

**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 : 31.7.2023

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
Shri Nipun Dave, Advocate, AMPPGPL
Ms. Swapna Seshadri, Advocate, PGCIL
Shri Utkarsh Singh, Advocate, PGCIL
Ms. Shivani Verma, Advocate, PGCIL
Shri Tushar Mathur, Advocate, CTUIL
Ms. Suparna Srivastava, Advocate, CTUIL
Shri Ranjeet Rajput, CTUIL

Record of Proceedings

Learned counsel for the Petitioner submitted that pursuant to the liberty granted by the Commission vide Record of Proceedings for the hearing dated 5.7.2023, Respondent No.1, PGCIL has filed an affidavit dated 17.7.2023 stating therein that the notional interest accrued on the encashed Bank Guarantee amount due to auto sweep facility may be considered as 'interest earned' in the present case. Learned counsel, however, emphasized that the Respondent has been taking inconsistent stand in its various affidavits on the aspect of the 'interest earned' on the encashed Bank Guarantee amount and keeping in view that Petitioner has been required to incur the interest at much higher rate (approximately 14%), the Respondents ought to be directed to also pay the penal interest/ carrying cost on the amount of interest refunded/to be refunded by them.

2. In response, learned counsel for the Respondent No.1, PGCIL submitted that the submission of the Petitioner for carrying cost/penal interest on the amount of interest to be refunded is misplaced and is beyond the scope of the Commission's

order dated 26.12.2019 in Review Petition No.16/RP/2019 whereby the Commission modified the earlier direction to the extent that amount becoming due has to be returned with 'any interest' earned from the date of encashment till the date of payment and not 9% as held in order dated 3.12.2018. Learned counsel also submitted that the Respondent is not taking any inconsistent stand as urged by the Petitioner.

3. Considering the request of the learned counsel for the parties, the Commission permitted the parties to file their brief written submissions (not exceeding 3 pages) if any, within a week, with a copy to other side.

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

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