

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram**

1. **Dr. Pramod Deo, Chairperson**
2. **Shri Bhanu Bhushan, Member**
3. **Shri S.Jayaraman, Member**

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

**In the matter of**

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

**And in the matter of**

Madhya Pradesh Power Trading Corporation Limited, Jabalpur **..Respondent**

**Following was present:**

Shri Umesh Mathur, MPPTCL

**ORDER  
(DATE OF HEARING: 18.11.2008)**

By order dated 4.6.2008, the respondent was directed to take steps to liquidate the entire principal amount of UI arrears of Rs. 333.98 crore, as on 29.5.2008, in four equal monthly instalments of Rs. 85 crore starting from June 2008. The direction for payment of arrears was in addition to the respondent's liability for timely payment of current UI dues, if any. The respondent was further directed to pay interest on arrears of UI dues during October 2008. The respondent had not made any payments during the month of June in terms of the said order dated 4.6.2008. Therefore, the Commission vide its order dated 4.7.2008 issued show cause notice to the respondent under Section 142 of the Electricity Act, 2003 (the Act) for non-compliance of the Commission's directions. In response to the show cause notice, it was reported to the Commission that an amount of Rs. 52.41 crore was paid during July 2008 against the total amount of Rs. 170 crore payable during

the months of June and July 2008. Thus, it established default committed by the respondent. Therefore, by order dated 5.8.2008 a penalty of Rs. one lakh was imposed on the respondent under Section 142 of the Act, with a fresh notice to Shri Pramod Vaishya, Managing Director of the respondent to explain as to why the penalty of Rs. one lakh imposed on the respondent should not be recovered from him under Section 149 of the Act. During hearing of the fresh notice on 12.8.2008, Shri Vaishya tendered apology for the default of non-compliance in the past. He assured that in future the directions of the Commission would be complied with toto. The Commission accepted the apology and undertaking given by Shri Vaishya. By order dated 14.8.2008, the respondent was directed to liquidate the outstanding UI arrears along with current UI amount so that UI outstanding amount by end of August 2008 was only Rs. 85 crore and it was completely liquidated by end of September 2008. It was reiterated that interest payable would be settled during the month of October 2008.

2. The respondent, vide its affidavit dated 14.11.2008 has submitted that as on 31.10.2008, it had settled all liabilities of outstanding UI charges including current UI dues as well as the claims of interest by paying a net amount of Rs. 14,90,43,533/- by cheque No. 973390 dated 31.10.2008. It was submitted that the directions of the Commission had been complied with. The respondent prayed for closure of the proceedings.

3. Heard representative of the respondent. The representative of the respondent re-confirmed that all outstanding UI dues including interest liability had

been liquidated. It was also undertaken that the bills received in future would be paid timely. He requested to drop the proceedings.

4. In view of the compliance of the Commission's directions contained in the order dated 4.6.2008 read with order dated 14.8.2008, the proceedings against the respondent are hereby dropped. File be consigned to records.

**Sd/-**  
**(S.JAYARAMAN)**  
**MEMBER**

**New Delhi dated the 24th November 2008**

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

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