

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 118/MP/2023**  
**along with I.A.No. 31/2023**

Subject : Petition under section 79 (1) (f) of the Electricity Act, 2003 seeking quashing of the invoices dated 06/02/2023 and 06/03/2023 to the extent of interest component levied by NTPC limited

Petitioner : PSPCL

Respondents : NTPC Limited

Date of Hearing : **12.9.2023**

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

Parties Present : Shri Anand K. Ganesan, Advocate, PSPCL  
Shri Amal Nair, Advocate, PSPCL  
Ms. Shivani Verma, Advocate, PSPCL  
Shri Venkatesh, Advocate, NTPC  
Shri Ashutosh K. Srivastava, Advocate, NTPC  
Shri Nihal Bhardwaj, Advocate, NTPC  
Shri Siddharth Nigotta, Advocate, NTPC  
Shri A.S. Pandey, NTPC  
Shri Parimal Piyush, NTPC  
Shri Harshit, NTPC  
Shri Shiv Bawana, NTPC

**Record of Proceedings**

During the hearing, the learned counsel for the Petitioner, PSPCL, made detailed oral submissions, mainly as under:

- (a) The claim for interest, raised by the Respondent through the invoices (Invoices 1 & 2) is in contravention of Regulation 8(13) of the 2014 Tariff Regulations and Regulation 10 (7) of the 2019 Tariff Regulations.
- (b) The Petitioner had duly refunded the differential tariff in terms of the applicable regulations in six equal monthly instalments. However, the Respondent, through invoices dated 6/2/2023 and 6/3/2023, has levied interest on each of the instalments from the due date of the first instalment, amounting to Rs. 66,17,447/- and Rs. 33,78,810/- respectively.



(c) In case of non-payment of the incorrect invoices by the Petitioner within the trigger dates, the power supply to the State of Punjab would be regulated in a staggered manner in terms of Regulation 7 of the LPS Rules, 2022.

2. In response, the learned counsel for the Respondent, NTPC, made oral submissions, mainly as under:

(a) The invoices have been raised on all the beneficiaries in accordance with the orders and the Tariff Regulations notified by this Commission. On perusal of Regulation 8 (13) of the Tariff Regulations, 2014, the amount that is under recovered has to be recovered from the beneficiaries at simple interest rate prevailing as of 1<sup>st</sup> April of the respective year in six equal monthly instalments.

(b) If the intent of the Regulations is for payment through 'interest-free' instalments, then the same would have been specifically incorporated in the aforesaid Regulations. The issue of carrying costs levied on legitimate expenses, whether or not specified, has been elucidated by the APTEL in its judgment in *KPTCL vs. KERC in Appeal No. 97 of 2020*.

(c) The imposition of interest on the instalments is in accordance with the principle of restitution, which is to restore the affected party through legitimate reimbursements, as held by APTEL in *Lanco Amarkantak Power Limited v. Haryana Electricity Regulatory Commission & ors in Appeal No. 308 of 2017*.

(d) The Petitioner *vide* its submissions at para(s) 32 and 33 of the Petition and during the course of the hearing of the petition, on 20.4.2023, had submitted that the trigger date of invoice-1 in terms of the LPS Rules is 23.4.2023 and in case of non-payment of the invoices by the Petitioner by the said date, the power supply for the entire State of Punjab would be regulated in a staggered manner in terms of Regulation 7 of the LPS Rules. However, the Petitioner, *vide* its affidavit has admitted the fact that on 24.3.2023, the Petitioner has paid only Rs. 137,16,16,053 i.e., Rs. 66,17,417 less, on the amount raised in invoice No.1. However, on the PRAAPTI portal, the Petitioner has made incorrect submissions stating that it has paid the entire amount, i.e., Rs. 137,82,33,470 as claimed by the Respondent.

(e) It is evident that the Petitioner has committed the offence of perjury by submitting manufactured documents before this Commission, fabricating the original Invoice dated 5.11.2022 as raised by the Respondent and making false and misleading statements on oath.

3. The Commission, after hearing the learned counsel for the parties, reserved its order, in the petition.

**By order of the Commission**

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

