

**Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005
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Case No. 30 of 2015

Dated: 27 September, 2016

**CORAM: Shri Azeez M. Khan, Member
Shri Deepak Lad, Member**

**In the matter of
Petition of M/s Flagship Developers Private Limited for taking on record the deemed
distribution licensee status of the Petitioner for Blue Ridge IT Park, Hinjewadi, Pune
and for issuing the Specific Conditions of Distribution Licence applicable to the
Petitioner**

M/s Flagship Developers Private Limited (FDPL) : Petitioner
Representative of the Petitioner : Shri Prashant Anvekar (Rep.)
Consumer Representative: : Shri Ashok Pendse, TBIA

Daily Order

Since the Chairperson has demitted office, the Petitioner gave its consent to further hearing of the matter by the Commission consisting of the remaining two Members as being in continuance of the earlier proceedings and to take on record all its earlier submissions.

Heard the representative of the Petitioner.

Representative of the Petitioner stated that, vide letter dated 3 March, 2016, it has requested the Commission to process its Petition for deemed Distribution Licensee status for 5 Hectares of SEZ area instead of the entire area of 10.17 Hectares, as it would take further time to get the necessary clarification/correction in the area from the Ministry of Commerce and Industry, Government of India as regards the remaining area. FDPL stated that it would seek amendment to the Licence after receipt of clarifications from the Ministry.

The Commission observed that no document is before the Commission in which the 5 Hectares area is demarcated out of the entire 10.17 Hectares and there is no clarity regarding Plot Nos./ Survey Nos. for this partial area of 5 Hectares. FDPL replied that the SEZ area

consists of two parts i.e. Phase 1 and Phase 2, and a map with the areas duly demarcated will be submitted. The area of around 5 Hectares shown in respect of FDPL comprises Phase 1 of the SEZ.

To a query from the Commission, FDPL stated that it was not aware of the fact that only 5 Hectares area had been mentioned in the approval letter dated 7 February, 2012 issued by Ministry of Commerce and Industry and it came to know only when the query was raised by the Commission. FDPL further informed that follow up is being made with the Ministry for the clarifications sought by the Commission.

To the Commission's query regarding the Petitioner's preparedness for Distribution Business activity and for meeting the obligations thereof, FDPL stated that a team has already been deployed for maintenance activities and only functions related to metering and billing etc. are to be initiated. The Commission observed that there are various other duties and obligations that are imposed on a Distribution Licensee under the Electricity Act, 2003 and Regulations. FDPL needs to be aware of these and satisfy the Commission of its preparedness. The Commission observed that FDPL is yet to make its submissions as directed in Daily Order dated 3 September, 2015.

The Commission further observed that, in absence of clarifications from the Ministry of Commerce and Industry, Government of India, there is no clarity on ownership and development rights of the SEZ and the proposed Licence area. Further, if the Petitioner's prayer for 5 Hectares is accepted, there would be two Distribution Licensees operating within a single SEZ area of 10.17 Hectares. Power procurement for such a small area in competitive manner may also be an issue.

The Commission directs the Petitioner to submit the following:-

- a. the Plan to meet the obligations and discharge the duties as Distribution Licensee as per the provisions of the Electricity Act, 2003 and Rules and Regulations made thereunder
- b. timelines for further activities such as PPA filing, ARR filing, CGRF establishment etc. after issuance of Specific Conditions of Licence
- c. the map duly certified by the competent authority, i.e. Development Commissioner (SEZ), indicating the area for which the Licence is sought
- d. its response to the concerns expressed regarding bifurcation of the SEZ area for Distribution Licence.

The Petitioner is directed to submit above details within 4 weeks.

Next date of hearing shall be communicated by the Secretariat of the Commission.

Sd/-
(Deepak Lad)
Member

Sd/-
(Azeez M. Khan)
Member