

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram:**  
**1. Shri Bhanu Bhushan, Member**  
**2. Shri R. Krishnamoorthy, Member**

**Petition No.74/2007**

**In the matter of**

Application for grant of inter-State trading licence in electricity.

**And in the matter of**

Patni Projects Pvt. Ltd., Mumbai

**..Applicant**

**The following were present:**

1. Shri R.Vyas, PPPL
2. Ms. M. Dhingra, PPPL

**ORDER  
(DATE OF HEARING: 23.8.2007)**

The applicant, a company registered under the Companies Act, 1956 has made the present application under sub-section (1) of Section 15 of the Electricity Act, 2003 (the Act) for grant of licence for inter-State trading in electricity in whole of India, except the State of Jammu and Kashmir for trading of 500 Million Units of electricity in a year. The notices in accordance with sub-section (2) of Section 15 of the Act read with Clause (4) of Regulation 4 of the CERC (Procedure, Terms and Conditions for grant of Trading licence and other related matters) Regulations, 2004 were published. In response to the public notices, no objections were received. Trading in electricity is permitted under the main objects of the applicant.

2. As per Regulation 6, the net worth of the applicant at the time of filing of application should not be less than Rs. 7.5 crore in case of the applicant proposing to trade up to 500 Million Units of electricity in a year. Based on the details furnished by the applicant, it was established that the applicant had the

required net worth at the time of making of the application. Accordingly, *prima facie* the applicant was found to be qualified for grant of licence for inter-State trading in electricity as a category `C` electricity trader.

3. On the above considerations, the Commission had proposed to grant licence to the applicant as prayed for. A notice under clause (a) sub-section (5) of Section 15 of the Act was published inviting suggestions/objections to the above proposal of the Commission. In response to public notice, objections have been received from one Shri R. C. Sharma, Senior Advocate under letter dated 16.8.2007. In the objections it has been stated that the applicant does not have the required net worth, the legal cases are pending against the Promoters, Directors and Associates of the applicant, and require extensive analysis. It has been further alleged that grant of licence would lead to conflicting situation against the larger interest. Shri Sharma by its letter dated 18.8.2007 sought adjournment of the hearing on the application, and was not present.

4. The applicant has filed its response to the objections received and has denied the allegations made.

5. The objector has not given any contact details, such as address, telephone number, etc. in either of his letters. He has also not indicated as to whom he is representing, while stating "we have been instructed to state as under:....". Further, the allegations are based on bald statements without any supporting details, whatsoever. The allegations made are, too vague to lead to any definite conclusion. Therefore, in absence of requisite transparency, we do not take any cognizance of the objections.

6. In view of the above, we direct that the applicant be issued the licence for inter-State trading in electricity as category `C` electricity trader for trading in whole of India, except the State of Jammu and Kashmir. The issue of licence shall be subject to the applicant in future complying with the provisions of the Act, the rules framed by the Central Government and the regulations specified by the Commission from time to time in all respects.

7. The application accordingly stands disposed of.

**Sd/-**  
**(R.KRISHNAMOORTHY)**  
**MEMBER**  
New Delhi dated the 23<sup>rd</sup> August 2007

**sd/-**  
**(BHANU BHUSHAN)**  
**MEMBER**