CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No.131/2011 (Suo motu)

Coram

- 1. Dr. Pramod Deo, Chairperson
- 2. Shri S. Jayaraman, Member
- 3. Shri V.S.Verma, Member
- 4. Shri M.Deena Dayalan, Member

Date of order: 8.6.2011

In the matter of

Non-compliance of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2008.

And in the matter of

Maheshwary Ispat Limited, Kolkata

.....Respondent

ORDER

By order dated 19.7.2005, Maheshwary Ispat Limited (hereinafter referred to as "the MIL") was granted trading licence for Category `A` to trade in electricity as an electricity trader within the Country, except the State of Jammu and Kashmir in terms of Regulation 6 of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2004. Consequent to the notification of the Central Electricity Regulatory

Commission (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2009(hereinafter referred to as '2009 trading licence regulations'), the licence stands re-categorised as category `IV`.

- 2. In accordance with the provisions of Regulation 14 (1) (a) of the 2009 trading licence regulations, where the licensee in the opinion of the Commission, makes willful and prolonged default in doing anything required of him by or under the Act or the Rules or the Regulations, the Commission may revoke the licence after serving a notice of revocation. Under clause (4) of Regulation 4 of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2008 (hereinafter referred to as "the payment of fee regulations") the licensees are required to pay licence fee within thirty days of the date of grant of licence and thereafter annually by 30th April of each year.
- 3. It has been noted that the respondent has not paid the licence fee for the year 2010-11 and 2011-12, which was payable by 30.4.2010 and 30.4.2011, respectively despite issue of reminders dated 14.6.2010 and 26.3.2011. This amounts to non-compliance of the provisions of the payment of fee regulations referred to above.

- 4. The respondent is hereby directed to explain to show cause as to why penalty under Section 142 of the Electricity Act, 2003 (36 of 2003) be not imposed on it for the non-compliance of the provisions of the payment of fee regulations. The respondent is further directed to explain as to why, for the same reason, its licence for inter-State trading in electricity be not revoked.
- 5. The reply should be submitted latest by 28.6.2011.
- 6. List for further directions on 7.7.2011.

(M.DEENA DAYALAN) MEMBER (V.S. VERMA) MEMBER (S.JAYARAMAN) MEMBER (DR.PRAMOD DEO) CHAIRPERSON