in pages 197 to 358 of Volume 2 of the Petition dated



44

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

1.04.2022. Kindly refer to pages 128 to 130 and 133-134 of Volume 1 of this Supplementary Petition, containing further references to the notification mentioned above. For captive coal, deductions of mining cost have been made in terms of the APR-FPPCA Orders dated 01.08.2022 and ultimately the price charged to the end consumers are in terms of the agreement with the Nominated Authorities. Needless to mention that, all levies / royalties / cess and other charges on coal are allowable in terms of various directions / notifications of competent authorities as also the APR-FPPCA Orders dated 01.08.2022 and accordingly claimed by the Company in accordance of the applicable Regulations. Relevant documents, relevant parameters relating to coal as per applicable forms of Tariff Regulations and price for captive coal have been placed in the pages 113 to 134 of Volume 1 of this Supplementary Petition. Various requirements of the Regulations of the Hon'ble Commission have been adhered to in the coal procurement process including price therefor. It is respectfully submitted that duties, levies, cess etc. have been considered in terms of applicable statutes to arrive at cost of coal, duly certified by Auditors. Details of coal procurement and methodology for the same are furnished in this Supplementary

Petition. (pages 220 to 226 of Volume 1).



45

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

## E. Power Purchase

42. To meet the demands of the consumers of the Company, optimal utilisation of all available sources has been made (both long term and short term, from, inter alia, independent generators as well as the Traders, government portal and the Power Exchanges) following relative economics, in the best interest of the end consumers. As desired by the Hon'ble Commission, the Company has made arrangement for procurement of power from DEEP portal under Section 63 of the Electricity Act, 2003 on short term basis, under Regulation 7.5.1 of the Tariff Regulations. The Company has submitted the requisite documents to the Hon'ble Commission about the outcome of the competitive bidding process and the executed PPA. It is respectfully submitted that the Company faced difficulties in entering into Power Purchase Agreement based on competitive bidding during the initial part of the year. The same is already on the records of the Hon'ble Commission. Power was procured from this source under Regulation 7.5.2 of the Tariff Regulations during this initial part of the year. Necessary documents relating to the above have been placed in pages 130 to 147 of Volume 5 of the Petition dated 1.04.2022. The Company obtains power on long term basis from



46

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED



own generating stations and Haldia Energy Limited (HEL) under an approved PPA, in terms of applicable regulations / orders of the Hon'ble Commission. The Company considered the cost, as certified by Auditor, based on the rates charged by HEL in terms of Order dated 27.11.2017 in Case No TP - 68 / 16-17 and 29.01.2016 in Case No TP - 63 / 14 - 15 as Orders dated 08.09.2021 in Case No TP - 75 / 18 - 19 and the Order dated 20.04.2022 in Case No TP - 67 / 16 - 17 are under Appeal etc., as appropriate, adjusted for units received at CESC bus.

43. Power purchase cost also includes cost of short-term power purchase from supplemental sources (significant portion from energy exchanges) made in terms of the extant Regulations and applicable order to meet the requirement of power in CESC's licensed area. The Company has also procured power through banking which has been valued in terms of Regulation 5.15.2(iv) of the Tariff Regulations following the principle enunciated in the APR-FPPCA Orders dated 01.08.2022. Energy swapped in against swapped out energy of earlier years (2019-20) has been valued at the pooled power purchase cost of the respective years as per the principle adopted by the Hon'ble Commission in the APR-FPPCA Orders dated 01.08.2022. Accordingly, cost of swap-



in energy, against energy swapped-out in 2019-20 has been considered as part of the power purchase cost in terms of the APR-FPPCA Orders dated 01.08.2022. Utilisation of banking (swap-in / swap-out) mechanism, in terms of the relevant regulations, helped the Company to fulfill its statutory universal supply obligation in an optimum manner in the interest of the consumers. CESC undertook swap-in / swap-out transactions keeping in mind usual market trend with respect to prices in power exchange. Due to unexpected price movement in power exchange driven by subdued demand due to Covid-19 imposed lockdown, economics of such transactions got affected. Kindly refer to the Appendix (Page 87 to 88 of Volume 7 of the Petition dated 1.04.2022). CESC has also procured power from power exchanges in terms of Regulation 7.4.4 of the Tariff Regulations. It is respectfully submitted that in terms of Regulation 7.5.5, no PPA is required for procurement through Power Exchange.

44. Injection/ generation from roof-top solar sources through net metering has also been considered, as directed by the Hon'ble Commission. CESC has also purchased solar and other non-solar renewable power through Green Term Ahead Market (G-TAM) to fulfill its RPO obligation. Through such mode of procurement, the



48

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

Company has been able to achieve solar obligations completely and total obligations upto a significant extent. CESC has also procured power from cogeneration sources, to the extent available. Regulations of the Hon'ble Commission permits procurement of energy from such sources.

A Writ Petition [WPA No. 19019 of 2021 : M/s Bengal Energy Limited & Anr. Vs. The West Bengal Electricity Regulatory Commission & Ors.] filed before the High Court, Calcutta, assailing the vires of the **West Bengal Electricity Regulatory Commission (Cogeneration and Generation of Electricity from Renewable Sources of Energy) (First Amendment) Regulations, 2020** ("Amendment Regulations") was disposed of by a judgment and order delivered by the Hon'ble Justice Sabyasachi Bhattacharyya on 15.03.2022 wherein it was held that the said Amendment Regulations were ultra vires the Electricity Act, 2003 and the Tariff Policy, 2016. Subsequently, on the prayer of the Ld. Senior Advocate of the Hon'ble Commission, the operation of the judgment and order was stayed till 30.04.2022 to facilitate filing of an appeal. However, the operation of the Amendment Regulations were also stayed till 30.04.2022. By virtue of stay of operation of the Amendment Regulations, no





46. Energy sold to persons other than own consumers and licensee (i.e. exported energy) has been valued at the system variable cost (power purchase and own generation sources) following principles enunciated in the APR-FPPCA Orders dated 01.08.2022. The valuation of export (except swap-out), following Hon'ble Commission's determination in APR-FPPCA Orders dated 01.08.2022, has been furnished at marginal cost equivalent to pooled variable cost of power including own generation of CESC Limited, but excluding the power form renewable, cogeneration, hydro, power exchange and through short term open access. Swapped out energy settled during the year has been valued at the cost equivalent to the cost of corresponding swapped in energy within the year. Swapped out energy, to be settled in the subsequent year/s is valued at the pooled power purchase cost (other than banking power) for the year, following the principles enunciated in the APR-FPPCA Orders dated 01.08.2022.

47. Copies of Power Purchase Agreements / arrangements, details on swap-in / swap-out arrangements, procurement arrangements and Connectivity Agreements entered into with consumers having roof-top solar sources are also collectively enclosed in the "Appendix" in Volumes 5 to 7 of the Petition dated 1.04.2022.

51

MANAGING DIRECTOR (GENERATION)

CESC LIMITED



## Computation Details

48. The figures contained in this petition have been worked out as per the relevant formula specified in Schedule – 7A of the Tariff Regulations and applicable electricity statutes read with order(s) of the Hon'ble Commission. FPPC, in terms of the above formula, being “Re-determined Fuel and Power Purchase Cost” against application of FPPCA has thus been derived. Other applicable Regulations and/ or other relevant orders of the Hon'ble Commission have been relied upon, as applicable. The norms specified in the Tariff Regulations have been applied in computing the FPPC amount. Other Regulations and/ or relevant orders of the Hon'ble Commission have also been appropriately applied.

49. FPPC computation, with detailed workings, is incorporated in “Annex A” of this Supplementary Petition. The petition also proposes passing on substantial benefits to the consumers through operation of Schedule – 9B of the Tariff Regulations. The detailed workings relating to Schedule – 9B, are furnished under

“Annex B” of this Supplementary Petition. Gross benefit of Rs. 9366 lakhs is proposed to be passed on to the consumers, on



52

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

account of the Company's performance being better than the operating norms.

50. The Hon'ble Commission may be pleased to determine and fix the gross re-determined fuel and power purchase cost prior to passing of benefits to consumers and WBSEDCL in terms of Schedule – 9B of the Tariff Regulations, at Rs. 392339 lakhs for the year 2020-21. The above figure is without prejudice to the Company's entitlement arising from interpretation of statutes. The computation is based on power purchase rate of long-term source approved by the Hon'ble Commission along with applicable MFCA for the relevant period. Supplemental short term and other procurements have been made well within the limits specified under the extant Regulations and order. Any variation in tariff arising out of any variation of FPPC / power purchase cost allowed to long term source for the year 2020-21 and / or for any earlier year(s) will result in a corresponding variation in CESC's entitlement and may be considered accordingly.

51. The consumers' share in terms of Schedule – 9B works out to Rs. 9366 lakhs arising out of efficient performance of the Company in relation to operating norms as provided in the Tariff Regulations.



53

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

A respectful prayer has been made for sharing of losses of Budge Budge and Southern Generating Stations, as detailed hereinafter. The Company has also furnished computations on the savings on the variable portion of distribution loss after considering sharing with consumers in accordance with applicable Regulations. This savings is included in the aforesaid amount proposed to be shared with consumers.

52. Relevant certificates and audited data are collectively enclosed in "**Annex C**" of this Supplementary Petition. The Annual Accounts, audited by the statutory auditors, is submitted in the Appendix (Volume 2, Page 2 to 196 of the Petition dated 1.04.2022).

53. Additional requirements in terms of the Tariff Regulations are furnished through the Appendix to the Petition dated 1.04.2022. Copies of monthly worksheets for Monthly Variable Cost Adjustment (MVCA) (which were furnished earlier before the Hon'ble Commission) are collectively enclosed in the Appendix in pages 2 to 202 of Volume 4 of the Petition dated 1.04.2022. Compliance requirements with respect to MVCA along with furnishing of relevant fuel parameters as per specified formats in the regulations, as applicable from time to time including uploading



54

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED



in website of the Company as well as maintenance of last 24 months' MVCA rates including the present month, have been duly complied with and the details of such compliance are in the records of the Hon'ble Commission. It is respectfully submitted that in the instant Supplementary Petition, the Petitioner has prayed for Rs. 400970 lakhs as FPPC towards variable cost for 2020-21. Through MVCA and applicable tariff, the Petitioner has already recovered about 98% of the aforesaid claim. A Reconciliation Statement in this regard has been furnished in page 233 of Volume 1 of this Supplementary Petition.

54. The present Supplementary Petition is being submitted to align the computations submitted earlier vide Petition dated 1.04.2022 with the APR-FPPCA Orders dated 01.08.2022, with all relevant computations and annexures to the best of our knowledge and understanding of the regulatory requirements after considering all relevant costs upto the time of audit duly done by the statutory auditor. The present Supplementary Petition also contains submissions on fuel quality, taxation on captive coal and sale of washery rejects in light of the observations made by the Hon'ble Commission in Order dated 03.02.2022 in Case No. TP-77/18-19 and 01.08.2022 in Case No. TP-96/20-21.



55  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

55. In the above premises, the Company states and submits that the Hon'ble Commission, after approving the re-determined fuel and power purchase cost including amounts payable to the consumers by the Company, may also be pleased to give direction for incorporation of the said consolidated FPPC amount in the final Aggregate Revenue Requirement to be determined through Annual Performance Review for the year 2020-21 or suitably allow the same to be recovered earlier, in accordance with the Regulations of the Hon'ble Commission, in a manner the Hon'ble Commission deems fit and proper. Commensurate deduction in respect of benefits to be passed on to the consumers is necessary, in the eventuality that any amount claimed herein is not considered recoverable by the Hon'ble Commission.

56. Since, the Company submits cost of captive coal in the present petition in terms of the APR-FPPCA Orders dated 01.08.2022, to the extent consistent with the regulations of the Hon'ble Commission and Hon'ble CERC, duly considering relevant netting off of mining cost, it has resulted in significant under-recoveries of captive coal cost for CESC. In case, any additional entitlement arises from legal interpretation of the statutes, the Company prays for recovery of the same at a later date.

56

  
MANAGING DIRECTOR (GENERATION)

CESC LIMITED



## General

57. This Supplementary Petition may be considered as a part of the Petition dated 1.04.2022 and in replacement of Volume-1 of the Petition dated 1.04.2022. This Supplementary Petition containing Volume 1 may kindly be read with Volume 2 to Volume 7 of the Petition dated 1.04.2022. The Annexes are placed in Volume 1 of this Supplementary Petition. Kindly refer to the detailed index provided in Volume 2 of the Petition dated 1.04.2022 for various documents placed in Appendix.
58. Figures have been rounded off, where necessary, for appropriate presentation.
59. Various compliance requirements relating to variable cost as specified by the Hon'ble Commission in its orders / communications have been complied to the extent applicable and to the best of understandings by the Company. However, some of such directions can only be complied with prospectively after the passing of the order such as providing concurrence by the Company on being asked by Haldia Energy Limited before undertaking road or RCR based e-auction. A status report has



been placed in Volume 1 of this Supplementary Petition (pages 227 to 232).

60. A Gist of this Fuel and Power Purchase Cost Petition is enclosed with this petition for approval of the Hon'ble Commission.
61. As decision is awaited on the FPPC petitions for the years 2018-19, 2019-20 and 2020-21 submitted on 02.09.2019, 21.09.2020, 31.03.2022 as well as Review Petition to the Multi Year Tariff Order for the years 2018-19 and 2019-20 submitted on 26.03.2022, the Company craves leave to file supplementary submissions to this petition at a later date, if required, during pendency or on disposal of the above proceedings. Early disposal of all these petitions is humbly prayed for.
62. The Company also craves leave to file supplementary submissions to this petition at a later date to substantiate its claims, as may be necessary, in light of recent orders of the Hon'ble Commission in respect of other generating companies.



58  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

63. This application is made bona fide, in accordance with the Regulations framed by the Hon'ble Commission and, in the interest of justice.

64. **PRAYER**

In the facts and circumstances as stated hereinabove the petitioner humbly prays that the Hon'ble Commission may be pleased to:

(A) Pass an order to:

(a) Approve gross re-determined fuel and power purchase cost for the year 2020-21 at Rs. 392339 lakhs in terms of the formula contained in Schedule – 7A of the Tariff Regulations and order dated 01.08.2022, as incorporated in Annex A to this Supplementary Petition;

(b) Approve the amounts of benefits to be passed on to the consumers and WBSEDCL for the year 2020-21 at Rs. 2710 lakhs in respect of specified efficiency parameters, as

incorporated in Annex B to this Supplementary Petition;



59

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

- (c) Approve sharing of 50% loss suffered by Southern Generating Stations, working out to Rs. 112 lakhs;
- (d) Approve further savings on variable cost of distribution loss at Rs. 17886 lakhs and allowing net savings of Rs. 11230 Lakhs for the year 2020-21 after passing of benefit of Rs. 6656 lakhs to consumers as incorporated in Annex B to this Supplementary Petition;
- (e) Give direction for incorporating the total consolidated FPPC amount of Rs. 400970 lakhs as the amount to be considered during Annual Performance Review for the year 2020-21 or allowing recovering of the same separately earlier, in a manner the Hon'ble Commission deems fit and proper;
- (B) Early disposal of the petition as the business of the Hon'ble Commission would permit;
- (C) Pass such other order or orders and/or give direction as the Hon'ble Commission may deem fit and proper;



AND THE PETITIONER, AS IN DUTY BOUND, SHALL EVER PRAY.

60

  
MANAGING DIRECTOR (GENERATION)  
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पश्चिम बंगाल पश्चिम बंगाल WEST BENGAL

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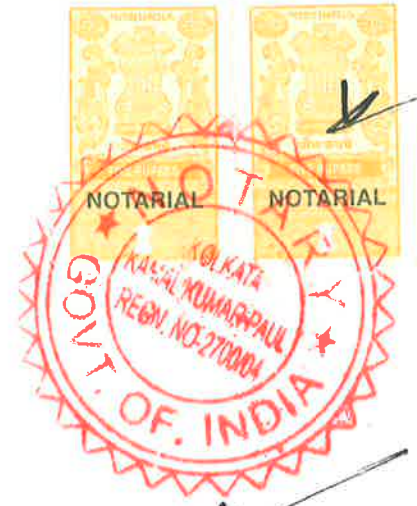
BEFORE THE HON'BLE WEST BENGAL ELECTRICITY  
REGULATORY COMMISSION, KOLKATA

FILE NO.

CASE NO.

**IN THE MATTER OF:**

Supplementary Petition to the FPPCA Petition  
for the year 2020 - 2021 and for approval of  
other amounts payable to the consumers in  
accordance with the West Bengal Electricity  
Regulatory Commission (Terms and  
Conditions of Tariff) Regulations, 2011



KAMAL KUMAR PAUL  
NOTARY GOVT. OF INDIA  
Regd. No.-2700/04  
C.M.M.'s Court  
2 & 3, Bankshall Street  
Kolkata-700001

29 SEP 2022

16 JUN 2022

14520

Ref: .....  
Name: .....  
Address: .....  
Rs: .....  
**PARTHA PARATHI CHOWDHURY**  
Aayakar Bhawan  
P-7, Chowringhee Square  
Kolkata - 69  
Date: ..... Licensed Stamp vendor



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Faint red text, possibly a postmark or official stamp, with illegible characters.



AND

CESC Limited

CESC House

Chowringhee Square

Kolkata – 700001.

.....Petitioner

### AFFIDAVIT

#### IN THE MATTER OF:

I, Rabi Chowdhury, son of Late Indra Bhusan Chowdhury, aged about 62 years, by faith Hindu, residing at Flat 12C, Devaloke Heights, 142A Raja S.C. Mullick Road, Kolkata – 700092, do hereby solemnly affirm and declare as follows:

1. That I am the Managing Director (Generation) of the applicant and have been acquainted with the fact and circumstances narrated in the application in respect of which the affidavit is sworn.
2. I have been authorized to swear this affidavit on behalf of applicant as I am competent to do so.
3. The statements made in paragraphs 1 to 4, 7, 9, 13 to 63 are true to my knowledge and belief and the statements made in the other paragraphs of the application are matters of records made available to me and based on information received which I believe to be true and correct.

IDENTIFIED BY ME

P.J. Shaw  
Advocate

Place: Kolkata

Date: 29/ September 2022

  
Deponent

Solemnly Affirmed & Declared Before  
me on Identification of Id. Advocate

  
KAMAL KUMAR PAUL, NOTARY  
Govt of India, Regn No-2700/04

29 SEP 2022

  
KAMAL KUMAR PAUL  
NOTARY GOVT. OF INDIA  
Regd. No.-2700/04  
C.M.M.'s Court  
2 & 3 Bankshall Street  
Kolkata-700001



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## **ANNEX - 1**

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**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

### List of Forms applicable for FPPC petition

Form No.	Description
	<b>Index</b>
Form 1.1	Availability of Plant (Plant Availability Factor) - Annually
Form 1.1(a)	Availability of Unit (Unitwise Availability Factor) - Annually
Form 1.2	Plant Load Factor - Annually
Form 1.2(a)	Unit wise Plant Load Factor - Annually
Form 1.3	Gross Energy available at Generator's Terminal for stabilised commercial operation
Form 1.4(a)	Auxiliary Consumption for stabilised commercial operation
Form 1.4(b)	Pumping Energy for Pumped Storage Project
Form 1.5	Net Energy Sent out for stabilised commercial operation
Form 1.6(a)	Energy Purchase (Sourcewise)
Form 1.6(b)	Monthwise nondrawal of power from different sources of purchase due to low demand inspite of having availabilities at purchaser side
Form 1.6(c)	Monthwise Generation Loss at Generating Station
Form 1.7	T&D Loss %
Form 1.9	Energy Balance
Form 1.9 (a)	Energy received for wheeling
Form 1.9 (b)	Energy sold to persons other than licensees or any consumers
Form 1.9 (c)	Energy sold to licensees
Form 1.9 (d)	Energy wheeled at delivery point
Form 1.10(a)	Quantum of Purchase of Power and rate thereof (Sourcewise vis-à-vis Stationwise)
Form 1.10(b)	Power Purchase Cost Analysis (Sourcewise vis-à-vis Stationwise)
Form 1.11	Cost of Fuel
Form 1.28	Statement Showing Status of FPPCA Claim
Form D	Details of Source wise Fuel for Computation of Energy Charges
Form E(A)	Summarized Revenue Requirement - Part-A

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

**Form 1.1 : Availability of plant (Plant Availability Factor) - Annually***in %*

<i>Station</i>	2020-2021
<b>Budge Budge</b>	96.0%
<b>Southern</b>	97.5%
<b>Titagarh</b>	97.4%
<b>Overall</b>	<b>96.4%</b>



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

## Form 1.1(a) : Availability of Unit (Unit wise Availability Factor) - Annually

*in %*

<i>Station</i>	2020-2021
<b>Budge Budge</b>	
<i>Unit 1</i>	96.2%
<i>Unit 2</i>	98.2%
<i>Unit 3</i>	93.5%
<b><i>Plant</i></b>	<b>96.0%</b>
<b>Southern</b>	
<i>Unit 1</i>	98.2%
<i>Unit 2</i>	96.7%
<b><i>Plant</i></b>	<b>97.5%</b>
<b>Titagarh</b>	
<i>Unit 1</i>	95.9%
<i>Unit 2</i>	98.9%
<i>Unit 3</i>	98.9%
<i>Unit 4</i>	95.9%
<b><i>Plant</i></b>	<b>97.4%</b>
<b>Overall</b>	<b>96.4%</b>

*Inter-Unit variations of availability takes place on account of statutory survey / overhauling of Units*

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

**Form 1.2 : Plant Load Factor - Annually**

*in %*

Station	2020-2021
<b>Budge Budge</b>	82.5%
<b>Southern</b>	7.6%
<b>Titagarh</b>	-
<b>Overall</b>	<b>55.9%</b>

**Note:**

1. Despatch of stations is planned according to relative economics subject to radial load, network constraints and exigencies. Despatch Schedule is planned following the Hon'ble Commission's Regulations / Directives, considering cost-effectiveness of variable cost of production, with due cognisance of technical constraints of ramping up of stations. Given the high variable cost of Titagarh Generating Station, it is not meriting despatch under the current scenario, in the best interest of the consumers.

2. The period under consideration posed significant challenges and adversities for the Company due to Covid-19 induced pandemic. Consumer demand was significantly suppressed during the major parts of the year. Therefore, considering the best interest of the end consumers, Southern Generating station was operated at a low PLF following appropriate economic despatch in terms of merit order principle and associated technical issues.

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

## Form 1.2 (a) : Unitwise Plant Load Factor - annually

*in %*

<i>STATION / UNIT</i>	2020-2021
<b>Budge Budge</b>	
<i>Unit 1</i>	81.0%
<i>Unit 2</i>	79.0%
<i>Unit 3</i>	87.6%
<b>Plant</b>	<b>82.5%</b>
<b>Southern</b>	
<i>Unit 1</i>	8.0%
<i>Unit 2</i>	7.2%
<b>Plant</b>	<b>7.6%</b>
<b>Titagarh</b>	
<i>Unit 1</i>	-
<i>Unit 2</i>	-
<i>Unit 3</i>	-
<i>Unit 4</i>	-
<b>Plant</b>	-
<b>Overall</b>	<b>55.9%</b>

**Note:**

Please refer to note under Form 1.2.

  
 MANAGING DIRECTOR (GENERATION)  
 CESC LIMITED

## Form 1.3

## Gross Energy available at Generators Terminal for stabilised commercial operations

**BUDGE BUDGE GENERATING STATION**

Capacity: 750 MW

Season/ Time of the day	Gross Generation (MU)
	2020-2021
<b>1. Summer</b>	
Normal (6 AM to 5 PM)	835
Peak (5 PM to 11 PM)	492
Off-peak (11 PM to 6 AM)	535
Total Summer:	1861
<b>2. Monsoon</b>	
Normal (6 AM to 5 PM)	926
Peak (5 PM to 11 PM)	541
Off-peak (11 PM to 6 AM)	576
Total Monsoon:	2043
<b>3. Winter</b>	
Normal (6 AM to 5 PM)	754
Peak (5 PM to 11 PM)	438
Off-peak (11 PM to 6 AM)	327
Total Winter:	1518
<b>Grand Total:</b>	<b>5423</b>

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED



## Form 1.3

## Gross Energy available at Generators Terminal for stabilised commercial operations

## SOUTHERN GENERATING STATION

Capacity: 135 MW

Season/ Time of the day	Gross Generation (MU)
	2020-2021
<b>1. Summer</b>	
Normal (6 AM to 5 PM)	12
Peak (5 PM to 11 PM)	15
Off-peak (11 PM to 6 AM)	4
Total Summer:	31
<b>2. Monsoon</b>	
Normal (6 AM to 5 PM)	10
Peak (5 PM to 11 PM)	6
Off-peak (11 PM to 6 AM)	7
Total Monsoon:	23
<b>3. Winter</b>	
Normal (6 AM to 5 PM)	12
Peak (5 PM to 11 PM)	25
Off-peak (11 PM to 6 AM)	-
Total Winter:	36
<b>Grand Total:</b>	90

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

## Form 1.4(a)

## Auxiliary Consumption for stabilised commercial operations

**BUDGE BUDGE GENERATING STATION**

Capacity: 750 MW

Season/ Time of the day	Auxiliary Consumption (MU)
	2020-2021
<b>1. Summer</b>	
Normal (6 AM to 5 PM)	65
Peak (5 PM to 11 PM)	38
Off-peak (11 PM to 6 AM)	42
Total Summer:	144
<b>2. Monsoon</b>	
Normal (6 AM to 5 PM)	70
Peak (5 PM to 11 PM)	41
Off-peak (11 PM to 6 AM)	44
Total Monsoon:	155
<b>3. Winter</b>	
Normal (6 AM to 5 PM)	57
Peak (5 PM to 11 PM)	34
Off-peak (11 PM to 6 AM)	30
Total Winter:	120
<b>Grand Total:</b>	420

  
 MANAGING DIRECTOR (GENERATION)  
 CESC LIMITED

## Form 1.4(a)

## Auxiliary Consumption for stabilised commercial operations

## SOUTHERN GENERATING STATION

Capacity: 135 MW

Season/ Time of the day	Auxiliary Consumption (MU)
	2020-2021
<b>1. Summer</b>	
Normal (6 AM to 5 PM)	1
Peak (5 PM to 11 PM)	1
Off-peak (11 PM to 6 AM)	0.3
Total Summer:	3
<b>2. Monsoon</b>	
Normal (6 AM to 5 PM)	1
Peak (5 PM to 11 PM)	1
Off-peak (11 PM to 6 AM)	1
Total Monsoon:	2
<b>3. Winter</b>	
Normal (6 AM to 5 PM)	1
Peak (5 PM to 11 PM)	2
Off-peak (11 PM to 6 AM)	-
Total Winter:	3
<b>Grand Total:</b>	<b>8</b>

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

## Form 1.4(b)

## Pumping Energy for Pumped Storage Project

Name of the Station:  
Capacity:(MW)

Season/ Time of the day	2020-2021
<b>1. Summer</b>  Normal Peak Off-peak	
Total Summer:	
<b>2. Monsoon</b>  Normal Peak Off-peak	
Total Monsoon:	
<b>3. Winter</b>  Normal Peak Off-peak	
Total Winter:	
<b>Grand Total:</b>	

This Form is presently not applicable to CESC as it has no Pumped Storage Project.

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

## Form 1.5

## Net energy Sent out for stabilised commercial operations

**BUDGE BUDGE GENERATING STATION**

Capacity: 750 MW

Season/ Time of the day	Net Energy sent out (MU)
	2020-2021
<b>1. Summer</b>	
Normal (6 AM to 5 PM)	770
Peak (5 PM to 11 PM)	454
Off-peak (11 PM to 6 AM)	493
Total Summer:	1717
<b>2. Monsoon</b>	
Normal (6 AM to 5 PM)	855
Peak (5 PM to 11 PM)	501
Off-peak (11 PM to 6 AM)	532
Total Monsoon:	1888
<b>3. Winter</b>	
Normal (6 AM to 5 PM)	698
Peak (5 PM to 11 PM)	404
Off-peak (11 PM to 6 AM)	297
Total Winter:	1398
<b>Grand Total:</b>	5003

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

## Form 1.5

## Net energy Sent out for stabilised commercial operations

## SOUTHERN GENERATING STATION

Capacity: 135 MW

Season/ Time of the day	Net Energy sent out (MU)
	2020-2021
<b>1. Summer</b>	
Normal (6 AM to 5 PM)	11
Peak (5 PM to 11 PM)	14
Off-peak (11 PM to 6 AM)	4
Total Summer:	28
<b>2. Monsoon</b>	
Normal (6 AM to 5 PM)	9
Peak (5 PM to 11 PM)	5
Off-peak (11 PM to 6 AM)	6
Total Monsoon:	20
<b>3. Winter</b>	
Normal (6 AM to 5 PM)	10
Peak (5 PM to 11 PM)	22
Off-peak (11 PM to 6 AM)	-
Total Winter:	33
<b>Grand Total:</b>	<b>82</b>



MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

**Form 1.6(a) : Energy Purchase****Summary**

Sources	Energy Purchase (MU)
	2020-2021
Haldia Energy Limited (HEL)	3854
Renewable and Co-generation (other than Roof top solar)	292
Roof top solar	8
Supplemental	722
Overall	4877

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

**Form 1.6(a) : Energy Purchase**

Name of the Source : Haldia Energy Limited

Season/ Time of the day	Energy Purchase (MU)
	2020-2021
<b>1. Summer</b>	
Normal (6 AM to 5 PM)	591
Peak (5 PM to 11 PM)	349
Off-peak (11 PM to 6 AM)	372
Total Summer:	1312
<b>2. Monsoon</b>	
Normal (6 AM to 5 PM)	662
Peak (5 PM to 11 PM)	386
Off-peak (11 PM to 6 AM)	407
Total Monsoon:	1456
<b>3. Winter</b>	
Normal (6 AM to 5 PM)	542
Peak (5 PM to 11 PM)	311
Off-peak (11 PM to 6 AM)	233
Total Winter:	1087
<b>Grand Total:</b>	3854
Less Grid Loss, if any	
Net Purchase	3854

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED



**Form1.6(a) : Energy Purchase**

Name of the Source : Renewable and Co-generation (other than Roof top solar)

Season/ Time of the day	Energy Purchase (MU)	
	2020-2021	
<b>1. Summer</b>		
Normal (6 AM to 5 PM)		38
Peak (5 PM to 11 PM)		7
Off-peak (11 PM to 6 AM)		6
Total Summer:		51
<b>2. Monsoon</b>		
Normal (6 AM to 5 PM)		91
Peak (5 PM to 11 PM)		10
Off-peak (11 PM to 6 AM)		15
Total Monsoon:		116
<b>3. Winter</b>		
Normal (6 AM to 5 PM)		104
Peak (5 PM to 11 PM)		10
Off-peak (11 PM to 6 AM)		11
Total Winter:		125
<b>Grand Total:</b>		292
Less Grid Loss, if any		
Net Purchase		292

**Note :**

Normal, Peak and Off-peak periods have been considered as per REA records. Above purchase includes power purchase from cogeneration sources and renewable power from power exchanges excluding injection from roof-top solar. Kindly refer to Annex A7 for details.

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

**Form 1.6(a) : Energy Purchase**

Name of the Source : Roof top solar

Season/ Time of the day	Energy Purchase (MU)
	2020-2021
<b>1. Summer</b>	
Normal (6 AM to 5 PM)	3
Peak (5 PM to 11 PM)	-
Off-peak (11 PM to 6 AM)	-
Total Summer:	3
<b>2. Monsoon</b>	
Normal (6 AM to 5 PM)	2
Peak (5 PM to 11 PM)	-
Off-peak (11 PM to 6 AM)	-
Total Monsoon:	2
<b>3. Winter</b>	
Normal (6 AM to 5 PM)	3
Peak (5 PM to 11 PM)	-
Off-peak (11 PM to 6 AM)	-
Total Winter:	3
<b>Grand Total:</b>	8
Less Grid Loss, if any	
Net Purchase	8

**Note :**

Figures correspond to injection from rooftop sources through net metering. Generation from roof-top solar installations, considering 16.13% Capacity Utilisation Factor is 53.441 MU.

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

**Form 1.6(a) : Energy Purchase**

Name of the Source : Supplemental

Season/ Time of the day	Energy Purchase (MU)	
	2020-2021	
<b>1. Summer</b>		
Normal (6 AM to 5 PM)		97
Peak (5 PM to 11 PM)		66
Off-peak (11 PM to 6 AM)		42
Total Summer:		205
<b>2. Monsoon</b>		
Normal (6 AM to 5 PM)		167
Peak (5 PM to 11 PM)		155
Off-peak (11 PM to 6 AM)		64
Total Monsoon:		386
<b>3. Winter</b>		
Normal (6 AM to 5 PM)		52
Peak (5 PM to 11 PM)		50
Off-peak (11 PM to 6 AM)		29
Total Winter:		131
<b>Grand Total:</b>		722
Less Grid Loss, if any		
Net Purchase		722

**Notes :**

1. Apart from procurement of power from long term sources, other sources / agencies were also explored in line with advice of the Hon'ble Commission to meet the demand, keeping in mind consumers' interest and other regulatory requirements. Normal, Peak and Off-peak periods are considered as per REA records.
2. Power was procured from Energy Exchanges, RPGPTCL (other than cogeneration), WBSEDCL and Banking (Swap - in / Swap - out). Kindly refer to Annex A7 for details.
3. Details of Quantum of Supplemental import from various sources for 2020-21 are furnished as under:

Name of the Sources	MU
Energy Exchanges	214
RPG Power Trading Company Limited (RPGPTCL) (other than Cogeneration)	295
West Bengal State Electricity Distribution Company Limited (WBSEDCL)	0.1
Banking (Swap-in during FY 21 against Swap-out of FY20)	195
Banking (Swap-in during FY21 against Swap-out during FY 21)	18
<b>Overall</b>	<b>722</b>

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

**Form 1.6(b): Monthwise Non-drawal of power from different sources of purchase due to low demand inspite of having availabilities at purchaser side**

Month							
April							
May							
June							
July							
August							
September							
October							
November							
December							
January							
February							
March							
Total:							

This Form is not applicable for CESC since the Company, after maximising its generation to the extent cost-effective, purchases the balance power.

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

## Form1.6(c): Monthwise Generation Loss at different generating station

## Budge Budge Generating Station

Month, Year	Non-drawal by concerned distribution licensee due to low demand	Bad Coal	Poor Coal Stock	Forced Outages	Planned Outage	Network Constraints	Generation restriction for partial equipment availability	Non-drawal by other than distribution licensee against scheduled drawal	Low System Demand	Total Loss in generation	MU
Apr-20	NIL	NIL	NIL	1.20	NIL	NIL	NIL	NIL	124.27	125.47	
May-20	NIL	NIL	NIL	1.10	NIL	NIL	NIL	NIL	134.63	135.73	
Jun-20	NIL	NIL	NIL	0.57	NIL	NIL	NIL	NIL	47.29	47.86	
Jul-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	28.82	28.82	
Aug-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	48.58	48.58	
Sep-20	NIL	NIL	NIL	13.45	NIL	NIL	NIL	NIL	29.40	42.85	
Oct-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	50.86	50.86	
Nov-20	NIL	NIL	NIL	NIL	76.25 *	NIL	NIL	NIL	92.90	169.15	
Dec-20	NIL	NIL	NIL	4.44	159.82 *	NIL	NIL	NIL	101.49	265.75	
Jan-21	NIL	NIL	NIL	8.77	NIL	NIL	NIL	NIL	96.22	104.99	
Feb-21	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	101.72	101.72	
Mar-21	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	25.55	25.55	

\* Statutory Overhaul of Units

**MANAGING DIRECTOR (GENERATION)**  
CESC LIMITED

## Form1.6(c): Monthwise Generation Loss at different generating station

## Southern Generating Station

Month, Year	Non-drawal by concerned distribution licensee due to low demand	Bad Coal	Poor Coal Stock	Forced Outages	Planned Outage	Network Constraints	Generation restriction for partial equipment availability	Non-drawal by other than distribution licensee against scheduled drawal	Low System Demand	Total Loss in generation
Apr-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	97.20	97.20
May-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	100.44	100.44
Jun-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	97.20	97.20
Jul-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	100.17	100.17
Aug-20	NIL	NIL	NIL	NIL	6.48 *	NIL	NIL	NIL	93.96	100.44
Sep-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	93.38	93.38
Oct-20	NIL	NIL	NIL	0.36	NIL	NIL	NIL	NIL	81.48	81.85
Nov-20	NIL	NIL	NIL	5.73	15.53 *	NIL	NIL	NIL	68.59	89.84
Dec-20	NIL	NIL	NIL	0.03	NIL	NIL	NIL	NIL	86.83	86.86
Jan-21	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	89.10	89.10
Feb-21	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	86.78	86.78
Mar-21	NIL	NIL	NIL	1.99	NIL	NIL	NIL	NIL	67.46	69.46

\* Statutory Overhaul of Unit



MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

## Form 1.7 : Distribution Loss %

Annex 1

Ref		Unit	Derivation	2020-2021
1.	Generation [Form 1.3]	MU	A	5513
2.	Auxiliary Consumption [Form 1.4(a)]	MU	B <sub>1</sub>	428
3.	Transformation Loss	MU	B <sub>2</sub>	-
4.	Units delivered to system from generation (including infirm power, if any) [Form 1.5]	MU	C=A-B <sub>1</sub> -B <sub>2</sub>	5085
5.	Quantum of infirm power included in 1	MU		-
6.	Energy Purchased (including Swap-in power) [Form 1.6a]	MU	D	4877
7.	Energy received for wheeling [Form 1.9a]	MU	E	0.47
8.	Overall Gross Energy in system	MU	F=C+D+E	9962
9.	Units sold to persons other than licensees or any consumers (including Swap-out power) [Form 1.9b]	MU	G <sub>1</sub>	181
10.	Additional Units allowed by Commission for Sales to person other than licensees or any consumers	MU	G <sub>2</sub>	4
11.	Units sold/used for pumping energy of Pumped Storage Project at bus bar [Form 1.4 b]	MU	G <sub>3</sub>	-
12.	Additional energy allowed by Commission against Pumping Energy for pumping loss	MU	G <sub>4</sub>	-
13.	Net DSM (Actual)	MU	G <sub>5</sub>	-16
14.	Total energy goes out of system	MU	(G=G <sub>1</sub> +G <sub>3</sub> +G <sub>4</sub> +G <sub>5</sub> )	165
15.	Net Energy in System	MU	H=F-G	9796
16.	Units sold to own consumers	MU	I	8930
	Units sold to WBSEDCL [Form 1.9 c]	MU	I <sub>1</sub>	13
17.	Units wheeled at delivery point [Form 1.9d]	MU	J	0.43
18.	Additional Units allowed for wheeling	MU	K	0.04
19.	Units utilised in own premises including construction power	MU	L	35
20.	Quantum of Construction power included in 19	MU		-
21.	Overall Utilisation	MU	M=sum(I:L)	8978
22.	Unutilised Units	MU	N=H-M	818
23.	System Loss	%	O=N/Hx100	8.4%

Auditors' Certificates are furnished in Annex C1 and Annex C2.



MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

## Form 1.9 : Energy Balance

Ref.	Particulars	Unit	Derivation	2020-2021
<b>A</b>	<b>Energy Input</b>			
1.	Generation [Form 1.3]	MU		5513
2.	Auxiliary Consumption [Form 1.4a]	MU		428
3.	Transformation Loss	MU		-
4.	Units delivered to system from generation (including infirm power, if any) [Form 1.5]	MU	4=1-2-3	5085
5.	Energy Purchased (including Swap-in power) [Form 1.6a]	MU	5	4877
6.	Energy received for wheeling [Form 1.9a]	MU	6	0.47
7.	Gross Energy Input	MU	7=sum(4:6)	9962
8.	Units sold to persons other than licensees or any consumers (including Swap-out power) [Form 1.9b]	MU		181
9.	Additional Units allowed by Commission for Sales to person other than licensees or any consumers	MU		4
10.	Units sold/used for pumping energy for Pumped Storage Project at bus bar [Form 1.4 b]	MU		-
11.	Additional Units allowed by Commission against Pumping Energy for pumping losses	MU		-
12.	Net DSM (Actual)	MU		-16
13.	Total Energy Goes out of System	MU	13=8+10+11+12	165
	Energy Input for own system	MU	7-13	9796
<b>B</b>	<b>Energy Utilisation [Form 1.7]</b>	MU		8978
a.	Units sold to own consumers	MU		8930
	Units sold to WBSEDCL [Form 1.9 c]	MU		13
b.	Units wheeled at delivery point [Form 1.9d]	MU		0.43
c.	Additional Units allowed for wheeling	MU		0.04
d.	Units utilised in own premises including construction power	MU		35
e.	Unutilised Units	MU		818
	Total Energy	MU	sum(a:e)	9796

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**



**Form 1.9 (a) : Energy received for wheeling**

Ref.	Particulars	2020-2021
	Energy received for wheeling	0.47

*Above energy is inclusive of applicable losses.*

**Form 1.9 (b) : Energy sold to person other than licensees or any consumers**

Ref.	Particulars	2020-2021
1.	Indian Energy Exchange	152
2.	Haldia Energy Limited	0.1
3.	Kreate Energy (I) Private Limited (Formerly known as Mittal Processors Private Limited) (Swap-in/ Swap-out)	7
4.	Arunachal Pradesh Power Corporation Private Limited (Swap-in/ Swap-out)	18
	Total	178
	Overall including additional Units allowed by Hon'ble Commission for sale to persons other than the Licensees or the consumers	181

**Notes:**

1. Figure correspond to the energy at CESC system bus-bar.

2. As directed by the Hon'ble Commission, CESC explores all possibilities to sell power to persons other than the licensees or the consumers to optimise utilisation.

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

**Form 1.9 (b) : Energy sold to person other than licensees or any consumers**

Name of the Entity : Indian Energy Exchange

Season/ Time of the day	Energy Export (MU)
	2020-2021
<b>1. Summer</b>	
Normal (6 AM to 5 PM)	34
Peak (5 PM to 11 PM)	3
Off-peak (11 PM to 6 AM)	25
Total Summer:	61
<b>2. Monsoon</b>	
Normal (6 AM to 5 PM)	-
Peak (5 PM to 11 PM)	-
Off-peak (11 PM to 6 AM)	-
Total Monsoon:	-
<b>3. Winter</b>	
Normal (6 AM to 5 PM)	71
Peak (5 PM to 11 PM)	5
Off-peak (11 PM to 6 AM)	14
Total Winter:	90
<b>Grand Total:</b>	152
Overall including additional Units allowed by Hon'ble Commission for sale to persons other than the Licensees or the consumers	155

**Note:**

Figure correspond to the energy at CESC system bus-bar.



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

**Form 1.9 (b) : Energy sold to person other than licensees or any consumers**

Name of the Entity : Haldia Energy Limited

Season/ Time of the day	Energy Export (MU)
	2020-2021
<b>1. Summer</b>	
Normal (6 AM to 5 PM)	-
Peak (5 PM to 11 PM)	0.04
Off-peak (11 PM to 6 AM)	-
Total Summer:	0.04
<b>2. Monsoon</b>	
Normal (6 AM to 5 PM)	-
Peak (5 PM to 11 PM)	-
Off-peak (11 PM to 6 AM)	-
Total Monsoon:	-
<b>3. Winter</b>	
Normal (6 AM to 5 PM)	0.03
Peak (5 PM to 11 PM)	0.01
Off-peak (11 PM to 6 AM)	-
Total Winter:	0.04
<b>Grand Total:</b>	0.1
Overall including additional Units allowed by Hon'ble Commission for sale to persons other than the Licensees or the consumers	0.1

**Note:**

Figure correspond to the energy at CESC system bus-bar.

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

**Form 1.9 (b) : Energy sold to person other than licensees or any consumers**

**Name of the Entity : Kreate Energy (I) Private Limited (Formerly known as Mittal Processors Private Limited) (Swap-in/ Swap-out)**

Season/ Time of the day	Energy Export (MU)
	2020-2021
<b>1. Summer</b>	
Normal (6 AM to 5 PM)	-
Peak (5 PM to 11 PM)	1
Off-peak (11 PM to 6 AM)	7
Total Summer:	7
<b>2. Monsoon</b>	
Normal (6 AM to 5 PM)	-
Peak (5 PM to 11 PM)	-
Off-peak (11 PM to 6 AM)	-
Total Monsoon:	-
<b>3. Winter</b>	
Normal (6 AM to 5 PM)	-
Peak (5 PM to 11 PM)	-
Off-peak (11 PM to 6 AM)	-
Total Winter:	-
<b>Grand Total:</b>	7
Overall including additional Units allowed by Hon'ble Commission for sale to persons other than the Licensees or the consumers	8

**Note:**

*Figure correspond to the energy at CESC system bus-bar.*

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

**Form 1.9 (b) : Energy sold to person other than licensees or any consumers**

Name of the Entity : Arunachal Pradesh Power Corporation Private Limited (Swap-in/ Swap-out)

Season/ Time of the day	Energy Export (MU)
	2020-2021
<b>1. Summer</b>	
Normal (6 AM to 5 PM)	7
Peak (5 PM to 11 PM)	3
Off-peak (11 PM to 6 AM)	7
Total Summer:	18
<b>2. Monsoon</b>	
Normal (6 AM to 5 PM)	-
Peak (5 PM to 11 PM)	-
Off-peak (11 PM to 6 AM)	-
Total Monsoon:	-
<b>3. Winter</b>	
Normal (6 AM to 5 PM)	-
Peak (5 PM to 11 PM)	-
Off-peak (11 PM to 6 AM)	-
Total Winter:	-
<b>Grand Total:</b>	18
Overall including additional Units allowed by Hon'ble Commission for sale to persons other than the Licensees or the consumers	19

**Note:**

Figure correspond to the energy at CESC system bus-bar.

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

**Form 1.9 (c) : Energy sold to WBSEDCL**

Ref	Season/ Time of the day	2020-2021
1.	<b>Summer</b>	
	Normal (6 AM to 5 PM)	2
	Peak (5 PM to 11 PM)	1
	Off-peak (11 PM to 6 AM)	1
	Total Summer:	4
2.	<b>Monsoon</b>	
	Normal (6 AM to 5 PM)	1
	Peak (5 PM to 11 PM)	1
	Off-peak (11 PM to 6 AM)	1
	Total Monsoon:	3
3.	<b>Winter</b>	
	Normal (6 AM to 5 PM)	3
	Peak (5 PM to 11 PM)	2
	Off-peak (11 PM to 6 AM)	1
	Total Winter:	6
	<b>Grand Total:</b>	13

**Form 1.9 (d) : Energy wheeled at delivery point**

Ref.	Particulars	2020-2021
	Energy wheeled at delivery point	0.43

*Above energy is exclusive of applicable losses.*

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

## Form1.10(a) : Quantum of Purchase of Power and Rate thereof

## Haldia Energy Limited

Particulars	Unit	Derivation	2020-2021
<b>Details of Import Drawal</b>			
<b>A. Infirm</b>	MU	A	
<b>B. Firm</b>			
<b>B1: Summer:</b>			
Normal	MU	B1N	591
Peak	MU	B1P	349
Off-peak	MU	B1OP	372
<b>Total Firm in Summer: (B1)</b>			1312
<b>B2: Monsoon:</b>			
Normal	MU	B2N	662
Peak	MU	B2P	386
Off-peak	MU	B2OP	407
<b>Total Firm in Monsoon: (B2)</b>			1456
<b>B3: Winter:</b>			
Normal	MU	B3N	542
Peak	MU	B3P	311
Off-peak	MU	B3OP	233
<b>Total Firm in Winter: (B3)</b>			1087
<b>Total Firm: (B)</b>	MU	B=B1+B2+B3	3854
<b>Chargeable Units</b>	MU	A+B	3854
<b>Applicable Rates</b>			
<b>A. Infirm</b>	Paise/Unit	C	
<b>B. Firm</b>			
Fixed Charges	Paise/Unit	D	241
Energy Charges:			
<b>B1: Summer:</b>			
Normal	Paise/Unit	E	280
Peak	Paise/Unit	F	280
Off-peak	Paise/Unit	G	280
<b>B2: Monsoon:</b>			
Normal	Paise/Unit	H	280
Peak	Paise/Unit	I	280
Off-peak	Paise/Unit	J	280
<b>B3: Winter:</b>			
Normal	Paise/Unit	K	281
Peak	Paise/Unit	L	281
Off-peak	Paise/Unit	M	281
<b>C. Fuel and Power Purchase Cost Adjustment</b>	Paise/Unit	N	

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

## Form1.10(b) : Power Purchase Cost Analysis (Sourcewise vis-à-vis Stationwise)

## Haldia Energy Limited

Particulars	Unit	Derivation from form 1.10(a)	2020-2021
<b>Details of Power Purchase Cost</b>			
<b>A. Infirm</b>	Rs. Lakhs	$O=A*C$	
<b>B. Firm</b>			
Fixed Charges	Rs. Lakhs	$P = D*B$	93034
Energy Charges:			
<b>B1: Summer:</b>			
Normal	Rs. Lakhs	$Q=B1N*E$	16553
Peak	Rs. Lakhs	$R=B1P*F$	9792
Off-peak	Rs. Lakhs	$S=B1OP*G$	10414
<b>Total Firm in Summer: (B1)</b>	Rs. Lakhs	$T=Q+R+S$	36759
<b>B2: Monsoon:</b>			
Normal	Rs. Lakhs	$U=B2N*H$	18548
Peak	Rs. Lakhs	$V=B2P*I$	10818
Off-peak	Rs. Lakhs	$W=B2OP*J$	11402
<b>Total Firm in Monsoon: (B2)</b>	Rs. Lakhs	$X=U+V+W$	40768
<b>B3: Winter:</b>			
Normal	Rs. Lakhs	$Y=B3N*K$	15229
Peak	Rs. Lakhs	$Z=B3P*L$	8743
Off-peak	Rs. Lakhs	$AA=B3OP*M$	6556
<b>Total Firm in Winter: (B3)</b>	Rs. Lakhs	$AB=Y+Z+AA$	30529
<b>Total Firm : Energy Charges</b>	Rs. Lakhs	$AC=T+X+AB$	108056
<b>Total Firm : Fixed+Energy Charges</b>	Rs. Lakhs	$AD=AC+P$	201090
<b>Total Charges : Firm + Infirm</b>	Rs. Lakhs	$AE=O+AD$	201090
<b>C. Fuel and Power Purchase Cost Adjustment</b>	Rs. Lakhs	$AF=B*N$	-
Transmission charge for HEL dedicated line	Rs. Lakhs	AG	11401
Transmission charge (STU)	Rs. Lakhs	AH	3047
SLDC Charges	Rs. Lakhs	AI	193
Other Charges - (refer note 3)	Rs. Lakhs	AJ	114
Monthly Fuel Cost Adjustment (MFCA)	Rs. Lakhs	AK	5842
Less : Incentive/Rebate for timely payment etc.	Rs. Lakhs	AL	
<b>Overall cost</b>	Rs. Lakhs	$AM = \text{sum}(AE:AK) - AL$	221688

**Notes:**

1. The Company considered the cost based on the rates charged by HEL in terms of Order dated 27 November 2017 in Case No TP - 68 / 16-17 and 29 January 2016 in Case No TP - 63 / 14 - 15 as Orders dated 8 September 2021 in Case No TP - 75 / 18 - 19 and the Order dated 20 April 2022 in Case No TP - 67 / 16 - 17 are under Appeal etc., as appropriate, adjusted for units received at CESC bus.

2. The power purchase cost has been furnished in accordance with rates charged by HEL. MFCA considered at 15 Paise / Unit as was charged by the Company during the period. Effect of any additional amount charged by HEL in accordance with the applicable Regulations and / orders or any other payable amount as and when determined by the Hon'ble Commission will be additional to above.

3. Includes past period transmission charge (STU) for the period April 2018 to March 2020 in terms of order dated 16.12.2020 of Hon'ble Commission.

**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**



## Form1.10(a) : Quantum of Purchase of Power and Rate thereof

## Renewable and Co-generation (other than Roof-top solar)

Particulars	Unit	Derivation	2020-2021
<b>Details of Import Drawal</b>			
<b>A. Infirm</b>	MU	A	
<b>B. Firm</b>			
<b>B1: Summer:</b>			
Normal	MU	B1N	38
Peak	MU	B1P	7
Off-peak	MU	B1OP	6
<b>Total Firm in Summer: (B1)</b>			51
<b>B2: Monsoon:</b>			
Normal	MU	B2N	91
Peak	MU	B2P	10
Off-peak	MU	B2OP	15
<b>Total Firm in Monsoon: (B2)</b>			116
<b>B3: Winter:</b>			
Normal	MU	B3N	104
Peak	MU	B3P	10
Off-peak	MU	B3OP	11
<b>Total Firm in Winter: (B3)</b>			125
<b>Total Firm: (B)</b>	MU	B=B1+B2+B3	292
<b>Chargeable Units</b>	MU	A+B	292
<b>Applicable Rates</b>			
<b>A. Infirm</b>	Paise/Unit	C	
<b>B. Firm</b>			
Fixed Charges		D	
Energy Charges:			
<b>B1: Summer:</b>			
Normal	Paise/Unit	E	446
Peak	Paise/Unit	F	342
Off-peak	Paise/Unit	G	333
<b>B2: Monsoon:</b>			
Normal	Paise/Unit	H	364
Peak	Paise/Unit	I	359
Off-peak	Paise/Unit	J	365
<b>B3: Winter:</b>			
Normal	Paise/Unit	K	440
Peak	Paise/Unit	L	272
Off-peak	Paise/Unit	M	265
<b>C. Fuel and Power Purchase Cost Adjustment</b>	Paise/Unit	N	-

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

## Form1.10(b) : Power Purchase Cost Analysis

## Renewable and Co-generation (other than Roof-top solar)

Particulars	Unit	Derivation	2020-2021
<b>Details of Power Purchase Cost</b>			
<b>A. Infirm</b>	Rs. Lakhs	$O=A*C$	
<b>B. Firm</b>			
Fixed Charges	Rs. Lakhs	$P = D*12$	
Energy Charges:			
<b>B1: Summer:</b>			
Normal	Rs. Lakhs	$Q=B1N*E$	1689
Peak	Rs. Lakhs	$R=B1P*F$	255
Off-peak	Rs. Lakhs	$S=B1OP*G$	199
<b>Total Firm in Summer: (B1)</b>	Rs. Lakhs	$T=Q+R+S$	2142
<b>B2: Monsoon:</b>			
Normal	Rs. Lakhs	$U=B2N*H$	3321
Peak	Rs. Lakhs	$V=B2P*I$	373
Off-peak	Rs. Lakhs	$W=B2OP*J$	531
<b>Total Firm in Monsoon: (B2)</b>	Rs. Lakhs	$X=U+V+W$	4224
<b>B3: Winter:</b>			
Normal	Rs. Lakhs	$Y=B3N*K$	4555
Peak	Rs. Lakhs	$Z=B3P*L$	271
Off-peak	Rs. Lakhs	$AA=B3OP*M$	299
<b>Total Firm in Winter: (B3)</b>	Rs. Lakhs	$AB=Y+Z+AA$	5125
<b>Total Firm : Energy Charges</b>	Rs. Lakhs	$AC=T+X+AB$	11492
<b>Total Firm : Fixed+Energy Charges</b>	Rs. Lakhs	$AD=AC+P$	11492
<b>Total Charges : Firm + Infirm</b>	Rs. Lakhs	$AE=O+AD$	11492
<b>C. Fuel and Power Purchase Cost Adjustment</b>	Rs. Lakhs	$AF=B*N$	-
Transmission Charge (STU)	Rs. Lakhs	AG	825
Transmission Charge (CTU)	Rs. Lakhs	AH	217
Other Charges (SDLC Charges, Meter reading charges, Wheeling Charges, PX Fees.)	Rs. Lakhs	AI	266
Other Charges - (refer note 2)	Rs. Lakhs	AJ	37
Less : Incentive/Rebate for timely payment etc.	Rs. Lakhs	AK	59
<b>Overall cost</b>	Rs. Lakhs	$AL = \text{sum}(AE:AJ) - AK$	12779

**Notes :**

1. Power Purchase costs have been furnished on the basis of certified quantum of energy and cost thereof on this account. Power Purchase Agreements have already been furnished in Volumes 5-7 of FPPCA 2020-21 petition submitted on 01.04.2022.

2. Includes past period transmission and SLDC handling charge for the period April 2018 to March 2020 in terms of order dated 16.12.2020 of Hon'ble Commission.

3. Includes power purchase from cogeneration sources and renewable sources from power exchange excluding roof-top solar injection. Kindly refer to Annex A7 for details.

**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

## Form1.10(a) : Quantum of Purchase of Power and Rate thereof

## Roof-top solar

Particulars	Unit	Derivation	2020-2021
<b>Details of Import Drawal</b>			
<b>A. Infirm</b>	MU	A	
<b>B. Firm</b>			
<b>B1: Summer:</b>			
Normal	MU	B1N	3
Peak	MU	B1P	-
Off-peak	MU	B1OP	-
<b>Total Firm in Summer: (B1)</b>			3
<b>B2: Monsoon:</b>			
Normal	MU	B2N	2
Peak	MU	B2P	-
Off-peak	MU	B2OP	-
<b>Total Firm in Monsoon: (B2)</b>			2
<b>B3: Winter:</b>			
Normal	MU	B3N	3
Peak	MU	B3P	-
Off-peak	MU	B3OP	-
<b>Total Firm in Winter: (B3)</b>			3
<b>Total Firm: (B)</b>	MU	B=B1+B2+B3	8
<b>Chargeable Units</b>	MU	A+B	8
<b>Applicable Rates</b>			
<b>A. Infirm</b>	Paise/Unit	C	
<b>B. Firm</b>			
Fixed Charges		D	
Energy Charges:			
<b>B1: Summer:</b>			
Normal	Paise/Unit	E	584
Peak	Paise/Unit	F	584
Off-peak	Paise/Unit	G	584
<b>B2: Monsoon:</b>			
Normal	Paise/Unit	H	617
Peak	Paise/Unit	I	617
Off-peak	Paise/Unit	J	617
<b>B3: Winter:</b>			
Normal	Paise/Unit	K	610
Peak	Paise/Unit	L	610
Off-peak	Paise/Unit	M	610
<b>C. Fuel and Power Purchase Cost Adjustment</b>	Paise/Unit	N	-

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

## Form1.10(b) : Power Purchase Cost Analysis

## Roof-top solar

Particulars	Unit	Derivation	2020-2021
<b>Details of Power Purchase Cost</b>			
<b>A. Infirm</b>	Rs. Lakhs	$O=A*C$	
<b>B. Firm</b>			
Fixed Charges	Rs. Lakhs	$P = D*12$	
Energy Charges:			
<b>B1: Summer:</b>			
Normal	Rs. Lakhs	$Q=B1N*E$	194
Peak	Rs. Lakhs	$R=B1P*F$	-
Off-peak	Rs. Lakhs	$S=B1OP*G$	-
<b>Total Firm in Summer: (B1)</b>	Rs. Lakhs	$T=Q+R+S$	194
<b>B2: Monsoon:</b>			
Normal	Rs. Lakhs	$U=B2N*H$	96
Peak	Rs. Lakhs	$V=B2P*I$	-
Off-peak	Rs. Lakhs	$W=B2OP*J$	-
<b>Total Firm in Monsoon: (B2)</b>	Rs. Lakhs	$X=U+V+W$	96
<b>B3: Winter:</b>			
Normal	Rs. Lakhs	$Y=B3N*K$	189
Peak	Rs. Lakhs	$Z=B3P*L$	-
Off-peak	Rs. Lakhs	$AA=B3OP*M$	-
<b>Total Firm in Winter: (B3)</b>	Rs. Lakhs	$AB=Y+Z+AA$	189
<b>Total Firm : Energy Charges</b>	Rs. Lakhs	$AC=T+X+AB$	479
<b>Total Firm : Fixed+Energy Charges</b>	Rs. Lakhs	$AD=AC+P$	479
Total Charges : Firm + Infirm	Rs. Lakhs	$AE=O+AD$	479
<b>C. Fuel and Power Purchase Cost Adjustment</b>	Rs. Lakhs	$AF=B*N$	-
Transmission charges	Rs. Lakhs	AG	-
SLDC Charges	Rs. Lakhs	AH	-
Monthly Variable Cost Adjustment	Rs. Lakhs	AI	-
Less : Incentive/Rebate for timely payment etc.	Rs. Lakhs	AJ	-
<b>Overall cost</b>	Rs. Lakhs	$AK = \text{sum}(AE:AI)-AJ$	479

**Note :**

Rate for solar (net metering) has been arrived at on the basis of applicable consumer tariff.

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

## Supplemental

Particulars	Unit	Derivation	2020-2021
<b>Details of Import Drawal</b>			
<b>A. Infirm</b>	MU	A	
<b>B. Firm</b>			
<b>B1: Summer:</b>			
Normal	MU	B1N	97
Peak	MU	B1P	66
Off-peak	MU	B1OP	42
<b>Total Firm in Summer: (B1)</b>			205
<b>B2: Monsoon:</b>			
Normal	MU	B2N	167
Peak	MU	B2P	155
Off-peak	MU	B2OP	64
<b>Total Firm in Monsoon: (B2)</b>			386
<b>B3: Winter:</b>			
Normal	MU	B3N	52
Peak	MU	B3P	50
Off-peak	MU	B3OP	29
<b>Total Firm in Winter: (B3)</b>			131
<b>Total Firm: (B)</b>	MU	B=B1+B2+B3	722
<b>Chargeable Units</b>	MU	A+B	722
<b>Applicable Rates</b>			
<b>A. Infirm</b>	Paise/Unit	C	
<b>B. Firm</b>			
Fixed Charges		D	
Energy Charges:			
<b>B1: Summer:</b>			
Normal	Paise/Unit	E	456
Peak	Paise/Unit	F	471
Off-peak	Paise/Unit	G	418
<b>B2: Monsoon:</b>			
Normal	Paise/Unit	H	429
Peak	Paise/Unit	I	417
Off-peak	Paise/Unit	J	362
<b>B3: Winter:</b>			
Normal	Paise/Unit	K	301
Peak	Paise/Unit	L	350
Off-peak	Paise/Unit	M	284
<b>C. Fuel and Power Purchase Cost Adjustment</b>	Paise/Unit	N	-

  
 MANAGING DIRECTOR (GENERATION)  
 CESC LIMITED

## Supplemental

Particulars	Unit	Derivation	2020-2021
<b>Details of Power Purchase Cost</b>			
<b>A. Infirm</b>	Rs. Lakhs	$O=A*C$	
<b>B. Firm</b>			
Fixed Charges	Rs. Lakhs	$P = D*12$	
Energy Charges:			
<b>B1: Summer:</b>			
Normal	Rs. Lakhs	$Q=B1N*E$	4417
Peak	Rs. Lakhs	$R=B1P*F$	3097
Off-peak	Rs. Lakhs	$S=B1OP*G$	1762
<b>Total Firm in Summer: (B1)</b>	Rs. Lakhs	$T=Q+R+S$	9276
<b>B2: Monsoon:</b>			
Normal	Rs. Lakhs	$U=B2N*H$	7150
Peak	Rs. Lakhs	$V=B2P*I$	6467
Off-peak	Rs. Lakhs	$W=B2OP*J$	2333
<b>Total Firm in Monsoon: (B2)</b>	Rs. Lakhs	$X=U+V+W$	15950
<b>B3: Winter:</b>			
Normal	Rs. Lakhs	$Y=B3N*K$	1557
Peak	Rs. Lakhs	$Z=B3P*L$	1737
Off-peak	Rs. Lakhs	$AA=B3OP*M$	832
<b>Total Firm in Winter: (B3)</b>	Rs. Lakhs	$AB=Y+Z+AA$	4126
<b>Total Firm : Energy Charges</b>	Rs. Lakhs	$AC=T+X+AB$	29352
<b>Total Firm : Fixed+Energy Charges</b>	Rs. Lakhs	$AD=AC+P$	29352
Total Charges : Firm + Infirm	Rs. Lakhs	$AE=O+AD$	29352
<b>C. Fuel and Power Purchase Cost Adjustment</b>	Rs. Lakhs	$AF=B*N$	-
Transmission charge (STU)	Rs. Lakhs	AG	1279
Transmission charge (CTU)	Rs. Lakhs	AH	631
Other Charges (SDLC Charges, Meter reading charges, Wheeling Charges and PX Fees)	Rs. Lakhs	AI	86
Other Charges - (refer note 4)	Rs. Lakhs	AJ	18
Less : Incentive/Rebate for timely payment etc.	Rs. Lakhs	AK	144
<b>Overall cost</b>	Rs. Lakhs	$AL = \text{sum}(AE:AJ) - AK$	31223

**Notes :**

1. Valuation of swap-in settled during the year and swap-in corresponding to swap-out in 2019-20 have been done in terms of Regulation 5.15.2.(iv) of Tariff Regulations of the Hon'ble Commission and APR-FPPCA Orders dated 01.08.2022 of the Hon'ble Commission.

Accordingly, energy swapped in against swapped out energy of earlier year i.e.2019-20 and during the year under consideration, i.e. 2020-21 has been valued at the pooled power purchase cost of the respective years as per the principle adopted by the Hon'ble Commission in the APR-FPPCA Orders dated 01.08.2022. Accordingly, cost of swap-in energy, against energy swapped-out in 2019-20 and 2021-22 have been considered as part of the power purchase cost in terms of the APR-FPPCA Orders dated 01.08.2022.

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

2. Total power purchase cost claimed after netting off export of power including swap-out energy value in the terms of the principles adopted in the APR-FPPCA Orders dated 01.08.2022 of the Hon'ble Commission for the year under consideration. Kindly refer to Annex A7 and Annex A8 for details.
3. Power Purchase costs from various agencies have been furnished on the basis of certified quantum of energy and cost thereof on this account. Power Purchase Agreements have been furnished in FPPCA 2020-21 petition in Volumes 5-7 submitted on 01.04.2022.
4. Above cost includes past period transmission and SLDC handling charge for the period April 2018 to March 2020 in terms of order dated 16.12.2020 of Hon'ble Commission.
5. Supplemental Power Procurement includes power purchase from Energy Exchanges, RPGPTCL (other than cogeneration), WBSIEDCL, other short term sources and Banking. Power procurement from supplemental sources made in terms of the extant Regulations to meet the requirement of power in the licensed area. Kindly refer to the Annexure attached with this Petition.
6. As per Hon'ble Commission's directive, arrangement has been made by the Company to procure power from DEEP portal following competitive bidding.
- 



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

Annexure to 1.10

Long-term and Medium-term Power purchase details

Sl No	Name of the Seller	Name & type of source	Name of the Trader, if any	Tenure of Contract	Whether Power is purchased under Section 63 of the Electricity Act	Prior approval as per Reg 7.4.1, with reference no	Whether exempted under Reg 7.4.4#	MW contract	Scheduled MU purchased	Energy charge rate	Energy charge	Capacity Charge	Transmission charge for HEL dedicated line	Transmission charge (STU)	SLDC Charge	Other charges (Refer note-4)	Total charges	Avg rate	PPA submitted
									A	B	C = A * B / 10	D	E	F	G	H	I = C+D+E+F+G+H	J = I / A	
										Paise / Unit								Paise / Unit	
1	Haldia Energy Limited	Thermal		25 years	No	Yes (WBERC/PPA-65/12-13/0248 dated 2.5.13)	NA	Entire power from Haldia Generating Station of HEL by CESC at Subhasgram SubStation of PGCIL after adjusting applicable transmission loss of the 400 KV dedicated overhead transmission line	3898	295	115174	93647	11401	3345	199	403	224169	575	Yes Page 2-19 Volume 5
									3898	295	115174	93647	11401	3345	199	403	224169	575	
									TOTAL										

Notes :

1. The Company considered the cost based on the rates charged by HEL in terms of Order dated 27 November 2017 in Case No TP - 68 / 16-17 and 29 January 2016 in Case No TP - 63 / 14 - 15 as Orders dated 8 September 2021 in Case No TP - 75 / 18 - 19 and the Order dated 20 April 2022 in Case No TP - 67 / 16 - 17 are under Appeal etc., as appropriate, adjusted for units received at CESC bus.
2. The power purchase cost has been furnished in accordance with rates charged by HEL. MFCA considered at 15 Paise / Unit as was charged by the Company during the period. Effect of any additional amount charged by HEL in accordance with the applicable Regulations and / orders or any other payable amount as and when determined by the Hon'ble Commission will be additional to above.
3. Units received at CESC bus after adjustment of losses as considered by SLDC. Auditor's certificate for energy received at CESC bus has been furnished through Annex C5.
4. Includes transmission charge (STU) in terms of Order dated 16.12.2020 and 25.06.2021 of the Hon'ble Commission.



MANAGING DIRECTOR (GENERATION)  
CESC LIMITED



Short-term Power purchase details  
(Except Exchange)

Sl No	Name of the Seller	Name & type of source	Name of the Trader, if any	Termine of Contract	Whether Post Facto approval under Regulation 7.5.4, with reference	Whether price is discovered through bidding under Regulation 7.5.1	Whether purchased without bidding under Regulation 7.5.3	Purchased under Regulation 7.5.8 & 7.5.7 (capacity purpose)	Whether exempted under Regulation 7.5.8	MW contract
1	WBSEDCL (Emergency Power) <sup>1</sup>				N/A	N/A	N/A	N/A	N/A	
2	RFGPTCL (Other than Cogeneration) <sup>2</sup>		RFGPTCL	365 days	N/A	Kindly refer to note 2 below	N/A	N/A	N/A	Upto 36 MW
3	RFGPTCL and Bilateral <sup>3</sup> (Co-generation)		RFGPTCL & TPTCL	1 to 14 days	N/A	N/A	N/A	N/A	N/A	Upto 37 MW
4	Dikchu Hydro-Electric Project (DHEP)	Hydro	KEIPL	Daily	N/A	N/A	Kindly refer to note 6 below	N/A	N/A	Upto 200 MW
5	Rooflop Solar PV <sup>4</sup>	solar			N/A	N/A	N/A	N/A	N/A	

Notes:

- Emergency power was procured from WBSEDCL in terms of the Order of the Hon'ble Commission dated 4 July 2018.
- Power had been procured in terms of the Order dated 02.03.2020 read with the Order dated 15.06.2020 of the Hon'ble Commission, following transparent competitive bidding process under section 63 of the Electricity Act, 2003 through DEEP Portal. Status reports dated 18.08.2020 and 26.07.2021 have already been submitted to the Hon'ble Commission. Power procurement also had been done in terms of the Regulation 7.5.2
- Cogeneration power had been procured by the Company to the extent available.
- Connectivity arrangements were facilitated by a dedicated team resulting in solar capacity of 41,241 MWp at year-end. Estimated generation from solar rooftop installations at 16.13% Capacity Utilisation Factor was 56,486 MU.
- Includes past period transmission (STU) and SLDC handling charge in terms of order dated 25.06.2021 of the Hon'ble Commission.
- Power Procurement from Dikchu Hydro Electric Project (DHEP) was done in the month of October during festival season on Day Ahead basis, to meet the energy deficit and at a price 20 paise/ kWh less than the price discovered at the Day Ahead Market (DAM) in IEX during this period. Such power procurement had been done in terms of the Regulation 7.5.3.

**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

Short-term Power purchase details  
(Except Exchange)

Sl No	Name of the Seller	Schedule Units purchased *	Energy charge rate		Energy Charge C = A*B/D	Transmission charge (STU) D	Transmission charge (CTU) E	SLDC Charge F	Meter Reading Charges G	Wheeling Charge H	Other Charges ** (refer note 5)	Total charges J=Sum(C-I)	Average Rate		PPA or LOA submitted (If yes, reference in the Petition)
			Países / Unit	Países / Unit									Kc/JA	Países / Unit	
1	WBSEDCL (Emergency Power) <sup>1</sup>	0.2	780	20	20							20	780	As per Order dated 26 April 2016 read with Order dated 4 July 2018	
2	RRGPTCL (Other than Cogeneration) <sup>2</sup>	285	283	6533	812		13	1			11	9470	321	Pgs 235-265, Volume-5	
3	RRGPTCL and Bilateral <sup>3</sup> (Co- generation)	138	280	3863	451		5	1	227	4		4571	328	Pgs 20 - 235, Volume-5	
4	Dileebu Hydro-Electric Project (DHEP)	2	1706	384	6	11	0					411	1782	Pgs 266 - 289, Volume - 5	
5	Rooftop Solar PV <sup>4</sup>	7	584	362								362	564	Connectivity agreements Sample placed in Pg 382 - 395, Volume - 5	
		<b>443</b>		<b>13312</b>	<b>1270</b>	<b>11</b>	<b>18</b>	<b>2</b>	<b>227</b>	<b>15</b>		<b>14854</b>	<b>335</b>		

\* Units received at CESC bus after adjustment of losses as considered by SLDC.

**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

**Short-term Power purchase through Power Exchanges**

Sl No	Name of the Exchange	Time of purchase	Schedule MU purchased	Energy charge rate (paisa/unit)	Rs Lakhs							Total charges (in Rs lakh)	avg rate (in paisa/unit)	
					A	B	C=A*B	D	E	F	G			H
1	IEX-DAM	Normal period	47											
		Peak Period	59											
		Off peak	13											
		Overall	119	843	10024							10904	917	
2	IEX-RTM	Normal period	27											
		Peak Period	46											
		Off peak	11											
		Overall	84	645	5408							6040	720	
3	IEX-GTAM (Solar)	Normal period	262											
		Peak Period	4											
		Off peak	0											
		Overall	266	419	11139							11974	451	
4	IEX-GTAM (Non-Solar)	Normal period	60											
		Peak Period	94											
		Off peak	39											
		Overall	194	532	10299							10887	563	
5	PXIL-GTAM (Non-Solar)	Normal period	12											
		Peak Period	0											
		Off peak	0											
		Overall	12	487	599							643	523	
6	IEX-GDAM	Normal period	52											
		Peak Period	16											
		Off peak	0											
		Overall	68	568	3855							4349	641	
7	PXIL-GTAM (Solar)	Normal period	59											
		Peak Period	2											
		Off peak	0											
		Overall	61	448	2729							3160	519	

## Form 1.11 : COST OF FUEL

## Budge Budge Generating Station

	STATION	DERIVATION	UNIT	2020-2021
1.	Sent-out Energy	a	MU	5003
2.	Auxiliary consumption	2	MU	495
3.	Gross Generation for own consumers and WBSSEDCL	3=1+2	MU	5498
4.	Station Heat Rate	4	kCal/kWh generated	2470
5.	Total Heat Required	5=3x4	GCal	13579514
6.	Specific Oil Consumption	6	ml/kWh	1.30
7.	Oil Consumption	7=6x3	KL	7147
8.	Heat Value of Oil	8	kCal/Litre	9557
9.	Heat from Oil	9=7x8	GCal	68305
10.	Heat from Coal	10=5-9	GCal	13511209
11.	Heat Value of Coal	11	kCal/Kg	3902
12.	Coal Consumption	12=10/11	Tonne	3462637
13.	Coal requirement considering Transit Loss	13	Tonne	3488803
14.	Average Price of Oil	14	Rs./KL	45999
15.	Cost of Coal per Tonne after due adjustment as per Annex A2 of FPPCA Petition	15	Rs./Tonne	3347
16.	Cost of Oil	16=7x14	Rs. Lakhs	3288
17.	Cost of Coal	17=13x15	Rs. Lakhs	116769
18.	Total Fuel Cost	18=16+17	Rs. Lakhs	120057

## Note:

Kindly refer to Annex A1 to Annex A5 for details.



MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

**Form 1.11 : COST OF FUEL****Southern Generating Station**

	STATION	DERIVATION	UNIT	2020-2021
1.	Sent out energy for own consumers and WBSEDCL	1	MU	82
2.	Auxiliary consumption	2	MU	8
3.	Gross Generation for own consumers and WBSEDCL	3=1+2	MU	90
4.	Station Heat Rate	4	kCal/kWh generated	2900
5.	Total Heat Required	5=3x4	GCal	260313
6.	Specific Oil Consumption	6	ml/kWh	2.10
7.	Oil Consumption	7=6x3	KL	189
8.	Heat Value of Oil	8	kCal/Litre	9551
9.	Heat from Oil	9=7x8	GCal	1800
10.	Heat from Coal	10=5-9	GCal	258512
11.	Heat Value of Coal	11	kCal/Kg	4370
12.	Coal Consumption	12=10/11	Tonne	59156
13.	Coal requirement considering Transit Loss	13	Tonne	59603
14.	Average Price of Oil	14	Rs./KL	47364
15.	Average Price of Coal	15	Rs./Tonne	4510
16.	Cost of Oil	16=7x14	Rs. Lakhs	89
17.	Cost of Coal	17=13x15	Rs. Lakhs	2688
18.	Total Fuel Cost	18=16+17	Rs. Lakhs	2777
Overall Fuel Cost - All Stations			Rs. Lakhs	122834

**Note:**

*Kindly refer to Annex A1 to Annex A5 for details.*

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

**Form 1.28: Statement showing status of FPPCA Claim**

Sl. No.	Claim application submitted but order is yet to be issued by the Commission		Claim application is yet to be applied		
	Related Year	Date of submission	Related Year	Expected date of submission	Reasons of delay against regulation 2.8.7.2
1	2018-19	02.09.2019			
2	2019-20	21.09.2020			
3	2020-21*	01.04.2022			

\* Supplementary petition to FPPCA for 2020-21 is being resubmitted.

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

A.	Particulars	2020-2021
		MU
1.	Generation (including in-firm power, if any) [Form 1.3]	5513
2.	Auxiliary Consumption [Form 1.4a]	428
3.	Transformation Loss	-
4.	Units delivered to system from generation (including infirm power, if any) [Form 1.5] (1-2-3)	5085
5.	Energy Purchased (including Swap-in power) [Form 1.6a]	4877
6.	Energy received for wheeling [Form 1.9a]	0.47
7.	Overall Gross Energy in System (4+5+6)	9961
8.	Units sold to persons other than licensees or any consumers (including Swap-out power) [Form 1.9b]	181
9.	Units sold/used for pumping energy or pumped storage project at bus bar [Form 1.4(b)]	-
10.	Additional Units allowed by the Commission against pumping energy for pumping loss	-
11.	Total Units sold / used for pumping energy or pumped storage project (9 + 10)	-
12.	Net DSM (Actual)	-16
13.	Total Energy goes out of System (8+11+12)	165
14.	Net Energy in system (7-13)	9796
15.	Units sold to own consumers	8930
	Units sold to WBSEDCL [Form 1.9 c]	13
16.	Units wheeled at delivery point [Form 1.9 d]	0.43
17.	Additional allowed Units wheeled	0.04
18.	Units utilised in own premises including construction power	35
19.	Overall Utilisation (15+16+17+18)	8978
20.	Unutilised Units (14-19)	818
21.	Distribution Loss %	8.4%

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

# **Annex A**

## **Calculation of Gross Redetermined Fuel and Power Purchase Cost**

**2020-21**



**109** **MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**



## Calculation of FPPC

Paramteres	Details	Reference / Basis	Unit	Amount
Fuel-Cost	Fuel Cost at generation bus of CESC generating stations	Annex A1	Rs Lakhs	122834.38
$E_{Sys}$	Annual Energy available at distribution input, including power purchases from different sources, for sale to consumers and WBSEDCL :			
	i) Energy available from unit sent out by CESC generating stations, for sale to consumers and WBSEDCL	Annex A1	MU	5084.663
	ii) Energy purchased from HEL	Annex A6	MU	3854.421
	iii) Energy purchased from Cogeneration sources	Annex A7	MU	99.590
	iv) Energy from Renewable Sources	Annex A7	MU	200.648
	v) Supplemental Energy purchased	Annex A7	MU	721.996
	vi) Less: swap out and sale to persons other than consumers and WBSEDCL	Annex A8	MU	181.238
$E_{Sys}$	Annual Energy available at distribution input, including power purchases from different sources, for sale to consumers and WBSEDCL netting off sale to persons other than consumers and WBSEDCL including swap out	$E_{Sys} = i)+ii)+iii)+iv)+v)-vi)$	MU	9780.080
$FC_{IUC}$	Per Unit of Fuel Cost at Distribution input	$Fuel-Cost/E_{Sys}$	Paise/Unit	125.60
$E_{SC}$	Energy Sale to consumers	Annex C2	MU	8930.217
$E_{SL}$	Energy Sale to WBSEDCL	Annex C2	MU	12.992
$E_o$	Energy for own consumption	Annex C2	MU	34.567
$t$	Normative Distribution Loss for sale to WBSEDCL	Table D, Schedule 9A of Tariff Regulations	%	14.30%
$d$	Normative Distribution Loss for sale to consumers			
$FC_{Adm_d}$	Admitted Fuel Cost for sale to WBSEDCL	$E_{SL} * FC_{IUC} / (1-t)$	Rs Lakhs	190.40
$FC_{Adm_c}$	Admitted Fuel Cost for sale to consumers	$(E_{SC} + E_o) * FC_{IUC} / (1-d)$	Rs Lakhs	131382.20
FC	Fuel Cost of CESC generation as per Normative Parameters laid down by the Hon'ble Commission, commensurate with actual level of sales to own consumers and WBSEDCL during 2020-21	$FC_{Adm_c} + FC_{Adm_d}$	Rs Lakhs	131572.60
PPC	Total net cost of Power Purchase from different sources commensurate with actual level of energy sales to consumers and WBSEDCL during 2020-21 (after adjustment of cost relating to sale to persons other than consumers and WBSEDCL including swap out)	Annex A8	Rs Lakhs	260766.36
E	Differential auxiliary consumption	Annex B2 & Table A, Schedule 9A of Tariff Regulations and Audited Data	MU	-74.972
$E_p$	Energy purchased	$E_p = E_{Sys} : ii)+iii)+iv)+v)$	MU	4876.655
$E_{Adm}$	Energy entitled for purchase	$E_{SL} / (1-t) + (E_{SC} + E_o) / (1-d) - i) - E$	MU	5620.971
$E_E$	Difference between actual energy purchased and energy entitled for purchase	$E_p - E_{Adm}$	MU	-744.316
$C_D$	Cost Disallowed		Rs Lakhs	
A	Adjustment, if any, to be made in 2020-21 to account for any excess/ shortfall in recovery of fuel and power purchase cost in the past adjustment periods based on directions/ orders of the Commission		Rs Lakhs	
<b>FPPC</b>	<b>Gross Redetermined Fuel and Power Purchase Cost for 2020-21 prior to adjustments relating to Schedule - 9B</b>	<b><math>FC + (PPC - C_D) - (\pm A)</math></b>	<b>Rs Lakhs</b>	<b>392338.96</b>

## COST OF FUEL - Normative

2020-21

STATION	DERIVATION	UNIT	Budge Budge	Southern	Overall
Sent out Energy - overall	A	MU	5002.979	81.684	5084.663
Auxiliary Consumption	B	MU	494.800	8.079	502.879
Generation	C = A + B	MU	5497.779	89.763	5587.542
Heat Rate	D	kCal/kWh generated	2470	2900	
Permitted Oil Consumption	E	ml/kWh	1.30	2.10	
Heat Value of Oil	F	kCal/Litre	9557	9551	
Heat Value of Coal	G	kCal/Kg	3902	4370	
Overall Permitted Heat	H=C*D	GCal	13579514.130	260312.700	
Permitted Heat from Oil	I=C*E*F/10^3	GCal	68304.956	1800.385	
Permitted Heat from Coal	J=H-I	GCal	13511209.174	258512.315	
Permitted Oil Consumption	K=(I/F)*10^3	KL	7147.113	188.502	
Permitted Coal Consumption	L=J/G/.9925*10^3	Tonne	3488802.919	59603.160	
Cost of Oil per KL	M	Rs./KL	45998.91	47364.04	
Cost of Coal per Tonne after due adjustment as per Annex A5	N	Rs./Tonne	3346.97	4510.09	
Cost of Oil	O=K*M/10^5	Rs. Lakhs	3287.59	89.28	3376.87
Cost of Coal	P=L*N/10^5	Rs. Lakhs	116769.35	2688.16	119457.51
Overall Cost of Fuel	Q=O+P	Rs. Lakhs	120056.94	2777.44	122834.38
Cost of Fuel	R = Q	Rs. Lakhs	120056.94	2777.44	122834.38

Overall sale to persons other than own consumers and WBSEDCL including permissible losses is 181,238 MU, including swap-out power of 2,394 MU, which is valued in terms of Regulation 5.15.2(iv) and APR-FPPCA orders dated 01.08.2022. Kindly refer to Annex A8.

**MANAGING DIRECTOR (GENERATION)**  
CESC LIMITED

**Stationwise Heat Value of Oil**

<b>2020-21</b>	<b>Budge Budge Generating Station</b>	<b>Southern Generating Station</b>
<b>Month</b>	<b>Heat Value (KCal / Litre)</b>	<b>Heat Value (KCal / Litre)</b>
Apr-20	9555	9558
May-20	9575	9546
Jun-20	9546	9570
Jul-20	9546	9542
Aug-20	9564	9554
Sep-20	9560	9552
Oct-20	9559	9539
Nov-20	9560	9535
Dec-20	9548	9529
Jan-21	9557	9550
Feb-21	9550	9554
Mar-21	9562	9579
<b>2020-21</b>	<b>9557</b>	<b>9551</b>


Certificates of heat value of oil are submitted in Volume 1 of this petition.

Technical Certificates by NABL accredited agency are placed in the Appendix of petition submitted on 1.04.2022

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

## Budge Budge Generating Station Heat Value Summary - 2020-21

Source	Mode	Grade	Plant Coal Receipt in FY 20-21 (%)	Total Moisture (%)	Equilibrated Moisture (%)	GCV Equilibrated (Kcal/Kg)	GCV As Received (Kcal/Kg)	GCV As Received -120 (Kcal/Kg)
ECL Linkage	Rail	G4	8.66%	13.60	5.58	5513	5045	4925
ECL Linkage	Rail	G5	1.44%	10.62	4.45	5215	4878	4758
ECL Linkage	Rail	G7	9.41%	4.16	1.16	4630	4489	4369
ECL Linkage	Rail	G8	9.08%	4.44	1.19	4321	4178	4058
BCCL Linkage	Rail	G8	0.12%	2.58	0.86	4315	4240	4120
BCCL Linkage	Rail	WIV	4.06%	4.28	1.43	4617	4483	4363
BCCL Linkage	Rail	WV	0.49%	2.68	0.76	4318	4234	4114
BCCL Linkage	Rail	WVI	1.79%	2.92	0.88	4018	3935	3815
CCL	Rail	G6	0.02%	9.02	4.15	4913	4663	4543
CCL	Rail	G7	0.03%	9.28	3.78	4635	4370	4250
CCL	Rail	G8	0.20%	10.04	4.27	4325	4064	3944
CCL	Rail	G9	0.50%	11.83	6.02	4023	3774	3654
CCL	Rail	G10	1.13%	10.65	5.16	3721	3506	3386
CCL	Rail	G11	0.55%	12.54	6.13	3427	3193	3073
CCL	Rail	G12	0.19%	14.06	4.32	3043	2733	2613
CCL	RCR	G12	0.74%	16.88	3.33	3145	2704	2584
Captive ROM	Rail	G11	22.85%	7.88	1.32	3917	3657	3537
Captive Washed	Rail		23.89%	8.87	1.36	4084	3773	3653
ECL E-auction	Rail	G4	6.21%	16.90	5.70	5505	4851	4731
CCL E-auction	Rail	G9	1.54%	9.71	4.85	4031	3825	3705

  
 MANAGING DIRECTOR (GENERATION)  
 CESC LIMITED

## Budge Budge Generating Station Heat Value Summary - 2020-21

Source	Mode	Grade	Plant Coal Receipt in FY 20-21 (%)	Total Moisture (%)	Equilibrated Moisture (%)	GCV Equilibrated (Kcal/Kg)	GCV As Received (Kcal/Kg)	GCV As Received -120 (Kcal/Kg)
CCL E-auction	Rail	G10	0.70%	10.61	5.06	3712	3495	3375
CCL E-auction	Rail	G11	5.02%	11.31	5.59	3428	3220	3100
CCL E-auction	Rail	WIV	0.00%	4.32	2.13	4645	4541	4421
MCL E-auction	Rail	G12	1.39%	11.49	3.57	3126	2869	2749
BCCL E-auction	RGR	WIV	0.00%	5.87	1.01	2593	2466	2346
<b>Total</b>			<b>100.00%</b>	<b>8.71</b>	<b>2.43</b>	<b>4303</b>	<b>4022</b>	<b>3902</b>

## Note:

1. GCV<sub>As Received</sub> has been derived after applying Moisture correction over GCV<sub>Equilibrated</sub> in terms of regulation 1.2.1(ix) and para 6.2 of IS 1350(Part II), 1970.

$$GCV_{As Received} = GCV_{Equilibrated} \times (1 - \text{Total Moisture \%}) / (1 - \text{Equilibrated Moisture \%})$$

2. Consignment wise quality certification by third party selected from the list maintained by Coal India Limited, for domestic coal procured in 2020-21, have been placed in pages 205 to 318 of Volume 4 of Petition submitted on 1.04.2022. An Auditors' Certificate, certifying grade-wise "GCV as received" for the year 2020-21 has been placed in page 169, Annex C4, Volume 1 of this petition.

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

## Southern Generating Station Heat Value Summary - 2020-21

Source	Mode	Grade	Plant Coal Receipt in FY 20-21 (%)	Total Moisture (%)	Equilibrated Moisture (%)	GCV Equilibrated (Kcal/Kg)	GCV As Received (Kcal/Kg)	GCV As Received -120 (Kcal/Kg)
ECL Linkage	Rail	G4	25.53%	12.01	4.96	5510	5101	4981
ECL Linkage	Rail	G7	46.60%	6.01	1.09	4613	4383	4263
ECL Linkage	Rail	G8	27.87%	5.65	1.04	4309	4109	3989
<b>Total</b>			<b>100.00%</b>	<b>7.44</b>	<b>2.07</b>	<b>4757</b>	<b>4490</b>	<b>4370</b>

Note:

1. GCV<sub>As Received</sub> has been derived after applying Moisture correction over GCV<sub>Equilibrated</sub> in terms of regulation 1.2.1(ixa) and para 6.2 of IS 1350(Part II), 1970

$$\text{GCV}_{\text{As Received}} = \text{GCV}_{\text{Equilibrated}} \times (1 - \text{Total Moisture \%}) / (1 - \text{Equilibrated Moisture \%})$$

2. Consignment wise quality certification by third party selected from the list maintained by Coal India Limited, for domestic coal procured in 2020-21, have been placed in pages 319 to 323 of Volume 4 of Petition submitted on 1.04.2022. An Auditors' Certificate, certifying grade-wise "GCV as received" for the year 2020-21 has been placed in page 169, Annex C4, Volume 1 of this petition.



MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

**Coal Mix : 2020-21****Budge Budge Generating Station**

Grades	Grade Mix	Heat Value
	%	KCal/kg
G4	14.86%	4844
G5	1.44%	4758
G6	0.02%	4543
G7	9.44%	4369
G8	9.39%	4057
G9	2.04%	3692
G10	1.83%	3382
G11	5.57%	3098
G12	2.32%	2685
WIV	4.07%	4362
WV	0.49%	4114
WVI	1.79%	3815
Non-CIL Indigenous	22.85%	3537
Non-CIL Indigeneous Washed	23.89%	3653
Overall	100.00%	3902

**Southern Generating Station**

Grades	Grade Mix	Heat Value
	%	KCal/kg
G4	25.53%	4981
G7	46.60%	4263
G8	27.87%	3989
Overall	100.00%	4370

**Notes:**

- Heat value considered on 'as received' basis adjusted for stacking loss of 120 kCal/kg in terms of Regulation 5.8.4 read with Regulation 1.2.1 (1xa) as per third party tester selected from the list of CIL empanelled testing agency.
- Auditors' Certificate on heat value of coal is submitted in Volume 1 of this petition.

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

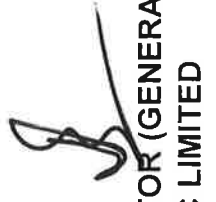
Name of the Generating Station: Budge Generating Station

**Form - D : Details of Source wise Fuel for Computation of Energy Charges**

Sl. No.	Description	Unit	2020-21						
			FSA 1	Captive Mine 2	e-auction 3	Import 4	others 5		
<b>A)</b>	<b>OPENING QUANTITY</b>								
1	Opening Quantity of coal	MT	135580	81438	46712				
2	Value of Stock	₹	518957804	279848093	271209709				
<b>B)</b>	<b>QUANTITY (for current year / month)</b>								
3	Quantity of Coal supplied by Coal Company	MT	1198262	1458361	463835				
4	Adjustment (+/-) in quantity supplied by Coal Company	MT	-	-	-				
5	Coal supplied by Coal Company (3+4)	MT	1198262	1458361	463835				
<b>C)</b>	<b>COST OF COAL</b>								
6	Amount charged by Coal Company <sup>1</sup>	₹	4055527715	4058256557	1532139272				
7	Adjustment (+/-) in amount charged made by Coal Company <sup>2</sup>	₹	84317989	65613277	52464764				
8	Handling, Sampling and such other similar charges	₹	133315568	59851122	41749831				
9	Total amount Charged (6+7+8)	₹	4273161272	4183720956	1626353866				
<b>D)</b>	<b>TRANSPORTATION COST</b>								
10	Transportation charges by rail / ship / road transport	₹	975426137	1099498828	485340024				
	by Road	₹	972420046	1099498828	485340024				
	by Ship	₹	3006091	-	-				
11	Adjustment (+/-) in amount charged made by railways / Transport Company	₹	-	-	-				
12	Demurrage Charges, if any	₹	-	-	-				
13	Cost of diesel in transporting coal through MGR System, if applicable	₹	975426137	1099498828	485340024				
14	Total Transportation Charges (10+11+12+13)	₹	975426137	1099498828	485340024				
15	Total amount Charged for coal supplied including Transportation (9+14)	₹	5248587409	5283219784	2111693890				
<b>E)</b>	<b>TOTAL COST</b>								
16	Landed cost of coal	₹/MT	4366	3614	4686				
17	Consumption of coal	MT	1130603	1529417	502752				
18	Closing stock	MT	203240	10382	7795				
19	closing value	₹	831554099	36412500	26922697				
20	Weighted average cost of coal $(\frac{\Sigma(16*17)}{\Sigma 17})$	₹/MT	<b>4053</b>						
<b>F)</b>	<b>QUALITY</b>								
21	'GCV as billed' of coal supplied	kCal/kg	5234	4090	4927				
22	Weighted average 'GCV as billed' of coal	kCal/kg	<b>4654</b>						
23	'GCV as received' of coal supplied less 120 kCal/kg	kCal/kg	4303	3596	3824				
24	Weighted average 'GCV as received' of coal less 120 kCal/kg	kCal/kg	<b>3902</b>						

Notes:

- Includes washing charge of Rs. 212.82/ Tonne for captive washed coal. Yield for washed coal is 76.754%.
- Includes contractual liabilities of Rs. 15 / Tonne in terms of FSA and supplementary adjustments of Rs. 49 / Tonne. Kindly refer to notes 3 and 10 under Statement 2 (pages 128 and 129 of Volume 1 of the Petition) for further details.
- Includes handling charges paid to handling agents, FCI charges, other charges comprising railway track maintenance, siding charges, RITES etc. Kindly refer to notes 16 to 21 of Statement 2 of Volume 1 of the petition for further details.
- Details of fuel cost has been provided in terms of regulation 1.2.1 (vi) read with regulation 5.8 of Tariff Regulations. Auditor's Certificate on coal consumption and price is placed in pages 162 to 165 of Volume 1 of the Petition.
- Consignment wise quality certification by third party selected from the list maintained by Coal India Limited, for domestic coal procured in 2020-21, have been placed in pages 318 of Volume 4 of the petition submitted on 1.04.2022. The list of CIL for such tester is also placed in volume 1 of this supplementary petition. An Auditor's Certificate, certifying grade-wise 'GCV as received' for the year 2020-21 has been placed in pages 166 to 169, Annex C4. Volume 1 of this petition.
- Further details are provided in Statement 1 and 2.



**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**



Name of the Generating Station: Budge Budge Generating Station

Sl. No.	TYPE	Description	Unit	2020-21 Grade wise details											
				G4	G5	G6	G7	G8	G9	G10	G11	G12	WIV	WV	WVI
<b>Form - D(a): Details of coal sourced through FSA</b>															
1		<b>SOURCE: Eastern Coalfield limited</b>													
		Quantity	MT	270088	45052		293511	283186							
		Amount charged by the coal company	₹/MT	4540	4192		3193	2739							
		Handling, Sampling and such other similar charges	₹/MT	113	113		113	113							
		Transportation cost	₹/MT	770	740		743	742							
		GCV as billed	kcal/kg	6101	5801		5201	4901							
		GCV as received less 120 kCal/kg	kcal/kg	4925	4758		4369	4058							
2		<b>SOURCE: Bharat Coking Coal Limited</b>													
		Quantity	MT					3621					126843	15238	55836
		Amount charged by the coal company	₹/MT					2518					3641	3664	3519
		Handling, sampling and such other similar charges	₹/MT					113					113	113	113
		Transportation cost	₹/MT					897					888	894	886
		GCV as billed	kcal/kg					4901					5201	4901	4601
		GCV as received less 120 kCal/kg	kcal/kg					4120					4363	4114	3815
3		<b>SOURCE: Central Coalfields Limited</b>													
		Quantity	MT			679	991	6093	15547	35323	17265	5984			
		Amount charged by the coal company	₹/MT			3463	3077	2536	2098	1993	1867	1726			
		Handling, sampling and such other similar charges	₹/MT			113	113	113	113	113	113	113			
		Transportation cost	₹/MT			1059	1063	1084	1158	1146	1143	1236			
		GCV as billed	kcal/kg			5501	5201	4901	4601	4301	4001	3701			
		GCV as received less 120 kCal/kg	kcal/kg			4543	4250	3944	3654	3386	3073	2613			
4		<b>SOURCE: Central Coalfields Limited RCR</b>													
		Quantity	MT									23005			
		Amount charged by the coal company	₹/MT									1658			
		Handling, sampling and such other similar charges	₹/MT									32			
		Transportation cost	₹/MT									1433			
		GCV as billed	kcal/kg									3701			
		GCV as received less 120 kCal/kg	kcal/kg									2584			
A		TOTAL QUANTITY	MT	270088	45052	679	294502	292901	15547	35323	17265	28989	126843	15238	55836
B		TOTAL COST OF COAL	₹	1226197703	188876350	2352254	940147641	800138254	32618172	70381199	32234718	48463450	461816614	55835723	196465637
C		TOTAL OF HANDLING, SAMPLING AND SUCH OTHER SIMILAR CHARGES	₹	30465898	5081850	76622	33219817	33039179	1753752	3984432	1947465	1421524	14307892	1718885	6298253
D		TOTAL TRANSPORTATION COST	₹	207900480	33354886	719071	219165146	219924067	18008635	40478748	19725757	40362109	112690429	13618910	49477898
E		Wt. average GCV as billed	kcal/kg	6101	5801	5501	5201	4901	4601	4301	4001	3701	5201	4901	4601
F		Wt. average GCV as received less 120 kCal/kg	kcal/kg	4925	4758	4543	4369	4057	3654	3386	3073	2590	4363	4114	3815

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

Name of the Generating Station: Budge Budge Generating Station

Sl. No.	TYPE	Description	Unit	2020-21 Grade wise details											
				G4	G5	G6	G7	G8	G9	G10	G11	G12	WIV	WV	WVI
<b>Form - D(b): Details of coal sourced from captive mines</b>															
1		<b>SOURCE: Captive ROM</b>													
		Quantity	MT										712972		
		Amount charged by the coal company	₹/MT										2315		
		Handling, sampling and such other similar charges	₹/MT										41		
		Transportation cost	₹/MT										754		
		GCV as billed	kcal/kg										4001		
		GCV as received less 120 kCal/kg	kcal/kg										3537		
2		<b>SOURCE: Captive Washed</b>													
		Quantity	MT												745388
		Amount charged by the coal company	₹/MT												3230
		Handling, sampling and such other similar charges	₹/MT												41
		Transportation cost	₹/MT												754
		GCV as billed	kcal/kg												4175
		GCV as received less 120 kCal/kg	kcal/kg												3653
A		TOTAL QUANTITY	MT										712972		745388
B		TOTAL COST OF COAL	₹										1650359371		2407897186
C		TOTAL OF HANDLING, SAMPLING AND SUCH OTHER SIMILAR CHARGES	₹										29260382		30590740
D		TOTAL TRANSPORTATION COST	₹										537636553		561862275
E		Wt. average GCV as billed	kcal/kg										4001		4175
F		Wt. average GCV as received less 120 kCal/kg	kcal/kg										3537		3653

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

Name of the Generating Station: Budge Budge Generating Station

Sl. No.	TYPE	Description	Unit	2020-21												
				Grade wise details												
				G4	G5	G6	G7	G8	G9	G10	G11	G12	WIV	WV	WVI	Captive Washed
<b>Form - D(c): Details of coal sourced through e-auction</b>																
1		<b>SOURCE: Central Coalfields Limited</b>														
		Quantity	MT						48023	21899	156645			68		
		Amount charged by the coal company	₹/MT						2273	2114	2101			2810		
		Handling, sampling and such other similar charges	₹/MT						90	90	90			90		
		Transportation cost	₹/MT						1217	1190	1187			789		
		GCV as billed	kcal/kg						4601	4301	4001			5201		
		GCV as received less 120 kcal/kg	kcal/kg						3705	3375	3100			4421		
2		<b>SOURCE: Eastern Coalfield Limited</b>														
		Quantity	MT	193788												
		Amount charged by the coal company	₹/MT	5019												
		Handling, sampling and such other similar charges	₹/MT	90												
		Transportation cost	₹/MT	804												
		GCV as billed	kcal/kg	6101												
		GCV as received less 120 kcal/kg	kcal/kg	4731												
3		<b>SOURCE: Bharat Coking Coal Limited (RCR)</b>														
		Quantity	MT											64		
		Amount charged by the coal company	₹/MT											4062		
		Handling, sampling and such other similar charges	₹/MT											90		
		Transportation cost	₹/MT											934		
		GCV as billed	kcal/kg											5201		
		GCV as received less 120 kcal/kg	kcal/kg											2346		
4		<b>SOURCE: Mahanadi Coalfields Limited</b>														
		Quantity	MT									43348				
		Amount charged by the coal company	₹/MT									1720				
		Handling, sampling and such other similar charges	₹/MT									90				
		Transportation cost	₹/MT									1364				
		GCV as billed	kcal/kg									3701				
		GCV as received less 120 kcal/kg	kcal/kg									2749				
A		TOTAL QUANTITY	MT	193788					48023	21899	156645	43348		132		
B		TOTAL COST OF COAL	₹	972566526					109158597	46288392	329124230	74551201		450327		
C		TOTAL OF HANDLING, SAMPLING AND SUCH OTHER SIMILAR CHARGES	₹	17442899					4322562	1971126	14099637	3901738		11868		
D		TOTAL TRANSPORTATION COST	₹	155740815					58458168	26049531	185870536	59107676		113298		
E		Wt. average GCV as billed	kcal/kg	6101					4601	4301	4001	3701		5201		
F		Wt. average GCV as received less 120 kcal/kg	kcal/kg	4731					3705	3375	3100	2749		2328		

Heat value as received in terms of Regulations.

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

Name of the Generating Station: Southern Generating Station

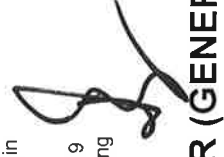
**Form - D : Details of Source wise Fuel for Computation of Energy Charges**

Sl. No.	Description	Unit	2020-21				
			FSA	Captive Mine	e-auction	Import	others
			1	2	3	4	5
<b>A)</b>	<b>OPENING QUANTITY</b>						
1	Opening Quantity of coal	MT	52755				
2	Value of Stock	₹	226950418				
<b>B)</b>	<b>QUANTITY for current year / month</b>						
3	Quantity of Coal supplied by Coal Company	MT	59215				
4	Adjustment (+/-) in quantity supplied by Coal Company	MT	-				
5	Coal supplied by Coal Company (3+4)	MT	59215				
<b>C)</b>	<b>COST OF COAL</b>						
6	Amount charged by Coal Company	₹	200465552				
7	Adjustment (+/-) in amount charged made by Coal Company	₹	-				
8	Handling, Sampling and such other similar charges	₹	20269938				
9	Total amount Charged (6+7+8)	₹	220735490				
<b>D)</b>	<b>TRANSPORTATION COST</b>						
10	Transportation charges by rail / ship / road transport	₹	44750111				
	by Rail	₹	44750111				
	by Road	₹	-				
	by Ship	₹	-				
11	Adjustment (+/-) in amount charged made by railways / Transport Compa	₹	-				
12	Demurrage Charges, if any	₹	-				
13	Cost of diesel in transporting coal through MGR System, if applicable	₹	-				
14	Total Transportation Charges (10+11+12+13)	₹	44750111				
15	Total amount Charged for coal supplied including Transportation (9+14)	₹	265485601				
<b>E)</b>	<b>TOTAL COST</b>						
16	Landed cost of coal	₹/MT	4510				
17	Consumption of coal	MT	64582				
18	Closing stock	MT	47388				
19	closing value	₹	201164690				
20	Weighted average cost of coal $[\sum(16*17)/\sum 17]$	₹/MT	4510				
<b>F)</b>	<b>QUALITY</b>						
21	'GCV as billed' of coal supplied	kCal/kg	5347				
22	Weighted average 'GCV as billed' of coal	kCal/kg	5347				
23	'GCV as received' of coal supplied less 120 kCal/kg	kCal/kg	4370				
24	Weighted average 'GCV as received' of coal less 120 kCal/kg	kCal/kg	4370				

Note: Includes handling charges paid to handling agents, KPT charges, other charges comprising railway track maintenance, terminal charges, RITES etc. Kindly refer to notes 8 to 12 of Statement 2 of volume 1 of the petition for further details.

Details of fuel cost has been provided in terms of regulation 1.2.1 (vi) read with regulation 5.8 of Tariff Regulations. Auditor's Certificate on coal consumption and price is placed in pages 162 to 165 of Volume 1 of the Petition.

Consignment wise quality certification by third party selected from the list maintained by Coal India Limited, for domestic coal procured in 2020-21, have been placed in pages 319 to 323 of Volume 4 of the petition submitted on 1.04.2022. The list of CIL for such tester is also placed in volume 1 of this supplementary petition. An Auditors' Certificate, certifying grade-wise "GCV as received" for the year 2020-21 has been placed in pages 166-169, Annex C4, Volume 1 of this petition. Further details are provided in Statement 1 and 2.



**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

Name of the Generating Station: Southern Generating Station

Sl. No.	TYPE	Description	Unit	2020-21		
				Grade wise details		
				G4	G7	G8
1	FSA	<b>SOURCE: Eastern Coalfield limited</b> Quantity				
		Amount charged by the coal company	MT	15119	27593	16503
		Handling, sampling and such other similar charges	₹/MT	4559	3124	2748
		Transportation cost	₹/MT	342	342	342
		GCV as billed	₹/MT	760	746	767
		GCV as received less 120 kCal/kg	kcal/kg	6101	5201	4901
A		TOTAL QUANTITY	kcal/kg	4981	4263	3989
B		TOTAL COST OF COAL	MT	15119	27593	16503
C		TOTAL OF HANDLING, SAMPLING AND SUCH OTHER SIMILAR CHARGES	₹	68930278	86192895	45342380
D		TOTAL TRANSPORTATION COST	₹	5175515	9445281	5649142
E		Wt. average GCV as billed	₹	114966616	20593668	12659827
F		Wt. average GCV as received less 120 kCal/kg	kcal/kg	6101	5201	4901
			kcal/kg	4981	4263	3989

Heat value as received in terms of Regulations.



MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

**Coal Details for 2020-21**  
**Budge Budge Generating Station**

1. FSA Rail										
Source	Grade	Coal Mix (%)	Basic Cost (Rs./Ton)	Rail Transport Cost (Rs./Ton)	Distance Slab as per Railway Freight Table (km)	Road Transport Cost (Rs./Ton)	Weighted Average Distance from Coal Mine to Siding	Handling Cost (Rs./Ton)	Total Cost (Rs./Ton)	
ECL	G4	8.66%	4540	770	201-275	-	NA	113	5423	
ECL	G5	1.44%	4192	740	201-275	-	NA	113	5046	
ECL	G7	9.41%	3193	743	201-275	-	NA	113	4049	
ECL	G8	9.08%	2739	742	201-275	-	NA	113	3593	
BCCL	G8	0.12%	2518	897	276-350	-	NA	113	3528	
BCCL	WIV	4.06%	3641	888	276-350	-	NA	113	4642	
BCCL	WV	0.49%	3664	894	276-350	-	NA	113	4671	
BCCL	WVI	1.79%	3519	886	276-350	-	NA	113	4518	
BCCL (via CCL)	G6	0.02%	3463	1059	351-425	-	NA	113	4634	
BCCL (via CCL)	G7	0.03%	3077	1063	351-425	-	NA	113	4253	
BCCL (via CCL)	G8	0.20%	2536	1084	351-425	-	NA	113	3733	
BCCL (via CCL)	G9	0.50%	2098	1158	426-500	-	NA	113	3369	
BCCL (via CCL)	G10	1.13%	1993	1146	426-500	-	NA	113	3251	
BCCL (via CCL)	G11	0.55%	1867	1143	426-500	-	NA	113	3122	
BCCL (via CCL)	G12	0.19%	1726	1236	426-500, 501-600	-	NA	113	3075	
<b>Total</b>		<b>37.67%</b>	<b>3418</b>	<b>802</b>		-	NA	<b>113</b>	<b>4333</b>	

2. FSA RCR

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

**Coal Details for 2020-21**  
**Budge Budge Generating Station**

Source	Grade	Coal Mix (%)	Basic Cost (Rs./Ton)	Rail Transport Cost (Rs./Ton)	Distance Slab as per Railway Freight Table (km)	Road Transport Cost (Rs./Ton)	Weighted Average Distance from Coal Mine to Siding	Handling Cost (Rs./Ton)	Total Cost (Rs./Ton)
CCL	G12	0.74%	1658	1302	501-600	131	12	32	3123
<b>Total</b>		<b>0.74%</b>	<b>1658</b>	<b>1302</b>			<b>12</b>	<b>32</b>	<b>3123</b>

**3. Captive**

Source	Grade	Coal Mix (%)	Basic Cost (Rs./Ton)	Rail Transport Cost (Rs./Ton)	Distance Slab as per Railway Freight Table (km)	Road Transport Cost (Rs./Ton)	Weighted Average Distance from Coal Mine to Siding	Handling Cost (Rs./Ton)	Total Cost (Rs./Ton)
ROM	G11	22.85%	2315	754	201-275	-	NA	41	3110
Washed		23.89%	3230	754	201-275	-	NA	41	4025
<b>Total</b>		<b>46.74%</b>	<b>2783</b>	<b>754</b>		<b>-</b>	<b>NA</b>	<b>41</b>	<b>3578</b>

**4. E-Auction Rail**

Source	Grade	Coal Mix (%)	Basic Cost (Rs./Ton)	Rail Transport Cost (Rs./Ton)	Distance Slab as per Railway Freight Table (km)	Road Transport Cost (Rs./Ton)	Weighted Average Distance from Coal Mine to Siding	Handling Cost (Rs./Ton)	Total Cost (Rs./Ton)
ECL	G4	6.21%	5019	804	201-275	-	NA	90	5912
CCL	G9	1.54%	2273	1217	426-500	-	NA	90	3580
CCL	G10	0.70%	2114	1190	426-500	-	NA	90	3393

**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

**Coal Details for 2020-21  
Budge Budge Generating Station**

CCL	G11	5.02%	2101	1187	426-500	-	NA	90	3378
CCL	WIV	0.00%	2810	789	276-350	-	NA	90	3689
MCL	G12	1.39%	1720	1364	501-600	-	NA	90	3173
<b>Total</b>		<b>14.86%</b>	<b>3303</b>	<b>1046</b>		<b>-</b>	<b>NA</b>	<b>90</b>	<b>4439</b>

**5. E-auction RCR**

Source	Grade	Coal Mix (%)	Basic Cost (Rs./Ton)	Rail Transport Cost (Rs./Ton)	Distance Slab as per Railway Freight Table (km)	Road Transport Cost (Rs./Ton)	Weighted Average Distance from Coal Mine to Siding	Handling Cost (Rs./Ton)	Total Cost (Rs./Ton)
BCCL	WIV	0.00%	4062	934	276-350	-	25	90	5087
<b>Total</b>		<b>0.00%</b>	<b>4062</b>	<b>934</b>		<b>-</b>	<b>25</b>	<b>90</b>	<b>5087</b>

<b>Overall</b>		<b>100.00%</b>	<b>3091</b>	<b>820</b>		<b>-</b>		<b>75</b>	<b>3987</b>
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Contractual liability, supplementary adjustments etc.

65

**Total**

4052

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**



Coal Details for 2020-21  
Southern Generating Station

## 1. FSA Rail

Source	Grade	Coal Mix (%)	Basic Cost (Rs./Ton)	Rail Transport Cost (Rs./Ton)	Distance Slab as per Railway Freight Table (km)	Road Transport Cost (Rs./Ton)	Weighted Average Distance from Coal Mine to Siding	Handling Cost (Rs./Ton)	Total Cost (Rs./Ton)
ECL	G4	25.53%	4559	760	201-275	-	NA	342	5662
ECL	G7	46.60%	3124	746	201-275	-	NA	342	4212
ECL	G8	27.87%	2748	767	201-275	-	NA	342	3857
<b>Total</b>		<b>100.00%</b>	<b>3385</b>	<b>756</b>		<b>-</b>	<b>NA</b>	<b>342</b>	<b>4483</b>
<b>Overall</b>		<b>100.00%</b>	<b>3385</b>	<b>756</b>		<b>-</b>		<b>342</b>	<b>4483</b>

Grade	Basic	Sizing Charges	Royalty	Charges to DMF	Charges to NIMET	GST Compensation Cess	R.E. CESS	P. E. CESS	Miscellaneous cesses and statutory charges 7	Average Incidental Charges 8	GST	Evacuation Charges	TOTAL
ECL - 'Grade G4'	3001	87	7	2	0	400	600	150	2	44	198	50	4540
ECL - 'Grade G4' e-auction	3450	87	7	2	0	400	600	150	2	51	221	50	5019
ECL - 'Grade G5'	2798	87	20	6	0	400	526	132	3	48	181	50	4192
CCL - 'Grade G6'	2317	87	324	97	6	400	-	-	-	32	149	50	3463
CCL - 'Grade G7'	1926	87	270	81	5	400	-	-	-	130	128	50	3077
ECL - 'Grade G7'	1931	87	39	12	1	400	337	84	5	113	133	50	3193
BCCL - 'Grade WIV'	2378	87	333	100	7	400	-	-	31	101	155	50	3641
BCCL - 'Grade WIV' e-auction RCR	2860	87	400	120	8	400	-	-	29	31	179	50	4164
CCL - 'Grade WIV' e-auction	1232	79	172	52	3	400	-	-	190	682	-	-	2810
BCCL - 'Grade G8'	1475	87	207	62	4	400	-	-	25	108	101	50	2518
CCL - 'Grade G8'	1468	87	206	62	4	400	-	-	3	155	102	50	2536
ECL - 'Grade G8'	1470	87	4	1	0	400	293	73	2	246	112	50	2739
BCCL - 'Grade WV'	2427	87	340	102	7	400	-	-	34	60	157	50	3664
CCL - 'Grade G9'	1144	87	160	48	3	400	-	-	6	117	82	50	2098
CCL - 'Grade G9' e-auction	1265	87	177	53	4	400	-	-	10	137	90	50	2273
BCCL - 'Grade WVI'	2254	87	316	95	6	400	-	-	33	129	150	50	3519
CCL - 'Grade G10'	1030	87	144	43	3	400	-	-	10	149	76	50	1993
CCL - 'Grade G10' e-auction	1137	87	159	48	3	400	-	-	10	137	83	50	2114
Indigenous Washed	1834	106	3	0	0	-	249	62	3	511	412	50	3230
CCL - 'Grade G11'	955	87	134	40	3	400	-	-	-	128	70	50	1867
CCL - 'Grade G11' e-auction	1098	87	154	46	3	400	-	-	10	172	81	50	2101
Indigenous ROM	1408	82	3	0	0	-	191	48	2	216	316	50	2315
CCL - 'Grade G12'	886	87	124	37	2	400	-	-	-	76	64	50	1726
MCL - 'Grade G12' e-auction	892	87	125	37	2	400	-	-	-	62	64	50	1720
CCL - 'Grade G12' RCR	886	56	124	37	2	400	-	-	-	42	60	50	1656
Overall													3091
Contractual liability - Kindly refer to note 3													15
Supplementary adjustments - Kindly refer to note 10													49
Total Landed without freight													3156
Freight and other freight													896
Total													4052

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

**BUDGE BUDGE GENERATING STATION**  
**COST OF PRIMARY FUEL**

**Notes:**

1. Actual cost per Tonne of coal are furnished in this form. Wherever applicable, relevant notifications of appropriate authorities and sample copies of bills are enclosed for ease of reference. Auditor's Certificate on coal consumption and price of Rs. 4052.97 / Tonne is placed in Annex C3 in Volume 1 (Pages 162 to 165 of Volume 1). Reconciliation between purchase rate of Rs. 4051.81 / Tonne as shown above and coal consumption price of Rs. 4052.97 / Tonne is shown in note 12 below.
2. - Basic cost is as per price notifications dated 8 January 2018, 27 November 2020, 13 January 2017, 11 March 2017, 20 October 2020, 24 April 2020, 14 September 2018, 29 December 2018 and 26 February 2011. Above Notifications are placed in pages 197 to 225 of Volume 2 of the petition.
- Surface Transportation Charges are as per notifications dated 31 January 2019, 1 August 2019, 31 August 2020, 30 November 2019, 5 October 2020, 3 December 2020. Notifications are enclosed in pages 233 to 239 of Volume 2 of the Petition.
- Crushing Charges /Sizing Charges are as per notification dated 31 August 2017. Notification is enclosed in pages 230 to 232 of Volume 2 of the Petition.
- Royalty is as per notification dated 10 May 2012 of Ministry of Coal. Notification is enclosed in pages 315 to 316 of Volume 2 of the petition.
- GST on coal is 5% (2.5% CGST + 2.5% SGST or 5% GST) as applicable. Relevant notification and sample bills are placed in pages 344, 345 and 352 to 357 of Volume 2 of the petition.
- GST Compensation Cess is as per notification dated 28 June 2017 of Ministry of Finance. Notification is enclosed in pages 339 to 343 of Volume 2 of the Petition.
- Charges to NMET and DMFT are as per notifications dated 20 October 2015 and 26 March 2015. Notifications are enclosed in pages 322 to 326 of Volume 2 of the petition.
- R.E. Cess, P.E. Cess, Slowing Excise Duty, AMBH cess, MADA tax etc. as per Notification dated 12 December 2007 enclosed in pages 317 to 321 of Volume 2 of the petition.
- Evacuation Facility Charge as per Notification dated 19 December 2017. Notification is placed in page 338 of Volume 2 of the petition.

Sample bills to illustrate each price component are placed in pages 352 to 357 of Volume 2 of the petition.

3. Current rate Schedule of CIL enclosed in Appendix for comprehensive details. As per Fuel Supply Agreement with Coal India Limited, contractual liability of about Rs. 15 / Tonne incurred for the year concerned.
4. For captive coal, while the Basis price shown above includes reserve price of Rs. 100 / Tonne and additional premium paid of Rs. 370 / Tonne, only reserve price of Rs. 100 / Tonne has been considered in terms of applicable statute in arriving at admissible fuel cost. 5% GST and Rs. 400 per tonne GST Compensation Cess are not applicable on captive coal. However, 18% GST is applied on support services to mining and on Additional Premium, Fixed Rate, Royalty etc. on Reverse Charge Basis. Relevant notifications are placed in pages 344 to 351 of Volume 2 of the petition.
5. Cost of Captive washed coal has been considered at cost of captive indigenous coal, grossed up with washery yield of 76.754%. Washing charges for captive washed coal is Rs. 212.82/ tonne as included under Average Incidental Charges which also includes Transportation of coal from mine to washery and from washery to railway siding. 5% GST and Rs. 400 per tonne GST Compensation Cess are not applicable on captive coal. However, 18% GST is applied on support services to mining and on Additional Premium, Fixed Rate, Royalty etc. on Reverse Charge Basis. Relevant notifications are placed in pages 344 to 351 of Volume 2 of the petition.
6. E-auction: Coal procured through MCL and CCL through e-auction during 2020-21. Premium for CCL was 10% while that for MCL was 0%. Coal procurement through e-auction was to augment supply from designated sources as also to maintain adequate coal stock. CCL WIV e-auction was booked during 2016-17 and thus contains all applicable charges, cess and taxes prevailing at that time. Coal procured from BCCL (WIV), ECL (G4) and CCL (G11) were booked through e-auctions held in 2018-19 and 2019-20. Details relating to notice for sale of coal, sale intimation notices pertaining bid price discovered are enclosed in pages 243 to 284 of Volume 2 of the petition.
7. Miscellaneous cess and statutory charges include PWD Cess, Road Cess, AMBH, MADA, Covid cess etc. as applicable. Relevant notifications are placed in pages 317 to 321, 328 of Volume 2 of the petition. CCL WIV e-auction coal was booked in 2016-17. Charges for the same include stowing (Rs. 10 / Tonne), excise duty (Rs. 134 / Tonne) and CST (Rs. 55 / Tonne) as applicable then. GST was not introduced at the concerned period. Bill for this is enclosed in page 357 of Volume 2 of the petition. Sample bills on applicability of Bazar Tax are enclosed in pages 353 and 354 of Volume 2 of the petition.
8. Average Incidental charges include surface transportation charge, washing charges etc. as applicable. CIL also imposed Admin Charges and Forest Transit Fee as detailed hereunder. Such charges are included in Average Incidental Charges. Relevant notifications / bills are placed in pages 336-337, 352, 355, 356 of Volume 2 of the petition. CCL WIV e-auction coal was booked in 2016-17 and thus average incidental charges include washing charge of Rs. 630 / Tonne (price notification dated 31 March 2016 placed in page 229 of Volume 2 of the petition) as was prevailing at that time.

Charges	Rate (Rs. / Tonne)	Levied on
Admin Charges	77	CCL G11 e-auction
Forest Transit Fee	57	BCCL G8, WVI, CCL G9, G10, G11 CCL e-auction G9, G10

9. Royalty for coal sourced from mines of West Bengal are imposed at a fixed rate (Rs. 2.5 / Te to Rs. 7.0 / Te based on coal quality), while for coal sourced from outside West Bengal carry royalty at 1% ad-valorem basis. Royalty for ECL G5 (Rs. 20/ Te) & Grade G7 (Rs. 39/ Te) are higher due to supply from mines located outside West Bengal, drawing 14% royalty, making effective royalty higher.



**BUDGE BUDGE GENERATING STATION  
COST OF PRIMARY FUEL**

10. Supplementary adjustments include, inter alia, differential rate for e-auction due to revision in basic price and other applicable charges on ad-valorem basis, differential surface transport charges, forest cess imposition, charges paid to CIMFR etc, duly considering compensation for shortlifting. Impact of all these are about Rs. 49 / Tonne which are not included in above rates. Sample illustrative bills are enclosed in the pages 339 to 344 of Volume 3 of the petition.

11. Railway freight and associated charges of Rs 896 / MT not included in the above rates.

12. Consumption rate of coal has been arrived at on the basis of rate of coal purchased, adjusted for opening and closing stock.

Particulars	Tonne (MT)	Rate (Rs./T)
Opening stock	263730	4057.24
Purchase	3120458	4051.81
Closing Stock	221417	4041.65
Consumption (Auditors' Certificate placed in Annex C3 in Volume 1)	3162771	4052.97

13. Freight is charged by Indian Railways on full carrying capacity of wagons and not on the actual quantity loaded. Railway wagons are often not capable to carry upto the original carrying capacity due to ageing. Stenciled capacity of wagons is the allowable capacity which can be safely loaded onto a particular wagon considering its age. Overloading charges are computed on the basis of the permissible carrying capacity of wagons specified by the Indian Railways. CIL refunds for underloading on the basis of difference of actual weight of coal and the stenciled capacity; hence, cost for carriage based on carrying capacity is not neutralised by compensation for underloading. Due to this reason and imposition of GST, actual railway freight on Rs./Tonne basis is normally higher than the rates provided in the railway freight table placed in pages 14 to 16 of Volume 3 of the petition. Railway freight is being recovered in terms of Regulation 1.2.1 (iv) and Regulation 5.8.2 of the Tariff Regulations. Relevant circular on Railway Freight is enclosed in pages 14 to 16 of Volume 3 of the Petition. Notification relating to imposition of GST on railway freight is placed in pages 19 to 21 of Volume 3 of the petition. Sample copies of the bills / railway receipts and a summary of railway freight based on such receipts are enclosed in pages 24 to 54 of Volume 3 of the petition.

Rail Freight Charges	Basis
Base Freight Rate	Charged on the Permissible Carrying Capacity of the wagon instead of actual weight being transported.
Overloading Charge	Charged on the load in excess of the Permissible Carrying Capacity of the wagon.
Underloading Charge	Seller to bear underloading charges based on difference of actual weight and Stenciled Carrying Capacity / Permissible Carrying Capacity, whichever is lower.
Siding Charge	Charged for loading end siding by Railways
Terminal Charge	Charged on both inward and outward traffic handled at Railway sidings
GST	Charged at the rate of 5% on Base Freight Charge and Other Freight Charges

14. No road charges paid for one wagon containing BCCL WIV coal which was part of a pre-booked rake while the wagon arrived in 2020-21.

15. Road distance is 12 km from the mine (Amrapali) to nearest railway siding (Shivpore) for CCL RCR coal. Transportation cost of Rs. 131 / Tonne also include components of handling and coal co-ordination charges. Vendors for handling of RCR coal and its transportation through road from collieries to the siding have been appointed through competitive bidding. Kindly refer to pages 223 to 246 of Volume 3 of the petition. Road transportation is allowed under Regulation 5.8.2 of the Tariff Regulations.

**BUDGE BUDGE GENERATING STATION  
COST OF PRIMARY FUEL**

16. Coal Handling Agents are engaged to ensure timely delivery of coal through close liaison and co-ordination with various agencies, e.g. Coal India subsidiaries, Indian Railways etc. and the associated costs have been shown as Handling and Coal Co-ordination Charge. Coal Handling agents were identified through competitive bidding. Sample illustrative documents (Request for Qualification, Note for Approval and Work Orders) are placed in the Appendix in pages 55 to 246 of Volume 3 of the petition. Handling charges are allowed in terms of regulation 1.2.1 (vi) and regulation 5.8.2 of the Tariff Regulations.
17. Siding / Trip Basis Charge – Coal is transported to Budge Budge Generating Station (BBGS) upper yard near the railway station at Budge Budge. The same is then transported to the generating plant which is about 7 kilometers away from the abovementioned railway station yard. Some oil installations are located in this route and therefore electrification in this route was not permitted. Hence, diesel engines are engaged for transportation of coal through this path. Railways imposes trip basis charge for involving diesel engines in this route. Sample illustrative bills are placed in pages 310 to 311 of Volume 3 of the petition.
18. RITES Fees – Rake / wagon shunting operation is necessary at the plant end during coal unloading. Two types of wagons are usually involved – BOBR and BOXN. BOBR type wagons are transported one by one, whereas 18 wagons at a time are moved in case of BOXN. This necessitates shunting operations. RITES Ltd. is a company under the ownership of Indian Railways, Ministry of Railways, and an engineering consultancy corporation specialising in the field of railway transport infrastructure. Rake / wagon shunting is a specialized job and RITES has trained manpower to carry out such activities. Charges levied by RITES for shunting operation is shown as RITES fees. Sample illustrative bills are placed in pages 312 to 313 of Volume 3 of the petition.
19. FCI Charge – The 7 kilometer railway route from upper yard near the railway station at Budge Budge to the plant consists of two parts. 4 kilometer path through Food Corporation of India (FCI) campus and 3 kilometer path beyond FCI campus. The 4 km track within the FCI campus is used to carry wagons of FCI as well as meant for BBGS plant. Railways issue bills to FCI for maintenance of 4 k.m. track within FCI campus. FCI in turn issues bills to BBGS on a proportionate basis. Sample illustrative bills are placed in pages 297 to 298 of Volume 3 of the petition.
20. Railway Track Maintenance Charge– Beyond the FCI campus, 3 kilometer track is maintained by an agency having requisite expertise. The same agency is also involved in railway track maintenance within plant for BBGS. Charges for the same is shown as Railway Track Maintenance. Sample illustrative bills are placed in pages 302 to 309 of Volume 3 of the petition.
21. Demurrage Charge – Demurrage is detention of a railway wagon beyond the stipulated time allowed for loading and unloading and the related charge for the event is defined as demurrage charge. Railway imposes charge pertaining to unloading end on CESC. Time permitted to unload wagons is called the 'free time'. Free time for BOBR wagon is 2.5 hours and the same is 7 hours for BOXN wagon. The demurrage rate increases as the time incurred for unloading increases. Moreover, fraction of an hour is rounded up to the next higher integer (hour). Relevant notifications are placed in pages 247 to 296 of Volume 3 of the petition. BBGS has the scope of operating two wagon tippers on a parallel basis to unload two rakes involving BOXN wagons. However, there are certain practical difficulties of operating two wagon tippers in parallel. CESC has repeatedly requested Railway authority not to send two rakes simultaneously consisting of BOXN wagons. However, the prayers have fallen on deaf ears. This accentuates the problem further. Sample illustrative bills are placed in pages 299 to 301 of Volume 3 of the petition.
22. All the above charges are covered under the definition of Fuel cost in Regulation 1.2.1 (vi) / 5.8.2 of Tariff Regulations.



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

**Adjustment of additional cost of captive coal**

Sl. No.	Particulars	Unit	Budge Budge
1.	Basic input ROM coal cost for captive mine as per Statement 2	Rs. / MT	1408
2.	Basic cost as per APR-FPPCA Orders dated 01.08.2022	Rs. / MT	100
3.	Adjustment rate for ROM coal (3=2-1)	Rs. / MT	1308
4.	Adjustment rate for Washed coal (4=3/0.76754)	Rs. / MT	1704
5.	% mix of Captive ROM coal	%	22.85%
6.	% mix of Captive Washed coal	%	23.89%
7.	Overall adjustment rate for Budge Budge (7=3*5+4*6)	Rs. / MT	706.00

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

Type	Basic	Sizing Charges	Royalty	Charges to DMF	Charges to NMET	GST Compensation Cess	R.E. CESS	P. E. CESS	Miscellaneous cess and statutory charges <sup>3</sup>	Average Incidental Charges <sup>4</sup>	GST	Evacuation Charges	TOTAL
ECL - Grade'G4'	3010	87	7	2	0	400	600	150	2	53	199	50	4559
ECL - Grade'G7'	1933	87	104	31	2	400	241	60	12	71	131	50	3124
ECL - Grade'G8'	1473	87	4	1	0	400	293	73	2	252	112	50	2748
Total Landed without freight													3385
Freight and other freight													1098
Total													4483



MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

SOUTHERN GENERATING STATION  
COST OF PRIMARY FUEL

## NOTES:

- Actual cost per Tonne of coal are furnished in this form. Wherever applicable, relevant notifications of appropriate authorities and sample copies of bills are enclosed for ease of reference. Auditor's Certificate on coal consumption and price of Rs. 4510.09 / Tonne is placed in Annex C3 in Volume 1 (Pages 162 to 165 of Volume 1). Reconciliation between purchase rate of Rs. 4483.41 / Tonne as shown above and coal consumption price of Rs. 4510.09 / Tonne is shown in note 6 below.
- Basic cost is as per price notifications dated 8 January 2018, 27 November 2020. Above Notifications are placed in pages 197 to 202 of Volume 2 of the petition.  
- Surface Transportation Charges are as per notifications dated 31 January 2019, 1 August 2019. Notifications are enclosed in pages 233 to 234 of Volume 2 of the Petition.  
- Crushing Charges /Sizing Charges are as per notification dated 31 August 2017. Notification is enclosed at pages 230 to 232 of Volume 2 of the Petition.  
- Royalty is as per notification dated 10 May 2012 of Ministry of Coal. Notification is enclosed at pages 315 to 316 of Volume 2 of the petition.  
- GST Compensation Cess is as per notification dated 28 June 2017 of Ministry of Finance. Notification is enclosed at page 339 to 343 of Volume 2 of the Petition.  
- GST on coal is 5% (2.5% CGST + 2.5% SGST or 5% IGST) as applicable. Relevant notification and sample bills are placed in pages 344, 345 and 358 of Volume 2 of the petition.  
- Charges to NIMET and DMFT are as per notifications dated 20 October 2015 and 26 March 2015. Notifications are enclosed at pages 322 to 326 of Volume 2 of the petition.  
- R.E. Cess, P.E. Cess, Stowing Excise Duty, AMBH cess, MADA tax etc. as per Notification dated 12 December 2007 enclosed at pages 317 to 321 of Volume 2 of the petition.  
- Evacuation Facility Charge as per Notification dated 19 December 2017. Notification is placed at page 338 of Volume 2 of the petition.

Sample bill to illustrate each price component is placed in page 359 of Volume 2 of the petition.

- Miscellaneous cess and statutory charges include PWD Cess, Road Cess, AMBH, MADA, Covid cess etc. as applicable. Relevant notifications are placed in pages 317 to 321, 328 of Volume 2 of the petition.
- Average Incidental charges include intra-coaliery transportation cost etc. as applicable.
- Railway freight and associated charges of Rs 1098 / MT not included in the above rates.
- Consumption rate of coal has been arrived at on the basis of rate of coal purchased, adjusted for opening and closing stock.

Particulars	Tonne (MT)	Rate (Rs./T)
Opening Stock	52755	4301.94
Purchase	59215	4483.41
Closing Stock	47388	4245.02
Consumption (Auditors' Certificate)	64582	4510.09

- Freight is charged by Indian Railways on full carrying capacity of wagons and not on the actual quantity loaded. Railway wagons are often not capable to carry upto the original carrying capacity due to ageing. Stenciled capacity of wagons is the allowable capacity which can be safely loaded onto a particular wagon considering its age. Overloading charges are computed on the basis of the permissible carrying capacity of wagons specified by the Indian Railways. CIL refunds for underloading on the basis of difference of actual weight of coal and the stenciled capacity; hence, cost for carriage based on carrying capacity is not neutralised by compensation for underloading. Due to this reason and imposition of GST, actual railway freight on Rs./Tonne basis is normally higher than the rates provided in the railway freight table placed in pages 14 to 16 of Volume 3 of the petition. Railway freight is being recovered in terms of Regulation 1.2.1 (vi) and Regulation 5.8.2 of the Tariff Regulations. Relevant circular on Railway Freight is enclosed in pages 14 to 16 of Volume 3 of the Petition. Notification relating to imposition of GST on railway freight is placed in pages 19 to 21 of Volume 3 of the petition. Sample copies of the bills / railway receipts and a summary of railway freight based on such receipts are enclosed in pages 49 to 54 of Volume 3 of the petition.

Rail Freight Charges	Basis
Base Freight Rate	Charged on the Permissible Carrying Capacity of the wagon instead of actual weight being transported.
Overloading Charge	Charged on the load in excess of the Permissible Carrying Capacity of the wagon.
Underloading Charge	Seller to bear underloading charges based on difference of actual weight and Stenciled Carrying Capacity / Permissible Carrying Capacity, whichever is lower.
Siding Charge	Charged for loading end siding by Railways
Terminal Charge	Charged on both inward and outward traffic handled at Railway sidings
GST	Charged at the rate of 5% on Base Freight Charge and Other Freight Charges

- Coal Handling Agents are engaged to ensure timely delivery of coal through close liaison and co-ordination with various agencies, e.g. Coal India subsidiaries, Indian Railways etc. and the associated costs have been shown as Handling and Coal Co-ordination Charge. Coal Handling agents were identified through competitive bidding. Sample illustrative documents (Request for Qualification, Note for Approval and Work Orders) are placed in the Appendix in pages 55 to 246 of Volume 3 of the petition. Handling charges are allowed in terms of regulation 1.2.1 (iv) and regulation 5.8.2 of the Tariff Regulations.

**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**



## Statement 2

9. RITES Fees – Rake / wagon shunting operation is necessary at the plant end during coal unloading. Two types of wagons are usually involved – BOBR and BOXN. BOBR type wagons are transported one by one, whereas 18 wagons at a time are moved in case of BOXN. This necessitates shunting operation. RITES Ltd is a company under the ownership of Indian Railways, Ministry of Railways, and an engineering consultancy corporation specialising in the field of railway transport infrastructure. Rake / wagon shunting is a specialized job and RITES has trained manpower to carry out such activities. Charge levied by RITES for shunting operation is shown as RITES fees.  
Railways deliver coal at the Kolkata Port Trust siding. Rakes are thereafter transported from the Kolkata Port Trust siding to SGS through own loco and after unloading of coal, rakes are again brought back to the Kolkata Port Trust siding by own loco. RITES undertakes this entire activity and RITES fees for SGS also include costs for such operations. Sample illustrative bills are placed in pages 329 to 330 of Volume 3 of the petition.
10. KoPT Charges – As the siding for SGS is located within the Kolkata Port Trust area, KoPT imposes a charge on CESC, referred to as KoPT charges. These charges are on per rake basis and have three components, namely a. Consolidated charge, b. Terminal Charge, c. Off-take charge. Sample illustrative bills are placed in pages 314 to 324 and 331 to 336 of Volume 3 of the petition.
11. Railway Track Maintenance - Charges are levied for the similar kind of job as in case of Budge Budge Generating station. Sample illustrative bills are placed in pages 337 to 338 of Volume 3 of the petition.
12. Demurrage Charge – Demurrage is detention of a railway wagon beyond the stipulated time allowed for loading and unloading and the related charge for the event is defined as demurrage charge. As coal is delivered by Railways at the Kolkata Port Trust siding, time is considered from the moment rakes reach the Kolkata Port Trust Siding till the empty rakes / wagons are delivered back by RITES to the Kolkata Port Trust siding. Once the rakes containing coal arrive at Kolkata Port Trust siding and information is provided to SGS, such time is denoted as "Made Over Time". Thereafter RITES takes these rakes / wagons by help of own loco to the station, where the station unloads the wagons. Afterwards, RITES takes these empty wagons back to the Kolkata Port Trust siding. The time of delivery is noted and is termed as "Turn Over Time". 11 hours of "Free Time" is provided between the "Made Over Time" and "Turn Over Time" and time taken in excess of 11 hours for the operation attracts demurrage. Sample illustrative bills are placed in pages 325 to 328 of Volume 3 of the petition.



MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

**Details of Railway sidings for Coal procured in 2020-21  
Budge Budge Generating Station**

**1. FSA Rail**

Source	Grade	Siding Code	Siding Name	Distance Slab between Siding and Generating station siding as per Railway Freight Table (km)	Distance between Siding and Generating station siding as per Railway Freight Table (km)
ECL	G4	PSEC	CHARA2 -PARASIA	201-275	213
ECL	G4	BCDL	BANKOLA-1	201-275	218
ECL	G4	BCDL	BANKOLA-1	201-275	218
ECL	G4	POCP	PANDEBASHAR-1	201-275	240
ECL	G4	POCP	PANDEBASHAR-1	201-275	240
ECL	G4	PSEC	CHARA2 -PARASIA	201-275	213
ECL	G4	BCDL	BANKOLA-1	201-275	218
ECL	G4	BCDL	BANKOLA-1	201-275	218
ECL	G4	SCU	SANKARPUR	201-275	222
ECL	G4	DBCP	DALURBAND	201-275	226
ECL	G4	BCDL	BANKOLA-1	201-275	218
ECL	G5	BJSP	BONJEMEhari	201-275	252
ECL	G5	POCP	PANDEBASHAR-1	201-275	240
ECL	G5	MMU	MUGMA	201-275	256

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

**Details of Railway sidings for Coal procured in 2020-21  
Budge Budge Generating Station**

ECL	G5	POCP	PANDEBASHAR-1	201-275	240
ECL	G7	MMU	MUGMA	201-275	256
ECL	G7	BJSP	BONJEMEHARI	201-275	252
ECL	G7	MMU	MUGMA	201-275	256
ECL	G7	BJSP	BONJEMEHARI	201-275	252
ECL	G7	MMU	MUGMA	201-275	256
ECL	G8	BJSP	BONJEMEHARI	201-275	252
ECL	G8	BJSP	BONJEMEHARI	201-275	252
ECL	G8	BJSP	BONJEMEHARI	201-275	252
BCCL	G8	KDS	KUSUNDA	276-350	294
BCCL	WIV	KLSK	KKC LINK	276-350	331
BCCL	WIV	KLSK	KKC LINK	276-350	331
BCCL	WIV	SSCK	SIJUA	276-350	302
BCCL	WV	JNCP	GOL-2	276-350	308
BCCL	WV	KDS	KUSUNDA	276-350	294
BCCL	WVI	CKWP	CK WEST(PATHERDIH)	276-350	311
BCCL	WVI	CKWP	CK WEST(PATHERDIH)	276-350	311

**Details of Railway sidings for Coal procured in 2020-21  
Budge Budge Generating Station**

BCCL (via CCL)	G6	BSDC	SAUNDA	426-500	431
BCCL (via CCL)	G7	BSDC	SAUNDA	426-500	431
BCCL (via CCL)	G8	CCSR	CHURI	426-500	456
BCCL (via CCL)	G8	BSDC	SAUNDA	426-500	431
BCCL (via CCL)	G9	CCSR	CHURI	426-500	456
BCCL (via CCL)	G9	RLCM	RAJDHAR	426-500	467
BCCL (via CCL)	G10	CCSR	CHURI	426-500	456
BCCL (via CCL)	G10	RLCM	RAJDHAR	426-500	467
BCCL (via CCL)	G11	CCSR	CHURI	426-500	456
BCCL (via CCL)	G12	SLSP	SIVPUR	501-600	559
BCCL (via CCL)	G12	BSDC	SAUNDA	426-500	431

**2. FSA RCR**

Source	Grade	Siding Code	Siding Name	Distance Slab between Siding and Generating station siding as per Railway Freight Table (km)	Distance between Siding and Generating station siding as per Railway Freight Table (km)
CCL	G12	SLCS	SIVPUR	501-600	558

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

**Details of Railway sidings for Coal procured in 2020-21  
Budge Budge Generating Station**

**3. Captive**

Source	Grade	Siding Code	Siding Name	Distance Slab between Siding and Generating station siding as per Railway Freight Table (km)	Distance between Siding and Generating station siding as per Railway Freight Table (km)
ROM	G11	ICML	ICML	201-275	233
Washed		ICML	ICML	201-275	233

**4. E-auction Rail**

Source	Grade	Siding Code	Siding Name	Distance Slab between Siding and Generating station siding as per Railway Freight Table (km)	Distance between Siding and Generating station siding as per Railway Freight Table (km)
ECL	G4	SCU	UKHRA-V	201-275	222
ECL	G4	DBCP	DALURBAND	201-275	226
CCL	G9	RDML	RAJDHAR	426-500	467
CCL	G10	RDML	RAJDHAR	426-500	467
CCL	G11	RDML	RAJDHAR	426-500	467

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

**Details of Railway sidings for Coal procured in 2020-21  
Budge Budge Generating Station**

CCL	G11	CCSR	CHURI	426-500	456
CCL	WIV	DNSD	DHORI	276-350	338
MCL	G12	ACTR	ANANTA	501-600	566
MCL	G12	SBCT	SOUTH BALANDA	501-600	566

**5. E-auction RCR**


Source	Grade	Siding Code	Siding Name	Distance Slab between Siding and Generating station siding as per Railway Freight Table (km)	Distance between Siding and Generating station siding as per Railway Freight Table (km)
BCCL	WIV	VAA	BHAGA	276-350	308

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

**Details of Railway sidings for Coal procured in 2020-21  
Southern Generating Station**

## 1. FSA Rail

Source	Grade	Siding Code	Siding Name	Distance Slab between Siding and Generating station siding as per Railway Freight Table (km)	Distance between Siding and Generating station siding as per Railway Freight Table (km)
ECL	G4	BCDL	BANKOLA-1	201-275	206
ECL	G4	BCDL	BANKOLA-1	201-275	206
ECL	G4	BCDL	BANKOLA-1	201-275	206
ECL	G4	SCU	SANKARPUR	201-275	210
ECL	G7	MMU	MUGMA	201-275	244
ECL	G7	MMU	MUGMA	201-275	244
ECL	G7	MMU	MUGMA	201-275	244
ECL	G7	BJSP	BONJEMEhari	201-275	240
ECL	G7	BJSP	BONJEMEhari	201-275	240
ECL	G8	BJSP	BONJEMEhari	201-275	240
ECL	G8	BJSP	BONJEMEhari	201-275	240



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

**Details of RCR distance for Coal procured in 2020-21**  
**Budge Budge Generating Station**

Coal Mine	Coal Company	Mode	Grade	Siding selection	Siding Selection Criteria	Coal Received (MT)	Distance (km)
AMRAPALLI	CCL	FSA	G12	SLCS	Nearest available siding	23005	12
WEST MUDIDIH	BCCL	E-auction	WIV	VAA	Nearest available siding	64	25

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**



Power Purchase 2020-21

Long Term Power Purchase Cost Analysis - Haldia Energy Limited

Particulars	Unit	Derivation	2020-21
<b>Details of Import Drawal</b>			
<b>A1: Summer:</b>			
Normal	MU	A1N	590.59
Peak	MU	A1P	349.35
Off-peak	MU	A1OP	371.57
<b>Total in Summer: (A1)</b>			<b>1311.52</b>
<b>A2: Monsoon:</b>			
Normal	MU	A2N	662.32
Peak	MU	A2P	386.28
Off-peak	MU	A2OP	407.16
<b>Total in Monsoon: (A2)</b>			<b>1455.76</b>
<b>A3: Winter:</b>			
Normal	MU	A3N	542.32
Peak	MU	A3P	311.35
Off-peak	MU	A3OP	233.47
<b>Total in Winter: (A3)</b>			<b>1087.14</b>
<b>Total: (A)</b>	MU	A=A1+A2+A3	<b>3854.42</b>
<b>Chargeable Units</b>	MU	B	<b>3854.42</b>
<b>Applicable Rates</b>			
Fixed Charges	Paise/Unit	C	241.37
<b>Energy Charges:</b>			
<b>A1: Summer:</b>			
Normal	Paise/Unit	D	280.28
Peak	Paise/Unit	E	280.28
Off-peak	Paise/Unit	F	280.28
<b>A2: Monsoon:</b>			
Normal	Paise/Unit	G	280.05
Peak	Paise/Unit	H	280.05
Off-peak	Paise/Unit	I	280.05
<b>A3: Winter:</b>			
Normal	Paise/Unit	J	280.82
Peak	Paise/Unit	K	280.82
Off-peak	Paise/Unit	L	280.82
<b>B. Fuel and Power Purchase Cost Adjustment</b>	Paise/Unit	M	0.00

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

## Power Purchase Cost Analysis

Particulars	Unit	Derivation	2020-21
<b>Details of Power Purchase Cost</b>			
Fixed Charges	Rs. Lakhs	$N = C*B$	93033.81
Energy Charges:			
<b>A1: Summer:</b>			
Normal	Rs. Lakhs	$M=A1N*D$	16553.24
Peak	Rs. Lakhs	$N=A1P*E$	9791.63
Off-peak	Rs. Lakhs	$O=A1OP*F$	10414.49
<b>Total in Summer: (A1)</b>	Rs. Lakhs	$P=M+N+O$	36759.35
<b>A2: Monsoon:</b>			
Normal	Rs. Lakhs	$Q=A2N*G$	18547.92
Peak	Rs. Lakhs	$R=A2P*H$	10817.75
Off-peak	Rs. Lakhs	$S=A2OP*I$	11402.32
<b>Total in Monsoon: (A2)</b>	Rs. Lakhs	$T=Q+R+S$	40768.00
<b>A3: Winter:</b>			
Normal	Rs. Lakhs	$U=A3N*J$	15229.38
Peak	Rs. Lakhs	$V=A3P*K$	8743.41
Off-peak	Rs. Lakhs	$W=A3OP*L$	6556.19
<b>Total in Winter: (A3)</b>	Rs. Lakhs	$X=U+V+W$	30528.98
<b>Total Energy Charges</b>	Rs. Lakhs	$Y=P+T+X$	108056.32
<b>Total Fixed + Energy Charges</b>	Rs. Lakhs	$Z=N+Y$	201090.14
<b>B. Fuel and Power Purchase Cost Adjustment</b>	Rs. Lakhs	$AA=M*B$	
Transmission charge for HEL dedicated line	Rs. Lakhs	AB	11401.00
Transmission charge (STU)	Rs. Lakhs	AC	3047.47
SLDC Charges	Rs. Lakhs	AD	193.09
Other Charges - (refer note 3)	Rs. Lakhs	AE	113.79
Monthly Fuel Cost Adjustment (MFCA)	Rs. Lakhs	AF	5842.36
Less : Incentive/Rebate for timely payment etc.	Rs. Lakhs	AG	
<b>Overall cost</b>	Rs. Lakhs	$AH = \text{sum}(Z:AF) - AG$	221687.85

**Notes:**

- The Company considered the cost based on the rates charged by HEL in terms of Order dated 27 November 2017 in Case No TP - 68 / 16-17 and 29 January 2016 in Case No TP - 63 / 14 - 15 as Orders dated 8 September 2021 in Case No TP - 75 / 18 - 19 and the Order dated 20 April 2022 in Case No TP - 67 / 16 - 17 are under Appeal etc., as appropriate, adjusted for units received at CESC bus.
- The power purchase cost has been furnished in accordance with rates charged by HEL. MFCA considered at 15 Paise / Unit as was charged by the Company during the period. Effect of any additional amount charged by HEL in accordance with the applicable Regulations and / orders or any other payable amount as and when determined by the Hon'ble Commission will be additional to above.
- Includes transmission charge (STU) for the period 01.04.2018 to 31.03.2020

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

Power Purchase 2020-21

Other Power Purchase Cost Analysis

Particulars	Unit	Derivation	RPGPTCL and Bilateral (Cogeneration)	Solar (Roof-top)	G-TAM Solar (through IEX)	G-TAM Non-Solar (through IEX and PXLL)	Energy Exchanges	RPGPTCL (Other than Cogeneration)	WBSEDCL	Banking (Swap-in against Swap-out of FY20)	Banking (Swap-in during FY21)	2020-21
<b>Details of Import Drawal</b>												
<b>A1: Summer:</b>												
Normal	MU	A1N	11.88	3.33	16.26	9.68	17.14	42.60	-	-	-	-
Peak	MU	A1P	7.02	-	0.004	0.42	13.51	23.25	-	-	-	-
Off-peak	MU	A1OP	5.98	-	-	-	5.26	27.14	-	-	-	-
<b>Total in Summer: (A1)</b>			<b>24.88</b>	<b>3.33</b>	<b>16.26</b>	<b>10.11</b>	<b>35.91</b>	<b>92.99</b>		<b>64.35</b>	<b>11.70</b>	<b>259.52</b>
<b>A2: Monsoon:</b>												
Normal	MU	A2N	16.86	1.56	55.85	18.58	52.21	46.45	-	-	-	-
Peak	MU	A2P	9.08	-	0.63	0.67	71.37	25.42	-	-	-	-
Off-peak	MU	A2OP	10.71	-	-	3.84	24.28	30.01	-	-	-	-
<b>Total in Monsoon: (A2)</b>			<b>36.65</b>	<b>1.56</b>	<b>56.48</b>	<b>23.10</b>	<b>147.86</b>	<b>101.89</b>		<b>130.64</b>	<b>5.99</b>	<b>504.16</b>
<b>A3: Winter:</b>												
Normal	MU	A3N	17.23	3.09	51.36	34.97	6.11	45.57	0.11	-	-	-
Peak	MU	A3P	9.60	-	-	0.37	24.57	25.00	-	-	-	-
Off-peak	MU	A3OP	11.24	-	-	0.03	0.004	29.30	-	-	-	-
<b>Total in Winter: (A3)</b>			<b>38.06</b>	<b>3.09</b>	<b>51.36</b>	<b>35.37</b>	<b>30.68</b>	<b>99.88</b>	<b>0.11</b>			<b>258.55</b>
<b>Total: (A)</b>	MU	<b>A=A1+A2+A3</b>	<b>99.59</b>	<b>7.98</b>	<b>124.10</b>	<b>68.57</b>	<b>214.45</b>	<b>294.76</b>	<b>0.11</b>	<b>194.99</b>	<b>17.69</b>	<b>1022.23</b>
<b>Chargeable Units</b>	MU	<b>B</b>	<b>99.59</b>	<b>7.98</b>	<b>124.10</b>	<b>68.57</b>	<b>214.45</b>	<b>294.76</b>	<b>0.11</b>	<b>194.99</b>	<b>17.69</b>	<b>1022.23</b>
<b>Applicable Rates</b>												
Fixed Charges	Paise/Unit	<b>C</b>										
Energy Charges:												
<b>A1: Summer:</b>												
Normal	Paise/Unit	D	333.08	584.28	503.91	489.18	421.58	356.74	780.30	591.87	543.88	
Peak	Paise/Unit	E	333.08	584.28	503.91	489.18	421.58	356.74	780.30	591.87	543.88	
Off-peak	Paise/Unit	F	333.08	584.28	503.91	489.18	421.58	356.74	780.30	591.87	543.88	
<b>A2: Monsoon:</b>												
Normal	Paise/Unit	G	357.29	616.54	358.30	385.95	307.35	328.54	780.30	591.87	543.88	
Peak	Paise/Unit	H	357.29	616.54	358.30	385.95	307.35	328.54	780.30	591.87	543.88	
Off-peak	Paise/Unit	I	357.29	616.54	358.30	385.95	307.35	328.54	780.30	591.87	543.88	
<b>A3: Winter:</b>												
Normal	Paise/Unit	J	264.45	610.14	473.23	477.25	418.35	283.80	780.30	591.87	543.88	
Peak	Paise/Unit	K	264.45	610.14	473.23	477.25	418.35	283.80	780.30	591.87	543.88	
Off-peak	Paise/Unit	L	264.45	610.14	473.23	477.25	418.35	283.80	780.30	591.87	543.88	
<b>B: Fuel and Power Purchase Cost Adjustment</b>	Paise/Unit	<b>M</b>										



**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**


## Power Purchase Cost Analysis

Particulars	Unit	Derivation	RPGTCL and Bilateral (Cogeneration)	Solar (Rooftop)	G-TAM Solar (through IEX and PXIL)	G-TAM Non-Solar (through IEX and PXIL)	Energy Exchanges	RPGTCL (Other than Cogeneration)	WBSEDCL	Banking (Swap-in against Swap-out of FY20)	Banking (Swap-in during FY21)	2020-21
<b>Details of Power Purchase Cost</b>												
Fixed Charges	Rs. Lakhs	N = C*B										
Energy Charges:												
A1: Summer:												
Normal	Rs. Lakhs	M=A1N*D	395.56	194.42	819.38	473.75	722.40	1519.84	-			
Peak	Rs. Lakhs	N=A1P*E	233.74	-	0.20	20.88	569.50	829.38	-			
Off-peak	Rs. Lakhs	O=A1O*F	199.28	-	-	-	221.89	968.19	-			
<b>Total In Summer: (A1)</b>	Rs. Lakhs	P=M+N+O	828.59	194.42	819.57	494.33	1513.79	3317.42	-	3909.92	636.14	11613.18
A2: Monsoon:												
Normal	Rs. Lakhs	Q=A2N*G	602.28	95.85	2001.08	717.25	1604.82	1526.07	-			
Peak	Rs. Lakhs	R=A2P*H	324.41	-	22.41	25.88	2193.66	835.28	-			
Off-peak	Rs. Lakhs	S=A2O*I	382.76	-	-	148.33	746.19	986.10	-			
<b>Total in Monsoon: (A2)</b>	Rs. Lakhs	T=Q+R+S	1309.45	95.85	2023.49	891.45	4544.67	3347.45	-	7731.93	326.04	20270.43
A3: Winter:												
Normal	Rs. Lakhs	U=A3N*J	455.52	188.80	2430.49	1666.86	255.42	1293.39	8.19			
Peak	Rs. Lakhs	V=A3P*K	253.75	-	-	17.74	1027.72	709.62	-			
Off-peak	Rs. Lakhs	W=A3O*L	297.31	-	-	1.25	0.15	631.60	-			
<b>Total in Winter: (A3)</b>	Rs. Lakhs	X=U+V+W	1006.59	188.80	2430.49	1687.95	1283.28	2834.62	8.19	-	-	9439.92
<b>Total Energy Charges</b>	Rs. Lakhs	Y=P+T+X	3144.63	479.18	5273.56	3073.73	7341.74	9499.48	8.19	11540.85	962.18	41323.53
<b>Total Fixed + Energy Charges</b>	Rs. Lakhs	Z=N+Y	3144.63	479.18	5273.56	3073.73	7341.74	9499.48	8.19	11540.85	962.18	41323.53
Additional Charges:												
Transmission Charge (STU)	Rs. Lakhs	AA=M*B	347.35	-	-	-	-	-	-	-	-	-
Transmission Charge (CTU)	Rs. Lakhs	AB	-	-	306.61	171.44	515.17	763.97	-	-	-	2104.53
Meter Charges (SULC Charges, Meter reading charges, Wheeling Charges, PX Fee)	Rs. Lakhs	AC	-	-	148.02	69.11	630.78	-	-	-	-	847.90
Other Charges - (refer note 3)	Rs. Lakhs	AD	190.04	-	46.29	29.76	68.35	27.92	-	-	-	352.36
Less: Incentive/Rebate for timely payment	Rs. Lakhs	AE	37.37	-	-	-	-	18.23	-	-	-	55.59
etc.	Rs. Lakhs	AF	58.75	-	-	-	-	143.90	-	-	-	202.65
<b>Overall cost</b>	Rs. Lakhs	AG =sum(Z:AE)+AF	3660.63	479.18	5774.48	3344.03	8546.03	10165.70	8.19	11540.85	962.18	44,481.27
<b>Total Cost of Electrical Energy purchased</b>	Rs. Lakhs	(A1) + (AG)										2,56,168.12

## Notes:

Notes:

- Figures corresponding to 'Solar (Rooftop)' refers to injection from rooftop sources through net metering. Generation from rooftop solar installations, considering 16.13% Capacity Utilisation Factor is 53,441 MU.
- Valuation of swap-in settled during the year and swap-in corresponding to swap-out in 2019-20 have been done in terms of Regulation 5.15.2 (iv) of Tariff Regulations of the Hon'ble Commission and the APR-FPPCA Orders dated 01.08.2022 of the Hon'ble Commission.
- Remains to past period transmission and SLDC handling charge for the period April 2018 to March 2020 in terms of WBERC order dated 16.12.2020.
- As per Hon'ble Commission's directive, arrangement has been made by the Company to procure power from DEEP portal following competitive bidding.



**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

**Table: A8.1 Computation for rate of sale of energy to persons other than own consumers and licensee**

Sources	Quantum	Variable Cost	
	MU	Rs. in Lakh	
WBSEDCL	0.105	8.19	
Haldia	3854.421	113898.68	
RPGPTCL (Other than Cogeneration)	294.763	9355.58	
Exchange	214.447	7341.74	
Renewable (sourced through GDAM, GTAM etc.)	192.670	8347.29	
RPGPTCL (Cogeneration) including solar	107.568	3565.05	
Swap in	212.681	12503.02	
BBGS	5002.979	120056.94	
SGS	81.684	2777.44	
<b>Total</b>	<b>9961.318</b>	<b>277853.94</b>	<b>278.93</b>
<b>Less: energy exchanges (conventional and renewable), solar including cogeneration, hydro, swap in</b>	<b>727.367</b>	<b>31757.11</b>	<b>436.60</b>
<b>Net variable cost of power purchase for valuation of export (except swap-out) for the year</b>	<b>9233.951</b>	<b>246096.84</b>	<b>266.51</b>

The valuation of export (except swap-out), following Hon'ble Commission's determination in APR 2015-16 to 2017-18, has been furnished at marginal cost equivalent to pooled variable cost of power including own generation of CESC Limited, but excluding the power from renewable, cogeneration, hydro, power exchange and through short term open access.

**Table: A8.2 Swapping of Power**

Nature of swapping arrangement	Swap out		Swap in	
	MU	Rs. Lakh	MU	Rs. Lakh
Swap in within the year against swap out within the year (swap-out energy including loss <sup>1</sup> , valuation at pooled power purchase cost)	20.62	962.18	17.69	962.18
Swap in within the year against swap out energy in previous year (equal to cost of swap out energy of previous year based on average power purchase cost of previous year) (Partially settled in 2020-21)			194.99	11540.85
Swap-out during the year as initial transaction followed by return of energy (swap-in) in succeeding year (swap-out energy including loss at average power purchase cost of the year)	5.77	313.80		
<b>Total</b>	<b>26.39</b>	<b>1275.97</b>	<b>212.68</b>	<b>12503.02</b>

1. corresponding units at CESC system, in terms of the swap-in contract

**Table: A8.3 Admissible cost of power**

Particulars	Quantum	Cost
	MU	Rs. in Lakh
Total Power Purchase except swap in	4663.974	253666.10
Add: swap in power	212.681	12503.02
Less: swap out power for swap in during the year	26.394	1275.97
Less: sale to other than consumer and licensee	154.844	4126.78
<b>Net power purchase cost for sale to own consumers and licensee</b>	<b>4695.417</b>	<b>260766.36</b>

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

# **Annex B**

## **Adjustments relating to Schedule - 9B of Tariff Regulations**

**2020-21**

**Adjustments relating to Schedule - 9B of Tariff Regulations for 2020-21**

	<b>Particulars</b>	<b>Basis</b>	<b>Reference in WBERC (Terms and Conditions of Tariff) Regulations, 2011</b>	<b>Rs. Lakhs</b>
(1)	Amounts proposed to be passed on to consumers and WBSEDCL in accordance with Para A1, Schedule - 9B of Tariff Regulations	Detailed Calculations follow in Annex B1	Para A1, Schedule - 9B	854.77
(2)	Amounts proposed to be passed on to consumers and WBSEDCL in accordance with Para A2, Schedule - 9B of Tariff Regulations	Detailed Calculations follow in Annex B2	Para A2, Schedule - 9B	328.01
(3)	Amounts proposed to be passed on to consumers and WBSEDCL in accordance with Para A3, Schedule - 9B of Tariff Regulations	Detailed Calculations follow in Annex B3	Para A3, Schedule - 9B	1527.71
(4)	Amounts proposed to be passed on to consumers and WBSEDCL in accordance with Para C, Schedule - 9B of Tariff Regulations	Detailed Calculations follow in Annex B4	Para C, Schedule - 9B	6655.96
	Gross amount proposed			9366.46
(5)	Less: Share of Expenditure incurred for Generating Stations	Detailed Calculations follow in Annex B3	Kindly refer to the Petition read with Para A3, Schedule - 9B	(112.28)
	<b>Overall adjustments to Consumers and WBSEDCL</b>			<b>9254.18</b>

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

**Adjustments as per Para A1, Schedule - 9B of Tariff Regulations for 2020-21**

1. Particulars	Unit	Budge Budge	Southern
Category of the station in accordance with Para A1 of Schedule - 9B of the Tariff Regulations		B	C
Difference in specific oil consumption in accordance with Para A1, Schedule - 9B of Tariff Regulations	ml/Kwh	1.15	-4.45
Difference in oil consumed - (A)	KL	7147.11	188.50
Oil Price (Kindly see Audited data in Annex C3) - (B)	Rs./KL	45998.91	47364.04
Difference in cost of oil consumed (G) in accordance with Para A1, Schedule - 9B of the Tariff Regulations [G = A x B / 10 <sup>5</sup> ]	Rs. Lakhs	3287.59	89.28
Criteria for adjustments in accordance with Para A1 of Schedule - 9B of the Tariff Regulations		5	-
% of share to own consumers and WBSEDCL in accordance with Para A1 of Schedule - 9B of the Tariff Regulations	%	26%	-
Amount proposed to be passed on to consumers in accordance with Para A1 of Schedule - 9B of the Tariff Regulations	Rs. Lakhs	854.77	-
<b>Overall amount proposed to be passed on to consumers in accordance with Para A1 of Schedule - 9B of the Tariff Regulations</b>	<b>Rs. Lakhs</b>		<b>854.77</b>



**Adjustment as per Para A2, Schedule - 9B of Tariff Regulations for 2020-21**

2. Particulars	Unit	Budge Budge	Southern
Units sent out for supply to consumers and WBSEDCL (Annex A1)	MU	5002.979	81.684
Category of the station in accordance with Para A2 of Schedule - 9B of the Tariff Regulations		B	B
Normative Auxiliary consumption [derived from Annex C1, read with Table A, Schedule 9A of Tariff Regulations]	MU	494.800	8.079
Actual Auxiliary Consumption (U <sub>a</sub> )	MU	419.697	8.210
Difference in Auxiliary Consumption rate in accordance with Para A2, Schedule - 9B of Tariff Regulations	%	1.26%	-0.13%
Excess Units sent out from the Generating Station [Derived from Annex C1 & C2] (U)	MU	75.103	NIL
Cost of Generation ( R)	Rs./Unit	2.18	3.09
G = (U x R)	Rs. Lakhs	1640.05	-
Criteria for Sharing in accordance with Para A2 of Schedule - 9B of tariff Regulations		4	-
% of share to consumers in accordance with Para A2 of Schedule - 9B of Tariff Regulations	%	20%	-
Amount proposed to be passed on to consumers in accordance with Para A2 of Schedule - 9B of the Tariff Regulations	Rs. Lakhs	328.01	-
<b>Overall amount proposed to be passed on to consumers in accordance with Para A2 of Schedule - 9B of the Tariff Regulations</b>	<b>Rs. Lakhs</b>		<b>328.01</b>

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

**Adjustments as per Para A3, Schedule - 9B of Tariff Regulations for 2020-21**

3. Particulars	Unit	Budge Budget	Southern
Ratio of Heat Rate as per Table A, Schedule 9A to Design Heat Rate in accordance with Para A3 of Schedule - 9B of the Tariff Regulations (SHR <sub>n</sub> /D)		1.099	1.071
Category of the station in accordance with Para A3 of Schedule - 9B of the Tariff regulations		B	B
SHR/SHR <sub>n</sub>	Kcal/kwh	Less than 0.96	More than 1
Generation (Net of units used for sales to persons other than own consumers and WBSEDCL)	MU	5497.779	89.763
Coal Cost for sales to own consumers and WBSEDCL in accordance with Schedule 9A and related Regulations	Rs. Lakhs	116769.35	2688.16
Coal Cost for sale to own consumers and WBSEDCL in accordance with Audited figures in Annex C3	Rs. Lakhs	105857.16	2912.71
Coal Cost difference	Rs. Lakhs	10912.19	(224.55)
Applicable Criteria in accordance with para A3 of Schedule - 9B to the Tariff Regulations		5	
% of share to own consumers in accordance with para A3 of Schedule - 9B to the Tariff Regulations	%	14%	
Amount proposed to be passed on to consumers in accordance with Para A3 of Schedule - 9B of the Tariff Regulations	Rs. Lakhs	1527.71	
<b>Overall amount proposed to be passed on to consumers in accordance with Para A3 of Schedule - 9B of the Tariff Regulations</b>	<b>Rs. Lakhs</b>		<b>1527.71</b>
<b>Share of Expenditure incurred (Please refer to the Petition for further details)</b>	<b>Rs. Lakhs</b>		<b>(112.28)</b>

## 4. Impact of Distribution Losses

Parameters	Definition / Explanation	Unit	Based on normative parameters
A1	Fuel cost of CESC generation for actual level of sales to own consumers and WBSEDCL during the adjustment period (kindly refer Annex A1)	Rs Lakhs	122834.38
A2	Net power purchase cost for sale to own consumers and licensee (kindly refer Annex A8)	Rs Lakhs	260766.36
A= A1 + A2	Total allowable fuel and power purchase cost (A)	Rs Lakhs	383600.74
B1	Total energy sent out from CESC generating stations during the adjustment period (Kindly see Annex A1)	MU	5084.663
B2	Total energy purchased at the distribution input bus from different sources based on approved procurement plans during the adjustment period, net of sale to persons other than consumers and WBSEDCL, swap-out energy and energy received for conveyance (Kindly refer to Audited Data in Annex C2 & C5)	MU	4711.780
B = B1+ B2	Total energy at distribution input for sales to consumers and WBSEDCL	MU	9796.443
C	Cost of System Input for consumers and Sales to WBSEDCL (C = A/B*10)	Paise / Unit	391.57
D1	Actual Level of Sales to own consumers and WBSEDCL including energy conveyed (Kindly see Audited data in Annex C2)	MU	8943.678
D2	Consumption in Company Premises (Kindly see Audited data in Annex C2)	MU	34.567
D = D1+ D2	Total Utilisation (D)	MU	8978.245
L	Normative Distribution loss (Table D, Schedule 9A of Tariff Regulations)	%	14.30%
E	Normative Loss of Units [E = D*L/(1-L)]	MU	1498.120
F	Actual Loss of Units from Auditors' Certificates attached and permissible losses for sales to persons other than consumers and WBSEDCL	MU	818.197
G = E - F	Savings due to Distribution Loss	MU	679.923
H	Savings due to Distribution Loss (H = G*C/10)	Rs Lakhs	26623.86
I = H x 0.25	Savings shared with consumers @ 25%	Rs Lakhs	6655.96
J = H - I	Savings retained by CESC after sharing 25% with consumers	Rs. Lakhs	19967.89
K =FC-Fuel_cost	Savings included in FPPC formula (I) [Kindly refer to Annex A]	Rs. Lakhs	8738.22
M = J - K	Net savings due to Distribution Loss	Rs. Lakhs	11229.67

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

# **Annex C**

## **Certificates**

**2020-21**



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

### Independent Auditors' Certificate

The Board of Directors  
CESC Limited  
CESC House, Chowringhee Square,  
Kolkata 700 001

1. This Certificate is issued in accordance with the terms of our Service Scope letter dated August 31, 2021 and Master Engagement Agreement dated August 7, 2017 read with addendum dated August 13, 2018 with CESC Limited (hereinafter the "Company").
2. The accompanying Statement of details of units generated during the year ended March 31, 2021 (hereinafter referred to as the 'Statement'), which we have initialled for identification purposes only, contains the details as prepared by the management of the Company based on audited books of accounts and other relevant records and documents of the Company for the year ended March 31, 2021 for submission of such statement along-with Fuel and Power Purchase Cost Adjustment ("FPPCA") application to West Bengal Electricity Regulatory Commission ("WBERC") in compliance with paragraph 2.11.3 of West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 (hereinafter referred to as the 'Regulations').

#### Management's Responsibility

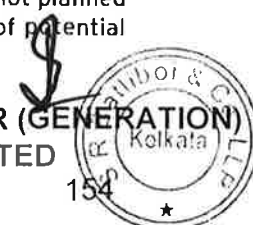
3. The preparation of the Statement is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Company's management is also responsible for ensuring the correctness of all the technical information included in the Statement and for ensuring that the Company complies with the requirements of all the relevant regulations and for providing all relevant information to the WBERC.

#### Auditor's Responsibility

5. Our responsibility is to provide a limited assurance as to whether (i) Station-wise Installed Electricity Generating Capacity; (ii) Station-wise units generated; (iii) Station-wise Plant Load Factor (PLF); and (iv) Station-wise units sent out, particulars of which is contained in the Statement, together with notes thereon, has been accurately extracted from the audited books of accounts and other relevant records and documents underlying the audited standalone financial statements as at and for the year ended March 31, 2021.
6. The audited standalone financial statements referred to in paragraph 5 above, have been audited by us, on which we issued an unmodified audit opinion vide our report dated June 16, 2021. Our audits of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

S R, Batliboi & Co LLP, a Limited Liability Partnership with LLP Identity No. AAB-4297



7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. As per Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI, a limited assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
10. We have performed the following procedures in relation to the Statement:
  - a) Verified Station-wise Installed Electricity Generating Capacity in the Statement from the Energywise - Performance Status All India - Region wise Report for the month of March 2021 published by Central Electricity Authority;
  - b) Traced Station-wise electricity units generated and sent out from CESC Generating Stations from the Yearly Generation/Import and Export Statistics Report prepared and approved by the management for the financial year 2020-21;
  - c) Checked whether Plant Load Factor has been accurately computed in accordance with the formulae defined in clause 1.2.1 (Ixxix) of the Notification no. 48/ WBERC dated April 25, 2011 issued by WBERC;
  - d) Tested arithmetical accuracy of the Statement; and
  - e) Obtained necessary representations from management.

#### **Conclusion**

11. Based on our examination, as above, including the specific procedures as set out in paragraph 10 above, nothing has come to our attention that causes us to believe that the details as contained in the Statement, together with notes thereon, has not been accurately extracted from the audited books of accounts and other relevant records and documents underlying the audited standalone financial statements as at and for the year ended March 31, 2021.

#### **Restriction on Use**

12. Our work was performed solely to assist you in meeting your responsibilities pursuant to your obligation to submit the Statement along-with FPPCA application to WBERC in compliance with paragraph 2.11.3 of the Regulations. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability are in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.



**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

**S.R. BATLIBOI & Co. LLP**

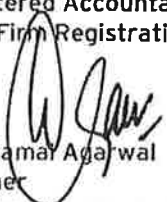
Chartered Accountants

13. The certificate has been issued at the request of the Company to be submitted to WBERC and is not to be used for any other purpose or to be distributed to any other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

  
per Kamal Agarwal  
Partner

Membership Number: 058652

UDIN: 21058652AAAADJ9292

Place of Signature: Kolkata

Date: September 20, 2021



  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

## CESC Limited

Statement showing details of units generated during the year ended 31<sup>st</sup> March, 2021

Particulars	Unit	Budge Budge (BBGS)	Titagarh (TGS)	Southern (SGS)	Overall covering all stations
(a) Installed Electricity Generation Capacity	MW	750	240	135	1125
(b) Units Generated	Million KWh	5422.676	-	89.893	5512.569
(c) Plant Load Factor $c = b / (a \times 365 \text{ days} \times 24 \text{ hrs.} / 1000)$	%	82.54	-	7.60	55.94
(d) Units sent out from CESC Generating Stations	Million KWh	5002.979	-	81.684	5084.663

Notes:

1. Plant Load Factor has been computed as defined in Clause 1.2.1 (Ixxix) of the Notification no 48/WBERC dated 25 April 2011 issued by the West Bengal Electricity Regulatory Commission.

The above statement is certified to be true and correct.

Kolkata  
September 20, 2021



Executive Director & CFO

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**



### Independent Auditors' Certificate

The Board of Directors  
CESC Limited  
CESC House, Chowringhee Square,  
Kolkata 700 001

1. This Certificate is issued in accordance with the terms of our Service Scope letter dated August 31, 2021 and Master Engagement Agreement dated August 7, 2017 read with addendum dated August 13, 2018 with CESC Limited (hereinafter the "Company").
2. The accompanying Statement of details of electrical units purchased/sold during the year ended March 31, 2021 (hereinafter referred to as the 'Statement'), which we have initialled for identification purposes only, contains the details as prepared by the management of the Company based on audited books of accounts and other relevant records and documents of the Company for the year ended March 31, 2021 for submission of such statement along-with Fuel and Power Purchase Cost Adjustment ("FPPCA") application to West Bengal Electricity Regulatory Commission ("WBERC") in compliance with paragraph 2.11.3 of West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, (hereinafter referred to as the 'Regulations').

#### Management's Responsibility

3. The preparation of the Statement is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Company's management is also responsible for ensuring the correctness of all the technical information included in the Statement and for ensuring that the Company complies with the requirements of all the relevant regulations and for providing all relevant information to the WBERC.

#### Auditor's Responsibility

5. Our responsibility is to provide a limited assurance as to whether (i) Electricity units purchased; (ii) Electricity units purchased/sold through Unscheduled Interchange (Net); (iii) Electricity units sold to own consumers; (iv) Electricity units sold to West Bengal State Electricity Distribution Company Limited ("WBSEDCL"); (v) Electricity units sold to persons other than own consumers and WBSEDCL; and (vi) Electricity units consumed in Company's premises, particulars of which are contained in the Statement, together with notes thereon, has been accurately extracted from the audited books of accounts and other relevant records and documents underlying the audited standalone financial statements as at and for the year ended March 31, 2021.
6. The audited standalone financial statements referred to in paragraph 5 above, have been audited by us, on which we issued an unmodified audit opinion vide our report dated June 16, 2021. Our audits of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**



7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. As per Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI, a limited assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
10. We have performed the following procedures in relation to the Statement:
  - a) Traced the details set out in the Statement for the year ended March 31, 2021 from the audited standalone financial statements;
  - b) Compared Electricity units purchased (other than purchase of solar energy) with Yearly "Generation/Import and Export Statistics" Report prepared and approved by the management for financial year 2020-21 compiled based on Monthly "Generation and Import/Export Statistics" Reports;
  - c) Compared on test check basis Electricity units purchased from solar sources with "Solar Injection" Report prepared and approved by the management;
  - d) Compared on test check basis compilation of Monthly "Generation and Import/Export Statistics" Reports prepared and approved by the management with the final schedule received by the management from West Bengal State Load Despatch Centre, West Bengal State Electricity Transmission Company Limited ("WBSETCL");
  - e) Compared on test check basis Electricity units purchased/sold through Unscheduled Interchange ('UI') (Net) with "Statement on account of UI for each - 15 minutes time block" received by the management from West Bengal State Load Despatch Centre;
  - f) Compared on test check basis Electricity units sold to own consumers with monthly "Comparative Statement of revenue and units sold" prepared and approved by the management;
  - g) Compared on test check basis Electricity units sold to WBSEDCL with invoices;
  - h) Compared on test check basis Electricity units sold to persons other than own consumers and WBSEDCL with Monthly "Generation and Import/Export Statistics" Reports prepared and approved by the management, with invoices and with the final schedule received by the management from West Bengal State Load Despatch Centre, WBSETCL;
  - i) Compared Electricity units consumed in Company's premises in the Statement with the report generated from CESC LT Billing & Collection System;
  - j) Compared on test check basis Electricity units received for conveyance with the bills raised by the Company; and
  - k) Obtained necessary representations from management.

#### **Conclusion**

11. Based on our examination, as above, including the specific procedures as set out in paragraph 10 above, nothing has come to our attention that causes us to believe that the details as contained in the Statement, together with notes thereon, has not been accurately extracted from the audited books of accounts and other relevant records and documents underlying the audited standalone financial statements as at and for the year ended March 31, 2021.

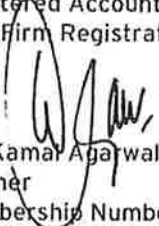
  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**



**Restriction on Use**

12. Our work was performed solely to assist you in meeting your responsibilities pursuant to your obligation to submit the Statement along-with FPPCA application to WBERC in compliance with paragraph 2.11.3 of the Regulations. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability are in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.
13. The certificate has been issued at the request of the Company to be submitted to WBERC and is not to be used for any other purpose or to be distributed to any other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For S.R. Batliboi & CO. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

  
per Kamal Agarwal  
Partner  
Membership Number: 058652



UDIN: 21058652AAAADK9319  
Place of Signature: Kolkata  
Date: September 20, 2021

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

## CESC Limited

Statement showing Purchase of electricity units including through  
Unscheduled Interchange (UI) (Net), Sales of electricity units to own  
consumers, West Bengal State Electricity Distribution Company Limited  
(WBSEDCL), persons other than own consumers and WBSEDCL and  
Consumption of electricity units in Company's premises during the year  
ended 31<sup>st</sup> March, 2021

Particulars	Million KWh
Electricity Units Purchased *	4876.655
Electricity Units Purchased / (Sold) through Unscheduled Interchange (Net)	15.893
Electricity units received for conveyance	0.469
Electricity Units sold to own consumers	8930.217
Electricity Units sold to WBSEDCL	12.992
Electricity Units sold to persons other than own consumers and WBSEDCL (at CESC Bus) #	177.613
Electricity Units consumed in Company's premises	34.567
Electricity units conveyed	0.469

\* includes purchase of renewable electricity and electricity purchased on power banking terms.

# includes electricity units sold on power banking terms.

Notes :

1. The aforesaid electricity units purchased represent units received by CESC Limited at CESC Bus.

The above statement is certified to be true and correct.

Kolkata  
September 20, 2021



Executive Director & CFO



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

### Independent Auditors' Certificate

The Board of Directors  
CESC Limited  
CESC House, Chowringhee Square,  
Kolkata 700 001

1. This Certificate is issued in accordance with the terms of our Service Scope letter dated August 31, 2021 and Master Engagement Agreement dated August 7, 2017 read with addendum dated August 13, 2018 with CESC Limited (hereinafter the "Company").
2. The accompanying Statement of Average Cost of Coal and Light Diesel Oil (LDO) consumed during the year ended March 31, 2021 (hereinafter referred to as the 'Statement'), which we have initialled for identification purposes only, contains the details as prepared by the management of the Company based on audited books of accounts and other relevant records and documents of the Company for the year ended March 31, 2021 for submission of such statement along-with Fuel and Power Purchase Cost Adjustment ("FPPCA") application to West Bengal Electricity Regulatory Commission ("WBERC") in compliance with paragraph 2.11.3 of West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 (hereinafter referred to as the 'Regulations').

#### Management's Responsibility

3. The preparation of the Statement is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Company's management is also responsible for ensuring the correctness of all the technical information included in the Statement and for ensuring that the Company complies with the requirements of all the relevant regulations and for providing all relevant information to the WBERC.

#### Auditor's Responsibility

5. Our responsibility is to provide a limited assurance as to whether (i) Station-wise Average cost per tonne, Average freight cost per tonne and Total cost per tonne of coal consumed; (ii) Station-wise Average cost per KL of LDO consumed; and (iii) Station-wise total quantity of coal and LDO consumed, particulars of which is contained in the Statement, together with notes thereon, has been accurately extracted from the audited books of accounts and other relevant records and documents underlying the audited standalone financial statements as at and for the year ended March 31, 2021.
6. The audited standalone financial statements referred to in paragraph 5 above, have been audited by us, on which we issued an unmodified audit opinion vide our report dated June 16, 2021. Our audits of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI").

MANAGING DIRECTOR (GENERATION)

S R Batliboi & Co. LLP, a Limited Liability Partnership with L1P Identity No. AAB-429

162  
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Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. As per Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI, a limited assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
10. We have performed the following procedures in relation to the Statement:
  - a) Obtained and traced the details set out in the Statement for the year ended March 31, 2021 from the audited books of accounts and other relevant records and documents underlying the audited standalone financial statements;
  - b) Compared station-wise quantity of coal and LDO consumed, cost of coal and LDO consumed, freight cost incurred with the statement of consumption as prepared and approved by the management;
  - c) Checked whether the Station-wise Average cost per tonne, Average freight per tonne and total cost per tonne of coal consumed and Average cost per KL of LDO consumed has been accurately computed in accordance with the formulae stated in the Statement;
  - d) Tested arithmetical accuracy of the Statement; and
  - e) Obtained necessary representations from management.

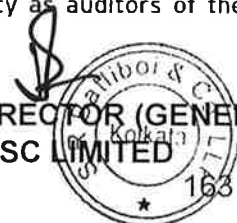
#### **Conclusion**

11. Based on our examination, as above, including the specific procedures as set out in paragraph 10 above, nothing has come to our attention that causes us to believe that the details as contained in the Statement, together with notes thereon, has not been accurately extracted from the audited books of accounts and other relevant records and documents underlying the audited standalone financial statements as at and for the year ended March 31, 2021.

#### **Restriction on Use**

12. Our work was performed solely to assist you in meeting your responsibilities pursuant to your obligation to submit the Statement along-with FPPCA application to WBERC in compliance with paragraph 2.11.3 of the Regulations. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability are in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.

**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**




13. The certificate has been issued at the request of the Company to be submitted to WBERC and is not to be used for any other purpose or to be distributed to any other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For S.R. Batliboi & CO. LLP

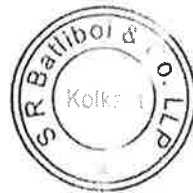
Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

  
per Kamal Agarwal  
Partner

Membership Number: 058652

UDIN: 21058652AAAAADL7116



Place of Signature: Kolkata

Date: September 20, 2021

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

**CESC Limited**

**Statement showing Average Cost of Coal and LDO consumed  
for the year ended 31<sup>st</sup> March, 2021**

Particulars	Unit	Budge Budge	Southern
<b>Coal Consumed</b>			
- Quantity	Tonne	31,62,771	64,582
Average Cost	Rs./Tonne	3,205.28	3,497.97
Average Freight [Refer Note 1]	Rs./Tonne	847.69	1,012.12
Overall Average	Rs./Tonne	4,052.97	4,510.09
<b>LDO Consumed</b>			
- Quantity	KL	801.24	588.99
Average Cost	Rs./KL	45,998.91	47,364.04

Notes :

1. Represents freight and other related costs towards transportation of coal through Rail to Generating Stations.

2. Consumption quantity and value for ascertaining the above average coal cost, freight thereof and LDO cost has been arrived at on the basis of quantity and value of coal/ LDO purchased, adjusted for opening and closing stock quantity and its value and includes other required adjustments.

3. Out of the above mentioned generating stations, the freight cost of Southern Generating Station includes payments made to Kolkata Port Trust.

4. The average cost of Coal Consumed and freight thereof per tonne and the average cost of LDO Consumed per KL has been arrived at by dividing the respective value of Coal consumed, LDO consumed and freight incurred during the year by quantity mentioned above.

The above statement is certified to be true and correct

Kolkata  
September 20, 2021



**Executive Director & CFO**

**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**



### Independent Auditors' Certificate

The Board of Directors  
CESC Limited  
CESC House, Chowringhee Square,  
Kolkata 700 001

1. This Certificate is issued in accordance with the terms of our Service Scope letter dated August 31, 2021 and Master Engagement Agreement dated August 7, 2017 read with addendum dated August 13, 2018 with CESC Limited (hereinafter the "Company").
2. The accompanying Statement of station-wise grade-wise percentage of coal purchased during the year ended March 31, 2021 (hereinafter referred to as the 'Statement'), which we have initialled for identification purposes only, contains the details as prepared by the management of the Company based on audited books of accounts and other relevant records and documents of the Company for the year ended March 31, 2021 for submission of such statement along-with Fuel and Power Purchase Cost Adjustment ("FPPCA") application to West Bengal Electricity Regulatory Commission ("WBERC") in compliance with paragraph 2.11.3 of West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 (hereinafter referred to as the 'Regulations').

#### Management's Responsibility

3. The preparation of the Statement is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Company's management is also responsible for ensuring the correctness of all the technical information included in the Statement and for ensuring that the Company complies with the requirements of all the relevant regulations and for providing all relevant information to the WBERC.
5. Further, the Company's management is also responsible for ensuring the correctness of the details of the information of station-wise grade-wise coal purchased and Average heat value of the coal received and resultant station-wise grade-wise mix percentage, as mentioned in the purchase invoices / credit notes and providing us with the certificate of the external technical experts employed by the management of the Company (the "Technical Expert") in this respect.

#### Auditor's Responsibility

6. Our responsibility is to provide a limited assurance as to whether
  - i) station-wise grade-wise mix percentage of coal purchased during the year and (ii) station-wise grade-wise average heat value (KCAL/Kg) of coal as received during the year, particulars of which is contained in the Statement, together with notes thereon, has been accurately extracted from the audited books of accounts and other relevant records and documents underlying the audited standalone financial statements as at and for the year ended March 31, 2021.

**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**



7. The audited standalone financial statements referred to in paragraph 6 above, have been audited by us, on which we issued an unmodified audit opinion vide our report dated June 16, 2021. Our audits of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.
8. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
10. As per Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI, a limited assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria mentioned in paragraph 6 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
11. We have performed the following procedures in relation to the Statement:
  - a) Obtained and traced the details set out in the Statement for the year ended March 31, 2021 from the audited books of accounts and other relevant records and documents underlying the audited standalone financial statements;
  - b) Compared the quantity of station-wise grade-wise coal purchased with the purchase register, which is verified on a test check basis with purchase invoices;
  - c) Checked on test check basis that the grade-wise mix percentage has been accurately arrived in the same proportion which purchase of each grade bears to the total purchase for each generating station;
  - d) Compared on test check basis the Average heat value of each coal grades with the certificate issued by technical expert;
  - e) Tested arithmetical accuracy of the Statement; and
  - f) Obtained necessary representations from management.

#### **Conclusion**

12. Based on our examination, as above, including the specific procedures as set out in paragraph 11 above, nothing has come to our attention that causes us to believe that the details as contained in the Statement, together with notes thereon, has not been accurately extracted from the audited books of accounts and other relevant records and documents underlying the audited standalone financial statements as at and for the year ended March 31, 2021 and certificate issued by technical expert as furnished to us by the management of the Company.

#### **Restriction on Use**

13. Our work was performed solely to assist you in meeting your responsibilities pursuant to your obligation to submit the Statement along-with FPPCA application to WBERC in compliance with paragraph 2.11.3 of the Regulations. Our obligations in respect of this certificate are entirely

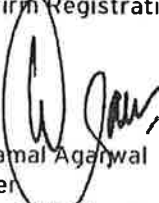
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

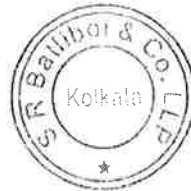


separate from, and our responsibility and liability are in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.

14. The certificate has been issued at the request of the Company to be submitted to WBERC and is not to be used for any other purpose or to be distributed to any other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For S.R. Batliboi & CO. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

  
per Kamal Agarwal  
Partner  
Membership Number: 058652  
UDIN: 21058652AAAADM7684



Place of Signature: Kolkata  
Date: September 20, 2021

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

**CESC Limited**

**Statement showing station-wise grade-wise % of coal purchased during the year ended 31st March, 2021**

Coal *	Budge Budge		Southern	
	Mix (%)	Average Heat Value Kcal/Kg	Mix (%)	Average Heat Value Kcal/Kg
Grade G4	14.86	4964	25.53	5101
Grade G5	1.44	4878		
Grade G6	0.02	4663		
Grade G7	9.44	4489	46.60	4383
Grade G8	9.39	4177	27.87	4109
Grade G9	2.04	3812		
Grade G10	1.83	3502		
Grade G11	5.57	3218		
Grade G12	2.32	2805		
Grade WIV	4.07	4482		
Grade WV	0.49	4234		
Grade WVI	1.79	3935		
Non-CIL Indigenous ROM	22.85	3657		
Non-CIL indigeneous Washed	23.89	3773		
Overall	100.00	4022	100.00	4490

\* represents grade as declared by colliery in the invoice or final grade as declared by CIMFR and accepted by both parties, wherever applicable.

Notes :

1. The above gradewise mix has been arrived at in the same proportion which purchase quantity of each grade bears to the total purchased quantity for each generating station.
2. The average heat value for a particular grade of coal represents the average value of the total heat value of the coal received for the particular grade.

The above statement is certified to be true and correct and has been accurately extracted from the audited books and records/ financial statements and is mathematically accurate using the appropriate formulae.

Kolkata  
September 20, 2021



  
 Executive Director & CFO  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

### Independent Auditors' Certificate

The Board of Directors  
CESC Limited  
CESC House, Chowringhee Square,  
Kolkata 700 001

1. This Certificate is issued in accordance with the terms of our Service Scope letter dated August 31, 2021 and Master Engagement Agreement dated August 7, 2017 read with addendum dated August 13, 2018 with CESC Limited (hereinafter the "Company").
2. The accompanying Statement of cost of electrical energy purchased during the year ended March 31, 2021 (hereinafter referred to as the 'Statement'), which we have initialled for identification purposes only, contains the details as prepared by the management of the Company based on audited books of accounts and other relevant records and documents of the Company for the year ended March 31, 2021 for submission of such statement along-with Fuel and Power Purchase Cost Adjustment ("FPPCA") application to West Bengal Electricity Regulatory Commission ("WBERC") in compliance with paragraph 2.11.3 of West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, (hereinafter referred to as the 'Regulations').

#### Management's Responsibility

3. The preparation of the Statement is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Company's management is also responsible for ensuring the correctness of all the technical information included in the Statement and for ensuring that the Company complies with the requirements of all the relevant regulations and for providing all relevant information to the WBERC.

#### Auditor's Responsibility

5. Our responsibility is to provide a limited assurance as to whether (i) Quantity, Cost and Average Energy Charge for electrical energy purchased from Haldia Energy Limited ("HEL") separately for peak period, normal period and off-peak period based on period of drawal as per Clause 3.13 of the Notification No. 48/WBERC dated April 25, 2011 issued by the WBERC and cost incurred for fixed and other charges; and (ii) Quantity, Cost and Average Energy Charge of electrical energy purchased through cogeneration sources and other sources, and cost incurred for other charges, if any, relating to such purchases, particulars of which are contained in the Statement, together with notes thereon, has been accurately extracted from the audited books of accounts and other relevant records and documents underlying the audited standalone financial statements as at and for the year ended March 31, 2021.

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED



6. The audited standalone financial statements referred to in paragraph 5 above, have been audited by us, on which we issued an unmodified audit opinion vide our report dated June 16, 2021. Our audits of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. As per Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI, a limited assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
10. We have performed the following procedures in relation to the Statement:
  - a) Traced on a test check basis the quantity of electrical energy purchased from HEL separately for peak period, normal period and off-peak period based on period of drawal from the final schedule received by the management from State Load Despatch Centre, West Bengal State Electricity Transmission Company Limited ("WBSETCL");
  - b) Compared Electricity units purchased including purchase through co-generation and other sources, with Monthly "Generation and Import/Export Statistics" Reports prepared and approved by the management on test check basis;
  - c) Compared the compilation of Monthly "Generation and Import/Export Statistics" Reports prepared and approved by the management with the final schedule received by the management from State Load Despatch Centre, WBSETCL on a test check basis;
  - d) Compared on test check basis electricity units purchased from solar sources with "Solar Injection" Report prepared and approved by the management;
  - e) Compared on test check basis cost of electrical energy purchased and other charges, if any, with the statement of invoices;
  - f) Checked whether energy charges for electrical energy procured from banking sources as detailed in the Statement has been accurately computed in accordance with the valuation method as stated in Note to the aforesaid Statement;
  - g) Checked whether the Average Energy Charges has been accurately computed in accordance with the formulae stated in the Statement;
  - h) Tested arithmetical accuracy of the Statement; and
  - i) Obtained necessary representations from management.

#### Conclusion

11. Based on our examination, as above, including the specific procedures as set out in paragraph 10 above, nothing has come to our attention that causes us to believe that the details as contained in the Statement, together with notes thereon, has not been accurately extracted from the audited books of accounts and other relevant records and documents underlying the audited standalone financial statements as at and for the year ended March 31, 2021.

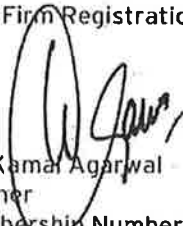
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED



**Restriction on Use**

12. Our work was performed solely to assist you in meeting your responsibilities pursuant to your obligation to submit the Statement along-with FPPCA application to WBERC in compliance with paragraph 2.11.3 of the Regulations. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability are in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.
13. The certificate has been issued at the request of the Company to be submitted to WBERC and is not to be used for any other purpose or to be distributed to any other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For S.R. Batliboi & CO. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

  
per Kamal Agarwal  
Partner  
Membership Number: 058652

UDIN: 21058652AAAADN6024  
Place of Signature: Kolkata  
Date: September 20, 2021



  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

Statement showing cost of electrical energy purchased during the year ended 31<sup>st</sup> March, 2021

Cost of electrical energy purchased from Haldia Energy Limited (HEL)

Particulars	Unit	Derivation	2020-21 HEL
Overall Purchase Quantum	Milion KWh	A	3062.57
Details of Drawal			
Drawal during Normal period	Milion KWh	B1	1795.232
Drawal during Peak period	Milion KWh	B2	1046.989
Drawal during Off-peak period	Milion KWh	B3	1012.199
Applicable Rates			
Total energy Charge - Normal Period	Rs. In lakhs	A	53,051.95
Energy Charge - Normal (Average Rate based on time of drawal)	Paise/KWh	C1 = a/B1*10	295.52
Total energy Charge - Peak Period	Rs. In lakhs	b	30,540.40
Energy Charge - Peak (Average Rate based on time of drawal)	Paise/KWh	C2 = b/B2*10	295.52
Total energy Charge - Off-Peak Period	Rs. In lakhs	c	29,506.33
Energy Charge - Off-Peak (Average Rate based on time of drawal)	Paise/KWh	C3 = c/B3*10	295.46
Total Fees Charge/ Capacity Charge	Rs. In lakhs	d	93,033.81
Average Fixed Charge	Paise/KWh	D = d/A*10	241.37
Other Charges (refer note 4)	Rs. In lakhs	e	14,755.38
Other Charges	Paise/KWh	E = e/A*10	38.28
Purchase Cost	Rs. Lakhs	F=(a+b+c+d+e)	2,71,667.65

Cost of electrical energy purchased from Cogeneration, Solar sources, Energy Exchanges, West Bengal State Electricity Distribution Company Limited, RPG Power Trading Company Limited (RPGPTCL) and Banking

Particulars	Unit	Derivation	RPGPTCL and Bimodal (Cogeneration)	Solar (Roof-top)	G-TAW Solar (through IEX)	G-TAW Non- Solar (through IEX and P&L)	Energy Exchanges	RPGPTCL (Cogeneration)	WBSEDC (Cogeneration)	Banking (Swap-in against Swap-out of FY20)	Banking (Swap-in during FY21)	2020-21
Overall Purchase Quantum	Milion KWh	A	89.59	1.84	174.10	53.31	214.45	290.75	0.11	190.89	17.89	1022.23
Applicable Rates												
Energy Charge	Paise/KWh	B=CA*10	309.86	600.80	424.95	448.25	342.36	317.35	780.30	467.35	503.53	377.82
Purchase Cost	Rs. Lakhs	C	3,085.97	479.16	5,273.56	3,073.73	7,341.74	9,355.58	8.19	8,112.85	899.79	38,621.60
Other Charges	Rs. Lakhs	D	537.35		500.92	273.30	1,204.29	781.89		1,132.28	104.28	4,541.33
Other Charges - (refer note 4)	Rs. Lakhs	E	37.37					18.23				55.56
Total Cost (F)	Rs. Lakhs	F = C+D+E										43,218.53
Total Cost of Electrical Energy purchased	Rs. Lakhs	(a) + (f)										2,64,906.37

Notes:

- The aforesaid purchase quantum represents units received by CESC Limited at CESC Bus
- Normal Period, Peak Period, Off-Peak Period mentioned above are as per Clause 3.13 of the Notification No. 49/WBERC dated 25 April, 2011 issued by the West Bengal Electricity Regulatory Commission
- The valuation is in terms of Regulation 5.14(2)(a) of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 notified vide Notification No. 46/WBERC dated 25 April 2011 and as amended by Notification No. 3/WBERC dated 30 July 2013 issued by the West Bengal Electricity Regulatory Commission
- Inclusive LTOA Charges as per SL No. 20 of bill nos. 90000031 dated 1 February 2021, 90001020 dated 1 February 2021, 90001020 dated 1 March 2021, 90001020 dated 1 April 2021 for Haldia Energy Limited, and Transmission and SLOC Handling charges as per bill no. RPTLCEGDM01 dated 23 March 2021 for RPGPTCL (Cogeneration) and RPTLCEGDM02 dated 23 March 2021 for RPGPTCL (other than Cogeneration)

*Namit*  
Executive Director and CFO



Kolkata  
September 20, 2021

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED



### Independent Auditors' Report

The Board of Directors  
CESC Limited  
CESC House, Chowringhee Square,  
Kolkata 700 001

1. This Report is issued in accordance with the terms of our Service Scope letter dated August 31, 2021 and Master Engagement Agreement dated August 7, 2017 read with addendum dated August 13, 2018 with CESC Limited (hereinafter referred to as the "Company").
2. The accompanying Statement of details of earnings from Sale of Electricity to persons other than own consumers and West Bengal State Electricity Distribution Company Limited ("WBSEDCL") during the year ended March 31, 2021 (hereinafter referred to as the 'Statement'), which we have initialled for identification purposes only, contains the details as prepared by the management of the Company based on audited books of accounts and other relevant records and documents of the Company for the year ended March 31, 2021 for submission of such statement along-with Annual Performance Review ("APR") application for the year 2020-21 to West Bengal Electricity Regulatory Commission ("WBERC") in compliance with paragraph 2.11.3 of West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 (hereinafter referred to as the 'Regulations').

#### Management's Responsibility

3. The preparation of the Statement is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Company's management is also responsible for ensuring the correctness of all the technical information included in the Statement and for ensuring that the Company complies with the requirements of all the relevant regulations and for providing all relevant information to the West Bengal Electricity Regulatory Commission.

#### Auditor's Responsibility

5. Our responsibility is to provide a limited assurance as to whether electricity units sold to persons other than own consumers and WBSEDCL, particulars of which is contained in the Statement, together with notes thereon, has been accurately extracted from the audited books of accounts and other relevant records and documents underlying the audited standalone financial statements as at and for the year ended March 31, 2021.
6. The audited standalone financial statements referred to in paragraph 5 above, have been audited by us, on which we issued an unmodified audit opinion vide our report dated June 16, 2021. Our audit of these standalone financial statements was conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. As per Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India, a limited assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
10. We have performed the following procedures in relation to the Statement:
  - a) Verified the monthly reconciliation, on test check basis, of earnings from electrical energy sold to bilateral sources and cost of other charges, if any, as detailed in point no. 1 of the Statement with dedicated bank account, as relevant;
  - b) Checked on a test check basis that earnings from electrical energy sold to banking sources as detailed in point no. 2 (i) and (ii) of the Statement has been accurately computed in accordance with the valuation method as stated in Note 1 to the aforesaid Statement;
  - c) Compared on test check basis cost of other charges on Earnings from Banking Sources, if any, as detailed in point no. 2 (iii) of the Statement with the statement of invoices;
  - d) Compared on test check basis Electricity units sold as detailed in the Statement with monthly "Generation and Import/Export Statistics" Reports prepared and approved by the management, compiled based on final schedule received by the management from West Bengal State Load Despatch Centre, West Bengal State Electricity Transmission Company Limited ("WBSETCL");
  - e) Checked whether the Average rates as detailed in the Statement has been accurately computed in accordance with the formulae stated in the Statement;
  - f) Tested arithmetical accuracy of the Statement; and
  - g) Obtained necessary representations from management

**Conclusion**

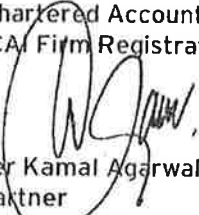
11. Based on our examination, as above, including the specific procedures as set out in paragraph 10 above, nothing has come to our attention that causes us to believe that the details as contained in the Statement, together with notes thereon, has not been accurately extracted from the audited books of accounts and other relevant records and documents underlying the audited standalone financial statements as at and for the year ended March 31, 2021.

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

**Restriction on Use**

12. Our work was performed solely to assist you in meeting your responsibilities pursuant to your obligation to submit the Statement along-with APR application to WBERC in compliance with paragraph 2.11.3 of the Regulations. Our obligations in respect of this report are entirely separate from, and our responsibility and liability are in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.
13. The report has been issued at the request of the Company to be submitted to WBERC and is not to be used for any other purpose or to be distributed to any other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICA Firm Registration Number: 301003E/E300005

  
per Kamal Agarwal  
Partner  
Membership Number: 058652  
UDIN: 21058652AAAAES9216

Place of Signature: Kolkata  
Date: December 03, 2021

  
MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

**CESC Limited**  
**Statement showing Earnings from Sale of Electricity to**  
**persons other than own consumers and WBSEDCL for the year ended 31 March 2021**

Particulars	Unit	Derivation	2020-21	2020-21
<b>Earnings from :</b>				
<b>1. Bilateral sources (net of other charges)</b>				
Indian Energy Exchange	Rs.Lakhs	a1		4,471.21
Haldia Energy Limited	Rs.Lakhs	a2		7.01
				<b>4,478.22</b>
<b>2. Banking sources (Note 1)</b>				
<b>(i) Swap-in/ Swap-out fully settled during the year</b>				
Kreate Energy (I) Private Limited (Formerly known as Mittal Processors Private Limited)	Rs.Lakhs	a3	296.02	
Arunachal Pradesh Power Corporation Private Limited	Rs.Lakhs	a4	594.77	
<b>(ii) Swap-in/ Swap-out carried forward to next year</b>				
Kreate Energy (I) Private Limited (Formerly known as Mittal Processors Private Limited)	Rs.Lakhs	a5	33.29	
Arunachal Pradesh Power Corporation Private Limited	Rs.Lakhs	a6	715.90	<b>1,139.98</b>
				<b>5,618.19</b>
<b>(iii) Other charges relating to the above Swap-in/ Swap-out</b>				
Kreate Energy (I) Private Limited (Formerly known as Mittal Processors Private Limited)	Rs.Lakhs	a7	(29.10)	
Arunachal Pradesh Power Corporation Private Limited	Rs.Lakhs	a8	(62.93)	
				(92.03)
<b>Total Earnings</b>	<b>Rs. Lakhs</b>	<b>A</b>		<b>5,526.16</b>
<b>Overall Quantum</b>				
<b>Units at CESC Busbar</b>				
Indian Energy Exchange	MU	b1		151.67
Haldia Energy Limited	MU	b2		0.08
Kreate Energy (I) Private Limited (Formerly known as Mittal Processors Private Limited) (Swap-in/ Swap-out)	MU	b3		7.47
Arunachal Pradesh Power Corporation Private Limited (Swap-in/ Swap-out)	MU	b4		18.39
<b>Total Units at CESC Busbar</b>	<b>MU</b>	<b>B</b>		<b>177.61</b>
<b>Average Rates (net of other charges)</b>				
Indian Energy Exchange	Paise/Unit	c1=a1/b1*10		294.80
Haldia Energy Limited	Paise/Unit	c2=a2/b2*10		895.19
Kreate Energy (I) Private Limited (Formerly known as Mittal Processors Private Limited) (Swap-in/ Swap-out)	Paise/Unit	c3=(a3+a5+a7)/b3*10		401.78
Arunachal Pradesh Power Corporation Private Limited (Swap-in/ Swap-out)	Paise/Unit	c4=(a4+a6+a8)/b4*10		106.51

**Note:**  
The valuation is in terms of Regulation 5.15.2 (iv) of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 notified vide Notification No. 48/WBERC dated 25th April 2011 and as amended by Notification No. 54/WBERC dated 30th July 2013 issued by the West Bengal Electricity Regulatory Commission.

The above Statement is certified to be true and correct.

Kolkata

03 December 2021



Executive Director & CFO

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

## CESC Limited

Statement showing Heat Value of LDO for the year ended 31st March, 2021


Months	Budge Budge Generating Station	Southern Generating Station
	Heat Value (kCal/Litre)	
Apr-20	9555	9558
May-20	9575	9546
Jun-20	9546	9570
Jul-20	9546	9542
Aug-20	9564	9554
Sep-20	9560	9552
Oct-20	9559	9539
Nov-20	9560	9535
Dec-20	9548	9529
Jan-21	9557	9550
Feb-21	9550	9554
Mar-21	9562	9579
<b>2020-21</b>	<b>9557</b>	<b>9551</b>

The above statement is true and correct

For CESC Limited

Kolkata

September 20, 2022


  
 Vice President (Finance)
Auditors' Certificate

We have examined the above statement with the books and records maintained by the Company and according to the information and explanations provided to us, found the same to be in accordance therewith.

For Shome and Banerjee  
Cost Accountants
  
 Kunal Banerjee  
 Partner

Kolkata

September 20, 2022

 Membership No. 6573  
 UDIN: 22065732Z7CVYUWQ3G
 

 MANAGING DIRECTOR (GENERATION)  
 CESC LIMITED

### **Note on GST**

**1.0 GST @ 18% charged by Integrated Coal Mining Limited on mining and other services provided to CESC Limited**

1.1 CESC Limited has appointed Integrated Coal Mining Limited (“hereinafter referred to as “ICML”) for production and delivery of coal from its Sarisotolli Coal Mine to delivery points specified by CESC. The scope of work interalia includes the following:

- Operation of the mine
- Extraction of coal from the Mine
- Stacking of coal extracted at the specified stockyard within the Mine
- Crushing/Sizing of such coal extracted and stacked in specified stockyard
- Taking weightment of such loaded coal at the weighbridge in the Mine
- Transportation of coal from mine to Barabani railway siding and Washery and loading of coal

1.2 It is submitted that almost the entire coal mined from the Sarisotolli Coal Mine is captively consumed by CESC Limited in its own thermal power plants. ICML raises invoice for base charges, sizing charges and transportation charges for its scope of services in relation to mining and transportation of coal, as stated aforesaid.

1.3 In order to determine whether or not the aforesaid activity is subjected to Goods and Services Tax (“GST”), reference is drawn to Section 7 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as “CGST Act”) which defines the scope of supply. Section 7(1)(a) states as under:

*(a) “supply” includes all forms of supply of goods or services or both such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business.*

1.4 In the instant case, ICML is providing mining and other allied services for a defined consideration and therefore gets covered under the ambit of term supply.

1.5 Further, Section 9 of the CGST Act deals with levy and collection of central goods and service tax, which is extracted hereunder:

*“Section 9(1) - Subject to the provisions of sub-section (2), there shall be levied a tax called the central goods and services tax on all intra-State supplies of goods or services or both, except on the supply of alcoholic liquor for human consumption, on the value determined under section 15 and at such rates, not exceeding twenty per cent., as may be notified by the Government on the recommendations of the Council and collected in such manner as may be prescribed and shall be paid by the taxable person.*

1.6 It can be observed that Section 9 of the CGST Act deals with levy of GST on all intra-state supplies at the rate notified by the Government. In terms of Section 9(1) of the CGST Act, the Central Government vide Notification No. 11/2017 - Central Tax (Rate) dated 28<sup>th</sup> June, 2017 notified the rate applicable on supply of services. Sl. No. 24 of the said notification is reproduced below for ease of reference:



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

Sl. No.	Chapter, Section or Heading	Description of service	Rate (per cent)	Condition
24.	Heading 9986 (Support services to agriculture, hunting, forestry, fishing, mining and utilities)	(i) .....		-
		(ii) .....		-
		(iii) Support services to mining, electricity, gas and water distribution other than (ii) above.	9%	-

- 1.7 Similar notification vide Notification No. 1135-F.T. No. 11/2017-State Tax (Rate) dated 28th June, 2017 has been issued under the West Bengal Goods and Services Tax Act, 2017 levying State GST @ 9%.

*The relevant extracts of the Notification no. 11/2017-Central Tax (Rate) dated 28<sup>th</sup> June, 2017 and Notification No. 1135-F.T. No. 11/2017-State Tax (Rate) dated 28th June, 2017 are enclosed herewith and marked as **Annexure A**.*

- 1.8 In the instant case, ICML is providing host of services which interalia includes extraction, stacking, crushing /sizing, loading, weighment, transportation of coal and operation of Sarisotolli Coal Mine. Therefore, the services provided by ICML are in nature of support services to mining unit of CESC and services provided by ICML are classifiable under HSN Code 998622 chargeable to GST @ 18%. Further there is no specific exemption from the levy of GST in respect of such services, and thus ICML need to charge GST @18% on the consideration received towards provision of such services.

**2.0 Payment of GST by CESC on Reverse Charge Mechanism (RCM) basis on the Additional Premium etc. paid the Government towards extraction of coal**

- 2.1 It is submitted that in terms of Coal Mine Development and Production Agreement dated 2nd March, 2015, CESC is required to pay monthly payments with respect to the coal extracted from the Coal Mine @ Rs. 100 per tonne as Fixed Rate plus an Additional Premium of Rs. 370 per tonne of coal to the Central Government. Further, in terms of Section 9 of the Mines and Minerals (Development and Regulation) Act, 1957 read with Second Schedule, the holder of mining lease shall pay royalty in respect of any minerals removed or consumed from the leased area at the rate specified in the Second Schedule. Vide Notification No. GSR 522(E), the Central Government has notified the rates of royalty applicable in the State of West Bengal based on different grades of coal.

- 2.2 In terms of Section 9(3) of the CGST Act, the Central Government may by notification specify the categories of supply of goods and/or services, the tax on which is required to be paid the recipient of service under reverse charge mechanism (RCM). The services taxable under RCM are notified vide Notification No. 13/2017 - Central Tax (Rate) dated 28.06.2017 (as amended from time to time), wherein all the services (except few specified services) are covered for the purpose of GST under RCM.

The extract of the aforesaid notification is attached herewith marked as **Annexure B**.

- 2.3 It is submitted that services provided by Central Government is chargeable to tax under reverse charge mechanism ('RCM') except certain services mentioned above. Thus, it can be inferred that

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

the services provided by the Government for assigning the right to extract the coal is subjected the GST under RCM basis.

- 2.4 Further, reference is drawn to under Question no. 30 of FAQ's released by the Central Board of Excise and Customs on Government Services, wherein the following has been clarified:

*Q. 30: Whether an amount in the form of royalty or any other form paid/payable to the Government for assigning the rights to use of natural resources is taxable?*

*Answer: The Government provides license to various companies including Public Sector Undertakings for exploration of natural resources like oil, hydrocarbons, iron ore, manganese, etc. For having assigned the rights to use the natural resources, the licensee companies are required to pay consideration in the form of annual license fee, lease charges, royalty, etc to the Government. The activity of assignment of rights to use natural resources is treated as supply of services and the licensee is required to pay tax on the amount of consideration paid in the form of royalty or any other form under reverse charge mechanism.*

- 2.5 Further, under question no. 22 of FAQ's released by the Central Board of Excise and Customs on Mining, the following has been clarified -

*Question 22: Whether GST is payable on royalty (to be paid to Government) for Mining Lease granted by State Govt.*

*Answer: Yes, on royalty GST will apply under reverse charge mechanism. Further, such payment of GST under reverse charge mechanism would be eligible as ITC in the hands of the recipient of supply for payment of GST.*

*The copy of the FAQs is enclosed herewith as Annexure C.*

- 2.6 Further, reference is made to the Circular No. 164/20/2021-GST dated 6<sup>th</sup> October 2021 issued by the Central Government clarifying that the service by way of grant of mining rights is classified under HSN 997337. The extract of the Circular is provided below:

*As regards classification of service, it was recommended by the Council that service by way of grant of mineral exploration and mining rights most appropriately fall under service code 997337, i.e. "licensing services for the right to use minerals including its exploration and evaluation".*

*The copy of the Circular is enclosed herewith as Annexure D.*

- 2.8 In view of the above, it is clear that royalty, additional premium, etc. paid to Government in respect of coal extracted from Sarisotolli Coal Mine is chargeable to GST at the applicable rates. Thus, CESC is required to discharge the GST under reverse charge mechanism.

#### **Payment of Compensation Cess on Sale of Coal Rejects**

- 3.1 It is submitted that low grade coal which cannot be consumed by CESC in its own power plant is sold to third parties at specified rate. Supply of coal for a consideration is covered under the ambit of the term 'supply' as defined under Section 7 of the CGST Act, 2017.

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**



- 3.2 In terms of Section 9(1) of the CGST Act, the Central Government vide Notification No. 1/2017 - Central Tax (Rate) dated 30<sup>th</sup> June 2017 notified the rate applicable on supply of goods. It is submitted that the Central Government has imposed Compensation Cess on supply of certain goods. In this context, reference is made to Section 8 of the Goods and Services Tax (Compensation to States) Act, 2017 (hereinafter referred to as "Compensation Cess Act")

*Section 8: (1) There shall be levied a cess on such intra-State supplies of goods or services or both, as provided for in section 9 of the Central Goods and Services Tax Act, and such inter-State supplies of goods or services or both as provided for in section 5 of the Integrated Goods and Services Tax Act, and collected in such manner as may be prescribed, on the recommendations of the Council, for the purposes of providing compensation to the States for loss of revenue arising on account of implementation of the goods and services tax with effect from the date from which the provisions of the Central Goods and Services Tax Act is brought into force, for a period of five years or for such period as may be prescribed on the recommendations of the Council.*

- 3.6 In terms of Section 8(1) of the Compensation Cess Act, the Central Government vide Notification No. 1/2017 – Compensation Cess (Rate) dated 28<sup>th</sup> June, 2017 has notified the compensation cess applicable on certain goods. Sl. No. 39 of the said notification is reproduced below for ease of reference:

Sl. No.	Tariff Heading	Description of Goods	Rate of goods and services tax compensation cess
39	2701	Coal; briquettes, ovoids and similar solid fuels manufactured from coal.	Rs.400 per tonne

The relevant extract of the Notification no. 1/2017-Compensation Cess (Rate) dated 28<sup>th</sup> June, 2017 is enclosed herewith and marked as **Annexure E**.

- 3.7 It is submitted that from the aforesaid notification it is clear that supply of coal is chargeable to Compensation Cess of Rs. 400 per tonne. Therefore, on sale of coal rejects, CESC is also required to discharge Compensation Cess of Rs. 400 per tonne.

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

**Notification No.11/2017 - Central Tax Rate F.No.354/117/2017-TRU Dated 28th June, 2017****Annexure A**

In exercise of the powers conferred by sub-section (1) sub-section (3) and sub-section (4) of section 9, sub-section (1) of section 11, sub-section (5) of section 15, sub-section (1) of section 16 and section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on the recommendations of the Council, and on being satisfied that it is necessary in the public interest so to do, hereby notifies that the central tax, on the intra-State supply of services of description as specified in column (3) of the Table below, falling under Chapter, Section or Heading of scheme of classification of services as specified in column (2), shall be levied at the rate as specified in the corresponding entry in column (4), subject to the conditions as specified in the corresponding entry in column (5) of the said Table:-

**Table**

Sl No.	Chapter, Section or Heading	Description of Service	Rate (per cent.)	Condition
(1)	(2)	(3)	(4)	(5)
1	Chapter 99	All Services		
2	Section 5	Construction Services		
3	Heading 9954 (Construction services)	(i) Construction of affordable residential apartments by a promoter in a Residential Real Estate Project (herein after referred to as RREP) which commences on or after 1st April, 2019 or in an ongoing RREP in respect of which the promoter has not exercised option to pay central tax on construction of apartments at the rates as specified for item (ie) or (if) below, as the case may be, in the manner prescribed therein, intended for sale to a buyer, wholly or partly, except where the entire consideration has been received after issuance of completion certificate, where required, by the competent authority or after its first occupation, whichever is earlier. (Provisions of paragraph 2 of this notification shall apply for valuation of this service)	0.75	Provided that the central tax at the rate specified in column (4) shall be paid in cash, that is, by debiting the electronic cash ledger only;  Provided also that credit of input tax charged on goods and services used in supplying the service hasnot been taken except to the extent as prescribed in Annexure I in the case of REP other than RREP and in Annexure II in the case of RREP;
		(ia) Construction of residential apartments other than affordable residential apartments by a promoter in an RREP which commences on or after 1st April, 2019 or in an ongoing	3.75	Provided also that the registered person shall pay, by debit in the electronic credit ledger or electronic cash ledger, an amount equivalent to the input tax credit attributable to construction in a project, time of supply of which is on or after 1st April, 2019, which shall be calculated in the manner as

				charged for such a tour including the charges of accommodation and transportation required for such a tour.
		(ii) Services by way of house-keeping, such as plumbing, carpentering, etc. where the person supplying such service through electronic commerce operator is not liable for registration under sub-section (1) of section 22 of the Central Goods and Services Tax Act, 2017.	2.5	Provided that credit of input tax charged on goods and services has not been taken [Please refer to Explanation no. (iv)].
		(iii) Support services other than (i) and (ii) above.	9	-
24	Heading 9986 (Support services to agriculture, hunting, forestry, fishing, mining and utilities)	(i) Support services to agriculture, forestry, fishing, animal husbandry. Explanation. - Support services to agriculture, forestry, fishing, animal husbandry mean -  (i) Services relating to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products or agricultural produce by way of-  (a) agricultural operations directly related to production of any agricultural produce including cultivation, harvesting, threshing, plant protection or testing;  (b) supply of farm labour;  (c) processes carried out at an agricultural farm including tending, pruning, cutting, harvesting, drying, cleaning, trimming, sun drying, fumigating, curing, sorting, grading, cooling or bulk packaging and such like operations which do not alter the essential characteristics of agricultural	Nil	-



		<p>produce but make it only marketable for the primary market;</p> <p>(d) renting or leasing of agro machinery or vacant land with or without a structure incidental to its use;</p> <p>(e) loading, unloading, packing, storage or warehousing of agricultural produce;</p> <p>(f) agricultural extension services;</p> <p>(g) services by any Agricultural Produce Marketing Committee or Board or services provided by a commission agent for sale or purchase of agricultural produce.</p> <p>(h) services by way of fumigation in a warehouse of agricultural produce.</p> <p>(ii) Services by way of pre-conditioning, pre-cooling, ripening, waxing, retail packing, labelling of fruits and vegetables which do not change or alter the essential characteristics of the said fruits or vegetables.</p> <p>(iii) Carrying out an intermediate production process as job work in relation to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products or agricultural produce.</p>		
		<p>(ii) Support services to exploration, mining or drilling of petroleum crude or natural gas or both.</p> <p>(iii) Support services to mining, electricity, gas and water distribution</p>	6	-
			9	-
			185	<p style="text-align: right;"><b>MANAGING DIRECTOR (GENERATION)</b> <b>CESC LIMITED</b></p>

**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

		other than (ii) above.		
25	Heading 9987	(i) Services by way of house-keeping, such as plumbing, carpentering, etc. where the person supplying such service through electronic commerce operator is not liable for registration under sub-section (1) of section 22 of the Central Goods and Services Tax Act, 2017.	2.5	Provided that credit of input tax charged on goods and services has not been taken [Please refer to Explanation no. (iv)].
		(ia) Maintenance, repair or overhaul services in respect of aircrafts, aircraft engines and other aircraft components or parts.	2.5	-
		(ib) Maintenance, repair or overhaul services in respect of ships and other vessels, their engines and other components or parts.	2.5	-
		(ii) Maintenance, repair and installation (except construction) services, other than (i), (ia) and (ib) above and serial number 38 below.	9	-
26	Heading 9988 (Manufacturing services on physical inputs (goods) owned by others)	(i) Services by way of job work in relation to- (a) Printing of newspapers; (b) Textiles and textile products falling under Chapter 50 to 63 in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) ; (c) all products other than diamonds falling under Chapter 71 in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975);; (d) Printing of books (including Braille books), journals and periodicals; (da) printing of all goods falling under Chapter 48 or 49, which attract CGST @ 2.5per cent. or Nil;”	2.5	-



**Notification No. 1135-F.T. No. 11/2017-State Tax (Rate) Dated 28th June, 2017**

In exercise of the powers conferred by sub-section (1), sub-section (3) and sub-section (4) of section 9, sub-section (1) of section 11, sub-section (5) of section 15, sub-section (1) of section 16 and section 148 of the West Bengal Goods and Services Tax Ordinance, 2017 (West Ben. Ord. No. II of 2017), the Governor, on the recommendations of the Council and on being satisfied that it is necessary in the public interest so to do, is pleased hereby to notify that the State tax, on the intra-State supply of services of description as specified in column (3) of the Table below, falling under Chapter, Section or Heading of classification of services as specified in column (2), shall be levied at the rate as specified in the corresponding entry in column (4), subject to the conditions as specified in the corresponding entry in column (5) of the said Table:-

**Table**

Sl No.	Chapter, Section or Heading	Description of Service	Rate (per cent.)	Condition
(1)	(2)	(3)	(4)	(5)
1	Chapter 99	All Services		
2	Section 5	Construction Services		
3	Heading 9954 (Construction services)	(i) Construction of affordable residential apartments by a promoter in a Residential Real Estate Project (herein after referred to as RREP) which commences on or after 1st April, 2019 or in an ongoing RREP in respect of which the promoter has not exercised option to pay State tax on construction of apartments at the rates as specified for item (ie) or (if) below, as the case may be, in the manner prescribed therein, intended for sale to a buyer, wholly or partly, except where the entire consideration has been received after issuance of completion certificate, where required, by the competent authority or after its first occupation, whichever is earlier. (Provisions of paragraph 2 of this notification shall apply for valuation of this service)	0.75	Provided that the State tax at the rate specified in column (4) shall be paid in cash, that is, by debiting the electronic cash ledger only;  Provided also that credit of input tax charged on goods and services used in supplying the service has not been taken except to the extent as prescribed in Annexure I in the case of REP other than RREP and in Annexure II in the case of RREP;
		(ia) Construction of residential apartments other than affordable residential apartments	3.75	Provided also that the registered person shall pay, by debit in the electronic credit ledger or electronic cash ledger, an amount equivalent to the input tax credit attributable to construction in a project, time of supply of which is on or after 1st April, 2019, which shall be calculated in the manner as prescribed in the main Act.

				2. The bill issued for supply of this service indicates that it is inclusive of charges of accommodation and transportation required for such a tour and the amount charged in the bill is the gross amount charged for such a tour including the charges of accommodation and transportation required for such a tour.
			2.5	Provided that credit of input tax charged on goods and services has not been taken [Please refer to Explanation no. (iv)].
		(ii) Services by way of house-keeping, such as plumbing, carpentering, etc. where the person supplying such service through electronic commerce operator is not liable for registration under sub-section (1) of section 22 of the West Bengal Goods and Services Tax Act, 2017.	9	-
24	Heading 9986 (Support services to agriculture, hunting, forestry, fishing, mining and utilities)	(iii) Support services other than (i) and (ii) above. (i) Support services to agriculture, forestry, fishing, animal husbandry. Explanation. - Support services to agriculture, forestry, fishing, animal husbandry mean - (i) Services relating to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products or agricultural produce by way of- (a) agricultural operations directly related to production of any agricultural produce including cultivation, harvesting, threshing, plant protection or testing; (b) supply of farm labour; (c) processes carried out at an agricultural farm including tending, pruning, cutting,	Nil	-



**MANAGING DIRECTOR (GENERATION)**  
CESC LIMITED

	<p>harvesting, drying, cleaning, trimming, sun drying, fumigating, curing, sorting, grading, cooling or bulk packaging and such like operations which do not alter the essential characteristics of agricultural produce but make it only marketable for the primary market;</p> <p>(d) renting or leasing of agro machinery or vacant land with or without a structure incidental to its use;</p> <p>(e) loading, unloading, packing, storage or warehousing of agricultural produce;</p> <p>(f) agricultural extension services;</p> <p>(g) services by any Agricultural Produce Marketing Committee or Board or services provided by a commission agent for sale or purchase of agricultural produce.</p> <p>(h) services by way of fumigation in a warehouse of agricultural produce.</p> <p>(ii) Services by way of pre-conditioning, pre-cooling, ripening, waxing, retail packing, labelling of fruits and vegetables which do not change or alter the essential characteristics of the said fruits or vegetables.</p> <p>(iii) Carrying out an intermediate production process as job work in relation to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products or agricultural produce.</p> <p>(ii) Support services to exploration, mining or drilling of petroleum crude or natural gas or both.</p>	<p>6</p>	<p>-</p>
			<p><b>MANAGING DIRECTOR (GENERATION)</b> <b>CESC LIMITED</b></p>





		(iii) Support services to mining, electricity, gas and water distribution other than (ii) above.	9	-
25	Heading 9987	(i) Services by way of house-keeping, such as plumbing, carpentering, etc. where the person supplying such service through electronic commerce operator is not liable for registration under sub-section (1) of section 22 of the West Bengal Goods and Services Tax Act, 2017. (ia) Maintenance, repair or overhaul services in respect of aircrafts, aircraft engines and other aircraft components or parts. (ib) Maintenance, repair or overhaul services in respect of ships and other vessels, their engines and other components or parts. (ii) Maintenance, repair and installation (except construction) services, other than (i), (ia) and (ib) and (ia) above and serial number 38 below.	2.5	Provided that credit of input tax charged on goods and services has not been taken [Please refer to Explanation no. (iv)].
			2.5	-
			2.5	-
			9	-
26	Heading 9988 (Manufacturing services on physical inputs (goods) owned by others)	(i) Services by way of job work in relation to- (a) Printing of newspapers; (b) Textiles and textile products falling under Chapter 50 to 63 in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975); (c) all products, other than diamonds, falling under Chapter 71 in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975); (d) Printing of books (including Braille books), journals and periodicals;	2.5	-

**MANAGING DIRECTOR (GENERATION)**  
CESC LIMITED

## Notification No.13/2017 - Central Tax Rate F.No.334/1/2017-TRU Dated 28th June, 2017

### Annexure B

In exercise of the powers conferred by sub-section (3) of section 9 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government on the recommendations of the Council hereby notifies that on categories of supply of services mentioned in column (2) of the Table below, supplied by a person as specified in column (3) of the said Table, the whole of central tax leviable under section 9 of the said Central Goods and Services Tax Act, shall be paid on reverse charge basis by the recipient of the such services as specified in column (4) of the said Table:-

Table

Sl. No.	Category of Supply of Services	Supplier of service	Recipient of service
(1)	(2)	(3)	(4)
1	<p>Supply of Services by a goods transport agency (GTA), who has not paid central tax at the rate of 6%, in respect of transportation of goods by road to-</p> <p>(a) any factory registered under or governed by the Factories Act, 1948(63 of 1948); or</p> <p>(b) any society registered under the Societies Registration Act, 1860 (21 of 1860) or under any other law for the time being in force in any part of India; or</p> <p>(c) any co-operative society established by or under any law; or</p> <p>(d) any person registered under the Central Goods and Services Tax Act or the Integrated Goods and Services Tax Act or the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act; or</p>	<p>Goods Transport Agency (GTA)</p>	<p>(a) Any factory registered under or governed by the Factories Act, 1948(63 of 1948); or</p> <p>(b) any society registered under the Societies Registration Act, 1860 (21 of 1860) or under any other law for the time being in force in any part of India; or</p> <p>(c) any co-operative society established by or under any law; or</p> <p>(d) any person registered under the Central Goods and Services Tax Act or the Integrated Goods and Services Tax Act or the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act; or</p> <p>(e) any body corporate established, by or under any law; or</p> <p>(f) any partnership firm whether registered or not under any law including association of persons, or</p>



**MANOJ SINGH, DIRECTOR (GENERATION)**  
CESC LIMITED

	<p>(e) any body corporate established, by or under any law; or</p> <p>(f) any partnership firm whether registered or not under any law including association of persons; or</p> <p>(g) any casual taxable person.</p>		(g) any casual taxable person; located in the taxable territory.
2	<p>Services provided by an individual advocate including a senior advocate or firm of advocates by way of legal services, directly or indirectly.</p> <p>Explanation.- "legal service" means any service provided in relation to advice, consultancy or assistance in any branch of law, in any manner and includes representational services before any court, tribunal or authority.</p>	An individual advocate including a senior advocate or firm of advocates.	Any business entity located in the taxable territory.
3	Services supplied by an arbitral tribunal to a business entity.	An arbitral tribunal.	Any business entity located in the taxable territory.
4	Services provided by way of sponsorship to any body corporate or partnership firm.	Any person	Any body corporate or partnership firm located in the taxable territory.
5	<p>Services supplied by the Central Government, State Government, Union territory or local authority to a business entity excluding, - (1) renting of immovable property, and</p> <p>(2) services specified below-</p> <p>(i) services by the Department of Posts by way of speed post, express parcel post, life insurance, and agency services provided to a person other than Central</p>	Central Government, State Government, Union territory or local authority	Any business entity located in the taxable territory.

**MANAGING DIRECTOR (GENERATION)**  
CESC LIMITED

	Government, State Government or Union territory or local authority; (ii) services in relation to an aircraft or a vessel, inside or outside the precincts of a port or an airport; (iii) transport of goods or passengers.		
5A	Services supplied by the Central Government, State Government, Union territory or local authority by way of renting of immovable property to a person registered under the Central Goods and Services Tax Act, 2017 (12 of 2017).	Central Government, State Government, Union territory or local authority	Any person registered under the Central Goods and Services Tax Act, 2017."
6	Services supplied by a director of a company or a body corporate to the said company or the body corporate.	A director of a company or a body corporate	The company or a body corporate located in the taxable territory.
7	Services supplied by an insurance agent to any person carrying on insurance business.	An insurance agent	Any person carrying on insurance business, located in the taxable territory.
8	Services supplied by a recovery agent to a banking company or a financial institution or a nonbanking financial company.	A recovery agent	A banking company or a financial institution or a non-banking financial company, located in the taxable territory.
9	Supply of services by an author, music composer, photographer, artist or the like by way of transfer or permitting the use or enjoyment of a copyright covered under clause (a) of sub-section (1) of section 13 of the Copyright Act, 1957 relating to original literary, dramatic, musical or artistic works to a publisher, Music company, producer or the like.	Author or music composer, photographer, artist, or the like	Publisher, music company, producer or the like, located in the taxable territory.



**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

10	Supply of services by the members of Overseeing Committee to Reserve Bank of India	Members of Overseeing Committee constituted by the Reserve Bank of India	Reserve Bank of India.
11	Services supplied by individual Direct Selling Agents (DSAs) other than a body corporate, partnership or limited liability partnership firm to bank or non-banking financial company (NBFCs).	Individual Direct Selling Agents (DSAs) other than a body corporate, partnership or limited liability partnership firm.	A banking company or a non-banking financial company, located in the taxable territory.

Explanation.- For purpose of this notification,-

- (a) The person who pays or is liable to pay freight for the transportation of goods by road in goods carriage, located in the taxable territory shall be treated as the person who receives the service for the purpose of this notification.
- (b) "Body Corporate" has the same meaning as assigned to it in clause (11) of section 2 of the Companies Act, 2013.
- (c) the business entity located in the taxable territory who is litigant, applicant or petitioner, as the case may be, shall be treated as the person who receives the legal services for the purpose of this notification.
- (d) the words and expressions used and not defined in this notification but defined in the Central Goods and Services Tax Act, the Integrated Goods and Services Tax Act, and the Union Territory Goods and Services Tax Act shall have the same meanings as assigned to them in those Acts.
- (e) A "Limited Liability Partnership" formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (6 of 2009) shall also be considered as a partnership firm or a firm.
- (f) "insurance agent" shall have the same meaning as assigned to it in clause (10) of section 2 of the Insurance Act, 1938 (4 of 1938).
- (g) "renting of immovable property" means allowing, permitting or granting access, entry, occupation, use or any such facility, wholly or partly, in an immovable property, with or without the transfer of possession or control of the said immovable property and includes letting, leasing, licensing or other similar arrangements in respect of immovable property.

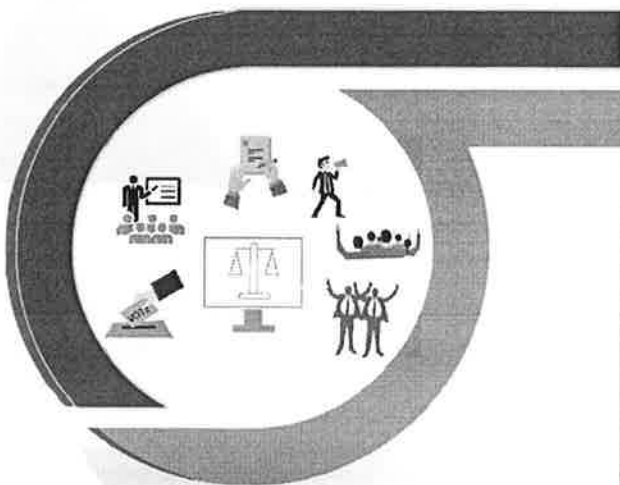
2. This notification shall come into force with effect from the 1<sup>st</sup> day of July, 2017.

(Ruchi Bisht)

Under Secretary to the Government of India

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**CESC LIMITED**

**1** NATION  
TAX  
MARKET  
GST



**Annexure C**



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**GST**

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**Government  
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195

Directorate General of Taxpayer Services

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A handwritten signature in black ink, consisting of a stylized 'S' followed by a horizontal line.

**Question 3:** What is the meaning of 'Government' ?

**Answer:** As per section 2(53) of the CGST Act, 2017, 'Government' means the Central Government. As per clause (23) of section 3 of the General Clauses Act, 1897 the 'Government' includes both the Central Government and any State Government. As per clause (8) of section 3 of the said Act, the 'Central Government', in relation to anything done or to be done after the commencement of the Constitution, means the President. As per Article 53 of the Constitution, the executive power of the Union shall be vested in the President and shall be exercised by him either directly or indirectly through officers subordinate to him in accordance with the Constitution. Further, in terms of Article 77 of the Constitution, all executive actions of the Government of India shall be expressed to be taken in the name of the President. Therefore, the Central Government means the President and the officers subordinate to him while exercising the executive powers of the Union vested in the President and in the name of the President. Similarly, as per clause (60) of section 3 of the General Clauses Act, 1897, the 'State Government', as respects anything done after the commencement of the Constitution, shall be in a State the Governor, and in an Union Territory the Central Government. As per Article 154 of the Constitution, the executive power of the State shall be vested in the Governor and shall be exercised by him either directly or indirectly through officers subordinate to him in accordance with the Constitution. Further, as per article 166 of the Constitution, all executive actions of the Government of State shall be expressed to be taken in the name of Governor. Therefore, State Government means the Governor or the officers subordinate to him who exercise the executive powers of the State vested in the Governor and in the name of the Governor.

2

**Question 29:** Whether the deductee can claim the input tax credit on the deduction of tax at source amount?

**Answer:** No. The tax deducted at source is not input tax credit. However, the amount deducted shall be credited to the electronic cash ledger (upon being accepted by the deductee in his Form GSTR-2A) of the deductee and can be utilized for payment of output tax.

**Question 30:** Whether an amount in the form of royalty or any other form paid/payable to the Government for assigning the rights to use of natural resources is taxable?

**Answer:** The Government provides license to various companies including Public Sector Undertakings for exploration of natural resources like oil, hydrocarbons, iron ore, manganese, etc. For having assigned the rights to use the natural resources, the licensee companies are required to pay consideration in the form of annual license fee, lease charges, royalty, etc to the Government. The activity of assignment of rights to use natural resources is treated as supply of services and the licensee is required to pay tax on the amount of consideration paid in the form of royalty or any other form under reverse charge mechanism.

**Question 31:** Whether a Government Department, required to deduct tax at source, is liable to take registration as a normal taxpayer?

**Answer:** The Government Department is required to take registration as a normal taxpayer only if it makes a taxable supply of goods and/or services and in such cases, the registration shall be obtained on the basis of PAN but Bank account is not mandatory. However, if it is not making any taxable supply of goods and/or services, it is required to register only as a deductor of tax at source on the basis of TAN/PAN.

**Note:** Reference to CGST Act, 2017 includes reference to SGST Act, 2017 and UTGST Act, 2017 also.

15

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196

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# GST

SECTORAL SERIES



## Mining

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**Question 32.** Will the mining companies be eligible to take ITC for construction of townships, hospitals and schools?

**Answer:** No. Mining companies will not be eligible for ITC on such activities even if used in course or furtherance of business. In this connection, the provisions contained in section 17(5) (c) of the CGST Act, 2017 refer.

**Question 33.** Are minerals sent for export in processed or raw form fully exempted from payment of GST or IGST?

**Answer:** In terms of the provision of Section 16(1) of the IGST Act, 2017 export of goods is considered as zero rated supply. Further, in terms of the provision of Section 16(3) of the IGST Act, 2017 a registered person may export goods (i) without payment of IGST against bond/letter of undertaking and claim refund of unutilised ITC, or (ii) on payment of IGST, utilising eligible ITC and claim refund of such IGST.

**Question 34.** What is the procedure for return of goods under GST?

**Answer:** In terms of Section 34(1) of the CGST Act, 2017 in case of return of goods on which GST was paid at the time of supply, the supplier of such goods may issue a credit note for the full value, including the amount of GST in favour of the recipient, and will be entitled to reduce his output tax liability subject to the condition that the recipient of such supply has not availed credit of such GST and if availed, has reversed his ITC on the same.

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10

**Question 22:** Whether GST is payable on royalty (to be paid to Government) for Mining Lease granted by State Govt.

**Answer:** Yes, on royalty GST will apply under reverse charge mechanism. Further, such payment of GST under reverse charge mechanism would be eligible as ITC in the hands of the recipient of supply for payment of GST.

**Question 23:** Is ITC available on hiring of immovable properties (land, office, warehouse, processing unit, stock yards) for facilitation of mining operations?

**Answer:** Yes. GST paid on hiring of land, office, warehouse, processing unit, stock yards when these are used in the course or furtherance of business, would be allowed as ITC.

**Question 24:** What is the time limit for availing input credit under GST?

**Answer:** As per provisions of Section 16(4) of the CGST Act, 2017 the ITC is not available after the due date of furnishing the return for the month of September of the next year or furnishing of the annual return, whichever is earlier.

**Question 25.** Would the net outstanding amount of unutilised input credit be refunded by the Government?

**Answer:** In terms of the provision of Section 54(3) of the CGST Act, 2017 subject to conditions, refund of unutilized input tax credit would be available in respect of zero rated supply or where ITC has accumulated on account of rate of tax on inputs being higher than the rate of tax on the output supply. However, such refund of ITC would not be available if export duty is payable on the goods so exported out of India.

7

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198



## Annexure D

Circular No. 164 /20 /2021-GST

CBIC-190354/207/2021-TO (TRU-II)-CBEC

Government of India  
Ministry of Finance  
Department of Revenue  
(Tax Research Unit)  
\*\*\*\*\*

North Block, New Delhi,  
Dated the 6<sup>th</sup> October, 2021

To,  
The Principal Chief Commissioners/ Chief Commissioners/ Principal Commissioners/  
Commissioner of Central Tax (All),  
The Principal Director Generals/ Director Generals (All)

Madam/Sir,

**Sub: Clarifications regarding applicable GST rates & exemptions on certain services-reg.**

Representations have been received seeking clarification in respect of applicable GST rates on the following activities:


1. Services by cloud kitchens/central kitchens,
2. Supply of ice cream by ice cream parlors,
3. Coaching services to students provided by coaching institutions and NGOs under the central sector scheme of 'Scholarships for students with Disabilities',
4. Satellite launch services provided by NSIL.
5. Overloading charges at toll plaza,
6. Renting of vehicles by State Transport Undertakings and Local Authorities,
7. Services by way of grant of mineral exploration and mining rights attracted GST,
8. Admission to amusement parks having rides etc. ,
9. Services supplied by contract manufacture to brand owners or others for manufacture of alcoholic liquor for human consumption.

2. The issues have been examined by GST Council in the 45rd meeting of the Council held on 17th September, 2021. The issue-wise clarifications are given below:

**3. Services by cloud kitchens/central kitchens:**

3.1 Representations have been received requesting for clarification regarding the classification and rate of GST on services rendered by Cloud kitchen or Central Kitchen.

3.2 The word 'restaurant service' is defined in Notification No. 11/2017 – CTR as below: -  
*'Restaurant service' means supply, by way of or as part of any service, of goods, being food or any other article for human consumption or any drink, provided by a restaurant, eating joint including mess, canteen, whether for consumption on or away from the*



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*premises where such food or any other article for human consumption or drink is supplied.'*

3.3 The explanatory notes to the classification of service state that 'restaurant service' includes services provided by Restaurants, Cafes and similar eating facilities including takeaway services, room services and door delivery of food. Therefore, it is clear that takeaway services and door delivery services for consumption of food are also considered as restaurant service and, accordingly, service by an entity, by way of cooking and supply of food, even if it is exclusively by way of takeaway or door delivery or through or from any restaurant would be covered by restaurant service. This would thus cover services provided by cloud kitchens/central kitchens.

3.4 Accordingly, as recommended by the Council, it is clarified that service provided by way of cooking and supply of food, by cloud kitchens/central kitchens are covered under 'restaurant service', as defined in notification No. 11/2017- Central Tax (Rate) and attract 5% GST [without ITC].

#### **4. Supply of ice cream by ice cream parlors**

4.1 Representations have been received requesting for clarification regarding the supplies provided in an ice cream outlet.

4.2 Ice cream parlors sell already manufactured ice-cream and they do not have a character of a restaurant. Ice-cream parlors do not engage in any form of cooking at any stage, whereas, restaurant service involves the aspect of cooking/preparing during the course of providing service. Thus, supply of ice-cream parlor stands on a different footing than restaurant service. Their activity entails supply of ice cream as goods (a manufactured item) and not as a service, even if certain ingredients of service are present.

4.3 Accordingly, as recommended by the Council, it is clarified that where ice cream parlors sell already manufactured ice-cream and do not cook/prepare ice-cream for consumption like a restaurant, it is supply of ice cream as goods and not as a service, even if the supply has certain ingredients of service. Accordingly, it is clarified that ice cream sold by a parlor or any similar outlet would attract GST at the rate of 18%.

#### **5. Coaching services supplied by coaching institutions and NGOs under the central sector scheme of 'Scholarships for students with Disabilities'**

5.1 Representations have been received seeking clarification regarding applicability of GST on free coaching services provided by coaching institutions and NGOs under the central scheme of "Scholarships for students with Disabilities" where entire expenditure is provided by Government to coaching institutions by way of grant in aid.

5.2 In this regard, it is to mention that entry 72 of notification No. 12/2017-Central Tax (Rate) dated 28th June, 2017, exempts services provided to the Central Government, State Government, Union territory administration under any training programme

for which total expenditure is borne by the Central Government, State Government, Union territory administration.

5.3 The scope of this entry is wide enough to cover coaching services provided by coaching institutions and NGOs under the central scheme of 'Scholarships for students with Disabilities' where total expenditure is borne by the Government by way of funding to institute providing such coaching.

5.4 Accordingly, as recommended by the GST Council, it is clarified that services provided by any institutions/ NGOs under the central scheme of 'Scholarships for students with Disabilities' where total expenditure is borne by the Government is covered under entry 72 of notification No. 12/2017-Central Tax (Rate) dated 28th June, 2017 and hence exempt from GST.

**6. Satellite launch services provided by NSIL.**

6.1 Representation has been received for issuance of a clarification recognizing Satellite Launch Services supplied by M/s New Space India Limited (NSIL), a wholly-owned Government of India Company under the administrative control of Department of Space (DoS), to international customers as 'Export of Service'.

6.2 It has been clarified vide Circular No. 2/1/2017-IGST dated 27.09.2017 that Place of Supply (PoS) of satellite launch services supplied by ANTRIX Corporation Ltd to customers located outside India is outside India and such supply which meets the requirements of section 2(6) of IGST Act, constitutes export of service and shall be zero rated. If the service recipient is located in India, the satellite launch services would be taxable.

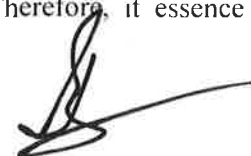
6.3 As recommended by the Council, it is clarified that as the satellite launch services supplied by NSIL are similar to those supplied by ANTRIX Corporation Ltd, the said circular No. 2/1/2017-IGST dated 27.09.2017, is applicable to them.

**7. GST on overloading charges at toll plaza.**

7.1 Representations have been received seeking clarification regarding applicability of GST on Overloading charges collected at Toll Plazas.

7.2 Entry 23 of notification No. 12/2017-Central Tax (Rate) dated 28th June, 2017, exempts Service by way of access to a road or a bridge on payment of toll charges.

7.3 *Vide* notification dated 25<sup>th</sup> Sep. 2018, issued by Ministry of Road Transport And Highways, overloaded vehicles were allowed to ply on the national highways after payment of fees with multiplying factor of 2/4/6/8/10 times the base rate of toll. Therefore, in essence overloading fees are effectively higher toll charges.



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7.4 As recommended by the GST Council, it is clarified that overloading charges at toll plazas would get the same treatment as given to toll charges.

## 8. Renting of vehicles to State Transport Undertakings and Local Authorities

8.1 Representations have been received seeking clarification regarding eligibility of the service of renting of vehicles to State Transport Undertakings (STUs) and Local Authorities for exemption from GST under notification No. 12/2017-Central Tax (Rate) dated 28.06.2017. Sl. No. 22 of this notification exempts "*services by way of giving on hire (a) to a state transport undertaking, a motor vehicle meant to carry more than twelve passengers; or (aa) to a local authority, an Electrically Operate vehicle meant to carry more than twelve passengers*".

8.2 This issue has arisen in the wake of ruling issued by an Authority for Advance Ruling that the entry at Sl. No. 22 of notification No. 12/2017-Central Tax (Rate) exempts services by way of giving on hire vehicles to a State Transport Undertaking or a local authority and not renting of vehicles to them. The ruling referred to certain case laws pertaining to erstwhile positive list based service tax regime.

8.3 It is relevant to note in this context that Schedule II of CGST Act, 2017 declares supply of any goods without transfer of title as supply of service even if right to use is transferred. Transfer of right to use has been declared as a supply of service [Schedule II, Entry 5(f) refers]

8.4 The issue was placed before the 45<sup>th</sup> GST Council Meeting held on 17.09.2021. As recommended by the GST Council, it is clarified that the expression "*giving on hire*" in Sl. No. 22 of the Notification No. 12/2017-CT (Rate) includes renting of vehicles. Accordingly, services where the said vehicles are rented or given on hire to State Transport Undertakings or Local Authorities are eligible for the said exemption irrespective of whether such vehicles are run on routes, timings as decided by the State Transport Undertakings or Local Authorities and under effective control of State Transport Undertakings or Local Authorities which determines the rules of operation or plying of vehicles .

## 9. Services by way of grant of mineral exploration and mining rights

9.1 Representations have been received requesting for clarification as to the rate of GST applicable on supply of services by way of granting mineral exploration and mining rights during the period from 1.07.2017 to 31.12.2018. With effect from 1.1.2019, the rate schedule has been specifically amended and it is undisputed since then that such service attracts GST at the rate of 18%.

9.2 For the disputed period [ 1.7.2017 to 31.12.2018], divergent rulings have been issued by Authorities for Advance Ruling (AAR) and Appellate Authorities for Advance Ruling (AAAR) of various States on the GST rate applicable on the same. AAR, Haryana in case of M/s Pioneer Partners and AAR, Chhattisgarh in case of M/s NMDC have ruled that the service of grant of mining leases is classifiable under Service Code 997337 (*licensing services for the right to use minerals including its exploration and evaluation*) and attracted, prior to 01.01.2019, the same rate of GST as applicable to minerals, that is, 5% as prescribed against Sl. No. 17, item (viii) of

  
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Notification No. 11/2017-Central Tax (Rate). The rate prescribed against this entry prior to 01.01.2019 was “*the same rate as applicable on supply of like goods involving transfer of title in goods*”. In certain other advance rulings, a view has been taken that grant of rights for mineral exploration and mining would be covered under heading 9991 and would attract GST at the rate of 18%.

9.2.1 AAAR, Odisha, on the other hand has ruled vide Order dated 5.11.2019 in the case of M/s Penguin Trading and Agencies Limited that grant of mining lease was taxable @ 18% prior to 01.01.2019. The Appellate Authority in this case observed that GST rate applicable against Sl. No. 17 item (viii) of Notification No. 11/2017-Central Tax (Rate) prior to 01.01.2019 was not implementable. Unlike leasing or renting of goods, there are no underlying goods in case of leasing of mining area. The rate prescribed for goods cannot be made applicable to leasing of mining area, which confers the right to extract and appropriate minerals. The mining lease by Government, not being a lease of any goods, cannot attract the rate applicable to sale of like goods. Appellate Authority for Advance Ruling, Odisha has further held that the amendment carried out vide Notification No. 27/2018-Central Tax (Rate), dated 31.12.2018, which restricted the “*same rate as applicable to supply of goods involving transfer of title in goods*” only to leasing or renting of goods was to clarify the legislative intent as well as to resolve the unintended interpretation. It is a settled law that interpretation which defeats the intention of legislature cannot be adopted. It accordingly upheld that “*licensing services for the right to use minerals including its exploration and evaluation*” falling under service code 997337 were taxable @ 18% during 01.07.2017 to 31.12.2018.

9.2.2 It may be noted that the expression “same rate of tax as applicable on supply of like goods involving transfer of title in goods” applies in case of leasing or renting of goods. In case of grant of mining rights, there is no leasing or renting of goods. Hence, the said entry does not extend to grant of mining rights which is an entirely different activity.

9.3 The issue was placed before the GST Council in its 45<sup>th</sup> meeting held on 17.9.2021.


9.3.1 As regards classification of service, it was recommended by the Council that service by way of grant of mineral exploration and mining rights most appropriately fall under service code 997337, i.e. “*licensing services for the right to use minerals including its exploration and evaluation*”.

9.3.2 As regards the applicable rate for the period from 1.7.2017 to 31.12.2018, the council took note of the following facts, namely,-

(i) GST Council in its 4<sup>th</sup> meeting held on 3<sup>rd</sup> & 4<sup>th</sup> November, 2016 had decided that supply of services shall be generally taxed at the rate of 18%.

(ii) More importantly, the GST Council in its 14<sup>th</sup> meeting held on 18<sup>th</sup> & 19<sup>th</sup> May, 2019, while recommending the rate schedules of services (5%, 12%, 18% and 28%), specifically recommended that all the residuary services would attract GST at the rate of 18%.

(iii) The rate applicable on the service of grant of mineral exploration license and mining lease under Service Tax was also the standard rate of 15.5%. Services under this category have been standard rated in GST at 18%



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(iv) Therefore, the intention has always been to tax this activity / supply at standard rate of 18%

9.3.3 Accordingly, as recommended by the Council, it is clarified that even if the rate schedule did not specifically mention the service by way of grant of mining rights, during the period 1.7.2017 to 31.12.2018, it was taxable at 18% in view of principle laid down in the 14<sup>th</sup> meeting of the Council for residuary GST rate. Post, 1<sup>st</sup> January, 2019 no dispute remains as stated above.

#### **10. Admission to indoor amusement parks having rides etc.**

10.1 Representations have been received requesting for clarification regarding applicable rate of GST on services provided by Indoor Amusement Parks/Family Entertainment Centers, and scope of the word 'amusement park' under entry 34(iii) of Notification No. 11/2017-CTR.

10.2 Entry 34(iii) notification No.11/2017-CTR, prior to 01.10.2021, prescribed 18% GST on the services by way of admission to amusement parks including theme parks, water parks, joy rides, merry-go rounds, go-carting and ballet. On the other hand, Entry No. 34(iii) in Notification No. 11/2017- CT(R) dated 28.06.2017 prescribed GST rate of 28% on the services by way of admission to entertainment events or access to amusement facilities including casinos, race club, any sporting event such as Indian Premier League and the like.

10.3 On the recommendations of the Council, it is clarified that 28% rate [entry 34 (iii)] applies on admission to a place having casino or race club [even if it provides certain other activities] or admission to a sporting event like IPL. On the other hand, Entry 34 (iii), having a rate of 18%, covers all other cases of admission to amusement parks, or theme park etc or any place having joy rides, merry- go rounds, go- carting etc, whether indoor or outdoor, so long as no access is provided to a casino or race club. This clarification will also apply to Entries 34(iii) and 34(iii) as they existed prior to their amendment w.e.f 01.10.2021.

10.4 The entries in question have been suitably amended vide notification No. 6/2021-Central Tax(Rate) dated 30.09.2021 to make them clearer.

#### **11. Services supplied by contract manufacturers to brand owners for manufacture of alcoholic liquor for human consumption**

11.1 Representations have been received requesting for issuing a clarification that the job work services supplied by contract manufacturers to brand owners for manufacture of alcoholic liquor for human consumption attract GST @ 5% prescribed for job work services in relation to food and food products, in terms of Sl. No. 26 [Item 1(i)f] of notification No. 11/2017-Central Tax (R) dated 28-6-2017. This entry prescribes GST rate of 5% on services by way of job work in relation to food and food products falling under chapters 1 to 22 in the first Schedule to the Customs Tariff Act, 1975.



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

**Circular No. 164 /20 /2021-GST**

11.2 The issue was placed before the GST Council in its 45<sup>th</sup> meeting held on 17<sup>th</sup> September, 2021. The Council had also deliberated upon this issue in its 39<sup>th</sup> and 40<sup>th</sup> meeting.

11.3 As recommended by GST Council, it is clarified that the expression “food and food products” in the said entry excludes alcoholic beverages for human consumption. As such, in common parlance also alcoholic liquor is not considered as food. Accordingly, services by way of job work in relation to manufacture of alcoholic liquor for human consumption are not eligible for the GST rate of 5% prescribed under the said entry. GST Council recommended that such job work would attract GST at the rate of 18%.

12. Difficulties, if any, in implementation of this circular may be brought to the notice of the Board.

Yours faithfully,

(Rajeev Ranjan)  
Under Secretary, TRU  
Email: rajeev.ranjan-as@gov.in



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**



**Notification No. 1/2017 Compensation Cess (Rate) F.No.354/117/2017-TRU Dated 28th June, 2017**

In exercise of the powers conferred by sub-section (2) of section 8 of the Goods and Services Tax (Compensation to States) Act, 2017 (15 of 2017), the Central Government, on the recommendations of the Council, hereby notifies the rate of cess as specified in column (4) of the Schedule appended to this notification, that shall be levied on the intra-State supplies or inter-State supplies of such goods, the description of which is specified in the corresponding entry in column (3) and falling under the tariff item, subheading, heading or Chapter, as the case may be, as specified in the corresponding entry in column (2) of the said Schedule.

## Schedule

S. No.	Chapter / Heading / Sub-heading / Tariff item	Description of Goods	Rate of goods and services tax compensation cess
(1)	(2)	(3)	(4)
1	2106 90 20	Pan-masala	60%
2	2202 10 10	Aerated waters	12%
2A	Chapter 99	Leasing of motor vehicles purchased and leased prior to 1st July 2017	65 percent. of the rate of cess as applicable on supply of similar goods involving transfer of title in goods.  Note:- Nothing contained in this entry shall apply on or after 1st day of July, 2020".
3	2202 10 20	Lemonade	12%
4	2202 10 90	Others	12%
4A.	22029990	Caffeinated Beverages	12%
5	2401	Unmanufactured tobacco (without lime tube) -bearing a brand name	71%
6	2401	Unmanufactured tobacco (with lime tube) - bearing a brand name	65%
7	2401 30 00	Tobacco refuse, bearing a brand name	61%
8	2402 10 10	Cigar and cheroots	21% or Rs. 4170 per thousand, whichever is higher
9	2402 10 20	Cigarillos	21% or Rs. 4170 per thousand, whichever is higher
10	2402 20 10	Cigarettes containing tobacco other than filter cigarettes, of length not exceeding 65 millimetres	5% + Rs. 2076 per thousand
11	2402 20 20	Cigarettes containing tobacco other than filter cigarettes, of length exceeding 65 millimetres but not exceeding 75 millimetres	5% + Rs. 3668 per thousand
12	2402 20 30	Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) not exceeding 65 millimetres	5%+ Rs. 2076 per thousand
13	2402 20 40	Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 65 millimetres but not exceeding 70 millimetres	5% + Rs. 2747 per thousand
14	2402 20 50	Filter cigarettes of length (including the	5%+ Rs. 3668 per thousand

		length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 70 millimetres but not exceeding 75 millimetres	
15	2402 20 90	Other cigarettes containing tobacco	36%+ Rs. 4170 per thousand
16	2402 90 10	Cigarettes of tobacco substitutes	Rs.4006 per thousand
17	2402 90 20	Cigarillos of tobacco substitutes	12.5% or Rs. 4,006 per thousand whichever is higher
18	2402 90 90	Other	12.5% or Rs. 4,006 per thousand whichever is higher
19	2403 11 10	'Hookah' or 'gudaku' tobacco bearing a brand name	72%
20	2403 11 10	Tobacco used for smoking 'hookah' or 'chilam' commonly known as 'hookah' tobacco or 'gudaku' not bearing a brand name	17%
21	2403 11 90	Other water pipe smoking tobacco not bearing a brand name.	11%
22	2403 19 10	Smoking mixtures for pipes and cigarettes	290%
23	2403 19 90	Other smoking tobacco bearing a brand name	49%
24	2403 19 90	Other smoking tobacco not bearing a brand name	11%
25	2403 91 00	"Homogenised" or "reconstituted" tobacco, bearing a brand name	72%
26	2403 99 10	Chewing tobacco (without lime tube)	160%
27	2403 99 10	Chewing tobacco (with lime tube)	142%
28	2403 99 10	Filter khaini	160%
29	2403 99 20	Preparations containing chewing tobacco	72%
30	2403 99 30	Jarda scented tobacco	160%
31	2403 99 40	Snuff	72%
32	2403 99 50	Preparations containing snuff	72%
33	2403 99 60	Tobacco extracts and essence bearing a brand name	72%
34	2403 99 60	Tobacco extracts and essence not bearing a brand name	65%
35	2403 99 70	Cut tobacco	20%
36	2403 99 90	Pan masala containing tobacco 'Gutkha'	204%
37	2403 99 90	All goods, other than pan masala containing tobacco 'gutkha', bearing a brand name	96%
38	2403 99 90	All goods, other than pan masala containing tobacco 'gutkha', not bearing a brand name	89%
39	2701	Coal; briquettes, ovoids and similar solid fuels manufactured from coal.	Rs.400 per tonne
40	2702	Lignite, whether or not agglomerated, excluding jet	Rs.400 per tonne
41	2703	Peat (including peat litter), whether or not agglomerated	Rs.400 per tonne

  
 MANAGING DIRECTOR (GENERATION)  
 CESC LIMITED

41A	27	Coal rejects supplied by a coal washery, arising out of coal on which compensation cess has been paid and no input tax credit thereof has not been availed by any person.	NIL
42	8702 10, 8702 20, 8702 30, 8702 90	Motor vehicles for the transport of not more than 13 persons, including the driver, other than the vehicles of the description mentioned in S. No. 50 and 51	15%
42A.	87	All old and used motor vehicles  <i>Explanation:</i> Nothing contained in this entry shall apply if the supplier of such goods has availed input tax credit as defined in clause (63) of section 2 of the Central Goods and Services Tax Act, 2017, CENVAT credit as defined in CENVAT Credit Rules, 2004, or the input tax credit of Value Added Tax or any other taxes paid on such vehicles.	NIL
42B	87	Fuel Cell Motor Vehicles	NIL
43	8702 or 8703	Motor vehicles cleared as ambulances duly fitted with all the fitments, furniture and accessories necessary for an ambulance from the factory manufacturing such motor vehicles	NIL
44	8703 10 10, 8703 80	Electrically operated vehicles, including three wheeled electric motor vehicles.	NIL
45	8703	Three wheeled vehicles	NIL
46	8703	Following motor vehicles of length not exceeding 4000 mm, namely:-  (a) Petrol, Liquefied petroleum gases (LPG) or compressed natural gas (CNG) driven vehicles of engine capacity not exceeding 1200 cc; and  (b) Diesel driven vehicles of engine capacity not exceeding 1500 cc  for persons with orthopedic physical disability, subject to the condition that an officer not below the rank of Deputy Secretary to the Government of India in the Department of Heavy Industries certifies that the said goods shall be used by the persons with orthopedic physical disability in accordance with the guidelines issued by the said Department	NIL
47	8703 40, 8703 60	Following Vehicles, with both spark-ignition internal combustion reciprocating piston engine and electric motor as motors for propulsion;	
		(a) Motor vehicles cleared as ambulances duly fitted with all the fitments, furniture and accessories necessary for an ambulance from the factory manufacturing such motor vehicles	NIL
		(b) Three wheeled vehicles	NIL
		(c) Motor vehicles of engine capacity not exceeding 1500 cc	NIL

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

		exceeding 1200cc and of length not exceeding 4000 mm	
		(d) Motor vehicles other than those mentioned at (a), (b) and (c) above.	15%
		Explanation.- For the purposes of this entry, the specification of the motor vehicle shall be determined as per the Motor Vehicles Act, 1988 (59 of 1988) and the rules made there under.	
48	8703 50, 8703 70	Following Vehicles, with both compression-ignition internal combustion piston engine [diesel-or semi diesel] and electric motor as motors for propulsion;	
		(a) Motor vehicles cleared as ambulances duly fitted with all the fitments, furniture and accessories necessary for an ambulance from the factory manufacturing such motor vehicles	NIL
		(b) Three wheeled vehicles	NIL
		(c) Motor vehicles of engine capacity not exceeding 1500 cc and of length not exceeding 4000 mm	NIL
		(d) Motor vehicles other than those mentioned at (a), (b) and (c) above.	15%
		Explanation.- For the purposes of this entry, the specification of the motor vehicle shall be determined as per the Motor Vehicles Act, 1988 (59 of 1988) and the rules made there under.	
49	8703	Hydrogen vehicles based on fuel cell tech and of length not exceeding 4000 mm. Explanation.- For the purposes of this entry, the specification of the motor vehicle shall be determined as per the Motor Vehicles Act, 1988 (59 of 1988) and the rules made there under.	NIL
50	8702, 8703 21 or 8703 22	Petrol, Liquefied petroleum gases (LPG) or compressed natural gas (CNG) driven motor vehicles of engine capacity not exceeding 1200cc and of length not exceeding 4000 mm. Explanation.- For the purposes of this entry, the specification of the motor vehicle shall be determined as per the Motor Vehicles Act, 1988 (59 of 1988) and the rules made there under.	1%
51	8702, 8703 31	Diesel driven motor vehicles of engine capacity not exceeding 1500 cc and of length not exceeding 4000 mm. Explanation.- For the purposes of this entry, the specification of the motor vehicle shall be determined as per the Motor Vehicles Act, 1988 (59 of 1988) and the rules made there under.	3%
52	8703	Motor vehicles of engine capacity not exceeding 1500 cc	17%
52A	8703	Motor vehicles of engine capacity exceeding 1500 cc other than motor vehicles specified	20%

		against entry at S. No 52B	
52B	8703	Motor vehicles of engine capacity exceeding 1500 cc, popularly known as Sports Utility Vehicles (SUVs) including utility vehicles.  Explanation. - For the purposes of this entry, SUV includes a motor vehicle of length exceeding 4000 mm and having ground clearance of 170 mm. and above.	22%
53	8711	Motorcycles of engine capacity exceeding 350 cc.	3%
54	8802	Other aircraft (for example, helicopters, aeroplanes), for personal use.	3%
55	8903	Yacht and other vessels for pleasure or sports	3%
56	Any chapter	All goods other than those mentioned at S. Nos. 1 to 55 above	Nil

Explanation.-

(1) In this Schedule, "tariff item", "heading", "sub-heading" and "Chapter" shall mean respectively a tariff item, heading, sub-heading and Chapter as specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975).

(2) The rules for the interpretation of the First Schedule to the said Customs Tariff Act, 1975, including the Section and Chapter Notes and the General Explanatory Notes of the First Schedule shall, so far as may be, apply to the interpretation of this notification.

(3) For the purposes of this notification, the phrase "brand name" means brand name or trade name, whether registered or not, that is to say, a name or a mark, such as symbol, monogram, label, signature or invented word or writing which is used in relation to such specified goods for the purpose of indicating, or so as to indicate a connection in the course of trade between such specified goods and some person using such name or mark with or without any indication of the identity of that person.

2. This notification shall come into force with effect from the 1st day of July, 2017.

(Mohit Tewari)

Under Secretary to the Government of India

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

F.No. NA-110/6/2017-NA  
Government of India  
Ministry of Coal  
O/o Nominated Authority  
\*\*\*\*\*

RNo.120, 'F-Wing',  
Shastri Bhawan, New Delhi,  
Dated: April 13, 2022

**OFFICE MEMORANDUM**

Subject: - Minutes of 17th meeting of Scrutiny Committee to consider / examine the submissions/replies made by Successful Bidders / Allottees of the coal mines allocated under CM(SP)Act and MMDR Act for deviation from milestones /the scheduled production mentioned in the Mine Plan.

\*\*\*\*\*

The undersigned is directed to refer to subject mentioned above and to forward herewith minutes of 17th meeting of Scrutiny Committee held on 02.03.2022 and 03.03.2022 through virtual mode in order to examine the replies to the Show Cause Notices (for deviation from various milestones prescribed in Efficiency Parameter) for mines allocated under CM(SP) Act and MMDR Act.

2. This is for your information and further necessary actions to be taken, if any.

Encl: As above.



(Manish Uniyal)

Under Secretary to the Government of India  
Tel: 011-23384106

To,

1. The Chief Secretaries of the State Government of Chhattisgarh / West Bengal/ Jharkhand/ Odisha/Maharashtra/ Madhya Pradesh/Telangana
2. Shri Partha S. Bhattacharyya, Chairman, Scrutiny Committee.
3. Shri N.C.Jha,
4. GM (UMD), CMPDIL,
5. Shri Sujoy Majumder, OSD (Mining), CCO,
6. Participating Allottees of coal mines.
7. Deputy Secretary (P&S-I)

Copy for information to :-

1. US (P&S -I)
2. US (P&S -II)



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

The Committee is of the view that the reasons submitted by the Allottee for delay in obtaining Mining Lease, Mine Opening Permission and for coal production in 2017-18 are justified and for these milestones penalty in the form of appropriation of PBG should not be imposed. However, the reasons submitted by the Allottee for delay in application for CTO, grant of CTO and for coal production in the year 2018-19, 2019-20 and 2020-21 are not justified and these delays are attributable to the Allottee and therefore recommended for imposition of penalty for these milestones in the form of appropriation of PBG as per CMDPA.

#### **15. Sarisatolli coal mine- M/s CESC**

In the beginning, Chairman of the Committee informed that he would not participate in deliberation/decision related to this coal block due to conflict of interest. Discussion was steered by Sri N C Jha, Member of SC.

Reply dated 23.12.2020 to show cause notice dated 13.10.2020 and replies dated 29.07.2021 and 14.09.2021 to Show Cause Notice dated 30.06.2021 were considered.

Year	Show Cause Notice dated	Clearances	Scheduled Coal Production(MT)	Actual Coal Production(MT)
2017-18	13.10.2020	Annual Scheduled coal production	3.5	1.87
2018-19	Considered in 14 <sup>th</sup> Scrutiny Committee meeting		3.5	1.85
2019-20			3.5	1.97
2020-21	30.6.2021		3.5	2.04

The Allottee informed that Performance Bank Guarantee (PBG) had been appropriated for shortage in coal production in year 2015-16 and 2016-17 in accordance with recommendation of previous Scrutiny Committee. They approached High Court of Delhi against this decision and Hon'ble court referred the issue to Godda tribunal and the case has not yet been disposed of.

The Allottee further informed that the shortage in coal production was due to presence of fire in a large area of the mine, DGMS restriction on blasting in some part and presence of district road within mine. CMPDIL was asked to submit their comments on reply of SCN issued to the Allottee. CMPDIL has since replied that there is a problem on production due to fire. However, for assessing the impact of fire on the annual production, detailed study would be required, involving considerable resources in terms of time and money.

**Observation and Recommendation: -**

The Committee observed that reply of CMPDIL is not conclusive and detailed study is required to find out the annual coal production capacity of the mine. The Committee recommended that CMPDI should be asked by Ministry of Coal to examine and conduct detailed study and final decision would be taken based on that study.

**16.Talaipalli coal mine- M/s NTPC Limited**

The Show Cause Notice dated 21.6.2021 for shortage in coal production for the year 2019-20 and 2020-21 and corresponding replies were considered.

Year	Show Cause Notice dated	Milestone	Scheduled Coal Production (MT)	Actual Coal Production (MT)
2019-20	21.6.2021(Also considered in 16 <sup>th</sup> Scrutiny Committee meeting held on 24.9.2021	Annual Scheduled coal production	1.5	0.19
2020-21			4.0	0.812

The Allottee informed that the shortage in coal production was due to MDO issue. Dispute with MDO is subjudice and the next hearing is scheduled on 07.03.2022. Meanwhile, they have also floated another tender for extraction of 6.03 million metric tonne from south pit which is beyond the boundaries awarded to the present/ main MDO. Bid opening for appointment of new MDO for extraction of coal from south pit is on 17.03.2022 and the term of period is three years. The PRC of the mine is 18 MT which is to be achieved in 5th year but due to failure on the part of MDO, the PRC will be achieved in 8th year.

**Observation and Recommendation: -**

Committee observed that the major reason for failure of not meeting the target production is failure on the part of the MDO of the Allottee and the selection of MDO is duty of Allottee alone as no other agency is involved in selection of MDO. Factors affecting the coal production are within the control of the Allottee who should have ensured the production from this coal mine. It seems that the Allottee has not selected proper MDO. Therefore, Committee recommended imposition of penalty in the form of appropriation of Performance Bank Guarantee as per CMDPA.

**17.Gidhmuri & Paturia coal mine- M/s Chhattisgarh State Power Generation Company Limited**



F.No-104/5/2015-NA  
Government of India  
Ministry of Coal  
O/o Nominated Authority

\*\*\*\*\*

Room No.120, F-Wing, Shastri Bhawan

Date: 18.05.2021

To,

The Chairman-cum-Managing Director  
Central Mine Planning & Design Institute Limited  
Gondwana Place, Kanke Road, Ranchi - 834 031

Subject : Opinion/ comments w.r.t existing fire which is affecting the targeted annual coal production of Sarisatolli coal mine allocated to M/s CESC Ltd.

\*\*\*\*\*

Sir,

I am directed to refer to clause 10.1 of the Coal Mine Development and Production Agreement (CMDPA) dated 02.03.2015 executed between M/s CESC Ltd. and Nominated Authority in respect of Sarisatolli coal mine as per which conduct of Mining operations at the coal mine shall be subject to milestones listed in schedule E (Efficiency Parameter). For non-compliance of efficiency parameter CESC was issued 3<sup>rd</sup> show cause notice dated 13.10.2020 for non-achievement of targeted production capacity and the reply was presented before the Scrutiny Committee in its 14<sup>th</sup> meeting held on 09/10<sup>th</sup> March 2021.

2. The Scrutiny Committee has recommended for seeking the opinion / comments of CMPDIL as to whether the existing fire is affecting the targeted annual coal production of the mine and if so then what should be the possible Annual Production Capacity of the mine in current scenario.

3. It is, therefore, requested to submit the same so that a suitable decision by the Scrutiny Committee can be taken in the matter.

Encl: 3<sup>rd</sup> Show Cause notice dated 13.10.2020  
and reply of M/s CESC dated 23.12.2020.

Yours faithfully,



(Manish Uniyal)

Under Secretary to Government of India

011-23384106



MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

Email

MANISH UNIYAL

**Comment of CMPDIL w.r.t. existing fire affecting the coal production of Sarisatoli coal mine****From :** CHIRANJIB PATRA  
<gmumd.cmpdi.cil@coalindia.in>

Mon, Jul 26, 2021 04:00 PM

**Subject :** Comment of CMPDIL w.r.t. existing fire affecting the coal production of Sarisatoli coal mine**To :** MANISH UNIYAL <manish.uniya138@nic.in>**Cc :** Binay Dayal <cmd.cmpdi@coalindia.in>, Anil Kumar Rana <dtpnd.cmpdi@coalindia.in>, DIPANKAR BHATTACHARJEE <gmoc.cmpdi@coalindia.in>

Dear Sir,

With reference to your email dated 18.05.2021 in respect of the captioned subject, I am directed to submit the following comments:

- (i) In the reply letter of CESC Ltd. dated 23.12.2020 addressed to the O/o Nominated Authority, constraints on account of fire has been highlighted under para 9 to 15 of the letter
- (ii) As per the aforesaid letter of CESC Ltd., the Chief Mining Officer, Govt. of West Bengal was requested to submit a factual report on the issue of fire. From his review report dated 02.04.2019 (Annexure-R4 of the said letter), the following statements of the Chief Mining Officer has been noted:
- a. It has been noticed that the underground mine fire, which was limited to the western part of the mine at the beginning, has gradually propagated to the eastern side.
  - b. The members of the Committee on Petitions (2012-13), WBLA during their study visit to the mine on 08.11.2012, observed active fire in coal seams on the eastern side of the DB road. Thus, over a long period of time, fire has gradually spread over a large area causing the fire-affected area becoming larger.
  - c. A scientific investigation and study was conducted by CIMFR in the year 2011 and suggested a few measures to control fire and also to operate safely.
  - d. It is a fact that CESC had to produce coal with continuous struggle for complying with the safety norms stipulated by DGMS and to follow the recommendations of CIMFR, which is uncommon to normal practice of winning coal by opencast method. Thus, the lessee's plea that the fire is one of the main constraints to coal production cannot be ruled out.
  - e. Since it will be very difficult to restrict the propagation of underground fire in the coal seam, mining is to be done with limited exposure and complying with the special safety stipulations imposed by DGMS during the residual life of the mine. Obviously, the production rate will be lower than the target, which is mentioned in the Mine Plan. Thus, lessee's decision to

revise the Mine Plan is justified.

- ) (iii) In view of the above observations of the Chief Mining Officer, it is apparent that fire is affecting the production capacity of the mine. However, for assessing the impact of fire on the annual production capacity of the mine, a detailed study would be required involving considerable resources in terms of time and money.

With Regards,

C. Patra, GM (UMD), CMPDI (HQ), Ranchi

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14-01-2022, 12:51

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**



Office of the Directorate Marketing  
Quality Control Division  
Apeejay House, A-Block, 6<sup>th</sup> Floor  
15 PARK STREET, KOLKATA-16

Ref: CIL/C-4B/TPS(PU/IPP)/14-15/435

Date: 22nd August 2014

A meeting was conducted by Hon'ble MOS (IC) for Power, Coal and New & renewable Energy with Association of Power Producers on 20th June 2014. Accordingly, Chief Engineer (OM), CEA held a meeting on 8th August 2014 to formulate a panel for Third Party Sampling.

The list of Third Party Samplers as finalized by CEA and concurred by CIL is enclosed for the reference of Power Utilities/ IPPs.

Enclosed: As above

  
General Manager (QC)

CC: GM (E&T): With a request to upload this letter with the enclosure on the website under the heading Our Business -> NCDP as "Engagement of Third Party Samplers by the Power Utilities/ IPPs"



MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

### Panel of Third Party Samplers

S. No.	Name of the Agency	Address
1	Central Power Research Institute	Prof. C.V. Raman Road, Sadashivnagar Post, Bangalore-560 080.
2.	Inter Tek India Pvt. Ltd.	Laboratory, Plot NO.P-27, Phase 1, Kasha Industrial Estate, Kolkata-700 107.
3.	Shriram Institute for Industrial Research	19, University Road, Delhi-110007.
4	SGS India Pvt. Ltd.	Plot No. 64, G.I.D.C., Main Road, Dharampur, Porbandar-360575 Gujarat.
5	Cotsena Inspection India Pvt. Ltd- Testing Laboratories	Old No. 51, New No.53A, 1 <sup>st</sup> Floor, Pillaiyar Koll Street, Tondiarpet, Chennai-600081
6.	Material Testing Group (MTG)	Defence Bioengineering & Electromedical Laboratory, DRDRO, Ministry of Defence, C.V. Raman Nagar, Bangalore-560093, India.
7.	Independent Testing Laboratories National	Council for Cement & Building Materials, Ballabgarh-121 004.
8.	Testing Laboratory	Ahmedabad Textiles Industries Research Association (ATIRA), P.O. Ambawadi Vistar, Ahmedabad-380015.
9.	Inspectorate Griffith India Pvt. Ltd.	Fourth Floor, PT Lee Chengalvaraya Naicker Maaligai, 23, Rajaji Salai (Opp. Bleach Railway Station), Chennai, Tamilnadu-6000001.  2/6 Sarat Bose Road, Lala Lajpat Rai Sarani, Sarat Bose Road, Kolkata, West Bengal-700020.
10.	Mia Test Lab & Research Centre	P-26, Mia House, MIDC Industry Area, Hingna Road, Nagpur-440028
11.	Central Mine Planning & Design Institute Ltd.	Gondwana Place, Kanke Road, Ranchi-834 031, Jharkhand, India
12.	Central Institute of Mining and Fuel Research	Digwadh Campus, PO: FRI, Dhanbad-828108, Jharkhand.
13	National Test House	Block OP, Sector-V Salt Lake City, Kolkata-700 081
14.	Dr. Amin Controller Pvt. Ltd.	Embassy Chambers, 6 <sup>th</sup> Floor, Plot No.5, 3 <sup>rd</sup> Road, Khar West, Mumbai-400052
15	M/s TCRS	Shiv Industrial Estate, 2 <sup>nd</sup> & 3 <sup>rd</sup> Floor, K.V. Balmukund Marg, near Bycuita Good Depot, Chinchpookli(E) Mumbai-400012.
16.	Geo Chem Laboratories Pvt. Ltd.	36/37 1st Floor Raja Industrial Estate, Purushottam K. Marg, Mulund, West Mumbai-400080.
17.	Superitendence Company of India Pvt. Ltd.	Plot Y 23, Block Ep, Sector 5, Salt Lake City, Sech Bhawan, Kolkata - 700091
18.	M/s Kedia & Company	108, N.S.B Road (Opposite to Fire Station), Ranigani-713347, West Bengal
19.	M/s K.C. Sharma & Co.	1276-77-78, 12 <sup>th</sup> Floor, Agarwal Millenium Tower- II, Netaji Subhash Place, Pitampura, New Delhi-110034

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

20.	M/s Coal Inspection Service	Laxmi Niwas, Hari Gopal Mazumdar Road, Dhanbad HO, Dhanbad-826001
21.	M/s Mitra SK Coal Inspection Pvt. Ltd.	S. Yeshwant Appartments, 280, Buty Layout, Dharampeth Extension, Nagpur-440010
22.	Mineral Exploration Corporation Limited	Dr. Baba Saheb Ambedkar Bhavan Seminary Hills Nagpur-440005
23.	Intertek India Pvt. Ltd.	Unit No. 3A (3 <sup>rd</sup> Floor), Shrachi Tower, 686, Anandapur, Kolkata-700107.
24.	M/s Elegant Surveyors	1275,76,77, Aggarwal Millenium-II Netaji Subhash Place, Pitampura Delhi-110088.
25.	M/s Alex Stewart Assyers.	
26.	Quality Service & Solution Ltd. Vadodra	

MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

## Coal Procurement Process and Logistics

### Coal Procurement

CESC Limited sources coal through linkage route from subsidiaries of Coal India Limited (CIL) under Fuel Supply Agreement (FSA), captive mine and E-auction. CESC, for its Budge Budge Unit 3, Titagarh and Southern Generating stations, has FSAs with subsidiaries of CIL, namely Eastern Coalfields Limited (hereinafter referred to as "ECL") and Bharat Coking Coal Limited (hereafter referred to as "BCCL"). The aggregate available quantity is generally less than what is required by the Company. The Company, through diligent efforts, was able to manage coal procurement at reasonable level. Domestic coal procured through linkage has been recognised as one of the sources of procurement in terms of regulation 5.8.4 (2) and Form D(a) of the Tariff Regulations.

CESC has consumed about 70% of its annual requirement for BBGS Unit 1 & 2 from coal produced from its captive mine located at Sarisatolli. Captive mine has been recognised as a source of coal under regulation 5.8.4 (2) and Form D(b) of the Tariff Regulations. Captive coal was mined to the extent possible as some uncontrollable factors hindered production, which include rapid spread out of fire in and around areas of coal seam close to working areas, difficult geographical terrain inside the mines resulting into deeper sections with narrower angles, necessitating use of smaller equipment, existing district board road through the mine which is being used as a thoroughfare etc. All such factors have made extraction extremely difficult at times and the issues have been regularly placed before the Appropriate Authority through monthly status reports. In this regard, as has already been intimated to the Hon'ble Commission that, on a writ petition filed by the Company, the Hon'ble High Court of Delhi was pleased to grant an appropriate stay on the actions taken by the Nominated Authority, Ministry of Coal, Government of India relating to performance standards and production issues of the Coal Mine Development and Production Agreement (CMDPA) and granted liberty to the Company to approach the Hon'ble Tribunal, Rajmahal Project Area, Lalmatia Godda, Jharkhand, constituted under the Coal Bearing Areas (Acquisition and Development) Act, 1957, which is also the appropriate authority for



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

adjudication under the Coal Mines (Special Provisions) Act, 2015 and the matter has been admitted by the Hon'ble Tribunal and is presently sub-judice.

A proportion of coal allotted through linkage and significant quantum of coal from indigenous source have been washed. The Hon'ble Commission has observed that washing is done to adhere to environmental needs and the associated cost impact is insignificant. The West Bengal Pollution Control Board has recently reiterated the requirement of utilisation of coal with ash content not beyond 33% at the Budge Budge Generating Station. The Company is, therefore, required to resort to coal beneficiation.

As coal through linkage and captive mine routes are not sufficient to support generation, the Company also had to procure coal through the e-auction mechanism rolled out by the Government of India from some of the specified mines of CIL and its subsidiaries, considering the quality, delivery schedule and blending requirements. E-auction coal is a permitted source of procurement under regulations 5.8.2 first proviso and Form D (c).

There were only two instances when coal was procured through RCR mode – i) G12 coal through CCL RCR and ii) one sick wagon of BCCL E-auction RCR.

CESC had approached CIL for supply of coal from suitable coal mines of CCL against BCCL FSA to ensure proper blending. CCL being advised by CIL, had allocated coal of G12 grade from their Amrapali mines in lieu of BCCL FSA.

## **Logistics**

### **A. Mine to coal loading at Railway Siding**

#### **a. Activities involved –**

1. Coal movement from mine to railway siding
2. Ensuring no leakage for coal in transit
3. Loading of coal on railway wagons at railway siding
4. Providing proper protection against elements of nature and society

Responsibility of the above activities is with coal company for Rail mode, with buyer for road / RCR mode



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**



5. Coordination between coal company, railways, sampling laboratories etc. – responsibility with buyer
- b. Charges / costs involved –
1. Road transportation cost for coal movement from mine to railway siding
  2. Costs involved in coal loading on to railway wagons
  3. Costs associated with minimizing leakage for coal in transit and providing protection against elements of nature and society
  4. Cost associated with rail shunting, overloading / underloading, demurrage
  5. Cost associated with coordination between various agencies

Costs are incurred by parties (coal company / buyer) accordingly, considering their respective responsibilities

Loading of boulders, stones etc. is beyond Buyer's control in the above cases

#### **B. Railway Transport**

- Freight charged on wagon permissible carrying capacity, not on coal actually loaded
  - Carrying capacity is higher than coal actually loaded in most cases, increasing effective freight per tonne of coal
- Overloading is computed by the Railways based on permissible carrying capacity whereas underloading compensation is computed on the basis of difference between actual weight and stenciled carrying capacity of the wagon, thus increasing the chances of applicability of overloading charges and reducing chances of underloading compensation. Therefore, cost for carriage based on carrying capacity is not neutralized by compensation for underloading.

#### **C. Road Transportation**

- In case coal mines are situated in far-away places, the procurement is riddled with issues of logistics and use of roadways is frequently needed to be taken up. Presently, insufficient infrastructural readiness of some of the mines necessitates Road-cum-Rail (RCR) mode of transports specially during e-auction mode of sourcing. Therefore, the Company had to resort to RCR mode



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

of transport for coal sourced through e-auction mode sometimes for the period under consideration. In terms of regulation 5.8.2 read with paragraph 8.1 (iii) under Schedule-1, cost of transportation through road mode is a part of fuel cost. The cost is a defined head under Serial No. D) 10 of the specified Form D. However, in the interest of the consumers, mode of transport has been shifted from road to rail, whenever the dispensation was allowed by the Coal India subsidiaries, especially during the hardship times of Covid-19.

- Coal handling agents are engaged to ensure movement of coal from mine to railway siding, loading of wagons at siding and subsequent transfer to generating station end. Such handling agents ensure timely lifting and delivery of coal through close liaison and co-ordination with various agencies, e.g. Coal India subsidiaries, Indian Railway etc. and are also responsible for escorting the rakes to destination of use to prevent pilferage. The handling agents are identified through competitive bidding. Railway siding is identified considering availability of / congestion at the railway siding with an objective of minimizing the overall coal transportation cost. Average distance for road movement, i.e. the distance between mine and railway siding for the CCL RCR coal in 2020-21 was 7.5 km.

#### **D. Unloading**

- Various activities and associated charges are needed to be reckoned for the same. Activities would include:
  - Transfer of coal to the private siding in case of BBGS
  - Movement of rakes / wagons from Kolkata Port Trust siding to SGS
  - Various shunting operation and related charges for the operation inside the Station yard based on types of wagons used which in turn entail a planning of track route inside the station
  - Railway Track maintenance up to the station
  - Demurrage charges

And accordingly, related charges, apart from Railway Freight, are imposed on coal transported to generating station (Budge Budge, Southern) namely RITES, Trip Basis Charge, FCI charges, Railway Track Maintenance, Demurrage etc.



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

- Transfer of coal to Private Sidings (Generating Stations)
  1. **Siding / Trip Basis Charge** – Coal is transported to Budge Budge Generating Station (BBGS) upper yard near the railway station at Budge Budge. The same is then transported to the generating plant which is about 7 kilometers away from the station upper yard. Some oil installations are located in this route and therefore electrification in this route was not permitted. Hence, diesel engines are engaged for transportation of coal through this path. Railways imposes trip basis charge for involving diesel engines in this route.
  2. **RITES Fees** – Rake / wagon shunting operation is necessary at the plant end of Budge Budge and Southern Generating stations during coal unloading. Two types of wagons are usually involved – BOBR and BOXN. BOBR type wagons are transported one by one, whereas 18 wagons at a time are moved in case of BOXN. This necessitates shunting operation. RITES Ltd. is a company under the ownership of Indian Railways, Ministry of Railways, and an engineering consultancy corporation specialising in the field of railway transport infrastructure. Rake / wagon shunting is a specialized job and RITES has trained manpower to carry out such activities. Charge levied by RITES for shunting operation is known as RITES fees.

Apart from the above, in case of SGS, Railways deliver coal at the Kolkata Port Trust siding. Rakes are thereafter transported from the Kolkata Port Trust siding to SGS through own loco and after unloading of coal, rakes are again brought back to the Kolkata Port Trust siding by own loco. RITES undertakes this entire activity and RITES fees for SGS also include costs for such operations.
  3. **KoPT Charges** – As the siding for Southern is located within the Kolkata Port Trust area, KoPT imposes a charge on CESC, referred to as KoPT charges. These charges are on per rake basis and have three components, namely
    - a. Consolidated charge



MANAGING DIRECTOR (GENERATION)  
CESC LIMITED

- b. Terminal Charge
- c. Off-take charge
- **FCI Charge** – The 7 kilometer railway route from upper yard of BBGS to the plant consists of two parts, 4 kilometer path through Food Corporation of India (FCI) campus and 3 kilometer path beyond FCI. 4 km track within FCI campus carries wagons of FCI as well as BBGS plant. However, loaded wagons are mostly pertaining to BBGS. Railways issue bills to FCI for maintenance of 4 k.m. track within FCI campus. FCI in turn issues bills to BBGS on a proportionate basis considering only the wagons relating to the latter. A tripartite agreement involving BBGS, FCI and Indian Railways is entered into.
- **Railway Track Maintenance Charge**– Beyond the FCI campus, 3 kilometer track is maintained by an agency employed by BBGS having requisite expertise. Charges for the same is recovered as Railway Track Maintenance. The same agency is also involved in railway track maintenance within plant for BBGS and for SGS, a different agency is involved for track maintenance within the plant. A contract with the agency is in vogue.
- **Demurrage Charge** – Demurrage is detention of a railway wagon beyond the stipulated time allowed for loading and unloading and the related charge for the event is defined as demurrage charge. Railway imposes charge pertaining to unloading end on CESC. Time permitted to unload wagons is called the 'free time'. Free time for BOBR wagon is 2.5 hours and 7 hours for BOXN wagon. Such permissible timelines are usually not changed. However, the demurrage rate structure has been made a telescopic one, which increases as the time incurred for unloading increases. Moreover, fraction of an hour is rounded up to the next hour. Due to above factors, demurrage charge enhances on some occasions.

BBGS has the scope of operating two wagon tippers on a parallel basis to unload two rakes involving BOXN wagons. However, there are certain practical difficulties of operating two wagon tippers in parallel. CESC has repeatedly requested Railway authority not to send two rakes simultaneously consisting of



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

BOXN wagons. However, the prayers have fallen on deaf ears. This accentuates the problem further.

Demurrage logic for SGS is a little different. As coal is delivered by Railways at the Kolkata Port Trust siding, time is considered from the moment rakes reach the Kolkata Port Trust Siding till the empty rakes / wagons are delivered back by RITES to the Kolkata Port Trust siding.

Once the rakes containing coal arrive at Kolkata Port Trust siding and information is provided to SGS, such time is denoted as "Made Over Time". Thereafter RITES takes these rakes / wagons by help of own loco to the station, where the station unloads the wagons. Afterwards, RITES takes these empty wagons back to the Kolkata Port Trust siding. The time of delivery is noted and is termed as "Turn Over Time". 11 hours of "Free Time" is provided between the "Made Over Time" and "Turn Over Time" and time taken in excess of 11 hours for the operation attracts demurrage.



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

## Status of Fuel related information for the year 2020-21

**Fuel related information with respect to Tariff Orders dated 01.08.2022 for MYT 7, 03.02.2022 for MYT 6 and 04.07.2018 for MYT 5**

- In terms of para 9.1 of Tariff Order dated 01.08.2022, CESC is required to comply with directions given by Hon'ble Commission in earlier Tariff Orders.
- CESC has taken steps after the issuance of the Tariff Order to implement these directives.
- Since the Tariff Order for the seventh control period was issued on 01.08.2022, some of the directives for 2020-21 can only be met prospectively.

Ref. in Tariff Order	Directives (in summarised form)	Reference
4.8.6 of Tariff Order for the year 2020-21 and 2021-22  4.8.6 of Tariff Order for the years 2018-19 and 2019-20	<ul style="list-style-type: none"> <li>• To submit all the related documents including tax deposited i.r.o extracted coal from captive mines during the FPPCA petition for the respective years.</li> <li>• To submit actual yields with supporting documents during FPPCA petitions for the years 2018 - 2019 and 2019 - 2020.</li> </ul>	<ul style="list-style-type: none"> <li>• Kindly refer to submission text para 38(k), page 38 of Volume 1 read with Notes 4 and 5 of statement -2, page 128 of Volume 1 of this Supplementary Petition.</li> <li>• Kindly refer to GST note placed in page 179 to 210 of Volume 1 of this Supplementary Petition.</li> <li>• Kindly refer to Volume 2, page 359 of FPPCA 2020-21 petition submitted on 01.04.2022.</li> </ul>
4.8.14 of Tariff Order for the year 2020-21 and 2021-22	<ul style="list-style-type: none"> <li>• CESC Limited is directed to arrange for measuring GCV of coal through third party sampling in terms of fourth provision of regulation 5.8.2 of the Tariff Regulations and also submit a report along with the APR petition of respective years</li> </ul>	<ul style="list-style-type: none"> <li>• Results of actual coal quality testing by CIL empanelled testing agency in terms of relevant regulations, have already been furnished in Volume 4, pages 205– 323 of FPPCA 2020-21 petition submitted on 01.04.2022.</li> </ul>
4.8.15 of Tariff Order for the year 2020-21 and 2021-22  5.26.2 of Tariff Order for the years 2018-19 and 2019-20	<ul style="list-style-type: none"> <li>• To submit all relevant data related to revenue earned from sale of washery rejects during APR of respective years on actual basis in addition to the directives on washery rejects in different tariff and APR orders.</li> </ul>	<ul style="list-style-type: none"> <li>• In terms of the CERC Tariff Regulations and MoC Policy, revenue from sales of washery rejects is not required to be shared. Kindly refer to submission text para 16, pages 14-15 of Volume 1 of this Supplementary Petition.</li> <li>• Kindly refer to necessary documents placed in pages 375-376 of Volume 2 and pages 372-373 of Volume 2 of FPPCA 2020-21 petition dated 01.04.2022.</li> </ul>

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

### Status of Fuel related information for the year 2020-21

Ref. in Tariff Order	Directives (in summarised form)	Reference
<p>4.9.2 of Tariff Order for the year 2020-21 and 2021-22</p> <p>4.9.2 of Tariff Order for the years 2018-19 and 2019-20</p>	<ul style="list-style-type: none"> <li>• To come up with the STU charges paid / to be paid by them on actual basis as per respective tariff orders and associated STU losses in their FPPCA and APR application.</li> <li>• The difference between the power purchase cost allowed in this order and the actual power purchase cost paid/ to be paid by CESC Limited and additional charges, if any, shall be recovered through MVCA which shall be reconciled in the relevant FPPCA and APR for the concerned year.</li> </ul>	<ul style="list-style-type: none"> <li>• Complied. Kindly refer to Form 1.10 pages 92 to 100 of Volume 1 of this Supplementary Petition.</li> <li>• Reconciliation statement have been placed in page 233 of Volume 1 of this Supplementary Petition.</li> </ul>
<p>9.3.2 of Tariff Order for the years 2018-19 and 2019-20 &amp; 8.6 of Tariff Order 2017-18 (First two points)</p>	<ul style="list-style-type: none"> <li>• Regarding power purchase from different source(s) (including from exchanges) other than the existing sources having supply pattern and cost involvement/economics more favourable for consumers.</li> <li>• To reduce its dependency on costlier thermal sources.</li> <li>• Short term power procurements which do not require to have prior permission of the Commission in terms of regulations shall be done in terms of extant guidelines of Government of India.</li> </ul>	<ul style="list-style-type: none"> <li>• The Company procures power from various sources, viz. generating stations of the Company, other long term and short-term sources including power exchanges, considering relative economics. In terms of the direction of the Hon'ble Commission, the Company is regularly disclosing its day-ahead schedule on public domain daily. Kindly refer to submission text para 42-47, pages 46-51 of Volume 1 of this Supplementary Petition.</li> <li>• Power Purchase details have been placed in Form 1.6, Form 1.10 and chart on power procurement made in terms of the Tariff Regulations in Volume 1, pages 76 and 92 to 100 of this Supplementary Petition.</li> <li>• Kindly refer to the submission text para 42, pages 46-47 of Volume 1 of this Supplementary Petition and pages 184-187 of Volume 7 of FPPCA 2020-21 petition submitted on 01.04.2022.</li> </ul>
<p>9.3.4 of Tariff Order for the years 2018-19 and 2019-20</p>	<ul style="list-style-type: none"> <li>• To approach the GST authority for appropriate ruling for nil rating of GST on the captive coal consumption from the mines located within West Bengal.</li> </ul>	<ul style="list-style-type: none"> <li>• Kindly refer to the submission text para 38(k), page 38 of Volume 1 of this Supplementary Petition.</li> <li>• Kindly refer to Note on GST furnished in pages 179 to 210 of Volume 1 of this Supplementary Petition.</li> </ul>

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

### Status of Fuel related information for the year 2020-21

Ref. in Tariff Order	Directives (in summarised form)	Reference
9.3.5 of Tariff Order for the years 2018-19 and 2019-20	<ul style="list-style-type: none"> <li>• To examine requests from HEL regarding participation by the Generator in e-auction of coal in rail or RCR mode and concur such procurement strictly from marginal cost angle duly keeping the prudence of power purchase cost in mind.</li> <li>• If road transport is involved, CESC Limited shall get assured that road transport cost is determined by HEL through a public and transparent system duly keeping in mind the schedule of rates operated in the area by the supplying Coal CPSU.</li> </ul>	<ul style="list-style-type: none"> <li>• The Tariff Order for MYT 6 was issued on 03.02.2022.</li> <li>• Public and Transparent system is being followed by Haldia while awarding contracts for road transport.</li> </ul>
4.6.2 of Tariff Order for the years 2018-19 and 2019-20	<ul style="list-style-type: none"> <li>• It is considered that CESC will adopt economic despatching schedule/ merit order despatch. Surplus energy is required to be appropriately sold out / banking / swap to the persons other than consumers and licensee. The Commission will review the matter while truing up during the APR of concerned years.</li> </ul>	<ul style="list-style-type: none"> <li>• Complied. Kindly refer to the submission text para 13, pages 11-12 of Volume 1 of this Supplementary Petition.</li> <li>• Report on usage of SGS and swap-in / swap-out have already been furnished in pages 84-88 of Volume 7 of FPPCA 2020-21 petition submitted on 01.04.2022.</li> </ul>
4.8.8 of Tariff Order for the years 2018-19 and 2019-20	<ul style="list-style-type: none"> <li>• The Commission will consider road bills, if any, during FPPCA on actual basis subject to submission of following documents:               <ol style="list-style-type: none"> <li>i. Distance from coal mines to nearest siding with details</li> <li>ii. Weighted average of above distance if there are more than one location for a particular source with computation</li> <li>iii. Bidding documents to select successful service provider(s) for this job</li> <li>iv. Newspaper publication intimating above bidding</li> <li>v. Work Order to the successful service provider</li> <li>vi. Any other documents felt required from the points of view of transparency and reasonability along with necessary backup data and information</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• The Tariff Order for MYT 6 was issued on 03.02.2022.</li> <li>• The Petitioner complied with submission of relevant documents with FPPCA / APR petition, except point iv which cannot be implemented retrospectively.</li> <li>• Relevant documentation has been placed in pages 55-246 of Volume 3 pages 55-243 submitted through FPPCA 2020-21 Petition on 01.04.2022</li> <li>• Kindly refer to submission text para 14, page 12-13, para 25-28, pages 22-25 of Volume 1 of this Supplementary Petition.</li> </ul>
8.18 of Tariff Order 2017-18	CESC Limited is directed that	<ul style="list-style-type: none"> <li>• Complied. Kindly refer to submission text para 42 – 47, pages</li> </ul>

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**



### Status of Fuel related information for the year 2020-21

Ref. in Tariff Order	Directives (in summarised form)	Reference
	<ul style="list-style-type: none"> <li>a) all kind of short-term power purchase have to be executed through the process of reverse bidding in the national portal, as far as possible.</li> <li>b) While purchasing renewable power the process of reverse e-bidding in appropriate model in line with SECI shall be followed.</li> </ul>	<p>46-51 of Volume 1 of this Supplementary Petition.</p> <ul style="list-style-type: none"> <li>• PPAs have already been furnished in Volumes 5-7 of FPPCA 2020-21 petition submitted on 01.04.2022.</li> <li>• CESC had complied following the direction of the Hon'ble Commission vide order dated 02.03.2020 and procuring power through DEEP e-Bidding portal.</li> </ul>
8.20 of Tariff Order 2017-18	<ul style="list-style-type: none"> <li>• CESC Limited shall submit the copies of all the PPAs for purchase of power from different sources.</li> </ul>	<ul style="list-style-type: none"> <li>• Complied. PPAs have already been furnished with FPPCA 2020-21 petition submitted on 01.04.2022. (Volume 5 to 7)</li> </ul>
8.6 of Tariff Order 2017-18	<ul style="list-style-type: none"> <li>• In case of exigency, CESC Limited shall purchase power from WBSEDCL for the exigency period only at single part tariff at the rate of 757.30 paise / kWh plus MVCA, as applicable.</li> </ul>	<ul style="list-style-type: none"> <li>• Kindly refer to submission text para 45, page 50 and Annex C5 pages of 170 to 173 Volume 1 of this Supplementary Petition</li> <li>• Also kindly refer to documents placed in pages 80-83 of Volume 7 of FPPCA 2020-21 petition submitted on 01.04.2022.</li> </ul>
8.23 of Tariff Order 2017-18	<ul style="list-style-type: none"> <li>• CESC is further directed to submit the following sets of information:                             <ul style="list-style-type: none"> <li>a) Washed coal details</li> <li>b) Copy of Power Purchase Agreements</li> <li>c) Balance Sheet, Profit &amp; Loss account for the areas pertaining to mining &amp; washery</li> <li>d) Certified documents on quality of coal of the captive mine</li> <li>e) A declaration to the effect that quantity of coal consumed in Metric Ton is not less than procurement</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Complied. Kindly refer to pages 355 – 408 of Volume 4 of FPPCA 2020-21 petition submitted on 01.04.2022.</li> </ul>
8.2 of Tariff Order 2017-18 (4.2 of the Tariff Order 2016-17)	<ul style="list-style-type: none"> <li>• Maintaining relevant time schedules as specified in the regulations for filing of petition.</li> <li>• Consideration of related costs in computation of MVCA.</li> </ul>	<ul style="list-style-type: none"> <li>• Complied.</li> <li>• Complied.</li> </ul>
8.2 of Tariff Order 2017-18 (4.3 of the	Capping the amount that may be claimed in FPPCA at the end of any year within the summated value of the following factors:	<ul style="list-style-type: none"> <li>• Detailed submissions made through this Supplementary Petition. Kindly refer to submission text para 48-56,</li> </ul>

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

### Status of Fuel related information for the year 2020-21

Ref. in Tariff Order	Directives (in summarised form)	Reference
Tariff Order 2016-17)	<ul style="list-style-type: none"> <li>• impact due to rounding off against the applicable MVCA for the month of February and March of that year;</li> <li>• impact due to non-recovery of any additional fuel cost of March of any year over and above what is recovered on the basis of MVCA as calculated from data of February and</li> <li>• impact due to application of disallowance of cost as per FPPCA formula at FPPCA determination stage.</li> </ul>	pages 52-56 of Volume 1 of this Supplementary Petition.
8.2 of Tariff Order 2017-18 (4.4 of Tariff Order 2016-17)	<ul style="list-style-type: none"> <li>• Submission of calculation sheets of MVCA.</li> <li>• Uploading such calculation sheet in website for each month and maintaining the same till publication of the worksheet for the next month.</li> <li>• Publishing the notification of change of MVCA in newspapers.</li> </ul>	<ul style="list-style-type: none"> <li>• Complied.</li> </ul>
8.2 of Tariff Order 2017-18 (4.5 of Tariff Order 2016-17)	<ul style="list-style-type: none"> <li>• Furnishing along with FPPC petitions, a list of fuel or power purchase bills, which has not been claimed under MVCA calculation along with the provisions of the Tariff Regulations under which such claim has not been done.</li> <li>• Submission of a reconciliation statement to establish that CESC has followed the directions of the Hon'ble Commission given in earlier paragraphs of the Order with regard to MVCA computation.</li> </ul>	<ul style="list-style-type: none"> <li>• Fuel and power purchase bills of 2020-21 in terms of specified timeline for computations have generally been considered for computation of MVCA. About 98% could be recovered through MVCA and applicable tariff for 2020-21. Details furnished in this Supplementary Petition. Kindly refer to submission text para 53, page 55 of Volume 1 of this Supplementary Petition.</li> <li>• In respect of FPPC for 2020-21, all compliance requirements with regard to MVCA, as applicable from time to time including uploading in Company's website as well as maintenance of last 24 months' MVCA rates in the website have been duly complied with.</li> <li>• Copies of monthly worksheets for MVCA were furnished before the</li> </ul>

  
**MANAGING DIRECTOR (GENERATION)**  
**CESC LIMITED**

**Status of Fuel related information for the year 2020-21**

Ref. in Tariff Order	Directives (in summarised form)	Reference
		Hon'ble Commission. Detailed submissions were made through MVCA submissions / FPPC petition for 2020-21.
8.2 of Tariff Order 2017-18 (4.16 of the Tariff Order 2016-17)	<ul style="list-style-type: none"> <li>In order to reduce the impact in FPPCA, while applying the MVCA formula in all subsequent MVCA computations, application of adjustment factor <math>\Delta Adj</math> by finding out the deviation in recovery of variable cost from sale side computation for the concerned period.</li> </ul>	<ul style="list-style-type: none"> <li>Complied regularly.</li> </ul>

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**

## Reconciliation Statement: 2020-21

Rs. Lakhs

Particulars	MVCA	FPPC	Reference	Variation
Power Purchase Cost	264851	260766	Annex A5	(-) 4085
Normative Fuel Cost	105926	122834	Annex A1	16909
Less Gain Share with consumers		2598	Annex B1, B2, B3	2598
UI	302			(-) 302

### Notes :

1. Basis of computation for FPPC under Schedule-7A and MVCA under Schedule-7B of the Tariff Regulations are different. The former does not consider UI, but considers the effect of distribution related efficiency parameters. Distribution related parameters have not been considered for the purpose of this statement as the same does not feature under MVCA.

2. All data and parameters are finalised through audit at the end of the year, necessitating both + / - adjustments, as applicable. Thus FPPC figures are based on audited data, whereas MVCA figures capture the effect of various parameters only upto the fifteenth of the subsequent month in terms of the Tariff Regulations. While all relevant inputs (bills etc.) were duly considered, there are minor variations on the above account.

3. Revenue collected through applicable tariff and MVCA is Rs. 391793 lakhs for the concerned year, which is about 98% of the claim of Rs. 400970 lakhs prayed for in the petition.



**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**



CESC House, Chowringhee Square, Kolkata 700 001

**Gist of Application for Fuel and Power Purchase Cost for the year 2020-21**

1. CESC Limited has submitted application before the Hon'ble West Bengal Electricity Regulatory Commission (Hon'ble Commission) for Fuel and Power Purchase Cost Adjustment (FPPC) for the year 2020-21 and the application has been admitted by the Hon'ble Commission on ..... (date).
2. The FPPC application is for approval of net Fuel and Power Purchase Cost for the financial year 2020-21, with due reduction of benefits passed on to consumers. The adjustment amount relating to the above needs to be considered during the Annual Performance Review for 2020-21 or separately, as may be considered appropriate by the Hon'ble Commission.
3. The FPPC application may be inspected at the office of the Hon'ble Commission at Plot No – AH/5 (2nd & 4th Floor), Premises No. MAR 16 – 1111, Action Area – 1A, New Town, Rajarhat, Kolkata - 700 163 (Telephone: (033) 2962 3752; email: cp-wberc@gov.in) and / or at the Registered Office of CESC Limited at CESC House, Chowringhee Square, Kolkata 700 001 during office hours on all working days upto one day prior to the last date of submission, objections and comments and certified copies of the applications or part thereof may be obtained from the office of the Hon'ble Commission during office hours on all working days upto one day prior to the last date of submission of suggestions, objections and comments.
4. The FPPC application submitted by CESC Limited has been posted on the website of the applicant at [www.cesc.co.in](http://www.cesc.co.in).
5. The suggestions, objections and comments, if any, on the proposals contained in the applications shall be submitted separately at the office of the Hon'ble Commission mentioned above by .....(date).
6. **This gist has been published with the approval of the Hon'ble Commission.**

Place : Kolkata

Competent Authority

Date :

CESC Limited

*Note : Dates may kindly be filled up by the Hon'ble Commission.*

**MANAGING DIRECTOR (GENERATION)  
CESC LIMITED**