

**IN THE APPELLATE TRIBUNAL FOR ELECTRICITY
AT NEW DELHI**

(APPELLATE JURISDICTION)

**REVIEW PETITION No.1 of 2016 in
APPEAL NO.308 OF 2013**

Dated : 21st March, 2016

**Present : Hon'ble Mrs. Justice Ranjana P. Desai, Chairperson
Hon'ble Mr. T. Munikrishnaiah, Technical Member**

In the Matter of:

Chhattisgarh State Power Distribution Co. Ltd.

4th Floor, Vidyut Seva Bhavan,
Daganiya, Raipur – 492 013.

... Appellant(s)

Versus

Chhattisgarh State Electricity Regulatory Commission

Irrigation Colony, Shanti Nagar,
Raipur – 492 001.

**... Respondent/
Review Petitioner**

Counsel for the Appellant(s) : Mr. K Gopal Choudary
Mr. V.A.Deshmukh, EE (RAC)

Counsel for the Respondent(s) : Mr. M. G.Ramachandran
Ms. Swapna Seshadri
Mr. Anand K Ganesan
Ms. Mandakini Ghosh
Ms. Poorva Saigal
Ms. Anushree Bernard
Ms. Swagatika Sahoo for R-1

ORDER**PER HON'BLE MR. T. MUNIKRISHNAIH, TECHNICAL MEMBER**

The Review Petitioner, Chhattisgarh State Electricity Regulatory Commission filed a Review Petition No.1 of 2013 in Appeal No.308 of 2013 under section 120(2)(f) of the Electricity Act, 2003 seeking review of the Judgement and Order dated 09.10.2015 in Appeal No.308 of 2013 by this Tribunal on the aspect of interest on Consumer Security Deposits.

2) The contention of the Review Petitioner is that its reasons in the impugned order are based on the premise that the consumer security amounts are in the nature of funds lying in the hands of the Appellant and being utilised by the appellant for their businesses and this amount of security deposit is used by Appellant for their day to day working capital and has also been admitted by the appellant itself.

Further, Review Petitioner has stated that, if the consumer deposits are maintained as fixed deposits then the interest on FD is undisputedly included in Non-Tariff Income which is deducted from ARR during the tariff computation. Thus, the Review Petitioner prays to consider interest on Consumer Security Deposit under non-tariff income.

3. This Tribunal after hearing the arguments in Appeal No. 308 of 2013 captioned “Chhattisgarh State Power Distribution Co. Ltd. Versus Chhattisgarh State Electricity Regulatory Commission” of the rival parties and after going through the relevant regulations framed by the State Commission, this Tribunal came to the following conclusion:

- (i) As per 2006, Tariff Regulations do not provide for deduction of notional interest on consumer security deposit from the ARR for interest on wheeling capital. **Further, as per 2010 Tariff Regulations, the non-tariff income as any income being incidentals to the business of the licensee derived for sources including not limited to the disposal of**

assets, income from investment, rents, open access charges, parallel operation charges, penalties for over/under utilisation of system and any other miscellaneous receipts but other than income from sale of energy, shall constitute the non tariff income. Thus the notional interest on consumer deposit does not fall under Non-tariff income.

- (ii) The 2012 Tariff Regulations provide for deduction of Consumer security deposits from the working capital requirements. However, there is no provision for notional interest on excess consumer security deposit to be treated as non-tariff income.

Thus, treating the notional interest on excess consumer security deposit as non-tariff income is contrary to the applicable Regulations. We find no error apparent on record or any other sufficient reason to review our judgment and order dated 09.10.2015. We do not find any force in the argument of the

counsel of the State Commission and accordingly, the Review Petition is dismissed.

There shall be no order as to costs.

(T. Munikrishnaiah)
Technical Member

(Justice Ranjana P. Desai)
Chairperson

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