

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

- 1. Shri G.S. Rajamani, Member**
- 2. Shri K.N. Sinha, Member**

Petition No.114/2002

In the matter of

Approval for final recovery of extra Rupee Liability due to Foreign Exchange Rate Variation for the year 2000-01 in Northern, Western, Eastern and Southern Region.

And in the matter of

Power Grid Corporation of India Ltd.

....Petitioner

Vs

1. Rajasthan Rajya Vidyut Prasaran Nigam Ltd, Jaipur
2. Himachal Pradesh State Electricity Board, Shimla
3. Punjab State Electricity Board, Patiala
4. Haryana Vidyut Prasaran Nigam Ltd, Panchkula
5. Power Development Department, Govt. of J&K, Srinagar
6. Uttar Pradesh Power Corporation Ltd., Lucknow
7. Delhi Power Supply Co. Ltd., New Delhi
8. Chandigarh Administration, Chandigarh
9. Uttaranchal Power Corporation Ltd., Dehradun
10. West Bengal State Electricity Board, Calcutta
11. Damodar Valley Corporation, Calcutta
12. Bihar State Electricity Board, Patna
13. Grid Corporation of Orissa Ltd., Bhubaneshwar
14. Power Deptt., Govt. of Sikkim, Gangtok
15. Jharkhand State Electricity Board
16. Madhya Pradesh State Electricity Board, Jabalpur
17. Electricity Department, Admn. Of Daman & Diu, Daman
18. Gujarat Electricity Board, Vadodara
19. Electricity Department, Govt of Goa, Panaji, Goa
20. Electricity Department, Admn. of Dadra and Nagar Haveli, Silvassa
21. Maharashtra State Electricity Board, Mumbai
22. Chhattisgarh State Electricity Board, Raipur
23. Karnataka Power Transmission Corporation Ltd., Bangalore
24. Transmission Corporation of Andhra Pradesh Ltd., Hyderabad
25. Kerala State Electricity Board, Trivandrum
26. Tamil Nadu State Electricity Board, Chennai
27. Electricity Department, Govt. of Pondicherry, Pondicherry
28. Electricity Department, Govt. of Goa, Goa

.....Respondents

The following were present:

1. Shri Umesh Chandra, ED (Comml.), PGCIL
2. Shri S.S. Sharma, AGM, PGCIL
3. Shri C. Kannan, PGCIL
4. Shri S. Mehrotra, PGCIL
5. Shri S. Gopal, PGCIL
6. Shri Gourav Malik, PGCIL
7. Shri T.K. Sirohi, UPPCL
8. Shri A.K. Tandon, UPPCL
9. Shri T.P.S. Bawa, PSEB
10. Shri K.K. Mittal, XEN (ISP), RVPN
11. Shri J.S. Bhargava, AEM (ISP), RVPN
12. Shri D.D. Chopra, Advocate, RVPN
13. Shri R.K. Arora, XEN, HVPNL
14. Shri K.J. Alva, KPTCL

**ORDER
(DATE OF HEARING 6.2.2003)**

This application has been filed by Power Grid Corporation of India Limited (PGCIL) for approval of recovery of a sum of Rs.35,15,37,503 from the constituents of Northern, Western, Eastern and Southern Regions on account of extra rupee liability towards Foreign Exchange Rate Variation (FERV) for the year 2000-01 based on the following notifications issued by Ministry of Power during 1978 :-

Northern Region	16.11.1998
Western Region	20.7.1998
Eastern Region	4.12.1998
Southern Region	1.12.1998

2. These notifications provided that the effect of FERV to be paid to/by PGCIL or by/to the beneficiaries would be determined by the Central Government at the end of each financial year based on actuals as certified by the statutory auditors of PGCIL. PGCIL is further authorised to raise ad hoc bills on account of FERV based on actual expenditure as and when incurred, subject to final adjustment at the end of financial year and as certified by statutory auditors of PGCIL and approved by the Central

Government. After establishment of the Commission, these powers are now vested in and are exercised by the Commission and hence this petition.

3. We have heard Shri S.S. Sharma, Addl. GM on behalf of the petitioner, Shri D.D. Chopra, Advocate has been heard on behalf of UPPCL, Shri T.P.S Bawa on behalf of PSEB, Shri K.K. Mittal on behalf of RVPN, Shri K.J. Alva for KPTCL and Shri R.K. Arora for HVPN have also been heard.

4. On careful perusal of the record, we are of the opinion that sufficient details have not been placed on record by the petitioner to enable the Commission to take a view on or adjudicate upon the amount to be recovered by the petitioner on account of FERV. For the purpose of adjudication of the matter, it is necessary that the petitioner places on record the details of debt and equity separately for each of the transmission line and sub-station or any other asset which has qualified for tariff. The break up of loans into Indian and foreign currency should necessarily be given. It is also necessary that exact amount of each loan, date of its drawal, rate of interest applicable and interest payable, due date and amount of repayment, clearance of Ministry of Finance for External Commercial Borrowings, etc, are also given. There should be specific mention in the certificate given by the statutory auditors that the expenditure on account of FERV being claimed has actually been incurred.

5. When these deficiencies were pointed out to the representative of the petitioner, he prayed for withdrawal of the present petition with permission to file the revised petition duly supported by all the necessary details. The prayer is allowed. The petitioner may file the revised petition with all the necessary information and if

necessary, may consult the staff of the Commission for the format of furnishing the requisite details. We make it clear that the petitioner shall not be required to pay fresh filing fee in respect of the revised petition.

6. With the above observations, present petition is dismissed as withdrawn.

**Sd/-
(K.N. SINHA)
MEMBER**

**Sd/-
(G.S. RAJAMANI)
MEMBER**

New Delhi dated the 11th February, 2003