

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.282/MP/2019

- Subject : Petition under Section 142 of the Electricity Act, 2003 for noncompliance of the order dated 3.12.2018 passed in Petition No.242/MP/2017 by Power Grid Corporation of India and for issuance of appropriate direction to Power Grid Corporation of India for payment of amount to be refunded after deduction of relinquishment charges from the encashed Bank Guarantee furnished by the Petitioner along with interest.
- Date of Hearing : 25.4.2023
- Coram : Shri Jishnu Barua, Chairperson
Shri I. S. Jha, Member
Shri Arun Goyal, Member
Shri P. K. Singh, Member
- Petitioner : Aryan MP Power Generation Private Limited (AMPPGPL)
- Respondents : Powergrid Corporation of India Limited (PGCIL) and Anr.
- Parties Present : Shri Matrugupta Mishra, Advocate, AMPPGPL
Ms. Ritika Singhal, Advocate, AMPPGPL
Shri Nipun Dave, Advocate, AMPPGPL
Ms. Suparna Srivastava, Advocate, CTUIL
Shri Tushar Mathur, Advocate, CTUIL
Shri Ranjeet Singh Rajpute, CTUIL
Shri Lashit Sharma, CTUIL

Record of Proceedings

Learned counsel for the Respondent, CTUIL submitted that in compliance with the direction of the Commission vide Record of Proceedings for the hearing dated 14.2.2023, CTUIL has filed its affidavit indicating the details regarding interest earned on the encashed amount of Rs. 4.43 crore from the date of encashment till the date of payment. Learned counsel submitted that CTUIL had paid an amount of Rs. 4.43 crore along with Rs. 7.79 lakh towards interest to the Petitioner on 13.2.2023 and the above interest amount was arrived at based on the available bank certificate with CTUIL on the date of the payment, on a proportionate basis. Learned counsel further submitted that CTUIL had requested the State Bank of India (SBI) to provide the details of total interest earned by it in CTUIL's account of Rs. 4.43 crore from 31.7.2021 (i.e. the date of transfer of funds from PGCIL to CTUIL) till 13.2.2023 and as per the certificate dated 17.2.2023 issued by SBI, the interest earned for the aforesaid period is Rs. 23.87 lakh. Accordingly, the balance interest amount of Rs. 16.08 lakh was paid to the Petitioner on 13.3.2023. Learned counsel further submitted that for the interest earned from the date of encashment upto 31.7.2021, a clarification was sought by CTUIL from PGCIL and in this regard, PGCIL vide e-mail dated 28.2.2023 informed that no interest was earned on the aforesaid amount.



2. Learned counsel for the Petitioner submitted that as per affidavit dated 23.3.2023 filed by CTUIL, no interest was earned by PGCIL on the encashed Bank Guarantee amount from the date of its encashment i.e. 26.10.2017 upto 31.7.2021 as the funds were kept in non-interest-bearing current account. Learned counsel, strongly opposing the above, submitted that the Petitioner cannot be made to suffer on account of the inefficacies of PGCIL and the PGCIL being a commercial organization, ought to have kept such fund in the interest bearing account. Learned counsel further submitted that there is a contradiction in the statement of PGCIL inasmuch as during the proceedings of Review Petition No. 16/RP/2019, PGCIL had indicated that the amount under the BG had been disbursed in the PoC Pool whereas PGCIL has now indicated that it was kept in non-interest bearing current account. Learned counsel sought liberty to file its response to CTUIL's affidavit dated 23.3.2023.

3. Learned counsel for the Respondent, CTUIL sought liberty to file its comments on the response to be filed by the Petitioner in the event any new contentions are raised therein.

4. Considering the submissions made by the learned counsel for the parties, the Commission permitted the Petitioner to file its response to the affidavit dated 23.3.2023 within two weeks. The Commission also permitted CTUIL to file its comments thereon, if any, within two weeks thereafter.

5. Subject to the above, the Commission reserved the matter for order.

By order of the Commission

**Sd/-
(T.D. Pant)
Joint Chief (Law)**