

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 123/MP/2015**

Subject : Default in payment of unscheduled interchanges (UI) charges and deviation charges in excess of the drawl schedule by Vandana Vidyut Ltd. and default in opening Letter of Credit towards non-payment of UI and DSM charges.

Date of hearing : 18.8.2015

Coram : Shri Gireesh B. Pradhan, Chairperson  
Shri A.K. Singhal, Member  
Shri A.S. Bakshi, Member  
Dr. M.K. Iyer, Member

Petitioner : Western Regional Load Despatch Centre

Respondent : Vandana Vidut Limited

Parties present : Ms. Pragya Singh, WRLDC  
Shri Rajiv Yadav, Advocate, VVL

**Record of Proceedings**

The representative of the petitioner submitted that as per the Commission's direction dated 9.6.2015, the respondent was required to pay substantial amount and open Letter of Credit. However, the respondent has not complied with the Commission's direction.

2. Learned counsel for the respondent submitted as under:

(a) WRPC raised bill amounting to ₹ 16.13 crore towards deviation charges, out of which the respondent admittedly paid a sum of ₹ 7.81 crore and balance amount would be paid with interest after reconciliation of certain discrepancies observed in the UI/DSM bills.

(b) The respondent has submitted a proposal to its bankers for flexible structuring of existing long term project loan wherein the payment of UI/DSM charges has been listed as Priority 'Debt'. On 30.6.2015, the lead bank, i.e Punjab National Bank has approved the said proposal on the certain terms and conditions precedent which needs to be complied with before disbursement of the loan amount. However, the final disbursement of funds is likely to take about 3 to 4 months.

(c) Despite the best efforts, the respondent could not open the Letter of Credit. The respondent has already requested to its bankers to provide loan on priority basis to enable it to pay the outstanding UI/DSM charges.

(d) Learned counsel requested for three months time to liquidate the entire outstanding UI/DSM charges.

3. The Commission expressed its displeasure at the conduct of the respondent for non-compliance of the provisions of the Regulations and the direction of the Commission. The Commission directed the respondent to take steps to liquidate the entire outstanding amount and open the Letter of Credit within two months.

4. The petition shall be listed for hearing on 19.11.2015.

**By order of the Commission**

**Sd/-  
(T. Rout)  
Chief (Law)**