

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram:**

- 1. Dr. Pramod Deo, Chairperson**
- 2. Shri Bhanu Bhushan, Member**
- 3. Shri R. Krishnamoorthy, Member**

**Petition No. 55/2008  
(Suo motu)**

**In the matter of**

Default in payment of Unscheduled Interchanges (UI) charges for the energy drawn in excess of the drawal schedule.

**And in the matter of**

MP Power Trading Corporation Limited

..... **Respondent**

**The following were present:**

1. Shri M G Ramachandran, Advocate, MPPTCL
2. Shri Anand K Ganesan, Advocate, MPPTCL
3. Ms Swapna Seshadri, Advocate, MPPTCL
4. Shri P K Vaishya, MD, MPPTCL
5. Shri Umesh Mathur, MPPTCL

**ORDER  
(Date of Hearing: 12.8.2008)**

By order dated 4.7.2008, the Commission had issued show cause notice to the respondent to explain as to why penalty under Section 142 of the Electricity Act, 2003 (hereinafter referred to as "the Act") be not imposed on it for non-compliance of the directions contained in the Commission's order dated 4.6.2008 for payment of arrears of UI charges for the month of June 2008. The notice was returnable on 31.7.2008.

2. None appeared on behalf of the respondent on the date fixed. On consideration of the material available on record, by order dated 5.8.2008, penalty of Rs.1,00,000/- was imposed on the respondent. Further, in exercise of power under Section 149 of the Act, a further notice was issued to Shri P K Vaishya, MD of the respondent company to show cause why the penalty imposed on the respondent, as aforesaid, be not recovered from him. For this purpose, the matter was fixed for hearing on 12.8.2008.

3. Shri M G Ramachandran, learned counsel for respondent, along with Shri Vaishya appeared before us on the date fixed. Shri Vaishya expressed apology for the default of non-appearance on 31.7.2008. He also explained the circumstances absolving him of the responsibility to pay the penalty of Rs.1,00,000/- imposed on the respondent. On careful consideration of the explanation of Shri Vaishya, we discharge him from liability to pay the penalty levied on the respondent. Accordingly, we direct that the penalty of Rs.1,00,000/- already imposed by order dated 5.8.2008 shall be deposited by the respondent latest by 31.8.2008.

4. At the hearing, an undertaking has been given on behalf of the respondent that the dues payable up to 31.8.2008 in compliance with the Commission's order dated 4.6.2008 shall be duly paid. It has been submitted by Shri Vaishya that the outstanding arrears of UI charges as on 31.8.2008 shall not be allowed to exceed the amount of Rs.85 crore, which is payable during the month of

September 2008, in accordance with the said order dated 4.6.2008. It has been further stated that this amount of arrears outstanding as on 31.8.2008 along with current UI dues, if any, will be liquidated by 30.9.2008 and the interest due on the amount payable shall be settled during the month of October 2008, as directed in the order dated 4.6.2008. Needless to say that the undertaking given on behalf of the respondent shall be complied with by all concerned in its letter and spirit.

5. List the matter on 16.9.2008 for further review of status of payment of UI charges by the respondent.

**Sd/-**  
**(R KRISHNAMOORTHY)**  
**MEMBER**

**Sd/-**  
**(BHANU BHUSHAN)**  
**MEMBER**

**Sd/-**  
**(DR. PRAMOD DEO)**  
**CHAIRPERSON**

**New Delhi dated 14<sup>th</sup> August, 2008**