

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

- 1. Shri Ashok Basu, Chairman**
- 2. Shri K.N. Sinha, Member**

Petition No. 39/2003

In the matter of

Grant of licence for trading in power.

And in the matter of

Reliance Energy Trading Private Limited

.. **Petitioner**

ORDER

This petition has been filed by Reliance Energy Trading Private Limited under Section 15 of the Electricity Act, 2003, (the Act) for grant of licence for inter-state trading in power.

2. The petitioner is stated to be a private limited company, incorporated under the Companies Act, and engaged in the inter-state trading of electricity, which is reportedly featuring among its main objects as per its Memorandum and Articles of Association.

3. The Act has come into force with effect from 10.6.2003. Section 15 of the Act inter-alia lays down that the application for grant of licence is to be made in such form and in such manner as may be specified by the Central Commission and application is to be accompanied by such fee as may be prescribed by the Central Government. Section 52 of the Act further empowers the Central Commission to specify the technical requirements, capital adequacy requirement and credit worthiness for being an electricity trader. Sec 79 of the Act, inter alia,

requires the Commission to fix the trading margin for inter-state trading of electricity, if considered necessary.

4. The Commission, however, does not want any delay to come in the way of enterprising initiatives in trading in the electricity. Accordingly, an interim procedure is being considered as an urgent temporary measure, in line with the Act, pending issue of detailed regulations by the Commission covering various aspects mentioned in the previous paragraph.

5. Therefore, before we consider the prayers made by the petitioner, we direct that the following information shall be placed on record by the petitioner through an affidavit, within three weeks of this order:

- (i) Efforts, if any, made with the utilities for sale and purchase of power;
- (ii) Authorised/paid up capital of the petitioner company and other evidence in support of its credit worthiness,
- (iii) Shareholding pattern, strength and management profile of the petitioner company,
- (iv) Volume of power, with proper explanation, that can be traded within the existing resources of the petitioner company.
- (v) Steps taken/being taken for mobilisation of resources by the petitioner, and
- (vi) Details of past experience of the petitioner company or of the persons on its management, in similar activity.

6. List this petition on 15.9.2003.

Sd/-
(K.N. SINHA)
MEMBER

New Delhi dated the 7th August, 2003

Sd/-
(ASHOK BASU)
CHAIRMAN