

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram:**

- 1. Shri A.K. Basu, Chairperson**
- 2. Shri Bhanu Bhushan, Member**
- 3. Shri A.H. Jung, Member**

**Petition No. 23/2005**

**In the matter of**

Non-payment of Unscheduled Interchange (UI) charges by Jharkhand State Electricity Board (JSEB), Ranchi.

**And in the matter of**

Eastern Regional Load Despatch Centre, Kolkata

**..Petitioner**

Vs

1. Jharkhand State Electricity Board, Ranchi
2. Bihar State Electricity Board, Patna
3. Grid Corporation of Orissa, Bhubaneswar
4. Damodar Valley Corporation, Kolkata
5. West Bengal State Electricity Board, Kolkata
6. Secretary Power Department Sikkim, Gangtok
7. National Thermal Power Corporation, ERHQ, Patna
8. National Hydro Power Corporation, Faridabad
9. Member Secretary, Eastern Regional Electricity Board, Kolkata

**..Respondents**

**Nemo for the parties**

**ORDER**

**(DATE OF HEARING: 18.7.2006)**

The petitioner filed this petition seeking directions to the first respondent for payment of outstanding UI charges within 15 days with interest thereon and to accord highest priority to payment of weekly UI charges.

2. The first respondent, Jharkhand State Electricity Board in its reply had admitted its liability to pay UI charges claimed in the petition and sought to pay the outstanding dues in 20 equal instalments. The matter was initially heard on

7.6.2005. Subsequently, when the matter was again heard on 21.6.2005, it emerged that approximately a sum of Rs.121 crore on account of UI charges (excluding interest) was outstanding from the first respondent. On behalf of the first respondent an undertaking was given to pay the outstanding dues in six monthly instalments of Rs.22 crore each commencing on 10.7.2005. In this manner, the entire amount, including part of the interest charges, was to be fully paid by 10.1.2006.

3. The petitioner vide its letter dated 13.12.2005 submitted that only a sum of Rs. 42,80,96,127/= was paid by 12.10.2005 and no payment was received thereafter. Accordingly, by order dated 3.1.2006, the first respondent was directed to show cause why action should not be taken under Section 142 of the Electricity Act, 2003 read with Section 149 thereof, for breach of the undertaking given during the hearing on 21.6.2005. However, no cause has been shown by the first respondent or its Chairman.

4. None has attended hearing. However, a copy of the petitioner's letter dated 21.6.2006 has been received today by fax, informing that the first respondent had made payments towards all pending UI charges to the ER pool and necessary disbursement has been made to the recipients. Besides, it has been stated, the first respondent had also adjusted the interest charges for delayed payment of the entire UI charges for the financial years 2003-04 and 2004-05, totalling an amount of Rs.11.7 crore.

5. Neither the petitioner nor the first respondent has furnished the dates on which the actual payments were made. From the petitioner's letter dated 13.12.2005, it is, however, clear that the payments were not made in accordance with the payment schedule given at the hearing on 21.6.2005, even though the entire dues have been settled on some later date. Thus, there exist sufficient grounds for proceeding against the first respondent and also the persons in charge of and responsible for conduct of its business, under Section 142 and 149 of the Electricity Act. However, taking a lenient view of the matter and after considering the fact that the matter already stands settled, we drop the proceedings initiated under order dated 3.1.2006. We wish to make it clear that such casual attitude in complying with the undertaking given before us will, in future, be viewed strictly and the Commission may be constrained to invoke appropriate penal provisions in accordance with the Electricity Act.

Sd/-  
**(A.H. JUNG)**  
**MEMBER**

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

Sd/-  
**(ASHOK BASU)**  
**CHAIRPERSON**

**New Delhi dated the 18<sup>th</sup> July, 2006**