

No. 1285(2)XVII-V-I--I(KA)12-199

Dated : Lucknow, July 7, 1999

In pursuance of the provisions of clause (3) of Article 348 of the Constitution of India, the governor is pleased to order the publication of the following English translation of the Uttar Pradesh Vidyut Sudhar Adhiniyam, 1999, (Uttar Pradesh Adhiniyam Sankhya 24 of 1999) as passed by the Uttar Pradesh Legislature and assented to by the President on June 23, 1999.

## **THE UTTAR PRADESH ELECTRICITY REFORMS ACT, 1999**

(U.P. ACT NO. 24 OF 1999)

*(As passed by the Uttar Pradesh Legislature)*

### **AN ACT**

*to provide for the restructuring of the electricity industry in the State of Uttar Pradesh, the rationalization of generation, transmission, distribution and supply of electricity in the State regulation by an independent Electricity Regulatory Commission of the electricity industry in the State including the purchase, distribution, supply and utilization of electricity, the quality of service, tariff and other charges keeping in view the interest of the consumers and utilities, creation of environment which will attract participation of private sector entrepreneurs in the electricity industry in the State and generally for taking measure conducive to the development and management of the electricity industry in the State in an efficient, economical and competitive manner and for matters connected therewith or incidental thereto.*

IT IS HERBY enacted in the Fiftieth Year of the Republic of India as follows :

### **CHAPTER-1 PRELIMINARY**

#### **Short title and commencement**

1. This Act may be called the Uttar Pradesh Electricity Reforms Act, 1999.
2. It extends to the whole of the State of Uttar Pradesh.
3. It shall come into force on such date as the State Government may, by notification, appoint in this behalf.

Definitions 2. In this Act,—

- a. "area of supply" means the area within which a licensee is authorized to supply electricity;
- b. "area of transmission" means the are within which a licensee is authorized to transmit electricity;
- c. "Board" means the Uttar Pradesh State Electricity Board constituted under section 5 of the Electricity (Supply) Act, 1948;
- d. "Central Act" means The Electricity Regulatory Commissions Act, 1998, (Act 14 to 1998)
- e. "Chairperson" means the Chairperson the Commission;
- f. "Commission" means the Uttar Pradesh Electricity Regulatory Commission referred to in section 3;
- g. "license" means a license granted under Chapter V;
- h. "license" means a person who holds a license and includes the provisional license referred to in clause (a) of sub-section (3) of section 13;
- i. "Member" means a member of the Commission an includes the Chairperson;
- j. "regulations" means regulations made under this Act;
- k. "relative" means a license for supply of electricity granted under subsection (1) of section 15;
- l. "supply license" means a license for supply of electricity granted under subsection (1) of section 15;

- m. "transmission" in relation to electricity, means the transportation or transmission of electricity by means of a system which consists, wholly or mainly of extra high voltage and extra high tension lines and electrical plant and is used for transforming and for conveying and or transferring electricity from a generating station to a sub-station or from one generating station to another generating station or from one sub-station to another sub-station or otherwise from one place to another;
- n. "transmission license" means a license for transmission granted under sub-section (1) of section 13;
- o. "Power Corporation: means the Uttar Pradesh Power Corporation Limited referred to in section 13;
- p. "Utility means a person engaged in the generation, transmission, sale, distribution or supply of electricity;
- q. word and expressions used but not defined in this Act, shall have the meaning assigned to them in the Electricity (Supply) Act, 1948;
- r. words and expressions used but no defined in this Act or in the Electricity (Supply) Ct, 1948, shall have the meanings assigned to them in Indian Electricity Act, 1910;

#### **CHAPTER-IV THE UTTAR PRADESH POWER CORPORATION LIMITED**

##### **Formation and functions of the Uttar Pradesh Power Corporation Limited**

13 (1) For the purpose of procurement, transmission and supply of electricity, a company by the name of the Uttar Pradesh Power Corporation Limited shall be formed and registered under the Companies Act, 1956 as soon as may be after the commencement of this Act by the State Government.

(2) The Power Corporation shall undertake Planning and co-ordination in regard to transmission and shall determine the electricity requirements in the State in consultation with the generation companies, the State Government, categories States, the commission, the Regional Electricity Board, the Central Electricity Regulatory Commissionable the and the Central Electricity Authority.

(3) The Power Corporation shall,

- be provisional licensee for transmission and supply of electricity with in the state until the grant of license by the Commission;
- be responsible for transmission system operations;
- be the legal successor of the Board in relation to all power purchase and transmission agreements entered into by the Board with generating and transmission companies including those owned or controlled by the Central Government; and
- undertaken such other functions as may be required under the license.

(4) Upon the grant of license to it under section 15, the power Corporation shall have such powers and discharge such duties and perform such functions of the Board under the Indian Electricity Act,1910 and the Electricity (Supply) Act, 1948 or the rules made hereunder as may be specified by the commission in the license.

(5) the Commission may, in consultation with the Power Corporation grant license also to a company subsidiary to the Power Corporation.

#### **CHAPTER-VI REORGANIZATION OF THE ELECTRICITY INDUSTRY**

##### **Transfer of the Board's Properties, powers, functions, duties and personnel**

23. (1) On and from the date specified in transfer, prepared and notified by the State Government ot give effect to objects of this Act, hereinafter referred to as the appointed date in this Act, all properties, and all interests, rights and liabilities of the Board therein shall vest in the State Government.

(2) The properties interest, rights and liabilities vested in the State Government under sub-section (1), shall be retested by the State Government in the Power Corporation and in a generating company in accordance with the transfer scheme so notified along with such other property, interest, rights and liabilities of the State Government as may be specified in such scheme, on such terms and conditions as may be determined by the State Government.

(3) In addition to the rights and powers of the Power Corporation as specified in Chapter IV of this Act, such of the rights and powers exercisable by the Board under the Electricity (supply) Act, 1948 as the State Government may, by notification, specify shall for the purpose of performing the functions and discharging the duties under the said. Act of 1948,

(4) The State Government may, after consultation with the generating company or the Power Corporation, hereinafter referred to in this section as transferor, may, required transferor to draw up a transfer scheme to vest in a person hereinafter referred to in this section as transferee, any of the functions including distribution function, property, interest, right or liability which may have been vested in the transferor under this section and notify the same as statutory transfer scheme under this Act. The transfer scheme to be notified under this sub-section shall have the same effect as the transfer scheme under sub-section (2).

(5) Where

- a. a transfer scheme involves the transfer of any property or right in favor of any person or undertaking not wholly owned by the state Government, the scheme. it shall be binding on all persons including third parties, even if such persons have not consented to it.
- b. a transaction of any description is made in pursuance of a transfer scheme it shall be binding on all persons including third parties, even if such persons have not consented to it.

(6) A transfer scheme may,-

- a. define the property, interest, rights and liabilities to be allocated-
  - by specifying the property, rights and liabilities;
  - by referring the property, rights and liabilities comprising a specified part of the transferor's undertaking; or
  - partly in one way and partly in the other;
- b. provide that the rights or liabilities specified in the scheme shall be enforceable by or against the transferor or the transferee;
- c. impose on the transferee an obligation to enter into such written agreements with or execute such other instruments in favor of any other transferee as may be specified in the scheme; and
- d. make such supplemental, incidental and consequential provisions as the transferor may consider appropriate including provisions specifying the order in which any transfer or transaction shall take effect.

(7) The State Government may provide in any of the transfer schemes framed under this section for the transfer of personnel to the Power Corporation or a company subsidiary to the Power Corporation or a company subsidiary to the Power Corporation or a generating company, as a part of the undertakings transferred under this section and on such transfer the personnel shall hold office or service under the Power Corporation or a company subsidiary to it or a generating company, as the case may be, on terms and conditions that may be determined in accordance with the transfer scheme subject however to the following, namely:

- terms and conditions of services of the personnel shall not be less favorable to the terms and conditions which were applicable to them immediately before the transfer;
- the personnel shall have continuity of service in all respect; and
- all benefits of service accrued before the transfer shall be fully recognized and taken being in force, and except as provided in the transfer scheme and in this Act, the transfer shall not confer any right on the personnel so transferred to any compensation or damages:

Provided further that the posts in the Board of all the personnel whose service are to be so transferred shall stand stand abolished with effect from the date of transfer.

**Explanation :-** For the purposes of this section and the transfer scheme, the expression "personnel" means all persons who on the appointed date are the employees of the Board and who under the transfer scheme are given the option to join service under the control of the transferee.

(8) All debts and obligations incurred, all contracts entered into and all matters and things done by, with or for the Board, including all securities, and guarantees given on behalf of the Board before the appointed date for a transfer scheme becomes effective shall, to the extent specified in the relevant transfer scheme becomes effective shall, to the extent specified in the relevant transfer scheme, be deemed to have been incurred, entered into or done by, with or for the State government or the concerned transferee and all suits or other legal proceedings instituted by or against the Board may be continued or instituted by or against the State Government or the concerned transferee, as the case may be.

(9) Where a licensee is required to vest part of his undertaking in another licensee under sub-section (4), the license of transferee may be amended under section 19 or revoked under section 18.

(10) The Board shall cease to be charged with, and shall not perform the functions and duties specified by notification issued under sub-section (3) with regard to transfers made on or after the date of the said notification.

By order,  
**Y.R. Tripathi**  
Principal Secretary

The Governor is pleased to order the publication of the following English translation of Notification No. 148/P-I/2000-24 dated 14 January, 2000 for general information.

No. 148/P-I/2000-24  
Lucknow, 14 January, 2000

In exercise of the power under sub-section (3) of Section 1 of the Uttar Pradesh Electricity Reforms Act, 1999 (Act No. 24 of 1999) the Governor is pleased to appoint 14 January, 2000 as the date on which the said Act shall come into force.

By order,  
**Atul Chaturvedi**  
Secretary