

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 1/Suo-Motu/2015

Coram:

Shri Gireesh B. Pradhan, Chairperson

Shri M. Deena Dayalan, Member

Shri A.K. Singhal, Member

Shri A.S. Bakshi, Member

Date of Order: 27.1.2015

In the matter of

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

And

In the matter of

1. Suryachakra Power Corporation Limited
Suryachakra House,
Plot No.- 304-L-III, Road No. – 78,
Jubilee Hills, Hyderabad- 500033

2. Greenfield Power Services Private Limited
101, Sri Guru Krupa,
7-1-54/2/C, D.K. Road,
Ameerpet, Hyderabad- 500016

3. HMM Infra Limited
Village-Manadour,
Ambala-Naraingarh Road,
Ambala-134 009

.....Respondents

ORDER

Suryachakra Power Corporation Limited (SPCL), Greenfield Power Services Private Limited (GPSPL) and HMM Infra Limited (HMMIL) (hereinafter referred to as “the licensees”) were granted trading licences vide orders dated 12.1.2006, 8.2.2013



and 11.3.2013 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 fee within thirty days of the date of grant of licence and thereafter, annually by 30th April of each year. Regulation 11(1) of the Payment of Fees Regulations provides that late payment surcharge at the rate of one per centum (1%) shall be paid on the outstanding amount for each month or part thereof after the due dates of payment as specified in these regulations. It was brought to notice of the Commission that SPCL and GPSPL have not paid the licence fee for the year 2014-15 which were due to be paid by 30.4.2014, despite issue of reminders dated 20.6.2014, 21.7.2014, 25.8.2014 and 24.9.2014. HMMIL has paid the licence fee for the year 2014-15 on 30.5.2014 as against the due date of 30.4.2014 without paying the late payment surcharge. HMMIL has also not responded to the letters dated 20.6.2014, 21.7.2014, 25.8.2014 and 24.9.2014 in this regard.

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 SCPL and GPSPL have failed to deposit the licence fee within the stipulated period. HMMIL has defaulted in payment of late



payment surcharge. The respondents have also not responded to the letters issued by the staff of the Commission for depositing the licence fee for the year 2014-15 and surcharge thereon. 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 the licence when they have failed to pay the licence fee in violation of the regulations. Accordingly, in exercise of power conferred under Regulation 14B (a) of the Trading Licence Regulations, we direct the respondents to file their responses on affidavit, by 16.2.2015 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.

Sd/-
(A.S Bakshi)
Member

sd/-
(A. K. Singhal)
Member

sd/-
(M. Deena Dayalan)
Member

sd/-
(Gireesh B. Pradhan)
Chairperson

