

**BRIEF-PROJECT ENERGISATION**  
**Air Force Naval Housing Project (Greater Mohali)**

1. The board's intention is to keep the allottees always updated about the latest on the electricity front through regular sitrep, however the delay was because we were waiting for some tangible result to share with you. This brief is to give you a detailed analysis of what we are able to achieve at this stage.
2. The PSPCL granted NOC vide their letter PSPCL Memo 263 dt 22 Jul 2010 for the proposed 142.8 acre colony( Sunny Enclave), wherein M/s Bajwa Developers was to complete his 66 KVA sub-station and LD system within three years time which expired on 22 Jul 13. Also it was understood vide Para 3 of PSPCL NOC ibid, that a certain amount as suggested by PSPCL should be reserved as security deposit by The Ministry, Housing and Urban Development in case the developer fails to honor his commitment, the work then will be executed at his risk and cost .How ever exact status of this money held is not available
- 3 The electric load sanctioned to AFNHB is 7,514 KVA (6,762KW) by Punjab State Power Corporation Limited (PSPCL) vide their letter No. 1153/NO/CC/Sunny Mega dated 08 Mar 11 (Revised).
4. Based on the inputs of PSPCL NOC and assurance by M/s Bajwa Developers, the project completed its individual formalities of commissioning of six sub-stations (32 transformers), the inspection of which was carried out . Accordingly the handing over schedule was drawn out.
5. We were informed by M/s Bajwa Developers that his 66 KV sub-station is 90% ready, pending inspection by PSPCL staff. However, he further stated there is a likely delay of 3 – 6 months as the 66KV line which is to come from 220 KV Sub-station, Mohali is not ready due to land dispute.
6. As we are committed to our allottees for handing over and since we could not provide them with electricity, we approached Chairman cum Managing Director, PSPCL( Patiala) directly. He was kind enough to understand our issue and sanctioned us with a temporary load of 1000KW, but subject to condition that AFNHB or M/s Bajwa Developers deposit 6.9 crore bank guarantee.
7. We also approached M/s Bajwa Developers to pay the BGB of 6.9 crores, but he expressed his inability due to financial constraints.
8. We again represented and requested PSPCL to reconsider the BGB amount as this is equivalent amount required to be deposited by M/s Bajwa Developers for full Sunny Enclave (i.e. 142.80 acres) whereas we are just 20 acres of this whole Mega Project. Also as a board we submitted that if there is a rider due to regulation in vogue, we agree to deposit the suggested amount but on behalf of AFNHB and not on behalf of M/s Bajwa Developer. However PSPCL (Mohali) was not in agreement as they contested that we are a part of the mega project.
9. The board submitted the bank guarantee (BGB) of Rs 6.9 crores through ICICI bank dated 13 Jun 13.However this bank guarantee was returned back to us as PSPCL wanted certain conditions mentioned in the BGB amended and they persisted that M/s Bajwa name be included.
10. It was also informed to AFNHB that any violation on part of the developer in executing his contractual obligation of commission of his 66KV substation / LD system will result in forfeit of the

BGB deposited. The AFNHB was in dilemma as regards to resubmitting the BGB because under the given terms and condition we may be penalize for any violation by a third party.

11. A meeting was again scheduled in SE Operation Circle office, Mohali with PSPCL (Patiala) official also present to resolve these contentious issues but we could not arrive at any conclusive result. Since we could not break this impasse, we approached the Punjab State Electricity Regulatory Commission (PSERC) to make them aware of our issues viz a viz M/s Bajwa and PSPCL. They were very sympathetic and assured us of all the help under the given regulations. They also suggested that we attend the hearing of petition filed by M/s Bajwa with the commission.

12. We also decided to take parallel action on certain other issues so that even if the BGB has to be deposited we should reduce our risk factor.

**66KV Sub Station:-** We approach M/s M Tech , the company executing the sub station for M/s Bajwa developer. We got them talking to Mr Bajwa to resole certain issues between them and to fast track the pending work including early release of payments. We have been informed that all most all items have been procured/ factory inspected.

**BGB by M/s Bajwa;-** The HQ AFNHB was able to prevail upon and convince M/s Bajwa to deposit BGB for the pending works.

**CGEWHO\_-** The central govt. scheme which is co located and their handing over is also pending due to non availability of electricity .They were also co-opted to put pressure on all concern.

**Interaction with concerned authorities:-** The DG and DDG interacted with all the concerned authorities so that our issues are well understood.

13. The present status of various works linked to commissioning of substation and electric supply to Suuny enclave/site is as follows: -

(a) 66 KV Sub-station (Sunny Enclave): 95% work is completed; most of the items have arrived / factory inspected by the PSPCL staff. This has been confirmed from M/s M Tech, the company undertaking completion of 66 KV sub-stations on behalf of M/s Bajwa developers. If prevailed upon this work can be completed in about two month's time and the BGB requirement will reduce substantially.

(b) 66 KV Line: The PSPCL has erected Fourteen 66 KV tower for line. The end tower is approx 1 Km away from NH – 21. No conductor has been installed over these towers. EDC to reach the 66 KV sub-station is 3 months, very optimistic.

(c) AFNHB Project: All six sub-stations (32 transformers) inspected and ready for energization.

14. It is also pertinent to mention that although all the agencies we have approached have been very positive and considerate, however their assurances have been with a rider.

(a) M/s Bajwa Developers: - He has been assuring us for the last six months that he has filed a case with PSERC and likely to get requisite load very soon.

(b) PSPCL: - Have sanctioned 1000 KW, but with a rider that 6.9 crores Bank Guarantee has to be deposited by M/s Bajwa Developers, which he says is unable to comply with due to his financial constraints.

15. With this background we participated in the **hearing of the petition in the office of Chair Person PSERC held on 27 Aug and our submission was:**

(a) A temporary load 1000KW as sanctioned by PSPCL is provided at an early date.

(b) Bank Guarantee if required be for the temporary load (till 66 KV sub-station is completed) and should be on behalf of AFNHB. Amount commensurate to the size of the plot be considered. Also if, the Ministry of Housing and Urban Development is holding the risk money, then this amount can be considered to be waved off.

(c) A commitment from all agencies concerned to finish their part of work and as per the terms mentioned in the PSPCL NOC which expired on 22 Jul 13. This will help us to promulgate some realistic dates to our allottees.

16. M/s Bajwa tried convincing the commission that the substation will be ready in next 15-20 days and the commission should consider reducing the BGB amount. This was rejected by the others member of PSERC.

**The chairperson directed the following :**

(a) M/s Bajwa to deposit to BGB for the pending works in two parts, one for the 66 KV substation and the other for line distribution (LD system).

(b) She directed that PSPCL and M/s Bajwa developer to workout the pending work and amount of BGB to be deposited by M/s Bajwa .

(c) She has given one week time i.e. 03 Sep. 2013 to work out the details of the BGB amount to be deposited by M/s Bajwa developer. All concerned will meet again on 03 Sep13.

17. **What does this means to us?**

(a) The BGB will be deposited by M/s Bajwa developer, therefore our risk factor will be nil.

(b) We already have a load sanction of 1000 KW to start with from PSPCL, which will be released to us soon. This can be enhanced on as required basis depending upon the load requirement.

© The work on 66KV substation and 66KV line will move on fast track, we hope in next 3-4 month that work will also be completed and we will get our full load .

18. We also under stand the allottees anguish, but you will appreciate that dealing with government agencies takes time and patience. The board after lots of perseverance has been able to come this far and are very optimistic about the out come.

PUNJAB STATE ELECTRICITY REGULATORY COMMISSION  
SCO NO. 220-221, SECTOR 34-A, CHANDIGARH

Petition No. 50 of 2012  
Date of hearing: 27.08.2013  
Date of Order: 29.08.2013

In the matter of : Petition in the matter of release of electricity connection to Bajwa Developers Limited for 142.80 acre colony Sunny Enclave at village Desu Majra (Kharar) – violation of regulation 5 & 6 of Electricity Supply Code 2007.

AND

In the matter of: Bajwa Developers Limited, Village Desu Majra, Kharar

Versus

Punjab State Power Corporation Limited

Present: Smt.Romila Dubey, Chairperson  
Shri Virinder Singh, Member  
Shri Gurinder Jit Singh, Member

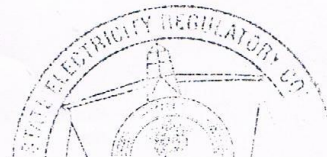
For petitioner: Shri R.S.Dhiman

For AFNHB : Cdr S.S.Saini, Project Director  
Gr.Mohali Project  
(Sunny Enclave)

For PSPCL: Shri Sanjeev Gupta, S.E./TR-2  
Shri Arun Kumar Gupta, Addl.SE/SR  
Shri Jaspal Singh, AEE

**ORDER**

In the start of hearing Cdr S.S.Saini Project Director AFNHB Gr. Mohali Project (Sunny Enclave) requested for joining the proceedings being the Project Director of the Air Force Naval Housing Board (AFNHB), a defence organization constituted to meet the housing needs of Air Force / Naval personnel and their widows by building affordable houses on "no profit no loss" basis. Cdr Saini stated that he has already put in a representation vide his letter No. PD (GM)/Wks/303 dated 21 August 2013 for permission to attend the hearing being a major stake-holder and an aggrieved party due to non-availability of electric




supply. The Commission accordingly permitted him to attend the hearing and express his views. He informed that AFNHB Project is a part of Sunny Enclave (Mega Project), Sector 125 being developed by M/s Bajwa Developers and about 1300 dwelling units have been constructed and Armed Forces allottees are unable to occupy the same due to non-availability of electric supply. He requested that as a stop gap arrangement, a power connection for a load of 1000 kW be released on priority till the proposed 66 kV Sub-Station comes up to surmount the difficulties of the allottees.

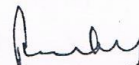
During hearing, the petitioner assured that the remaining work of construction of 66 kV Sub-Station will be completed on top priority and thereafter 66 kV Sub-Station will be put up for inspection to Chief Electrical Inspector, Punjab, and further the requisite Bank Guarantees for 66 kV Sub-Station as well as the remaining works will be furnished separately. The petitioner also submitted that since the cost of 66 kV line has been deposited by GMADA with PSPCL, as such PSPCL may be instructed to refund Rs.81.75 Lac (approximately) deposited by the petitioner with PSPCL for this purpose. PSPCL brought to the notice of the Commission that the sheds constructed under 220 kV line needs to be demolished and the removal of the same is required before energization of the electrical system.

After hearing the petitioner and the respondent, the parties were directed to sit together and work out the amounts of separate Bank Guarantees, one for 66 kV Sub Station and other for balance works. Further, PSPCL is directed to intimate the status of the refund of amount of Rs.81.75 lac (approximately) deposited by the petitioner. PSTCL is directed to issue necessary notice for removal of the encroachments constructed under 220 kV line.


The petition shall be taken up for further hearing on 03.09.2013 at 11.30 AM.

  
(Gurinder Jit Singh)  
Member

  
(Virinder Singh)  
Member

  
(Romila Dubey)  
Chairperson

Chandigarh  
Dated: 29-08-2013

Authenticated  
  
Registrar  
Punjab State Electricity Regulatory Commission  
Chandigarh

