**BEFORE THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION**

**Petition No.:1178 / 2017**

**Quorum**

1. Shri Desh Deepak Verma, Chairman

2. Shri S. K. Agarwal, Member

**IN THE MATTER OF:**

Petition for Implementation of The Government Order Dated 29.12.2016 numbered 1571/77/1/2016-10(BIFR)/2009 TC, Issued By Department Of Industrial Development, Government Of Uttar Pradesh And the directions of board for Industrial & Financial Reconstruction (BIFR) Vide Order Dated 25.07.2016 (As Corrected By The Corrigendum Dated 20.10.2016) To Uttar Pradesh Power Corporation Ltd & Paschimanchal Vidyut Vitran Nigam Ltd.

1. Principal Secretary, Department of Energy, State of Uttar Pradesh. Govt. of U.P., Lucknow.
2. M/s Shri Gang Industries and Allied Products Ltd., A-26 UPSLDC Industrial Area, Sikandarabad, District Bullandshahar

 **......Petitioners**

Managing Director, Paschimanchal Vidyut Vitran Nigam Ltd.

**---------- Respondent**

**Present in the Hearing:**

1. Shri Mahavir Prasad Gautam, Under Secretary, Energy Department, U.P.
2. Shri Shrikant Mishra, Advocate for M/s Gang Industries & Allied Products Ltd.
3. Shri Sandeep Agarwal, Financier Advisor, M/s Shri Gang Industries

**ORDER**

**(Date of Hearing: 14.6.2017)**

The Commission in its order dated 29.5.2017 had clubbed Petition No. 1164 / 2017 amd 1178 / 2017 pending before it as the matter in both the petitions pertains to M/s Shri Gang Industries and Allied Products Ltd., A-26 UPSLDC Industrial Area, Sikandarabad, District Bullandshahar in regard to implementation of the Government of U.P. Order Dated 29.12.2016 numbered 1571/77/1/2016-10(BIFR)/2009 TC, Issued By Department Of Industrial Development, Government of Uttar Pradesh and the directions of Board For Industrial & Financial Reconstruction (BIFR) Vide Order Dated 25.07.2016 (As Corrected By The Corrigendum Dated 20.10.2016) to Uttar Pradesh Power Corporation Ltd & Paschimanchal Vidyut Vitran Nigam Ltd

During the hearing on 14.6.2017 Shri Mahavir Prasad Gautam under Secretary , Dept. Of Energy, Govt. of U.P. appearing on behalf of Dept. Of Energy, Govt. of U.P. requested the Commission for waival of petition fees. The Commission enquired representatives of M/s Shri Gang Industries that whether they have any objection regarding the waival of fees, the representatives of Shri M/s Gang Industries submitted that they have no objection.

The Commission decided to waive the petition fees in the matter of Petition No. 1178 / 2017 filed by Dept. Of Energy, Govt. of U.P.

Shri Srikant Mishra, Advocate for M/s Shri Gang Industries and Allied Product Ltd. submitted that the Govt. of U.P. issued Govt. Order No. 12/2015/1701/77-1-2015-2010 (BIFR)/09TC dated 7.12.2015 notifying ‘One Time Rehabilitation Policy’ for the rehabilitation of sick industries. The salient points are as follows:

1. That for the effective implementation of the “One Time Rehabilitation Policy” an Empowered Committee was constituted under the Chairmanship of the Chief Secretary of State of Uttar Pradesh and this Committee is fully empowered to grant reliefs and concessions under this policy to the eligible sick units. The constitution of the Committee and its powers find place in para no. 2 (M) of the Government Order dated 07.12.2015.
2. That in a meeting of the Empowered Committee held on 24.10.2016, M/s Shri Gang Industries was found entitled for being granted the benefits of the “One Time Rehabilitation Policy” of the State of Uttar Pradesh as envisaged in the Government Order dated 07.12.2015 and the Empowered Committee accordingly granted the relief and concessions to the petitioner as per the Policy.
3. That in view of the Government Order dated 07.12.2015 notifying a “One Time Rehabilitation Policy” for the rehabilitation of sick industries in the State, the BIFR, on an application filed by the petitioner in Case No. 26 of 2001, directed the Departments concerned including the respondent no. 1 & 2, to give relief and concessions to the petitioner as per the “One Time Rehabilitation Policy”. The relevant issues in the order dated 25.07.2016 passed by the BIFR in Case No. 26 of 2001 (RH & MA No. 190/16) and its Corrigendum dated 20.10.2016 (passed in MA No. 242/16) are as follows:

At para no. Para 2.2.2(a) and Para 2.2.2(b), the following directions have been issued-

**Para 2.2.2(a)**

*“All the concerned Deptt/State Financial Institutions/ Corporation under the aegis of Government of Uttar Pradesh (GOUP) viz. PICUP, Uttar Pradesh Power Corporation Limited (UPPCL) and Paschimanchal Vidyut Vitran Nigam Ltd (PVVNL) etc to grant reliefs and concessions in terms of the G.O. dated 07.12.2015 of GOUP, which are broadly summarized by the company in Part-A & Part-B of Annexure-1 of MA No. 190/2016, in a time bound manner.”*

**Para 2.2.2(b)**

*“The GOUP to grant reliefs in respect of the un-implemented provisions, if any, of the Board’s earlier order dated 19-10-2006. UPPCL/PVVNL to consider to grant the reliefs & concessions, which have been generally brought-out in Part-C of Annexure-1 of MA No. 190/2016.”*

1. That keeping in view the “One Time Rehabilitation Policy” of State of Uttar Pradesh (Government Order dated 07.12.2015), which related rehabilitation of sick industries as declared by BIFR and the decision of the Empowered Committee in its meeting held on 24.10.2016, the Principal Secretary, Department of Industrial Development, Government of Uttar Pradesh issued the Government Order dated 29.12.2016, numbered 1571/77-1-2016-10 (BIFR)/2009 TC, wherein the petitioner has been granted the relief and concessions as per the One Time Rehabilitation Policy and in the said Government Order, the Point No. 3 on Page 6 relates to reliefs and concessions pertaining to Power Department which are as follows:

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1. That in terms of the aforesaid directions of BIFR dated 25.07.2016 and its Corrigendum dated 20.10.2016 and the Government Order dated 29.12.2016 the present petition is being preferred before the Hon’ble Uttar Pradesh Electricity Regulatory Commission for directing the respondent no. 2 to grant the relief and concessions to the petitioners as contained in these directions and Government Order.
2. That the reliefs and benefits as mentioned in the order of BIFR dated 25.07.2016 and its Corrigendum dated 20.10.2016 and the Government Order dated 29.12.2016, are liable to be allowed to the petitioner to facilitate its revival and rehabilitation.

The Commission enquired the representative of Dept. Of Energy, Govt. of U.P. that weather he agrees with the prayer of the M/s Shri Gang Industries, to which he submitted that he has no objection.

Hence the Commission grants permission for providing the relief and concessions to M/s Shri Gang Industries and Allied Product Ltd., as mentioned aforesaid in point no. (3) of Annexure-1 in Government Order No. 12/2015/1701/77-1-2015-2010 (BIFR)/09TC dated 7.12.2015 with the direction that the State Government shall bear the burden of concessions as per this Government Order. The Commission directs PVVNL to accordingly energize the connection of M/s Shri Gang Industries & Allied Product Ltd. within 02 weeks of service of this order.

(S. K. Agarwal) (Desh Deepak Verma)

 Member Chairman

Place: Lucknow

Dated: 24.07.2017