

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 186/MP/2021

- Subject : Petition under Section 79(1)(c) read with Sections 142 and 146 of the Electricity Act, 2003 regarding non-compliance of the order dated 8.6.2013 in Petition No. 245/MP/2012 passed by the Commission and for consequential directions.
- Petitioner : Dakshin Gujarat Vij Company Limited (DGVCL)
- Respondents : Arcelor Mittal Nippon Steel India Limited (AMNSIL) and Ors.
- Date of Hearing : **17.10.2024**
- Coram : Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member
- Parties Present : Shri M. G. Ramachandran, Sr. Advocate, DGVCL
Ms. Swapna Seshadri, Advocate, DGVCL
Ms. Ranjitha Ramachandran, Advocate, DGVCL
Ms. Ritu Apurva, Advocate, DGVCL
Shri B K Patel, DGVCL
Shri Gopal Jain, Sr. Advocate, AMNSIL
Ms. Ruby Singh Ahuja, Advocate, AMNSIL
Shri Varun Khanna, Advocate, AMNSIL
Shri Vishal Gehrana, Advocate, AMNSIL
Ms. Kritika Sachdeva, Advocate, AMNSIL
Shri Piyush Sharma, Advocate, AMNSIL
Ms. Anannya Ghosh, Advocate, AMNSIL
Shri Dushyant Manocha, Advocate, AMNSIL
Shri Gajendra Sinh, WRLDC
Shri Alok Mishra, WRLDC
Shri Siddharth Sharma, CTUIL

Record of Proceedings

At the outset, learned senior counsel for the Respondent, AMNSIL, submitted that in view of the direction of the Commission vide Record of Proceedings for the hearing dated 1.5.2024, the Respondent submitted a Revised Proposal to the Petitioner on 17.9.2024 wherein, without prejudice to its rights & contentions, it offered to pay the outstanding principal amount of Rs. 1035.56 crores in 9 equal monthly instalments, i.e., by May 2025. Further, without awaiting the consideration of the above Revised Proposal by the Petitioner, the Respondent, in furtherance of its *bona fide* to achieve an amicable resolution of the outstanding amount, has also proceeded to make the payment of Rs. 115 crores on 27.9.2024 and 15.10.2024 each. Thus, so far as against the stated principal liability of Rs. 1294.44 crores toward the Cross Subsidy Surcharge (CSS), the Respondent has already made the payment of Rs. 488.88 crores (amount of Rs. 258.88 crores having paid as per the earlier directions) and the balance outstanding, as per its Revised Proposal, will be cleared by May 2025. Learned senior counsel further submitted

that the Petitioner also sought certain additional documents/clarification from the Respondent, which has also been furnished by it. Learned senior counsel urged that keeping in view that the issue of the Respondent's liability to make the payment towards CSS is currently pending before the Gujarat Electricity Regulatory Commission (GERC) in Review Petitions, wherein the order has also been reserved and also the Respondent having already made substantial payment, which will it continue to make as per its Revised Proposal, the matter may be deferred for the period of four months.

2. Learned senior counsel for the Petitioner pointed out that as per the direction of the Commission vide Record of Proceedings for the hearing dated 1.5.2024, the Respondent was required to furnish the proposal for the liquidation of not only the principal amount but also the outstanding interest thereon and even the Revised Proposal, as referred to, does not include the outstanding interest. Learned senior counsel further submitted that the amount paid by the Respondent so far has been adjusted against the outstanding interest/delayed payment surcharge, and this has also been specifically communicated to the Respondents. Moreover, *vide* letter dated 6.8.2024, the Petitioner also rejected the Respondent's request for waiver of the delayed payment surcharge. Learned senior counsel also fairly stated that the Petitioner, as such, has no objection towards the liquidation of the outstanding dues in the instalments, but the Respondent cannot exclude the liability of the outstanding interest from such proposal. Learned senior counsel pointed out that by its order(s) dated 10.7.2023, the GERC has already upheld the Respondent's liability to make the payment towards CSS, and insofar as Review Petitions are concerned, the operation of order(s) dated 10.7.2023 has not been stayed.

3. In response, learned senior counsel for the Respondent, AMNSIL, submitted that the amounts paid so far by the Respondent, having been specifically tendered towards the outstanding principal, the Petitioner cannot adjust such amount against the interest. Learned senior counsel pointed out that such an amount had been deposited in compliance with the specific direction(s) of the Commission for the payment of 10% of the outstanding principal amount(s).

4. After hearing the learned senior counsel for the parties, the Commission observed that despite being given a number of opportunities, the Respondent, AMNSIL, has not been able to come up with a liquidation plan for its outstanding CSS dues, that is agreeable to the Petitioner. However, considering the submissions of the parties and the payments made so far, the Commission deemed it appropriate to provide a final opportunity to the Respondent, AMNSIL, to explore the possibility of an amicable settlement for payment/ liquidation of all outstanding dues, including interest with the Petitioner within three weeks after having a meeting with the Petitioner. Thereafter, both parties are to file their affidavits on the outcome of the efforts before the next date of the hearing.

5. The Petition will be listed for hearing on **5.12.2024**.

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