

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 347/MP/2020

Subject : Petition for recovery of impact of wage revision of employees, Impact of GST, Minimum Wages and Security expenses (CISF) in Tehri Hydro Power Plant (4X250 MW) during the period 1.1.2016 to 31.3.2019 (On admission)

Date of Hearing : 8.4.2021

Coram : Shri P.K. Pujari, Chairperson
Shri I.S. Jha, Member
Shri Arun Goyal, Member
Shri Pravas Kumar Singh, Member

Petitioner : THDC India Limited

Respondents : Punjab State Power Corporation Limited and Ors.

Parties present : Ms. Anushree Bardhan, Advocate, THDC
Shri A.K. Porwal, THDC
Shri Mukesh Kumar Verma, THDC
Shri Ajay Vaish, THDC
Shri Rakesh Singh, THDC
Shri Ravindra Khare, MPPMCL

Record of Proceedings

Case was called out for virtual hearing.

2. Learned counsel for the Petitioner submitted that the instant Petition has been filed, inter-alia, for recovery of additional Operation & Maintenance (O&M) expenses incurred against (i) impact of pay revision of the Petitioner's employees (w.e.f. 1.1.2017) and employees of Central Industrial Security Force (w.e.f. 1.1.2016), (ii) impact of change in minimum wages, and (iii) implementation of Goods and Service Tax (w.e.f. 1.7.2017) at its Tehri Hydro Power Project during the period from 1.1.2016 to 31.3.2019. It was further submitted that the total additional O&M expenses incurred by the Petitioner on account of the above are to tune of Rs. 167.45 crore. Learned counsel requested to issue notice to the Respondents.

4. After hearing the learned counsel for the Petitioner, the Commission admitted the Petition and directed to issue notice to the Respondents.

5. The Commission directed the Petitioner to serve copy of the Petition on the Respondents, immediately, if not already served. The Respondents were directed to file their reply by 27.4.2021, with advance copy to the Petitioner, who may file its rejoinder, if any, by 14.5.2021.

6. The Commission directed the Petitioner to furnish the following details/information on affidavit, by 30.4.2021:

(a) Break-up of actual O&M expenditure for the tariff period 2014-19 under various sub-heads (as per Annexure-I enclosed) after including the pay revision impact (employees, CISF and KV), wage revision impact (minimum wages). (To be provided in both MS Excel and PDF format);

(b) Similar break-up of actual O&M expenses including pay revision impact for Corporate Centre/other offices & breakup of claimed wage revision impact on employee cost, expenses on corporate centre and on salaries of CISF & KV employee of the generating station (as per enclosed Annexure- II and Annexure- III, respectively) for the period 2014-19 along with allocation of the total O&M expenditure to various generating stations under construction, operational stations and any other offices along with basis of allocating such expenditure. (To be provided in both MS Excel and PDF format);

(c) Basis and rationale for claim on account of impact due to revision of minimum wages;

(d) Basis and rationale for claim on account of security expenses for CISF separately for 2014-19 tariff period, in place of impact of wage revision in respect of the CISF employees; and

(e) Any other information deemed necessary by the Petitioner in justification of the claimed wage revision impact.

7. The due date of filing of reply, rejoinder and information should be strictly complied with.

8. The Petition shall be listed for hearing in due course for which separate notice will be issued.

By order of the Commission

**Sd/-
(T.D. Pant)
Joint Chief (Law)**

Details of actual O&M expenses (Common for Hydro /Thermal Generating Station)						
Sl. No.	Items	2014-15	2015-16	2016-17	2017-18	2018-19
1	Consumption of stores & spares					
2	Repair & Maintenance					
3	Insurance					
4	Security					
5	Water Charges					
6	Administrative Expenses					
6.1	Rent					
6.2	Electricity charges					
6.3	Travelling & Conveyance					
6.4	Communication Expenses					
6.5	Advertising					
6.6	Foundation Laying & Inaugration					
6.7	Donation					
6.8	Entertainment					
6.9	Filing fee					
	Subtotal (Administrative Expenses)					
7.0	Employee Cost					
7.1.1	Salaries, Wages & Allowances					
7.1.2	Pension					
7.1.3	Gratuity					
7.1.4	Provident Fund					
7.1.5	Leave Encashment					
7.2	Staff welfare expenses					
7.2.1	-Medical expenses on superannuated employees					
7.2.2	-Medical expenses on regular employees & others					
7.2.3	-Uniform/Livries & safety equipment					
7.2.4	-Canteen expenses					
7.2.5	-Other staff welfare expenses					
	Subtotal (Staff welfare Expenses)					
7.3	Productivity linked Incentive					
7.4	Expenditure on VRS					
7.5	Ex-gratia					
7.6	Performance Related Pay (PRP)					
	Sub Total (Employee Cost)					
8	Loss of Store					
9	Provisions					
10	Prior Period Expenses					
11	Corporate Office expenses allocation					
12	Others					
12.1	Rates & Taxes					
12.2	Water cess					
12.3	Training & recruitment expenses					
12.4	Tender Expenses					
12.5	Guest house expenses					
12.6	Education expenses					
12.7	Community Development Expenses					
12.8	Ash utilisation expenses					
12.9	Books & Periodicals					
12.10	Professional Charges					
12.11	Legal expenses					
12.12	EDP Hire & other charges					
12.13	Printing & Stationery					
12.14	RLDC Fee & Charges					
12.15	Brokerage & Commission					
12.16	Bank charges					
12.17	Claims/advances written off					
12.18	Hiring of vehicle					
12.19	Payment to auditors					
12.20	Misc. Expenses					
	(Break-up Of Misc.)					
12.20.1	-Horticulture					
12.20.2	-Transport- Vehicle Running exp.					
12.20.3	-Hire charges & Operating Exp -Construction					

Details of actual O&M expenses (Common for Hydro /Thermal Generating Station)						
Sl. No.	Items	2014-15	2015-16	2016-17	2017-18	2018-19
	Equipment					
12.20.4	-Tree Plantation exp.					
12.20.5	-R&D expenses					
12.20.6	Other Vehicles					
12.20.7	Consumptn-HSD/LDO-(Ind/Imp)-DG Set					
12.20.8	Exp/ Inc frm Inv Diff					
12.20.9	Loss on sale of Investments					
12.20.10	Operating exp of diesel generating sets					
12.20.11	Furnishing Expenses					
12.20.12	Subscription to Trade and Other Assocn.					
12.20.13	Hire Charges - Helicopter/Aircraft					
12.20.14	Visa & Entry Permit Charges - Overseas					
12.20.15	FX Monitoring Terminal Expenses					
12.20.16	Works/Conf.(Excl train R&D CENPEEP)Earlier Non FBT					
12.20.17	Workshop/Conf. Exp (train R&D CENPEEP) Earlier FBT					
12.20.18	Hire charges - Office equipment					
12.20.19	Payment for health club etc					
12.20.20	Gifts liable for Fringe Benefit Tax					
12.20.21	Festival expenses liable Earlier (FBT)					
12.20.22	Miscellaneous Expenses					
12.20.23	Rounding Off Difference					
12.20.24	Regional Power Committee Expenses					
12.20.25	Misc Exp. trf to CSR and IEDC					
12.20.26	Specify other sub head, if any.					
	Sub Total (Others)					
13	(Total 1 to 12)					
14	Revenue / Recoveries					
15	Net Expenses					
	Total O&M Cost					

DETAILS OF CORPORATE CENTRE EXPENSES ALLOCATED TO VARIOUS OPERATING STATIONS						
		Amount in Rs. Lakhs				
	PARTICULARS/YEAR	2014-15	2015-16	2016-17	2017-18	2018-19
	Total Expenses of CC & RHQs-(A)					
	Transferred to Construction Projects -(B)					
	Transferred to any other business activity - (C)					
	Expenses related to stations under operation (D)=(A)-(B)-(C)					
	Head Wise Details of D					
1	Employee Expenses					
a	Salaries, Wages and Allowance					
b	Staff Welfare Expenses					
c	Productivity Linked Incentive					
d	Expenditure on VRS					
e	Ex-Gratia					
2	Administrative Expenses					
a	Repair and maintenance					
b	Training and Recruitment					
c	Communication					
d	Travelling and Conveyance					
e	Rent					
f	Others -Break Up as per details given below:					
f-1	Advertisement and publicity					
f-2	Books & Periodicals					
f-3	EDP Hire and other charges					
f-4	Education expenses					
f-5	Ent. and hospitality					
f-6	Fin Expenses-IndAS					
f-7	Guest house expenses					
f-8	Hiring of Vehicles					
f-9	Insurance					
f-10	Legal Expenses					
f-11	Miscellaneous Expenses					
f-12	Community develop. Exp.					
f-13	Others.					
f-14	Payment to auditors					
f-15	Power Charges					
f-16	Printing and Stationery					
f-17	Prof chg & cons fees					
f-18	R&D EXPS					
f-19	Rates and taxes					
f-20	Tender expenses					
f-21	Trpt Veh running Exp.					
f-22	Water charges					
f-23	Workshop & Conf. Exp.					
	Sub Total (Administrative Expenses)					
3	Security					
4	Donations					
5	Provisions					
6	Depreciation					
7	Prior period expenses					
8	Total Expenses from 1-7					
	Less Recoveries (if any)					
9	Expenses related to Operation - D					
	ALLOCATION TO OPERATIONAL STATIONS					
S.No	Name of The Unit/Station					
	Operational Station (1)					
	Operational Station (2)					

FORMAT FOR CLAIMING WAGE REVISION IMPACT**YEARWISE IMPACT OF REVISION IN SALARIES & WAGES PAID TO THE EMPLOYEES AND STAFF OF CISE & KV****1. Wage revision impact on employee cost of station**

Amount in Rupees (lakhs)

Component	2016-17			2017-18			2018-19		
	Pre Revised	Post Revision	Wage rev Impact	Pre Revised	Post Revision	Wage rev Impact	Pre Revised	Post Revision	Wage rev Impact
1.1 Basic Pay									
1.2 Dearness Allowance									
1.3 HRA									
1.4 Allowances & Perquisites									
1.5 PRP/Ex Gratia									
2.1 Super Annuation Benefits (PF, Pension & PRMS)									
2.2 Gratuity									
2.3 Leave encashment (HPL/EL)									
Total									
Less: EDC									
Net employee cost									

Wage revision impact on Corporate Centre cost of station

Component	2016-17			2017-18			2018-19		
	Pre Revised	Post Revision	Wage rev Impact	Pre Revised	Post Revision	Wage rev Impact	Pre Revised	Post Revision	Wage rev Impact
CC Expenses									
1.1 Basic Pay									
1.2 Dearness Allowance									
1.3 HRA									
1.4 Allowances & Perquisites									
1.5 PRP/Ex Gratia									
Total									

2. Wage revision Impact on Salaries of CISF & KV employee (if applicable)

Component	2015-16			2016-17			2017-18			2018-19		
	Pre Revised	Post Revision	Wage rev Impact	Pre Revised	Post Revision	Wage rev	Pre Revised	Post Revision	Wage rev Impact	Pre Revised	Post Revision	Wage rev Impact
1. CISF												
2. KV												
Total												

Total Wage revision Impact												
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