



याचिका संख्या / Petition No. 4/SM/2026

कोरम/ Coram:

Shri Jishnu Barua, Chairperson  
Shri Ramesh Babu V., Member  
Shri Harish Dudani, Member  
Shri Ravinder Singh Dhillon, Member

आदेश दिनांक/ Date of Order: 15<sup>th</sup> April, 2026

**In the matter of**

Non-compliance of the provisions of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2020.

**And**

**In the matter of**

**Vedprakash Power Private Limited,**  
DBS Business Centre, One World Centre Tower 1,  
9<sup>th</sup> Floor, Senapati Bapat Marg, Lower Parel, Delisle Road,  
Mumbai, 400013, Maharashtra.

**Respondent**

### **ORDER**

By order dated 19.8.2013, Vedprakash Power Private Limited (hereinafter referred to as "the licensee/Respondent") was granted inter-State trading licence for Category 'IV' for trading in electricity in whole of India in accordance with the application made under sub-section (1) of Section 15 of the Electricity Act, 2003 (hereinafter referred to as "the Act") read with the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Trading licence and other related matters) Regulations, 2009 (hereinafter referred to as "the Trading Licence

Regulations”). Consequent to the enactment of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2020, and subsequent amendments thereof (hereinafter referred to as “Trading Licence Regulations, 2020”), the Respondent’s category remained unchanged as Category ‘IV’ licensee.

2. Regulations 7(4) and 11(2) of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012, amended from time to time (hereinafter referred to as “the Payment of Fees Regulations”) provide that:

**“7. Licence Fee**

*(4) Fees specified in this regulation shall be paid within thirty days of the date of grant of licence and thereafter, annually by 30<sup>th</sup> April of each year subject to proviso to clause (1) of this regulation.*

**11. Late payment surcharge**

*(2) Without prejudice to the liability for late payment surcharge, the Commission may take any other action as may be considered appropriate for non-compliance of these regulations if payment of fees is delayed beyond two months from the due dates of payment as specified in these regulations.”*

3. As per the above provisions of the Payment of Fees Regulations, the Respondent was liable to pay the annual licence fee by 30<sup>th</sup> April each year. However, the Respondent has not paid its annual licence fee for the last five fiscal years, viz., 2021-22, 2022-23, 2023-24, 2024-25, and 2025-26. A reminder was also served through vide letter dated 17.4.2025. The total fee outstanding (with late payment surcharge) as on 28.2.2026 is Rs. 20.10 lakh.

4. Regulation 9 (15) of the Trading Licence Regulations, 2020 provides that:

**“9. Obligations of the Trading Licensee:**



**(15) The Trading Licensee shall pay the licence fee by the stipulated date specified by the Commission from time to time.”**

As per Regulation 9 (15) of the Trading Licence Regulations, 2020, the licensee is required to regularly pay the licence fee specified by the Commission, from time to time.

5. Regulations 11(2), (4), (5) and (7) and Regulation 12(2) and (3) of Trading Licence Regulations, 2020 provide that:

**“11. Submission of Information:**

*(2) Furnish monthly information through Forms IV-A, IV-B, IV-C, IV-D, IV-E, IV-F, IV-G and IV-H in respect of inter-State trading, intra-State trading on the basis of the inter-State trading licence, trading through power exchanges, Banking of electricity, short-term, long-term trading and Cross Border Trade of Electricity, so as to reach the Commission before 15th of the succeeding month:*

*Provided that the information sent to the Commission, shall be posted on the website of the Trading Licensee by 15th of the succeeding month, and such report shall be available on the website for not less than five Years;*

*(4) Submit annual return of inter-State transactions detailing:*

- (a) total volume transacted (in MUs and Rupees) and the total trading margin charged thereon,*
- (b) total volume transacted in intra-State transactions on the basis of the inter-state trading licence (in MU and Rupees),*
- (c) total volume transacted on Power Exchange and the total trading margin charged thereon,*
- (d) total volumes of Renewable Energy Certificates transacted,*
- (e) complete list of Buyers and Sellers in the above categories, certified by Chartered Accountant or Cost Accountant by 31st May every Year as per Form IV-J;*

*(5) Submit to the Commission copies of the Annual Reports including Directors’ report, Auditors’ report, Balance Sheet and Profit and Loss Account pertaining to inter-State and intra-State trading on the basis of the inter-State trading licence, segment of the business along with all the Schedules and notes to the accounts, not later than nine months after the close of the Year to which they relate and shall keep them posted on its website or in any authorized website for a period of at least five Years;*



(7) *Submit any report or information, as prescribed under Power Market Regulations notified by the Commission from time to time;*

**12. Standards of Performance:**

(2) *Till such time the standards of performance are specified under clause (1), the Trading Licensee shall furnish to the Commission the performance details for each Year in the format prescribed by the Commission in Form V, appended to these regulations by 30th April immediately following the Year ending on 31<sup>st</sup> March.*

(3) *The Trading Licensee shall display on its website (i) the volume of inter-State and intra-State trading on the basis of the inter-State trading licence, if any, on monthly basis; (ii) trading licences held by it; (iii) petitions filed before the Commission and the orders including interim orders, if any, issued by the Commission to ensure dissemination of information to its clients.”*

6. It has been observed that the Respondent has defaulted in the payment of the annual licence fee of Rs. 3 lakh for five consecutive financial years (2021-22 to 2025-26), due by 30th April each year. Further, despite repeated reminder letters seeking information vide letters dated 18.7.2024, 3.1.2025, 27.1.2025, 21.2.2025, 4.3.2025, 24.3.2025, 17.4.2025, and 10.7.2025, the Respondent has failed to submit the information in terms of Regulations 11(2), (4), (5) and (7) and Regulation 12(2) and (3) of Trading Licence Regulations, 2020, as well as to ensure that the reports remain available on the website for not less than five years. However, the Respondent has neither submitted the required information nor responded to the said correspondence.

7. Regulation 9 (16) of the Trading Licence Regulations, 2020 provides as under:

**“9 (16).** *The Trading Licensee shall not omit or neglect to undertake trading activity.”*

8. Regulation 17(5), (6), (7), (10), (11) and (12) of Trading Licence Regulations, 2020 enumerate specific acts constituting contravention and non-compliance by a Trading Licensee as under:



**“17 – Contravention by Trading Licensee**

*(5) Non-compliance of the orders of the Commission including the orders issued for contravention of any regulation of the Commission;*

*(6) Non-payment of the licence fees and surcharge, if applicable within the due date as specified in Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012 or statutory re-enactment thereof;*

*(7) Delay or non-submission of monthly transaction information sought under clause (2) of Regulation 11;*

*(10) Non-submission or delay in submission of any report required to be submitted by the Trading Licensee under any of the regulations mentioned in clause (1) of this regulation;*

*(11) Delay in submission of any other information sought by the Commission;*

*(12) Failure to make mandatory disclosures or reporting in accordance with the provision to clause (2) of Regulation 11 of these regulations on Trading Licensee’s website.”*

9. Regulation 18 of the Trading Licence Regulations, 2020 provides for the procedure for taking cognizance of the contraventions as under:

**“18. Procedure for taking cognizance of the contraventions**

*(1) The Commission, on being satisfied on the basis of the information in its possession or on basis of the information submitted by any person that a prima facie case exists against any Trading Licensee with respect to any of the provisions of Regulation 17, may initiate Suo-motu proceedings against the Trading Licensee and may direct the Trading Licensee to submit such information and explanation as may be considered necessary for the purpose of the proceeding:*

*Provided that the proceedings for non-payment of fee shall be initiated if the Trading Licensee fails to deposit the fees and surcharge, if any, within seven days of the expiry of due date of payment as per the Central Electricity Regulatory Commission (Payment of Fee) Regulations, 2012:*

*Provided further that the licence shall be deemed to be suspended after expiry of fifteen days from the due date of payment and shall remain suspended till the payment of fees and surcharge, if any, is made or suspension is withdrawn.*

*(2) No penalty shall be imposed on the Trading Licensee without giving it an opportunity of being heard.*

*(3) The penalties, if any, shall be imposed in accordance with Regulation 19 of these regulations.”*



As per Regulations 9 (16), 17(5), (6), (7), (10), (11), (12), and 18 of the Trading Licence Regulations, 2020, the trading licensee shall not omit or neglect to undertake trading activity. It has been brought to our notice by the office of the Commission that the Respondent has not undertaken any trading activity in the last five years.

10. Section 19 of the Act provided that:

**“19. Revocation of licence**

*(1) If the Appropriate Commission, after making an enquiry, is satisfied that public interest so requires, it may revoke a licence in any of the following cases, namely: -*

*(a) where the licensee, in the opinion of the Appropriate Commission, makes wilful and prolonged default in doing anything required of him by or under this Act or the rules or regulations made thereunder;*

*(b) where the licensee breaks any of the terms or conditions of his licence the breach of which is expressly declared by such licence to render it liable to revocation;*

*(c) where the licensee fails, within the period fixed in this behalf by his licence, or any longer period which the Appropriate Commission may have granted therefor –*

*(i) to show, to the satisfaction of the Appropriate Commission, that he is in a position fully and efficiently to discharge the duties and obligations imposed on him by his licence;*

*(ii) or to make the deposit or furnish the security, or pay the fees or other charges required by his licence;*

*(d) where in the opinion of the Appropriate Commission the financial position of the licensee is such that he is unable fully and efficiently to discharge the duties and obligations imposed on him by his licence.*

*(2) Where in its opinion the public interest so requires, the Appropriate Commission may, on application, or with the consent of the licensee, revoke his licence as to the whole or any part of his area of distribution or transmission or trading upon such terms and conditions as it thinks fit.*

*(3) No licence shall be revoked under sub-section (1) unless the Appropriate Commission has given to the licensee not less than three months' notice, in*



*writing, stating the grounds on which it is proposed to revoke the licence, and has considered any cause shown by the licensee within the period of that notice, against the proposed revocation.*

*(4) The Appropriate Commission may, instead of revoking a licence under sub-section (1), permit it to remain in force subject to such further terms and conditions as it thinks fit to impose, and any further terms and conditions so imposed shall be binding upon and be observed by the licensee and shall be of like force and effect as if they were contained in the licence.*

*(5) Where the Commission revokes a licence under this section, it shall serve a notice of revocation upon the licensee and fix a date on which the revocation shall take effect.*

*(6) Where the Appropriate Commission has given notice for revocation of licence under sub-section (5), without prejudice to any penalty which may be imposed or prosecution proceeding which may be initiated under this Act, the licensee may, after prior approval of that Commission, sell his utility to any person who is found eligible by that Commission for grant of licence.”*

Accordingly, in accordance with Section 19 of the Act read with the Trading Licence Regulations, 2020, 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.

11. The Respondent has not responded to the letters dated 18.7.2024, 3.1.2025, 27.1.2025, 21.2.2025, 4.3.2025, 24.3.2025, 17.4.2025, and 10.7.2025 issued by the office of the Commission for depositing the licence fee/ seeking information. The conduct of the licensee constitutes a non-compliance and contravention under the provisions of the Trading Licence Regulations and Payment of Fees Regulations. In our prima facie view, the licensee is not entitled to hold a licence when he has failed to pay the licence fee and also neglected to undertake any trading activity in the last five years, in violation of the regulations. Accordingly, we direct the Respondent to



file its response within two months, as to why its inter-State trading licence should not be revoked for willful default in depositing the licence fee, as well as for not undertaking any trading activity in the last five years. This order shall also be treated as notice under sub-section (3) of Section 19 of the Act, 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.

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(रमेश बाबू व.)  
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