

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.10/SM/2016

Coram:

Shri Gireesh B. Pradhan, Chairperson

Shri A.K. Singhal, Member

Shri A.S. Bakshi, Member

Dr. M.K. Iyer, Member

Date of Order : 20.7.2016

In the matter of

Non-compliance of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2009.

And

In the matter of:

Karam Chand Thapar and Bros Ltd.
Rishmook Building, 85A Panchkuian Road,
New Delhi-110 001

...Respondent

ORDER

The Commission vide order dated 5.1.2015 in Petition No. 12/SM/2014 directed the respondent to explain the reasons for not undertaking trading in electricity. Based on submission and difficulty projected by the respondent, the Commission vide order dated 12.6.2015 in Petition No.12/SM/2014 allowed one year time to the respondent to undertake trading in electricity and to comply with the provisions of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2009, as amended from time to

time (Trading Licence Regulations). Relevant portion of said order dated 5.1.2015 is extracted as under:

“9. We have considered the submissions of KCTBL. The licensee has been regularly paying the licence fee and submitting the information as per the provisions of Trading Licence Regulations. Though the licensee did not respond earlier to the notices of the Commission which has been attributed to the misplacement of notices, the licensee has now committed on affidavit that it would start trading activities expeditiously and has submitted business plan projections for the electricity trading for the years 2015-16 to 2019-20. Considering the commitment given by the KCTBL to undertake trading in electricity, we allow KCTBL one year time from the issue of this order to comply with the provisions of Trading Licence Regulations. If KCTBL does not undertake trading within a period of one year, then its case will be processed for revocation of licence. In view of the above, notice issued to KCTBL for revocation of licence is discharged.”

2. It is noted that the respondent is not undertaking trading in electricity as per Regulation 7 (n) of the Trading Licence Regulations. In accordance with the Regulation 14 of the 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 not less than three months. We are of the view that the respondent has not only failed to comply with our directions but has also failed to comply with the provisions of the Trading Licence Regulations. In our view, the licensee is not entitled to hold the licence when it has consistently failed to undertake trading of electricity in violation of Regulation 7 (n) of the Trading Licence Regulations. Accordingly, we direct the respondent to file its response within a period of one month as to why its licence should not be revoked for non-compliance of the Commission's direction and for failure to undertake trading in electricity. This order shall also be treated as notice under Regulation 14 (2) of the Trading Licence Regulations and the

licence of the licensee shall be revoked after expiry of the period of three months from the date of issue of this order.

Sd/-
(Dr. M.K. Iyer)
Member

sd/-
(A.S. Bakshi)
Member

sd/-
(A.K. Singhal)
Member

sd/-
(Gireesh B. Pradhan)
Chairperson