

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 3/SM/2018

Coram:

- 1. Shri P. K. Pujari, Chairperson**
- 2. Shri A. K. Singhal, Member**
- 3. Shri A. S. Bakshi, Member**
- 4. Shri M. K. Iyer, Member**

Date of Order: 8th March, 2018

In the matter of

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

And in the matter of

Adhunik Alloys & Power Limited,
14, N. S. Road, 2nd Floor,
Kolkata 700001, West Bengal

.....**Respondent**

ORDER

By order dated 26.6.2008, Adhunik Alloys & Power Limited (hereinafter referred to as "the licensee") was granted trading licence for Category `F`. Based on the regulation of inter-State trading licence, order dated 29.4.2009 in I.A. No. 15/2009 in Petition No. 29/2008, the said licence was downgraded from Category `F` to Category `III` for trading in electricity in whole of India, except the State of Jammu and Kashmir. 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 as amended vide notification dated 7.6.2010, the Central Electricity Regulatory Commission

(Payment of Fees) (Amendment) Regulations, 2010 the licence stands re-categorized as Category 'IV'.

2. Under clause (4) of Regulation 7 of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012, 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. It has been brought to our notice by the staff of the Commission that the respondent has not paid the surcharge for the year 2016-17 and licence fee for the year 2017-18, which was payable by 20.10.2016 and 30.4.2017 respectively despite issuance of reminders dated 1.3.2017, 31.5.2017, 8.9.2017 and 3.11.2017.

3. In accordance with the Section 19 of the Electricity Act, 2003 (hereinafter referred to as "the Act"), 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. Under the Payment of Fee Regulations, the licensee is required to pay the surcharge for the year 2016-17 by 20.10.2016 and licence fee for the year 2017-18 by 30.4.2017. The respondent has failed to deposit the licence fee along with late payment surcharge within the stipulated period.

4. As per Regulation 7(a) of the Trading Licence Regulations, the licensee is required to regularly pay the licence fee specified by the Commission from time to time. The respondent has not responded to the letters issued by the staff of the Commission for depositing the licence fee. The conduct of the licensee amounts to non-compliance of the provisions of the Trading Licence Regulations and Payment of Fee Regulations. In our

view, the licensee is not entitled to hold licence when he has failed to pay the licence fee in violation of the regulations. Accordingly, we direct the respondent to file its response as to why its inter-State trading licence should not be revoked for willful default in depositing the licence fee. This order shall also be treated as notice under sub-section (3) of Section 19 of the Electricity Act, 2003 and if no reply is received within two months and unless otherwise directed by the Commission, the licence of the licensee 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/-

(P. K. Pujari)
Chairperson