

**Before**

**UTTARAKHAND ELECTRICITY REGULATORY COMMISSION**

**Petition No. 11 of 2014**

**In the matter of:**

Dispute between UJVN Ltd. and Uttarakhand Power Corporation Limited (UPCL) relating to payments.

**And**

**In the matter of:**

Managing Director, UJVN Ltd., .....Petitioner  
"UJJWAL", Maharani Bagh, G.M.S. Road, Dehradun

**&**

Managing Director, Uttarakhand Power Corporation Limited (UPCL) .... Respondent  
Victoria Cross Vijeta Gabar Singh Bhawan, Kanwali Road, Dehradun

**Coram**

<b>Shri Subhash Kumar</b>	<b>Chairman</b>
<b>Shri C.S. Sharma</b>	<b>Member</b>
<b>Shri K.P. Singh</b>	<b>Member</b>

**Date of Hearing: April 07, 2015**

**Date of Order: April 27, 2015**

Heard the Petitioner and Respondent on the following issues raised by the Petitioner in its Petition and subsequent submissions:

1. Payment of arrears on account of tariff revision vide various tariff orders of the Commission.
2. Payment of income tax in line with UERC (Terms & Conditions for determination of Hydro generation Tariff) Regulations, 2004.
3. Payment of Cess and Royalty as per notifications issued by Government of Uttarakhand.

4. Payment of Capacity Charges, capacity Index Incentive, and Deemed generation Charge in line with UERC (Terms & Conditions for determination of Hydro generation Tariff) Regulations, 2004.

Based on the submissions made by the Petitioner and Respondent and the submissions made during the hearing, the Commission observed that:

1. There is no dispute with regard to the principal amount pertaining to arrears on account of Tariff Revision and Capacity Charges & Capacity Index Incentive.
2. With regard to the payment of the claims against Income Tax, the Commission in its Order dated, 09.01.2015 had directed the Respondent "... to finalize the claims of the Petitioner towards Income Tax for past years and submit as to how he proposes to pay to the Petitioner the amount so finalised by 31.01.2015." However, the Respondent did not finalize the claims of the Petitioner by the stipulated date and had sought three time extensions since then.

The Commission has also observed that the Respondent in its latest submission dated 19.03.2015 and also during the hearing dated 07.04.2015 did not dispute the amount towards the claim of Income Tax rather it is deliberately complicating the matter by intermingling other issues namely adjustment of electricity charges of the Petitioner's employees/pensioners and thus, delaying the payment of claims towards Income Tax of past years.

3. Since the amount claimed under the dispute in various heads relates to pendency commencing from 2005 and that the Petitioner did not approach the Commission for redressal of the same for this long, the Commission is of the view that now seeking carrying cost/interest on the claimed amount is not admissible.
4. On the issue of payment of Cess and Royalty claimed by the Petitioner, a view would be taken by the Commission after consulting the Energy Department, Govt. of Uttarakhand.

**It is Ordered that:**

1. The Respondent shall pay to the Petitioner the arrears in 18 Equal Monthly Installments from August, 2015 onwards on account of:

- (a) Tariff Revision
  - (b) Capacity Charges and Capacity Index Incentive
  - (c) Income Tax
2. The Petitioner shall ensure recovery of the amount as directed in para 1 above and in case the Respondent defaults to make payment of the amount as per the Commission's direction, it shall be liable to pay the interest at the Bank Rate as applicable on 1<sup>st</sup> April of the respective Financial Year, on the amount in default & for the period of default.
3. The claim of the Respondent relating to electricity charges of the electricity consumed by Petitioner's employees, as and when these are firmed up and accepted by the Petitioner be posed to the Commission and then the Commission will set mechanism for their recovery/adjustment out of ongoing monthly installments decided above.

Ordered, accordingly.

**(K.P. Singh)**  
**Member**

**(C.S. Sharma)**  
**Member**

**(Subhash Kumar)**  
**Chairman**