



## Chhattisgarh State Electricity Regulatory Commission

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### Suo Motu Petition No.50 of 2009 (M)

#### In the matter of non compliance of the directives of the Commission in respect of penal UI charges in petition no. 40 of 2009(D)

Chhattisgarh State Power Holding Company Ltd.

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Respondent

Present: Manoj Dey, Chairman  
B.K. Sharma, Member

#### ORDER

(Passed on 31.10.09)

M/s. Sarda Energy & Minerals Ltd., Raipur (SEML, in short) along with 17 others submitted a petition against Chhattisgarh State Power Transmission Company Ltd. (CSPTCL, in short) and Chhattisgarh State Load Despatch Centre (SLDC, in short) in the matter of imposition of penal UI charges and for removal of capping on UI charges on over injection of power, which was registered as petition no. 40 of 2009(D). In this petition, the Commission passed an interim order on 25.07.09 that recovery of penal UI charges other than normal UI charges be stayed till final orders are passed in this case with directive to representative of the respondent to take suitable action in this matter. Copy of this order dated 25.07.09 was made available to all concerned vide letter dated 25.07.09.

The Commission received complaints from the petitioners of petition no. 40 of 2009 (D) i.e. from M/s. Shri Bajrang Power & Ispat Ltd (SBPIL, for short) vide their letter No. 1501 dated 07.08.09 and SEML vide their letter No. 277 dated 08.09.09 stating that despite the Commission's above stay order dated 25.07.09, Chhattisgarh State Power Holding Company Ltd. (CSPHCL, for short) withhold the amount payable to them in respect of power supplied by them to Chhattisgarh State Power Distribution Company Ltd. (CSPDCL for short), which is a clear violation of the orders issued by the Commission and thus CSPHCL contravened the provisions of the Electricity Act, 2003 and rules and Regulations made thereunder.

Although CSPHCL was not made a party by the petitioners in petition no. 40 of 2009(D), but since CSPHCL has been making payment of bills for power purchased by CSPDCL, the Commission ordered on 28.08.09 to implead CSPHCL as respondent in that case. A notice was issued on 1<sup>st</sup> Sept.'09 to CSPHCL in compliance to which officer of CSPHCL appeared on 10.09.09 before the Commission and submitted reply intimating that payment of M/s SBPIL due on 31.07.09 has been made on 19.08.09, but the payment of SEML was not released till that date (10.09.09), despite stay ordered dates 25.07.09. On the date of hearing of

the case i.e. on 10.09.09 representative of CSPHCL was specifically instructed by the Commission to release payment of M/s. SEML within 7 days from the date of hearing ( i.e. 10.09.09) as such the stay order was granted by the Commission on 25.07.09 i.e. before due date of payment. Accordingly, the payment was released after 10.09.09 to M/s. SEML.

Looking to the situation the Commission finds no option but to initiate action under section 142 of the Electricity Act for not following the specific directive/orders of the Commission, accordingly a suo motu petition No. 50 of 2009 (M) was registered against CSPHCL and issued a notice on 24.09.09 to show cause as to why CSPHCL should not be penalized under section 142 of the Electricity Act 2003 for non compliance of the directives given by the Commission.

In response to show cause notice, CSPHCL submitted a written statement on 09.10.2009 stating that power purchase bill in respect to SEML for the month of June'09 was due for payment on 27.07.09, since no information regarding the stay order passed by the Commission was received by CSPHCL by that date, the amount of power purchase bill due on 27.07.09 of M/s. SEML was adjusted against penal UI charges and adjustment JV was prepared. It is further stated that copy of the stay order was received by CSPHCL on 28.07.09 but since amount of power purchase bill was already adjusted by that time, the payment could not be released to M/s. SEML.

Thus, it is evident that even after issuance of stay order dt. 25.07.09 by the Commission on levy of penal UI charges the payment of M/s SBIL which was due for 31.07.09 was held and payment was made on 19.08.09, and payment of M/s SEML which was due on 27.07.09 was made only after specific directive by Commission on dated 10.09.09 during hearing. It is thus concluded that abnormal delay took place on the part of CSPHCL in compliance to the stay order dated 25.07.2009 of the Commission.

Looking to the situation that CSPHCL was not the original respondent and was impleaded as respondent subsequently, and possibility of delay in communicating the order of the Commission by the original respondent we have come into conclusion to not to take action against CSPHCL under section 142 and close the case. However, the CSPHCL shall ensure that in future orders/directives of the Commission are complied without delay. We order accordingly.

**Sd/-  
Member**

**Sd/-  
Chairman**