

Before
UTTARAKHAND ELECTRICITY REGULATORY COMMISSION
Petition No.: 49 of 2025

In the Matter of:

Petition for grant of relaxation in clause 2.4 (vii) of the Commission Investment Approval Order dated 16.08.2024 in Petition No. 37 of 2024 regarding "Construction of 220/33 kV GIS substation Banbasa, Tanakpur" under applicable provision of UERC (Conduct of Business) Regulations, 2014.

And

In the Matter of:

Power Transmission Corporation of Uttarakhand (PTCUL)

...Petitioner

Coram

**Shri M.L. Prasad
Shri Anurag Sharma**

**Chairman
Member (Law)**

Date of Order: August 12, 2025

ORDER

This Order relates to Petition filed by Power Transmission Corporation of Uttarakhand Ltd. (hereinafter referred to as "the Petitioner") in the matter of "Petition for grant of relaxation in clause 2.4 (vii) of the Commission Investment Approval Order dated 16.08.2024 in Petition No. 37 of 2024 regarding "Construction of 220/33 kV GIS substation Banbasa, Tanakpur" under applicable provision of UERC (Conduct of Business) Regulations, 2014".

1. Background

1.1 The Commission vide its order dated 16.08.2024 has accorded Investment Approval for Phase-I of the proposed works as follows:

- (i) Construction of 220/33 kV GIS substation Banbasa, Tanakpur, &
- (ii) Construction of LILO of 220 kV Tanakpur-CB Ganj Line at proposed 220 kV Substation Banbasa, Tanakpur.

1.2 In the above-mentioned Investment Approval Order, the Commission has imposed certain conditions which are being reiterated below:

“(vi) The Petitioner shall not award LoA unless all the clearances from the concerned entities viz. CTU/PGCIL/Forest etc. are obtained. However, in case of change in routing of the line due to any extraneous reasons including geological surprises, the Forest Clearance can be obtained later on after issuance of LoA.

(vii) The Petitioner shall keep the Commission informed of all permissions/approvals granted, as and when the same are obtained provided further that Petitioner shall complete the process of land acquisition (for phase I and phase II) and obtain all necessary clearances within 06 months from the date of this Order, failing which the instant approval of phase I shall stand automatically cancelled.”

1.3 PTCUL vide letter dated 23.10.2024 has submitted a revised DPR amounting to Rs. 632.60 crore, including IDC, for the aforementioned work. Further, PTCUL vide letter No. 2068/Dir. (Operations)/PTCUL/UERC dated 17.12.2024 requested the Commission to allow go-ahead for the work of "Construction of 220/33 kV GIS Substation Banbasa," invited against their tender specification No. PTCUL/E-Tender/C&P-I/SS-10/2024-25.

1.4 The Commission vide letter dated 17.12.2024 allowed the go-ahead stating that:

... since the revised DPR is based on similar facts and technical aspects and only the financials are varied based upon the revised FY 2024-25 SoR issued internally by your office, it is not feasible and also not required to deep dive into the details to reconsider the DPR, as deliberation on SoR issue is still ongoing

in Commission's office and these aspects will finally be considered at the time of scrutiny of ARR to which this would be subject too.

However, considering your statements in the letter and your request and to avoid any delay in already approved project, the go-ahead is given for the aforesaid work subject to fulfillment of the terms & conditions as laid down in the Commission's investment approval Order dated 16.08.2024 in the matter of 'Construction of 220/33 kV GIS substation Banbasa, Tanakpur & (ii) Construction of LILO of 220 kV Tanakpur-CB Ganj Line at proposed 220 kV Substation Banbasa, Tanakpur' and also subject to the prudence check by the Commission at the time of determination of the ARR, considering the final view taken in the matter of SoR."

- 1.5 PTCUL, vide letter No. 2233/Dir.(Operations)/PTCUL/UERC dated 23.12.2024, requested the Commission to relax the prior condition for issuance of the LoA and permit a 'go-ahead' for awarding the work related to the construction of the 220/33 kV GIS Substation at Banbasa, as the process of forest land diversion (a mandatory condition before issuance of the LoA) was at an advanced stage. The Commission, vide letter dated 23.12.2024, accepted PTCUL's request to award the work without obtaining prior forest clearance, subject to compliance with the conditions specified in the Commission's letter dated 17.12.2024 and Order dated 16.08.2024.
- 1.6 The instant Petition is filed by PTCUL vide its letter dated 13.02.2025 for relaxation in clause 2.4 (vii) of Commission Investment Approval Order dated 16.08.2024 in Petition No. 37 of 2024 regarding "Construction of 220/33 kV GIS substation Banbasa, Tanakpur" under applicable provision of UERC (Conduct of Business) Regulations, 2014".
- 1.7 For the admittance of the application, the Commission decided to schedule the hearing for 20.05.2025 on the matter
- 1.8 In the Petition and during the hearing, the Petitioner made the following submissions w.r.t. the progress of the project:
 - 1.8.1 PTCUL vide LOA dated 23.12.2024 awarded the work to M/s Kanti Prashad Mittal, Meerut.

- 1.8.2 All clearances in respect to clause 2.4(vi) except forest clearance have been obtained. For forest clearance, land transfer proposal is in advance stage so relaxation in clause 2.4 (vii) for minimum period of Six months effective from 15.02.2025 is required.
- 1.8.3 As per MoM dated 29.10.2024 of 35th consultation meeting of Evolving Transmission Schemes in Northern Region circulated vide letter no. CTU/N/00/CMETS_NR/35 dated 14.11.2024, phase-I of schemes that is LILO of 220 kV Tanakpur (NHPC)-CB Ganj Bareilly (UPPTCL) line at 220/132/33 kV GIS Substation, Banbasa alongwith associated line bays is agreed to be implemented by PTCUL under Intra-State.
- 1.8.4 As per enclosed MoM dated 19.12.2024 circulated vide reference no. ES2-TRAN/1/4/2023-I-2-Energy Department dated 23.12.2024 wherein an amount of Rs 2.00 Cr. has been sanctioned in principle of construction of 220/33 kV GIS Substation, Banbasa and also stated that rest of the funding shall be arranged by Department of Energy/PTCUL.
- 1.8.5 It is brought to the kind notice of the Commission that the forest land proposal for the proposed Banbasa sub-station was uploaded on the Parivesh Portal by PTCUL on 04.01.2025. Additionally, six sets of the forest case proposal were submitted to the office of the D.F.O. Tarai East, Haldwani on 08.01.2025.

After scrutiny, the forest case was forwarded to the office of the Chief Conservator of Forests & Nodal Officer, Dehradun, on 22.01.2025. The office of the Chief Conservator & Nodal Officer, Dehradun, will examine the referred forest case. In case any discrepancies are found in the proposal, the case will be returned to the office of the DFO, which will then return it to PTCUL for necessary corrections and re-submission.

After all shortcomings pointed out by the office of the Chief Conservator of Forests/Nodal Officer have been rectified and the proposal is subsequently accepted by the Nodal Office, the forest land diversion proposal will be sent to the Government of Uttarakhand.

The Government of Uttarakhand will then forward the proposal to the Government of India for in-principle approval. The Government of India will constitute a committee to examine the forest case. The case shall be presented before the committee, and if any clarifications are required, the same will be routed through subordinate offices. The replies will follow the reverse process, which is tedious and time-consuming.

If the proposal is finally accepted by the Government of India, in-principle approval will be accorded subject to the terms and conditions mentioned therein. Subsequent to the fulfillment of these terms and conditions, final approval will be granted.

- 1.8.6 In view of the facts mentioned above a minimum period of six months is estimated to be required to obtain in principle approval of forest land diversion case and land acquisition for proposed 220/33 kV GIS substation Banbasa, Tanakpur.
- 1.8.7 The Petitioner is requesting to the Commission to kindly relax the clause 2.4 (vii) of the Commission's Investment Approval Order dated 16.08.2024 in Petition No. 37 of 2024 regarding clearances from forest department and allow minimum period of Six months effective from 15.02.2025.
- 1.9 After the hearing, the Commission vide its Daily Order dated 20.05.2025 has directed the Petitioner to submit the information under affidavit w.r.t. financial implication of such delay on the overall project and maximum duration of relaxation beyond which no extension would be sought by PTCUL.
- 1.10 PTCUL vide its letter dated 27.05.2025 has submitted the requisite information under affidavit signed by Chief Engineer, PTCUL. In this regard, the Commission has returned the reply with Affidavit in original to the PTCUL for re-submission of the same alongwith Affidavit signed by either MD or Director of the PTCUL.
- 1.11 In response, PTCUL vide its letter dated 08.07.2025 has submitted the requisite information under the Affidavit signed by MD, PTCUL as follows:

“ ...

1. *That the proposed 220/33 kV GIS Substation at Banbasa is a critical infrastructure project for the State's power transmission network. It is submitted that the project involves the diversion of 4.988 hectares of reserved forest land in Village Gudmi, Banbasa for which forest clearance under the Forest (Conservation) Act, 1980 (as amended in 2023) is required. PTCUL has diligently pursued the forest clearance process and the following chronology of events and efforts is placed before the Commission to explain the causes for the delay in securing the requisite clearance.*
2. *That initially PTCUL endeavoured to secure revenue (non-forest) land for the substation to avoid the lengthy forest clearance process. On 04.01.2024, PTCUL wrote to the District Magistrate, Champawat (vide Letter no. 08/CE(Civil)/2024) requesting identification of suitable Government revenue land for the substation. In response, the district administration constituted a committee on 23.01.2024 (comprising PTCUL engineers and revenue officials) to inspect and locate appropriate land. The Committee conducted multiple site inspections, including one attended by PTCUL's Director (Operations) on 02.02.2024. However, no sufficient suitable revenue land was found available in the Tanakpur-Banbasa area for a project of this scale. Consequently, on 26.02.2024, the Land Selection Committee (PTCUL) concluded that a parcel of reserved forest land in Gudmi, Banbasa was the most feasible site for the 220 kV substation. This necessitated initiation of the formal forest land diversion proposal under the Forest (Conservation) Act, thereby inevitably extending the project timeline at the outset.*
3. *That having identified forest land as the only viable option, PTCUL promptly took steps to initiate the forest clearance process. By Office Letter No. 311 dated 18.03.2024, PTCUL formally requested the Divisional Forest Officer (DFO), Terai Eastern Forest Division, Haldwani to commence preliminary action for diversion of 5.0 hectares of forest land in Gudmi (located between Tower Nos. 6 & 7 of the existing 220 kV Banbasa-CB Ganj transmission line). In pursuance of this request, the DFO scheduled a joint inspection of the identified forest land, issuing instructions on 30.03.2024 to relevant officials of the Forest Department, Revenue Department, and PTCUL to conduct an on-site inspection of the proposed site.*

4. *That a joint site inspection was conducted on 04.04.2024 with the participation of the local Forest Guard, the Revenue Sub-Inspector (Tehsil Purnagiri), and PTCUL officers. However, this initial inspection could not be completed effectively due to practical impediments at site. The dense vegetation and thick undergrowth covering the area, coupled with the absence of clearly marked boundary demarcations for the required land, prevented the inspecting team from conducting a proper survey or even counting the standing trees on the plot. In light of this, it became necessary to carry out preparatory works to facilitate an accurate inspection. PTCUL immediately arranged for digital demarcation and clearing of the site: a survey was commissioned (Inquiry No. 13 dated 05.04.2024, work awarded on 22.04.2024) to digitally delineate the land's periphery, and a separate work order was issued on 29.04.2024 to clear the bushes and undergrowth on the site. These measures, completed by mid-May 2024, were essential prerequisites to enable the forest officials to reinspect the land properly.*
5. *That upon completion of boundary marking and bush clearance, PTCUL notified the Forest Department and requested a fresh inspection. The DFO, Tarai Western Division, Haldwani accordingly directed the Range Officer (Khatima Range) via letter dated 30.05.2024 (Letter No. 6994) to carry out a detailed joint inspection of the cleaned and marked site on 04.06.2024. On the said date (04.06.2024), the joint inspection was successfully conducted: the boundaries were verified and all trees on the land were enumerated. Thereafter, the final joint inspection report of the forest land was prepared by the Forest Department and provided to PTCUL on 20.06.2024. This concluded the crucial site survey stage, albeit approximately two and a half months later than the initial attempt, due to the unforeseen need for site clearing and marking which was beyond PTCUL's control but was addressed with urgency.*
6. *That in parallel with the above, PTCUL also had to fulfil other statutory prerequisites for the forest clearance proposal. One such requirement was obtaining the consent of the local Gram Sabha under the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 (commonly known as Gram Sabha NOC for use of forest land). PTCUL commenced community outreach early, holding an initial meeting with the Gram Pradhan of Banbasa on 10.06.2024 to explain the project and seek the village's No Objection Certificate*

(NOC). This first meeting did not yield immediate consent, and subsequently PTCUL officers repeatedly engaged with the villagers over the next several months. Meetings were convened on 25.06.2024, 07.09.2024, 19.09.2024, and 22.09.2024 with Gram Banbasa members and local stakeholders to address their concerns and secure the statutory NOC. After sustained efforts and persuasion, the Gram Sabha of Banbasa passed a resolution granting its NOC on 08.10.2024, which was a critical milestone allowing the forest diversion proposal to proceed. The delay in obtaining community consent (from June to early October 2024) was due to the necessary process of building consensus and ensuring compliance with forest rights regulations, and PTCUL exercised all possible diligence to achieve this as early as possible.

7. That another mandatory component was the Geological Survey of the proposed site to ascertain its suitability and identify any geo-technical issues. The Geological Division, Champawat undertook an initial site inspection in August 2024. However, this coincided with the heavy monsoon season, and the geologists indicated that the soil/rock conditions could not be conclusively assessed under the prevailing saturated conditions. The Geological Officer, Champawat therefore advised that a re-inspection after the monsoons would be necessary for an accurate survey. Accordingly, as soon as the monsoon subsided, a thorough geotechnical re-investigation was carried out on 20.10.2024. The geological inspection report for the Banbasa substation land was thereafter finalized and issued on 25.10.2024 (vide Geological Dept. Letter No. 656 dated 25.10.2024). This sequence caused an unavoidable delay of a few months (August to October 2024) purely on account of seasonal conditions, which was beyond PTCUL's control.
8. That simultaneously, PTCUL was required to identify and secure Compensatory Afforestation (CA) land equivalent to double the area of the forest land to be diverted, as per the forest clearance norms. In this case, 9.976 hectares of revenue land needed to be arranged for afforestation to compensate for the 4.988 ha forest diversion. PTCUL initiated requests for such land allocation well in advance: on 22.06.2024, a letter was written to the District Magistrate, Champawat seeking 9.976 ha of revenue land for CA, and on 03.07.2024 the PTCUL Chief Engineer (Civil) also petitioned the Commissioner, Kumaon Division for help in identifying suitable land in the region. Persistent follow-ups were made with divisional and

district authorities over the following months. It emerged that locating an appropriate contiguous 9.976 ha in Champawat district was challenging. Therefore, by letters dated 13.08.2024 and 19.09.2024, the Chairman, PTCUL escalated requests to the Commissioner, Kumaon and even to the Commissioner, Garhwal, urging all districts to search for available government land for CA purposes. These efforts bore fruit when the Office of the District Magistrate, Bageshwar (in Kumaon region) informed, via letter dated 18.11.2024, that 9.976 ha of State land in Bageshwar district had been identified for compensatory afforestation for the Banbasa project. A joint inspection of the proposed CA land (situated in Village Bhanar, Tehsil Kapkot, Bageshwar) was conducted on 27.11.2024 by officials of the Forest and Revenue Departments along with PTCUL representatives. Subsequently, on 13.12.2024, the Chief Conservator of Forests (IT & GIS), Dehradun issued the requisite geo-referenced maps, KML files, and distance certificates for the identified CA land. With this, the compensatory afforestation site was finalized by mid-December 2024, after a concerted inter-departmental effort spanning several months and multiple districts.

9. *That by the end of December 2024, PTCUL had thus completed all foundational activities and gathered all necessary documents for the forest clearance proposal (including the forest land joint inspection report, Gram Sabha NOC, Geological report, and identification of CA land with maps). On 23.12.2024, the comprehensive forest diversion proposal dossier (in six original sets of documents as required) was formally submitted by PTCUL to the Office of the DFO, Tarai Western Division, Haldwani for scrutiny and onward processing. The proposal was then uploaded on the Ministry of Environment, Forest & CC's online portal "PARIVESH" on 04.01.2025 (Proposal No. FP/UK/Substation/517290/2025). From this point, the clearance process entered the domain of the Forest Department's online and offline procedural workflow.*
10. *That between January 2025 and May 2025, the forest clearance file progressed through multiple levels of scrutiny within the State Forest Department, during which various queries and clarifications were raised by the authorities at different stages. Every such query was immediately addressed by PTCUL or the concerned subordinate office, and the file was promptly resubmitted each time. The timeline of this departmental processing is summarized as follows: after submission on*

04.01.2025, the DFO (Haldwani) completed his initial scrutiny and forwarded the case with recommendation by 27.01.2025. The State Nodal Officer (Forests) then reviewed the proposal and, after seeking some clarifications, sent his recommendation by 11.02.2025. Subsequent thereto, between February and March 2025, the file shuttled between the Nodal Officer and the DFO/User Agency for iterative clarifications – for instance, queries were raised on 11.02.2025, 24.02.2025, 25.02.2025 and 11.03.2025 by the Nodal Officer or DFO at various points, all of which were diligently answered by the concerned agency (including PTCUL as the User Agency) without delay. After each query was resolved, the proposal was promptly forwarded to the next level. By 11.03.2025, the Nodal Officer had given his final recommendation, and the file was transmitted to the Principal Secretary (Forests), Government of Uttarakhand for the top-level approval. The proposal remained under the examination of the Principal Secretary (Forests) from 04.04.2025 onwards. It is pertinent to note that these sequential steps–DFO’s scrutiny, Nodal Officer’s review, and Principal Secretary’s approval – are standard prescribed stages in the forest clearance chain-of-command, and the back-and-forth queries during January–March 2025, while time-consuming, were part of due diligence to ensure the proposal was comprehensive and compliant in all respects. PTCUL actively coordinated at each step to expedite responses and keep the file moving through the system.

11. That while the proposal was under consideration at the Principal Secretary (Forests) level, an important regulatory development occurred which has affected the clearance process. On 13.05.2025, the Ministry of Environment, Forest & Climate Change (MoEF&CC), Government of India issued a communication informing that the Banbasa 220 kV substation project has been declared a project of “Strategic National Importance” by the Ministry of Defence, Govt. of India. This designation is significant because under the recent amendment to the Forest (Conservation) Act in 2023, infrastructure projects classified as being of strategic and national security importance are exempt from the usual Central Government approval route. Instead, the power to grant forest clearance for such strategic projects lies with the concerned State Government (in this case, the State of Uttarakhand). In view of this change in law and the project’s newly confirmed strategic status, the ongoing proposal needed to be processed under a

special “exemption” category on the PARIVESH portal, applicable to strategic projects, rather than the regular category used initially. Accordingly, on 21.05.2025, the State Nodal Officer (Forests) returned the Banbasa substation proposal file to the DFO, Haldwani with directions to re-upload the case under the appropriate exemption category on PARIVESH for clearance at the State Government level. PTCUL has been in continuous contact with the DFO, Haldwani and is pursuing immediate re-submission of the proposal under this category. It is submitted that this re-routing of the approval process, prompted by a central policy change in mid-May 2025, is a recent development which caused a brief interim delay. However, this change will ultimately streamline the final approval since the clearance will now be granted within the State itself, expediting the conclusion of the matter.

- 12. That as on date of swearing this affidavit, the forest clearance proposal for the Banbasa 220/33 kV GIS Substation stands at the final stage of processing under the State Government’s authority. All substantive requirements – including site inspections, environmental and geological assessments, Gram Sabha consent, identification of compensatory afforestation land, and inter-departmental scrutiny – have been duly completed. The only remaining step is the formal approval by the competent State authority, following the re-upload of the proposal under the strategic project exemption category (which is being done forthwith). The answering Respondent respectfully submits that the forest clearance for the Banbasa substation project is expected to be completed no later than 31.12.2025. PTCUL has made every possible effort to adhere to this timeline and will continue to actively liaise with the State Forest Department to ensure that the Stage-I/In-Principle approval is secured by the end of December 2025, as committed.*
- 13. That the foregoing chronology and facts clearly demonstrate that the delay in obtaining the forest clearance was neither due to any neglect or laxity on part of PTCUL nor avoidable at a single instance. The timeline was impacted by legitimate procedural requirements and external factors, inter alia: the initial need to switch to forest land when no revenue land was available; the necessity of clearing dense forest growth to enable inspection; the time taken to obtain local Gram Sabha consent through repeated consultations; the monsoon-imposed pause in geological*

surveying; the extensive coordination required to locate and finalize compensatory afforestation land in another district; the multiple layers of official scrutiny and consequent queries which are inherent in the forest clearance process; and finally the change in approval mechanism due to the project's strategic national importance classification. At each stage, PTCUL undertook prompt and concerted actions to fulfil the requirements and to expedite the process. The cumulative effect of these genuine factors resulted in the extended timeline. It is submitted that these delays were largely beyond the control of PTCUL, which has nevertheless been persistent in following up with all agencies involved.

- 14. That PTCUL remains fully committed to commissioning the 220/33 kV GIS Substation at Banbasa at the earliest. The Commission may kindly appreciate that every possible effort has been made to comply with all procedural mandates for forest clearance. With the proposal now being processed under the strategic project category by the State Government, PTCUL anticipates the issuance of the requisite forest clearance by 31.12.2025, whereafter the construction activities shall be taken up in full swing. The answering deponent, on behalf of PTCUL, assures the Commission that there shall be no further avoidable delay in the execution of the project.*
- 15. That in compliance with the UERC's directions, the present affidavit has provided a comprehensive account of the causes of delay and the steps taken by PTCUL in relation to the Banbasa substation forest clearance. The contents of this affidavit may kindly be taken on record for the purposes of the proceeding in Misc. Petition No. 08 of 2025. PTCUL prays that the Commission be pleased to accept the explanations furnished herein and consider the same while adjudicating the matter.*
- 16. That in compliance with the direction of the Commission as per order dated 20.05.2025, the queries raised therein, and their replies are submitted hereinbelow:*
 - a) Reason for delay in obtaining forest clearance: The reasons have been detailed in paragraphs 2 to 15 of this affidavit, including the unavailability of revenue land, the procedural time for land clearance and boundary marking, time taken for Gram Sabha NOC, delays due to monsoon in geological survey, prolonged process of securing compensatory afforestation land, and finally, the change in legal framework due to the project being designated as one of Strategic National*

Importance which led to a change in the mode of forest clearance to the exemption category under the Forest (Conservation) Amendment Act, 2023.

- b) Likely date of obtaining forest clearance: That based on current assessments, forest clearance under the exemption category is expected by 31.12.2025. PTCUL undertakes that no further extension will be sought beyond 31.12.2025 for obtaining forest clearance.*
- c) Whether the delay will lead to financial implication on overall project cost: It is respectfully submitted that the current assessment reflects that the delay in obtaining forest clearance is expected to proportionally extend the project's completion timeline. This postponement is likely to affect the Detailed Project Report (DPR) cost, primarily due to fluctuations in the price contingency component, resulting from potential escalation or depreciation in market rates. The tentative impact – whether an increase or decrease – will depend on market conditions prevailing during the extended project period. It is important to note that the final adjustment to the price contingency may be either positive or negative, based on actual market dynamics at the time of project commissioning.

"There will be no financial implication on the project due to any increase or decrease in Price Variation (PV), as the bidder quotes their price based on the prevailing market rates at the time of bid submission. If the bids had been invited after obtaining forest clearance, the bidders would have quoted prices in accordance with the market conditions prevailing at that later time."*
- d) Implication of denial of forest clearance on Letter of Award: As submitted in paragraphs 12 and 14 the project has been declared as one of "Strategic National Importance" by the Ministry of Defence and is now governed by the special exemption under the Forest (Conservation) Amendment Act, 2023, to be cleared at the State Government level. Once a project is notified or endorsed by a competent central authority (Ministry of Defence) as being of strategic significance, it gains overriding priority status in national interest. Consequently, the forest clearance for this project cannot be rejected, only expedited, under the exemption category. The substation is a critical node in strengthening power evacuation and grid stability in the Indo-Nepal border zone. It supports defense installations, border security operations, and civil*

infrastructure resilience in a high-priority zone. Any delay or denial of clearance would adversely affect national preparedness, energy security, and border logistics. Given the project's strategic designation by the Ministry of Defence and its alignment with national security infrastructure, the forest clearance for the Banbasa Substation cannot be rejected under the Forest (Conservation) Act, 1980 (as amended in 2023)."

[Emphasis added]

2 Commission Observation, Views & Decision

2.1 Based on the submissions made in the Petition and subsequent filings by the Petitioner, the Commission observed the following:

2.1.1 PTCUL informed that they initially endeavored to secure revenue (non-forest) land for the proposed substation to avoid the lengthy forest clearance process. However, after multiple site inspections, they were unable to find suitable revenue land. Consequently, the Land Selection Committee, constituted by the District Magistrate, Champawat, finalized 4.988 hectares of reserved forest land in Gudmi, Banbasa as a feasible site for the proposed 220 kV substation.

2.1.2 Regarding the delay in obtaining forest clearance, PTCUL submitted that several steps were taken and efforts made to secure the required clearance. They informed that the arrangement for Compensatory Afforestation Land took considerable time but has now been resolved. Further, they stated that, after thorough scrutiny by the Divisional Forest Officer (DFO), Tarai Western Division, Haldwani, the file was forwarded to the State Nodal Officer (Forest), who has given his recommendations. It is currently with the Principal Secretary (Forests), Government of Uttarakhand, for approval before being forwarded to the Central Government for issuance of the No Objection Certificate (NOC).

2.1.3 PTCUL further informed that, on 13.05.2025, the Ministry of Defence, Government of India, conferred 'Strategic National Importance' status on the 220 kV Banbasa Substation project. With this status/designation, approval from the Central Government is no longer required, and the

State Government is now authorized to grant the necessary forest clearance. PTCUL confirmed that they have reprocessed their application as per the revised requirements and are confident of obtaining forest clearance no later than 31.12.2025.

2.1.4 In its reply submitted under affidavit, PTCUL requested the Commission to relax Clause 2.4(vii) of the investment approval dated 16.08.2024 and extend the deadline for obtaining forest clearance until 31.12.2025. PTCUL also undertook that no further extension shall be sought beyond this date.

2.1.5 The Commission, at all times being pragmatic, aims to avoid delays that could adversely impact the overall project timeline and result in financial implications. Accordingly, the Commission has mandated that all investment approval Petitions must be filed only after ensuring land availability and obtaining all requisite clearances, however, exception in the present matter was only granted considering the submission of Petitioner regarding National Importance of the project and also other aspects mentioned in the Petition. However, it is evident that granting such relaxation, as in the present matter, causes many complications, and therefore, in future all investment approvals should be submitted to the Commission after finalization of land and all necessary clearances required for the project. However, considering the facts and circumstances in the present case and that relaxation was initially granted, the Commission feels that in present circumstance, when the Petitioner has given sworn declaration that no further extension shall be sought by the Petitioner, it would be more appropriate to give one last opportunity to the Petitioner. The reasons and justifications submitted by PTCUL for seeking extension will be deliberated at the time of exercising prudence check by the Commission. Accordingly, the Commission hereby accepts the request of Petitioner, however, scrutiny of PTCUL's submissions will be duly considered during the evaluation of expenditure in the ARR/True-up process in due course and rest of the conditions mentioned in the initial order shall remain same.

2.2 In light of the above observations and considering that the requisite approvals are in their final stages, and also acknowledging that PTCUL has submitted a sworn undertaking that no further extension shall be sought under any circumstances, the Commission, taking into account the issues and complexities that may arise due to such relaxations, hereby relaxes the condition specified under Clause 2.4(vii) of the Investment Approval dated 16.08.2024. Accordingly, the deadline for completion of land acquisition and obtaining all necessary project clearances is extended until 31.12.2025 and to that extent investment approval dated 16.08.2024 stands modified, however, all other terms and conditions of Investment Approval dated 16.08.2024 shall remain same. Any implications that may arise due to failure in obtaining clearances within timeline beyond this date shall not be passed through and shall be the sole responsibility of PTCUL. No further extension of this deadline, on any grounds whatsoever, shall be considered by the Commission and PTCUL shall be liable for any consequences arising therefrom.

2.3 This approval is accorded based on the submissions and declarations made by the Petitioner in the Petition and subsequent affidavits. Any violation of the stated conditions, or discovery of incorrect, incomplete, or undisclosed material information at a later stage that affects the basis of this approval, may result in the Commission revoking the approval and/or disallowing the associated expenditure in the ARR/True-up process, in addition to initiating any other appropriate action.

Ordered accordingly.

(Anurag Sharma)
Member (Law)

(M.L. Prasad)
Chairman