

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

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

**Petition No.112/2007**

**In the matter of**

Application for grant of inter-State trading licence in electricity to Indrajit Power Technology Pvt. Ltd.

**And in the matter of**

Indrajit Power Technology Pvt. Ltd., Mumbai

**..Applicant**

**The following were present:**

1. Shri K.V.Rao, IPTPL
2. Shri Prashant Puri, IPTPL
3. Shri M.K.Pareek, IPTPL
4. Shri S.M.Narang, IPTPL

**ORDER  
(DATE OF HEARING: 18.12.2007)**

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 Category `C` licence for inter-State trading in electricity in whole of India, except of Jammu and Kashmir for trading up to 500 Million Units of electricity in a year. The Memorandum of Association of the applicant covers trading in electricity as one of its main objects. The notices under sub-section (2) of section 15 of the Act read with clause (4) of Regulation 4 of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Trading licence and other related matters) Regulations, 2004 (hereinafter referred to as "the trading regulations") have been published by the applicant. No objections have been received on the public notices.

2. As per Regulation 6, the net worth of the electricity trader at the time of filing of application should not be less than Rs. 7.5 crore in case of an applicant proposing to trade up to 500 Million Units of electricity in a year.

3. In compliance of the order dated 19.12.2007, the applicant has placed on record loan agreements with the loanee, current bank statements and letter of assurance from power generator, Indrajit Infrastructure Pvt. Ltd. a sister concern of the applicant company.

4. From the balance sheet of the applicant company, its net worth values have been worked out as detailed below:

(Rs. in lakh)

Year	As on 30.9.2007
<b>Share Capital</b>	
Paid up equity capital	1,000.00
<b>Sub-Total</b>	1,000.00
<b>Reserves and Surplus</b>	
General Reserve	
Surplus in P/L A/C	-
<b>Sub-Total 2</b>	-
Misc Expenses to the extent not written off or adjusted	10.14
<b>Net Worth (1 + 2+3-4-5-6)</b>	<b>989.86</b>

5. It is noted that the above net worth is represented by the following assets and liabilities:

(Rs. in lakh)

	Year	As on 30.9.2007
<b>1.</b>	<b>Fixed Assets</b>	
	Gross Block	
	Less: Depreciation	
	Net Block	-
	Capital Work-in-Progress	
	<b>Sub-Total 1</b>	-
<b>2.</b>	<b>Investments</b>	
<b>3.</b>	<b>Current Assets, Loans &amp; Advances</b>	
	Inventories	
	Cash and Bank Balance	1.56

	Sundry Debtors	
	Loans & Advances	999.00
	Other Current Assets	
	<b>Sub-Total 3</b>	<b>1,000.00</b>
<b>4.</b>	<b>Current Liabilities &amp; Provisions</b>	
	Sundry Creditors	
	Other Liabilities	
	Provisions	
	<b>Sub-Total 4</b>	-
<b>5</b>	<b>Loans</b>	
	Secured Loans	
	Unsecured Loans	10.70
	<b>Sub-Total 5</b>	<b>10.70</b>
<b>6.</b>	<b>Items not considered for net worth</b>	
	Advance against equity	
	Deferred tax liability	
	<b>Sub-Total 6</b>	-
	<b>Net Worth(1+2+3-4-5)</b>	<b>989.86</b>

6. On consideration of the above facts, we are satisfied that the applicant meets the net worth requirements specified by the Commission for grant of licence for trading up to 500 MUs of electricity during a year. Therefore, *prima facie*, based on its net worth, the applicant qualifies for grant of licence for inter-State trading as category `C` electricity trader, that is, for trading a volume up to 500 Million Units of electricity during a year.

7. Therefore, the Commission proposes to grant the licence to the applicant for category `C`. We direct that a notice under clause (a) of sub-section (5) of Section 15 of the Act be issued inviting further suggestions or objections to the proposal of the Commission.

8. List this petition for further directions on 12.2.2008.

**Sd/-**  
**(R.KRISHNAMOORTHY)**  
**MEMBER**  
New Delhi dated the 17<sup>th</sup> January 2008

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