

TAMIL NADU ELECTRICITY REGULATORY COMMISSION

Order of the Commission dated this the 6th Day of June 2024

PRESENT:

Thiru M.Chandrasekar Chairman
Thiru K.Venkatesan Member
and
Thiru B.Mohan Member (Legal)

M.P. No. 19 of 2022

Tamil Nadu Generation and Distribution
Corporation Limited
144, Anna Salai
Chennai – 600 002.
Represented by its Chief Financial Controller /
Deposits and Documentation

... Petitioner
Thiru N.Kumanan and
Thiru A.P.Venkatachalapathy,
Standing Counsel for TANGEDCO

Vs.

M/s. Amaravathi Textiles
Regd. Office Post Box No. 95, 9D/5
Ramakrishnapuram
Karur – 639 001.

.... Respondent
Thiru R.S.Pandiyaraj
Advocate for the Respondent

The Miscellaneous Petition No.19 of 2022 filed under the Electricity Act, 2003 seek to declare that M/s. Amaravathi Textiles, WEG No.79204721304, EDC Tirunelveli is not a Captive Generating Plant for the FYs 2014-15, 2015-16 and 2016-17 and pass

such other order or orders as the Commission may deem fit and proper and thus render justice.

This petition coming up for final hearing on 27-02-2024 in the presence of Tvl. N.Kumanan and A.P.Venkatachalapathy, Standing Counsel for the Petitioner and Thiru R.S.Pandiyaraj, Advocate for the Respondent and on consideration of the submissions made by the Counsel for the Petitioner and the Respondents, this Commission passes the following:

ORDER

1. Contentions of the Petitioner:-

1.1. The present Miscellaneous Petition seeks to declare that M/s. Amaravathi Textiles, WEG No.79204721304, EDC Tirunelveli is not qualified as a Captive Generating Plant for the FYs 2014-15, 2015-16 and 2016-2017. As per the Hon'ble APTEL order in A.No.131 of 2020 dated 07.06.2021, TANGEDCO could be appointed for undertaking an exercise of collecting and verifying data for the purpose of verification of captive generating plant status in the State of Tamil Nadu, without exercising the powers to take any coercive action against any CGP/Captive User(s). Any action to be initiated against the CGP/Captive User(s) regarding its captive status or for recovery of CSS, as per law, needs to be done through appropriate proceeding initiated before the Commission. Hence, TANGEDCO filed this Miscellaneous Petition.

1.2. The Electricity Act, 2003 defines the Captive Generating Plant under section 2(8) as follows:

2. (8). *"Captive generating plant" means a power plant set up by any person to generate electricity primarily for his own use and includes a power plant set up by any co-operative society or association of persons for generating electricity primarily for use of members of such co-operative society or association."*

1.3. The Section 42 of the Electricity Act, 2003 reads as follows:

"42. Duties of distribution licensees and open access

The State Commission shall introduce open access in such phases and subject to such conditions, (including the cross subsidies, and other operational constraints) as may be specified within one year of the appointed date by it and in specifying the extent of open access in successive phases and in determining the charges for wheeling, it shall have due regard to all relevant factors including such cross subsidies, and other operational constraints:

Provided that such open access may be allowed before the cross subsidies are eliminated on payment of a surcharge in addition to the charges for wheeling as may be determined by the State Commission:

Provided further that such surcharge shall be utilized to meet the requirements of current level of cross subsidy within the area of supply of the distribution licensee: Provided also that such surcharge and cross subsidies shall be progressively reduced and eliminated in the manner as may be specified by the State Commission:

Provided also that such surcharge shall not be leviable in case open access is provided to a person who has established a captive generating plant for carrying the electricity to the destination of his own use.

Where any person, whose premises are situated within the area of supply of a distribution licensee, (not being a local authority engaged in the business of distribution of electricity before the appointed date) requires a supply of electricity from a generating company or any licensee other than such distribution licensee, such person may, by notice, require the distribution licensee for wheeling such electricity in accordance with regulations made by the State Commission and the duties of the distribution licensee with respect to such supply shall be of a common carrier providing non-discriminatory open access.

Where the State Commission permits a consumer or class of consumers to receive supply of electricity from a person other than the distribution licensee of his area of supply, such consumer shall be liable to pay an additional surcharge

on the charges of wheeling, as may be specified by the State Commission, to meet the fixed cost of such distribution licensee arising out of his obligation to supply."

1.4. The Tamil Nadu Electricity Regulatory Commission had issued Grid Connectivity and Intra-State Open Access Regulations, 2014 reads as follows:-

23. Cross subsidy surcharge:

(1) If open access facility is availed of by a subsidizing consumer of a Distribution Licensee, then such consumer, in addition to transmission and/or wheeling charges shall pay cross subsidy surcharge as determined by the Commission. Cross subsidy surcharge determined on per unit basis shall be payable, on monthly basis, by the open access customers based on the actual energy drawn during the month through open access. The amount of surcharge shall be paid to the distribution licensee of the area of supply from whom the consumer was availing supply before seeking open access."

From the above, it could be clearly observed that if the above provisions are read in conjunction with each other, Cross Subsidy Surcharge shall not be leviable in case Open access is provided to a person who has established a captive generating plant for carrying the electricity to the destination of his own use.

1.5. In exercise of powers conferred by section 176 of the Electricity Act, 2003 (Act 36 of 2003), the Central Government issued Electricity Rules-2005 for requirements of Captive Generating Plant. The regulation 3 envisages the requirements of Captive Generating Plant which are as follows:

"3. Requirements of Captive Generating Plant:

(1) No power plant shall qualify as a 'captive generating plant' under Section 9 read with clause (8) of section 2 of the Act unless-

(a) in case of a power plant-

(i). not less than twenty six percent of the ownership is held by the captive user(s), and

(ii) not less than fifty one percent of the aggregate electricity generated in such plant, determined on an annual basis, is consumed for the captive use:

Provided that in case of power plant set up by registered cooperative society, the conditions mentioned under paragraphs at (i) and (ii) above shall be satisfied collectively by the members of the co- operative society:

Provided further that in case of association of persons, the captive user(s) shall hold not less than twenty six percent of the ownership of the plant in aggregate and such captive user(s) shall consume not less than fifty one percent of the electricity generated, determined on an annual basis, in proportion to their shares in ownership of the power plant within a variation not exceeding ten percent;

(b) *In case of a generating station owned by a company formed as special purpose vehicle for such generating station, a unit or units of such generating station identified for captive use and not the entire generating station satisfy(ies.)the conditions contained in paragraphs (i) and (ii) of sub-clause (a) above including-*

Explanation:-

(1) *The electricity required to be consumed by captive users shall be determined with reference to such generating unit or units in aggregate identified for captive use and not with reference to generating station as a whole; and*

(2) *The equity shares to be held by the captive user(s) in the generating station shall not be less than twenty six percent of the proportionate of the equity of the company related to the generating unit or units identified as the captive generating plant.*

Illustration: In a generating station with two units of 50 MW each, namely, Units A and B, one unit of 50MW namely Unit A may be identified as the Captive Generating Plant. The captive users shall hold not less than thirteen percent of the equity shares in the company (being the twenty six percent proportionate to Unit A of 50 MW) and not less than fifty one percent of the electricity generated in Unit A determined on an annual basis is to be consumed by the captive users.

(2). It shall be the obligation of the captive users to ensure that the consumption by the Captive Users at the percentages mentioned in sub-clauses (a) and (b) of sub-rule (1) above is maintained and in case the minimum percentage of captive use is not complied with in any year, the entire electricity generated shall be treated as if it is a supply of electricity by a generating company.

Explanation.- (1) For the purpose of this rule:

a. "Annual Basis" shall be determined based on a financial year;

b. "Captive User" shall mean the end user of the electricity generated in a Captive Generating Plant and the term "Captive Use" shall be construed accordingly;

c. "Ownership" in relation to a generating station or power plant setup by a company or any other body corporate shall mean the equity share capital with voting rights. In other cases, ownership shall mean proprietary interest and control over the generating station or power plant;

d. "Special Purpose Vehicle" shall mean a legal entity owning, operating and maintaining a generating station and with no other business or activity to be engaged in by the legal entity."

From the above, it can be understood that the twin rules of "Ownership" and "Consumption" have to be satisfied as per the Electricity Rules-2005 in order to qualify as a Captive Generating Plant. If the status of a Captive generating plant is lost due to non-fulfilment of any one of the conditions or both, the entire electricity generated from such plant in a year shall be treated as a supply of electricity by a generating company. In such cases of disqualification, Cross Subsidy Surcharge has to be levied for the entire adjusted units/consumed by the Users treating such consumption as though it was supplied by the respective Generating Plant, as per the proviso 4 of Section 42 (2) of the Electricity Act, 2003 which clearly states that such surcharge shall not be leviable in case

open access is provided to a person who has established a captive generating plant for carrying the electricity to the destination of his own use.

1.6. M/s. Amaravathi Textiles, WEG No.79204721304, EDC Tirunelveli has not submitted the documents for CGP verification. Hence, CGP verification was carried out with:

- (i) the documents submitted by the generator at the time of obtaining captive wheeling approval;
- (ii) the documents downloaded from MCA website.

1.7. As per the Auditor certificate dated 29.10.2020 the Captive user M/s.Amaravathi Textiles is a partner/member with capital contribution of Rs.40,00,000/- with controlling interest of 100% in the captive Generator Firm M/s. Amaravathi Textiles. The generator itself is using the HTSC No. 069094430056 and hence are holding 100% ownership in the Generator, M/s. Amaravathi Textiles, and thus Generator fulfils the criteria of “ownership” stated in Rule 3 of Electricity Rules, 2005.

1.8. The aggregate consumption of the plant, M/s. Amaravathi Textiles for the FYs 2014-15, 2015-16 and 2016-17 is as follows:

Financial Year	Generator HTSC	Consumption Details	
		Gross Generation in units	Captive Consumption in units
(1)	(2)	(3)	(4)
2014-15	79204721304	970,692	217,645
2015-16		912,048	203,534
2016-17		11,18,988	165,028

In accordance with Electricity Rules-2005, the "Ownership" condition is fulfilled. In respect of the "Consumption" criteria, the Rule-3 of Electricity Rules, 2005 stipulates that not less than fifty one percent of the aggregate electricity generated in such plant, determined on an annual basis, is consumed for the captive use. In this regard, the aggregate electricity generated means Gross generation minus auxiliary consumption. In this connection, the computation of the "Consumption" criteria for the said financial year is arrived as follows:

Financial Year	Consumption Details WEG No. 79204721304			
	Generator HTSC	Gross Generation	Captive Consumption	Percentage of captive consumption on aggregate generation
(1)	(2)	(3)	(4)	5=(4/3)
2014-15	79204721304	970,692	217,645	22%
2015-16		912,048	203,534	22%
2016-17		11,18,988	165,028	15%

From the above, it could be observed that the Respondent has not fulfilled "Consumption" criteria for the FYs 2014-15, 2015-16 and 2016-17 as its captive consumption was 22%, 22 % and 15% respectively i.e. below the requirements of 51%. The Respondent failed to fulfil the "Consumption" criteria as per the Electricity Rules-2005 for the FYs 2014-15, 2015-16 and 2016-17.

1.9. As per the Commission's order in R.A. 7 of 2019, in the case of wind energy, if the CGP having multiple generating units have separate Energy Wheeling agreements, aggregate energy of all generating units of the CGP shall be considered irrespective of separate wheeling agreement provided the captive users of each EWA are the same and holding same proportion of Ownership.

1.10. M/s.Amaravathi Textiles has lost the 'ownership' criteria for FYs 2014-15, 2015-16 and 2016-17. Hence, the wheeling approval granted during May 2005 is deemed to be cancelled and energy adjusted should be treated as third party for FYs 2014-15, 2015-16 and 2016-17. To facilitate collection of Cross Subsidy Surcharges from the respondent, it is imperative to have the respondent's plant declared as not a Captive Generating Plant for the FYs 2014-2015, 2015-2016 and 2016-2017. Hence, the application.

2. Contentions of the Respondent:-

2.1. The Respondent has not complied with the minimum 51% consumption norms from the windmill having WTG HTSC No.79204721304, during the years 2014-15, 2015-16 & 2016-17 and accordingly, failed to demonstrate the CGP norms on its failure to consume minimum 51% of the energy generated during the above years.

2.2. To explain the same, the following Table is provided.

Name of the Generator/ Captive User:	M/s. Amaravathi Textiles
HTSC No. / EDC	069094430056 / Karur
WEG HTSC No. / EDC	79204721304

Sl. No.	Year	Units Generated	Units Consumed	Percentage of Consumption
1	2014-15	970,692	217,645	22.42%
2	2015-16	912,048	203,534	22.32%
3	2016-17	11,18,988	165,028	14.75%

2.3. Since the Respondent has not consumed the generated energy at the level of 51% in any of the three years, as stated by the Petitioner, the Respondent has to face the consequences as stipulated under Rule 3 (2) of the Electricity Rules 2005, to the extent extracted below.

"Rule 3(2) It shall be the obligation of the captive users to ensure that the consumption by the Captive Users at the percentages mentioned in sub-clauses (a) and (b) of sub-rule (1) above is maintained and in case the minimum percentage of captive use is not complied with in any year/ the entire electricity generated shall be treated as if it is a supply of electricity by a generating company. "

2.4. Therefore, according to the above Rule, the units captively consumed by the Respondent, during the above 3 years, have to be treated as supplied by the Generating Company and accordingly, the same may be charged with Cross Subsidy Surcharge, at the applicable rates for the reason of not demonstrating the captive status of his CGP for consuming the captive energy below 51% in all the above three years. Accordingly, the respondent admits the liability to pay the Cross Subsidy Surcharge as demanded by the Petitioner TANGEDCO in this regard.

2.5. However, when the Respondent is ready to pay to the Petitioner TANGEDCO the Cross Subsidy Surcharge, the Petitioner TANGEDCO is also having an equal obligation to allow the encashment of the unutilized units as on 31st March, for the above three years, at the rates applicable and accordingly which is worked out as follows.

Sl. No.	Year	Unutilized Units as on 31 st March	Feed in Tariff Rate	Percentage eligible for encashment	Amount (Rs.)
1	2014-15	753047	Rs.2.90	100% as the period falls under R&C period	21,83,836.00
2	2015-16	708514	Rs.2.90	75%	15,41,018.00
3	2016-17	953960	Rs.2.90	75%	20,74,863.00
Total					57,99,717.00

2.6. The Respondent prays that the amount of Rs.57,99,717.00 may be ordered to be paid towards encashment of unutilized energy at the end of 31st March on each year as stated above, within a period specified in this regard.

2.7. According to the calculation of the Respondent, the TANGEDCO can claim the Cross Subsidy Surcharges, at a maximum from the Respondent to the extent as stated below at 40% of the Cross Subsidy Surcharge of Rs.3.2508 as applicable to the 11 kV Injection / 11 kV Drawal Voltage.

Sl. No.	Year	Units Captively Consumed	Rate of CSS as applicable at 40% of Rs.3.2508	Amount (Rs.)
1.	2014-15	217645	Rs.1.30	2,82,938.50
2.	2015-16	203534	Rs.1.30	2,64,594.20
3.	2016-17	165028	Rs.1.30	2,14,536.40
Total				7,62,069.10

2.8. Therefore, from the above, it could be seen that the TANGEDCO has to make a payment of Rs.50,37,647.90 [Rs. 57,99,717.00 (-) Rs.7,62,069.10] to the Respondent. The Commission may issue an order, directing the Petitioner TANGEDCO to pay a sum of Rs.50,37,647.90 to the Respondent, on the declaration that the Respondent's CGP is not qualified to be a CGP during the above three years.

3. Rejoinder filed by the Petitioner:

3.1. The petitioner seeks to declare that M/s Amaravathi Textiles, has lost captive status for the financial year 2014-15, 2015-16 & 2016-17. In the counter filed the respondent itself admits that the minimum 51% consumption norms have not been met for the FYs 2014 15, 2015-16 & 2016-17 and hence the CGP norms not fulfilled.

3.2. The Respondent is also ready to pay the Cross Subsidy Surcharge amount as demanded by the Petitioner TANGEDCO.

3.3. In order T.P No 1 of 2013, Determination of Tariff for Generation & Distribution dated 20.06.2013, the Cross Subsidy Surcharge for HT consumers having Injection Voltage of 33KV and Drawal Voltage of 11KV for Industry is Rs.3.4592/Kwh. In SMT Order No.9 of 2014 dated 11.12.2014 the Cross Subsidy Surcharge is Rs.3.3206/Kwh at the same voltage levels. In Order No 6 of 2012, Comprehensive Tariff Order on Wind Energy dated 31.07.2012, the Commission has ordered to levy 50% of the Cross Subsidy Surcharge. Hence for the FY 2014-15, the applicable rate of Cross

Subsidy Surcharge up to 11.01.2014, is 50% of Rs.3.4592 i.e. Rs.1.7296 and from 12.01.2014, 50% of Rs.3.3206 i.e Rs.1.6603 has been levied. During the month of December 2014, the adjusted units were divided proportionately for the No. of days and the respective rate of CSS applied to calculate the amount to be claimed from the respondent.

FY 2014-15

Months	Units Adjusted	CSS Rate	Amount (Rs.)
Apr -14	18680	1.7296	32308.928
May-14	19302	1.7296	33384.739
Jun-14	20428	1.7296	35332.269
Jul-14	17020	1.7296	29437.792
Aug-14	21592	1.7296	37345.523
Sep-14	20726	1.7296	35847.69
Oct-14	13826	1.7296	23913.45
Nov-14	19290	1.7296	33363.984
01.12.2014 To 11.12.2014	20142*11/31 7147	1.7296	12361.45
12.12.2014 to 31.12.2014	20142 * 20/31 12995	1.6603	21575.60
Jan-15	15978	1.6603	26528.273
Feb-15	15583	1.6603	25872.455
Mar-15	15078	1.6603	25034.003
Total	217645		372306.17

3.4. In SMT order No.9 of 2014 dated 11.12.2014 the Cross Subsidy Surcharge was Rs.3.3206/Kwh. In Order No 3 of 2016, Comprehensive Tariff Order on Wind Energy dated 31.03.2016, the Commission has ordered to levy 50% of the Cross Subsidy Surcharge. Hence, for the FYs 2015-16 and 2016-17, 50% of Rs.3.3206 i.e.

Rs.1.6603 has been levied and the calculation of the amount to be claimed from the respondent is tabulated below:-

FY	Units Adjusted	CSS Rate	Amount (Rs)
2015-16	203534	1.6603	337927.50
2016-17	165028	1.6603	273995.99

The total amount payable by the Respondent

FY 2014-15	Rs.3,72,306.17
FY 2015-16	Rs.3,37,927.50
FY 2016-17	Rs.2,73,995.99
Total CSS	Rs.9,84,229.66

3.5. The Hon'ble APTEL in Appeal No.56 of 2022, dated 26.05.2022 has passed an order that *"The payment for the unutilized energy and collection of Cross Subsidy Surcharge are two different issues which cannot be interlinked as they operate on different spheres."*

Hence, the contention of the petitioner in para 6 of the counter filed is not acceptable.

4. Arguments advanced on either side heard. Materials available on record perused. Relevant provisions of the Electricity Act and Electricity Rules traversed.

5. The points for determination that arise for determination in the present case are as follows:-

- (1) Whether the plea of set-off projected by the respondent can be legally entertained and considered by this Commission in the present case?
- (2) Whether the petitioner is entitled to the relief of declaration as prayed for in the petition?

6. Findings of the Commission:-

6.1. Findings of the Commission on Point No.1:-

6.1.1 In the counter affidavit filed by the respondent, there is a categorical admission that for the Financial Years 2014-15, 2015-16 and 2016-2017, the respondent's plant has not fulfilled the "Consumption" criteria as contended by the petitioner.

6.1.2 Admissions are as ancient as hill and it is the best form of proof which a court can rely upon to decide an issue. In the back drop of the above candid admission made by the respondent, there is no difficulty for this Commission to come to the logical conclusion that the respondent's plant is not a Captive Generating Plant for the FYs 2014-2015, 2015-2016 and 2016-2017.

6.1.3 The respondent, while conceding that it had lost its CGP status in regard to the FY 2014-15, FY 2015-2016 and FY 2016-17 in para-6 of the counter had pleaded set-off by quantifying the amounts due from the petitioner towards encashment of the unutilized units at the applicable rate and adjust the amount payable by it to the petitioner TANGEDCO towards cross subsidy surcharges for the relevant period. The respondent furnished the details of dues in regard to value of untitled energy as follows:-

Sl. No.	Year	Unutilized Units as on 31 st March	Feed in Tariff Rate	Percentage eligible for encashment	Amount (Rs.)
1	2014-15	753047	Rs.2.90	100% as the period falls under R&C period	21,83,836.00
2	2015-16	708514	Rs.2.90	75%	15,41,018.00
3	2016-17	953960	Rs.2.90	75%	20,74,863.00
Total					57,99,717.00

According to the respondent, while the amount payable by it to the petitioner towards CSS is Rs.7,62,069.10, the amount due from the petitioner towards encashment of unutilized units is Rs.57,99,717/-. Contending so, the respondent prayed for passing an order directing the petitioner to pay a sum of Rs.50,37,647/- to the respondent by setting off Rs.7,62,069.10.

6.1.4. In the rejoinder filed by the petitioner, the plea of set-off pleaded by the respondent in the counter statement is sought to be jettisoned by referring to the earlier order passed by this Commission in D.R.P.No.67 of 2014 dated 22.09.2020 which came to be upheld by the Hon^{ble} APTEL vide order passed in Appeal No.56 of 2022. The bone of the contention of the petitioner is that since the cross subsidy surcharge and payment of unutilized energy are two different subjects they cannot be interlinked and as such the plea of set-off pleaded by the respondent cannot be entertained even for a moment.

6.1.5. The fact that for the FY 2014-2015, FY 2015-16 and FY 2016-17, the petitioner is liable to pay the respondent for the unutilized energy units cannot be disputed by the petitioner. But the million dollar question that arises in the instant case is as to whether

the plea of set-off pleaded by the respondent can be legally entertained on the given facts and circumstances.

6.1.6. To deal with the above referred vital legal issue, this Commission deem it seemly to begin by first reproducing the relevant provision of law which govern the plea of set-off. Rule 6 of the Order VIII of Code of Civil Procedure reads as follows:-

“6. Particulars of set-off to be given in written statement:- (1) Where in a suit for the recovery of money the defendant claims to set-off against the plaintiff’s demand any ascertained sum of money legally recoverable by him from the plaintiff, not exceeding the pecuniary limits of the jurisdiction of the Court, and both parties fill the same character as they fill in the plaintiff’s suit, the defendant may, at the first hearing of the suit, but not afterwards unless permitted by the Court, present a written statement containing the particulars of the debt sought to be set-off.”

6.1.7. Under Order VIII Rule 6 of CPC a set-off can be availed by the defendant in suits for recovery of money where

- a) the sum due from the plaintiff to the defendant is definite
- b) the sum is legally recoverable (and is not a contested amount) and
- c) does not exceed the pecuniary jurisdiction of the Court before which the suit is filed.

6.1.8. From the above discussion, it is manifest that the plea of set-off can be raised only in money suits. In the case in hand, the petitioner TANGEDCO has preferred a petition seeking a prayer for declaration that the respondent is not a CGP for the FY 2014-2015, FY 2015-2016 and FY 2016-17. Hence it is manifest that the instant application is not a money claim. Situated thus as per the rigour of Rule 6 (1) of Order VIII CPC, the plea of set-off cannot be entertained in the instant case. Merely because the respondent quantified certain amounts that is claimed to be payable by the petitioner

to the respondent and vice versa, the same cannot change the nature of claim made in the original petition. Since the very foundational fact for projecting the plea of set-off (i.e.) existence of money claim, has not been established by the respondent, this Commission decides that the plea of set-off projected by the respondent cannot be entertained and considered by the Commission in the instant case. Accordingly, this point is decided.

6.2. Findings of the Commission on Point No.2:-

6.2.1. This Commission vide Order dated 22.09.2020 passed in the case of M/s. Arulmozhi Spinning Mills Pvt. Ltd. Vs. The Superintending Engineer and others (DRP No.67 of 2014) has categorically held that payment of unutilized banked energy and collection of Cross Subsidy Surcharges are two different issues which cannot be interlinked as they operate on different spheres. This Commission further observed that it would not be appropriate for the Distribution Licensee to withhold the payment due on the unutilized banked energy to the Generator on the ground of non-payment of cross subsidy surcharges. The above order passed by this Commission later on came to be affirmed by the Hon^{ble} APTEL vide Order dated 26.05.2022 passed in Appeal No.56 of 2022.

6.2.2. In the backdrop of the Order dated 22.09.2020 passed in DRP No.67 of 2014, this Commission hereby hold that the respondent is entitled for payment on the unutilized banked energy as contended in its counter affidavit. The respondent in its counter affidavit has quantified the amount payable by it to the petitioner towards CSS and also the amount due to it from the petitioner on the unutilized banked energy. However, the figures set out by the petitioner in the rejoinder differs and there is a

discrepancy. In view of the fact that the present petition is only for a declaratory relief, we are not going into the correctness or otherwise of the claim on CSS and confine ourselves to the declaratory relief. In the rejoinder filed by the petitioner, the calculation tabulated in the counter affidavit in regard to cross subsidy surcharge and payment on unutilized banked energy is neither admitted nor denied. However this issue, in the considered opinion of this Commission, can be resolved by the petitioner and the respondent through reconciliation and deliberation across the table.

6.2.3. On a conspectus evaluation of all facts and circumstances emanating from the material records in the light of the settled principles of law governing the subject, this Commission decides that the petitioner is entitled to an order of declaration as prayed for.

In fine, the following order is passed:-

- (a) It is hereby declared that M/s. Amaravathi Textiles, WEG No.79204721304 EDC Tirunelveli is not qualified as a Captive Generating Plant for the Financial Year 2014-2015, FY 2015-16 and FY 2016-17.
- (b) Parties shall bear their respective cost. Petition stands disposed of accordingly.

(Sd.....)
Member (Legal)

(Sd.....)
Member

(Sd.....)
Chairman

/True Copy /

Secretary
Tamil Nadu Electricity
Regulatory Commission

