

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

- 1. Dr. Pramod Deo, Chairperson**
- 2. Shri R. Krishnamoorthy, Member**
- 3. Shri S.Jayaraman, Member**
- 4. Shri V.S.Verma, Member**

Petition No.25/2009

In the matter of

Application for grant of inter-State trading licence in electricity to Godawari Power and Ispat Limited.

And in the matter of

Godawari Power and Ispat Limited, Raipur ..**Applicant**

The following was present:

Shri Y.C.Rao, GPIL

**ORDER
(DATE OF HEARING: 28.4.2009)**

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 `F` licence [presently categorized as Category `I` in terms of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Trading Licence and other related matters) Regulations 2009 (the 2009 regulations)] for inter-State trading in electricity in whole of India, except the State of Jammu and Kashmir. 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-company.

2. As per the Regulation 3 (3) of the 2009 regulations the net worth of the applicant at the time of filing of application should not be less than Rs. 50 crore in case of the person making application for licence for category `I` and should have maintained minimum current ratio and liquidity ratio of 1:1 consistently for three years immediately preceding the year in which the application is made. Based on the details furnished by the applicant, it was established that the applicant had the required net worth, current ratio and liquidity ratio at the time of making of the application. Accordingly, the applicant *prima facie* qualified for grant of licence for inter-State trading in electricity as a category `I` electricity trader.

3. On the above considerations, the Commission had proposed to grant licence to the applicant for Category `I`. 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. No suggestions or objections have been received in response to the notice issued by the Commission.

4. In view of the above, we direct that the applicant be issued the licence for inter-State trading in electricity as category `I` 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.

Sd/- (V.S.VERMA) **MEMBER** **sd/-** (S.JAYARAMAN) **MEMBER** **sd/-** (R.KRISHNAMOORTHY) **MEMBER** **sd/-** (DR. PRAMOD DEO) **CHAIRPERSON**
New Delhi dated the 28th April 2009