

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 13/SM/2014

Coram:

Shri Gireesh B. Pradhan, Chairperson

Shri A. K. Singhal, Member

Shri A.S.Bakshi, Member

Date of Order: 6.7.2015

In the matter of

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

And

In the matter of

Gemac Engineering Services Private Limited
3rd Floor, Wescare Towers,
No. 16, Cenotaph Road,
Teynompeta, Chennai

.....**Respondent**

ORDER

By order dated 21.6.2012, Gemac Engineering Services Private Limited (hereinafter referred to as 'the licensee') was granted trading licence for Category IV to trade in electricity as an electricity trader 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, 2009 as amended from time to time (Trading Licence Regulations) subject to compliance of terms and conditions specified in said regulations.



2. On account of default in payment of annual licence fee for the year 2014-15, we had directed in our order dated 27.8.2014, as under:

"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. The respondent has failed to deposit the licence fee within the stipulated period and has defaulted in payment of late payment surcharge. The respondent has also not responded to the letters issued by the staff of the Commission for depositing the licence fee for the year 2014-15. The conduct of the respondent amounts to non-compliance of the provisions of the Trading Licence Regulations and Payment of Fee Regulations. Accordingly, the respondent is directed to show cause, latest by 15.9.2014, as to why action under Section 142 of the Electricity Act, 2003 should not be taken against it for non-compliance of Trading Licence Regulations and Payment of Fees Regulations."

3. Since the licensee did not submit its response to the show notice issued under Section 142 of the Electricity Act, 2003 (Act), we in our dated 17.3.2015 had issued notice to the licensee under Section 19 (3) of the Act and Regulation 14B (1) of the Trading Licence Regulations to explain as to why its licence should not be revoked for wilful default in depositing the licence fee and non-compliance with the regulations. However, no response has been received from the licensee.

4. Meanwhile, similar proceeding was initiated against the licensee and others in Petition No. 12/SM/2014 for non-compliance of the Regulations 7(n) and 14 of the Trading Licence Regulations. Since, the licensee did not comply with our directions, we vide order dated 12.6.2015 in Petition No. 12/SM/2014, revoked the licence granted to the licensee. Relevant portion of the said order is extracted as under:

"10. The Commission is of the view that it will be appropriate to impose the



penalty under Regulation 14C (1) (d) of the Trading Licence Regulations on GFPSPL and GESPL in the facts of the case for contravention of the provisions of the regulations and non-compliance with the direction of the Commission. Accordingly, we revoke the licences granted to GFPSPL and GESPL”.

5. Since the licence of the licensee has already been revoked for contravention of the provisions of Regulation 7 (n) and Regulation 14 of the Trading Licence Regulations by not undertaking trading and for non-compliance of the directions of the Commission issue vide orders dated 22.8.2014, 30.9.2014, 5.1.2015 and 23.4.2015, the present petition has become infructuous and accordingly, disposed of.

Sd/-
(A.S.Bakshi)
Member

sd/-
(A.K.Singhal)
Member

sd/-
(Gireesh. B. Pradhan)
Chairperson

