

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 1/SM/2017**

**Coram:**

**Shri Gireesh B. Pradhan, Chairperson  
Shri A.K. Singhal, Member  
Shri A.S. Bakshi, Member  
Dr. M.K.Iyer, Member**

**Date of Order: 5<sup>th</sup> of January, 2017**

**In the matter of**

Non-compliance of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012.

**And**

**In the matter of**

1. Vandana Vidyut Limited  
Vandana Bhawan, M.G. Road,  
Raipur-492001, Chhattisgarh
2. Provestment Services Limited  
Building No.5, First Floor,  
Pusa Raod, W.E.A. Karol Bagh,  
NewDelhi-110005

.....Respondents

**ORDER**

Vandana Vidyut Limited and Provestment Service Limited (hereinafter referred to as "the licensees") were granted trading licences for Category- IV vide orders dated 3.4.2008 and 27.1.2015, respectively, to trade in electricity in whole of India, except the State of Jammu and Kashmir.



2. Under clause (4) of Regulation 7 of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012 (hereinafter referred to as 'Payment of Fees Regulations'), the licensees are required to pay licence fees within thirty days of the date of grant of licence and thereafter, annually by 30th April of each year. It has been brought to our notice by the staff of the Commission that the licensees have not paid the licence fees for the year 2016-17, which was payable by 30.4.2016, despite issue of reminders dated 21.6.2016, 25.7.2016 and 23.9.2016.

3. As per Regulation 7 (m) 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 (hereinafter referred to as 'Trading Licence Regulations'), the licensee is required to pay the licence fee by the stipulated date specified by the Commission. The licensees have failed to deposit the licence fees within the stipulated period. The licensees have also not responded to the letters issued by the staff of the Commission for depositing the licence fees for the year 2016-17. The conduct of the respondents amounts to serious contravention under Regulation 14A (2) (a) and (e) of the Trading Licence Regulations. In our view, the licensees are not entitled to hold their licences when they have failed to pay the licence fees in violation of the regulations. Accordingly, in exercise of power conferred under Regulation 14B (1) of the Trading Licence Regulations, we direct the respondents to file their responses on affidavit, by 29.1.2017 as to why their licences should not be revoked for non-compliance of the Trading Licence Regulations and Payment of Fees Regulations and the outstanding licence fees should not be recovered from them as arrears of land

revenue in terms of Section 170 of the Electricity Act, 2003. This order shall also be treated as notice under sub-section (3) of Section 19 of the Act and unless otherwise directed by the Commission, the licences of the licensees shall stand 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**

