

**BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION AT  
GANDHINAGAR**

**PETITION NO. 2096 OF 2022**

In the matter of:

Filing of Petition under Section 61, 62 read with 64 & 86 (1) (a) of the Electricity Act, 2003, invoking Regulations 58, 72, 80 and 83 of the Gujarat Electricity Regulatory Commission (Conduct of Business) Regulations, 2004 seeking clarification/rectification and review of the Commission's order dated 31<sup>st</sup> March, 2022 in Case No. 2033 of 2021 for Truing up for FY 2020-21 and Determination of Tariff for FY 2022-23 for its Distribution Business of Ahmedabad and Gandhinagar Supply Area

Petitioner : Torrent Power Limited

Represented by : Advocate Deepa Chawan,  
Advocate Reshmarani Nathani,  
Shri Chetan Bundela, Shri Jignesh Langalia,  
Ms. Luna Pal and Shri Mihir Thakker

V/s.

Respondent No. 1 : Shri K.K.Bajaj  
Represented by : Nobody was present

Respondent No. 2 : Shri Sailesh B. Mehta  
Represented by : Nobody was present

Respondent No. 3 : Gujarat Chamber of Commerce & Industry  
Represented by : Nobody was present

Respondent No. 4 : Tata Consultancy Services  
Represented by : Nobody was present

Respondent No. 5 : Shri Vishnubhai B. Desai  
Represented by : Shri Vishnubhai B. Desai

Respondent No. 6 : Consumer Protection and Action Committee  
Represented by : Nobody was present

Respondent No. 7 : Users Welfare Association  
Represented by : Nobody was present

Respondent No. 8 : Roop Textiles Mills  
Represented by : Nobody was present

Respondent No. 9 : Utility Users' Welfare Association  
Represented by : Nobody was present

Respondent No. 10 : Gujarat Krushi Vij Grahak Surakhsya Sangha  
Represented by : Nobody was present

Respondent No.11 : Shri Himanshu Umrajwala  
Represented by : Nobody was present

**CORAM:**

**Anil Mukim, Chairman**  
**Mehul M. Gandhi, Member**  
**S. R. Pandey, Member**

**07/12/2024**

**DAILY ORDER**

1. The matter was listed for hearing on 21.11.2024.
2. During the hearing, at the time of called out nobody was present on behalf of the Respondents except Shri Vishnubhai B. Desai.
3. Advocate Deepa Chawan, on behalf of the Petitioner submitted that the present Petition filed by the Petitioner seeking clarification / rectification and review of Order dated 31.03.2022 passed by the Commission in Petition No. 2033 of 2021 on issue of denial of carrying cost erroneously.
4. She has further submitted that it is a settled law that all the aspects of and facets of the concept of Carrying cost such as the recognition and applicability for carrying cost in tariff matters under the Electricity Act, 2003 , the various principles which govern the aspect of carrying cost, the entitlement, the methodology, mode and manner of computation of carrying cost and also the applicability and grant of carrying cost have been determined by Hon'ble APTEL and Hon'ble Supreme Court.
5. She has further submitted that the very concept of carrying cost has been finalized and crystallized due to these catenae of judgments. The impugned Order to that extent

ignores and infringes the principles laid down in the said judgments. These judgments are binding on all stake holders.

6. She has further submitted that the Commission in its Consequential Order for the Tariff Order in Case No. 1765 of 2018 in compliance to the directives issued by the Hon'ble Appellate Tribunal for Electricity in its judgment dated 03.02.2022 in Appeal No. 223 of 2019 and IA No. 139 of 2022 dtd 01.04.2023 referred the judgement in Appeal Nos. 264 of 2014, 173 of 2015 and 277 of 2015 dated 29.04.2022 in ***Punjab State Power Corporation Ltd. Vs. Punjab State Electricity Regulatory Commission*** passed by Hon'ble APTEL.
7. She has further submitted that in the afore-said Order dtd. 01.04.2023, the Commission has noted that the Petition No. 1895 of 2020 related to rectification in computation of carrying cost for the FY 2013-14 and FY 2015-16 and the Review Petition No. 1973 of 2021 for the computation of carrying cost for FY 2019-20 are pending.
8. She has further submitted that in the afore-said Order dtd. 01.04.2023, the Commission has decided that all the pending gap and/or carrying cost of previous years in the series of FY 2013-14, FY 2015-16, FY 2017-18, FY 2019-20 will be considered in ensuing truing up exercise in accordance with the Regulations.
9. She has further submitted that copy of the Review Petition had been provided to the Objectors by the Petitioner for their submissions/replies as per directives given by the Commission in the Daily Order dated 12.09.2022.
10. Shri Chetan Bundela, on behalf of the Petitioner has submitted that in the Impugned Order the Commission has consider the revenue gap of Rs. 400.19 Crore in the Truing up of FY 2020-21 which comprised of four major components (i) Rs. 77.92 Crore on account of unrecovered FPPPA; (ii) Rs. 234.24 Crore on account of carrying cost on earlier recovery; (iii) Rs. 79.09 Crore on net gap for current year including revenue towards earlier recovery and (iv) Rs. 8.94 Crore on account of Delayed Payment Charges for FY 2016-17. He has further submitted that the unrecovered amount towards FPPPA charges amounting to Rs. 77.92 Crore as certified by the Statutory Auditor not considered for the purpose of Carrying Cost. He has further submitted that any

unrecovered amount of Trued-up year of FY 20-21 gets recovered gradually during the year for which tariff is determined in the same exercise. Therefore, recovery of such unrecovered amount gets delayed by two years which entitles for carrying cost.

11. Shri Vishnubhai B. Desai has submitted that Torrent Power Limited should explore the cheapest power such as solar and wind energy sources so that the power purchase cost will decrease and the consumer will get benefitted.
12. We have considered the submission made by the Petitioner. We note that the present review petition filed by the Petitioner seeking review of tariff order dated 31.03.2022 in Petition No. 2033 of 2021. The rectification/review is sought on the denial of carrying cost as determined by the Commission. We, therefore, direct the Petitioner to make a detailed submission related to computation of carrying cost, within four weeks from the date of this Order.
13. We also note that one objector M/s Gujarat Krushi Vij Grahak Surakhsya Sangha has submitted its written submissions/replies against this review Petition.
14. We also note that no Respondents or any representative on their behalf, except Shri Vishnubhai B. Desai, were present during the hearing nor had conveyed about their non-availability in spite of notices which had duly been served to them. The parties are at liberty to file their written submissions, if any, within two weeks' time.
15. In the interest of Justice, we decide to provide an opportunity to all the parties to hear the matter.
16. The next date of hearing will be intimated separately.
17. Order accordingly.

**-Sd-**  
**S. R. PANDEY**  
Member

**-Sd-**  
**MEHUL M. GANDHI**  
Member

**-Sd-**  
**ANIL MUKIM**  
Chairman

Place: Gandhinagar  
Date: 07/12/2024