

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

I.A.No. 14/2010 in Petition No. 14/2008

coram:

- 1. Shri S.Jayaraman, Member**
- 2. Shri M.Deena Dayalan, Member**

Date of order: 6.5.2010

In the matter of

Grant of licence for inter-State trading in electricity to Chattisgarh Energy Trading Company Ltd.

And in the matter of

Chattisgarh Energy Trading Company Ltd.

....Applicant

ORDER

This Interlocutory Application has been made by the Chattisgarh Energy Trading Company Ltd. with following prayers:

- (a) To downgrade of inter-State trading licence of the applicant from Category-II to Category-III; and
- (b) To Change the name of the applicant from Chattisgarh Energy Trading Company Limited to Jindal Power Trading Company Ltd. in the records and the required correction may be kindly carried out in licence No. 34/trading/CERC, granted to the applicant.

2. Based on the application made under sub-section (a) of Section 15 of the Electricity Act, 2003 (the Act), the Chattisgarh Energy Trading Company Ltd. (the licensee) was on 16.9.2008 granted Category `C` licence under Central Electricity Regulatory Commission (Procedure, Terms and Conditions of Trading Licence and other related matters) Regulations, 2004 for inter-State trading in electricity in whole of India up to 500 MUs in a year. The licence was re-categorized as Category `II` under Central Electricity Regulatory Commission (Procedure, Terms and Conditions of Trading Licence and other related matters) Regulations, 2009 (the 2009 regulations) and the existing licensees were allowed to achieve the required net worth by 31.3.2010.

3. The applicant vide its affidavit dated 23.3.2010 has submitted that the name of the company has been changed from Chattisgarh Energy Trading Company Ltd. to Jindal Power Trading Company Ltd. with effect from 4.3.2010. The certificate of change of name from the Chattisgarh Energy Trading Company Ltd. to Jindal Power Trading Company Ltd dated 4.3.2010 issued by the Registrar of Companies, National capital territory of Delhi and Haryana, has been placed on record along with affidavit.

4. Consequent to issue of certificate by the Registrar of Companies, National capital territory of Delhi and Haryana, as noted above, we direct that in the Commission`s records, name of the licensee be changed from "Chattisgarh Energy Trading Company Ltd. " to "Jindal Power Trading Company Ltd." and an endorsement to that effect be made by Secretary of Commission on the licence already issued on 16.9.2008 in favour of Chattisgarh Energy Trading Company Ltd.

5. The applicant has further submitted that on account of tough competition in power market and present market conditions, it proposes to trade within the permissible limit applicable to Category `III` electricity traders, that is, up to 100 MUs of electricity in a year. The applicant has accordingly requested for down gradation of its licence to Category `III` .

6. In accordance with Regulation 3 (3) of the 2009 regulation, a person applying for Category `III` trading licence should have net worth of Rs. 5 crore 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.

7. Based on the financial details submitted by the applicant, its net worth has been worked out as under:

(Rs. in lakh)

Particulars	As on 31.12.2009	As on 31.3.2010
Share Capital	760.00	760.00
Reserves and Surplus	26.34	32.49
Total Net worth	786.34	792.49
Represented by:		
Investment	0.45	0.45
Cash and Bank Balance	86.13	84.69
Loans and Advances	712.59	722.76
Total Current Assets (A)	799.17	807.90
Less: Current liabilities (B)	12.83	15.41
Net worth (A-B)	786.34	792.49

8. From the above, it is evident that the applicant has the net worth of more than Rs. 5 crore required for Category `III` licence.

9. On the above facts, we have considered the request of the applicant and approve down gradation of its licence from Category `II` to Category `III` for inter-State trading in electricity from the date of issue of this order. We direct that necessary endorsement regarding change from Category `II` to Category `III` be also made in the licence already granted to the applicant.

10. I.A. stands disposed of accordingly.

Sd/-
(M.DEENA DAYALAN)
MEMBER

sd/-
(S.JAYARAMAN)
MEMBER