

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 201/TD/2016**

**Coram:**

**Shri Gireesh B. Pradhan, Chairperson**

**Shri A.K. Singhal, Member**

**Shri A.S.Bakshi, Member**

**Dr. M.K.Iyer, member**

**Date of order : 1<sup>st</sup> of February, 2017**

**In the matter of**

Application for grant of inter-State trading licence to Atria Energy Services Private Limited.

**And**

**In the matter of**

Atria Energy Services Private Limited  
1<sup>st</sup> Floor, No. 11, Commissariat Road,  
Bangalore, Karnataka-560 025

**....Petitioner**

**The following were present:**

Shri Matrugupta Mishra, Advocate, AESPL  
Shri Amit Kumar, AESPL

**ORDER**

The petitioner, Atria Energy Services Private Limited, a company registered under the Companies Act, 1956 (1 of 1956) has made the present application under sub-section (1) of Section 15 of the Electricity Act, 2003 (hereinafter referred to as "the Act") read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Trading licence and other related matters) Regulations, 2009 (hereinafter referred to as

“Trading Licence Regulations”) amended from time to time, for grant of Category `IV` licence for inter-State trading in electricity in whole of India.

2. In accordance with Regulation 3 (3) of the Trading Licence Regulations, a person applying for Category `IV` trading licence should have net worth of ₹ 1 crore, and should have maintained minimum current ratio and liquidity ratio of 1:1, as on date of audited balance sheet accompanying the application. The petitioner, vide letter dated 11.11.2016 *inter alia* was directed to submit the audited special sheet and profit and loss account along with notes of accounts as on any date falling within 30 days immediately preceding the date of making the application i.e. 6.10.2016 in terms of Regulation 6 (1) (b) of the Trading Licence Regulations. The petitioner has submitted the special audited balance sheet as on 30.9.2016.

3. Based on the special balance sheet as on 30.9.2016, net worth and liquidity ratios have been worked out as under:

(₹ in lakh)

<b>Net Worth Computation</b>	<b>As per special Balance Sheet as on 30.9.2016</b>
Particulars	
<b>A) Paid up equity capital (1)</b>	<b>1.00</b>
<b>B) Reserves &amp; Surplus.</b>	
B.1. Capital Reserves	0.00
B.2. Capital Redemption Reserve	0.00
B.3. Debenture Redemption Reserve	0.00
B.4. Revaluation Reserve	0.00
B.5. Share Options Outstanding Account & Reserves other than free reserves	0.00
B.6. Securities Premium Reserve	0.00
B.7. Surplus (P and L Account)	-5.83
B.8. Other Free Reserves	0.00

<b>Free Reserves &amp; Surplus Considered for Net worth (2)</b> (B6+B7+B8)	<b>-5.83</b>
<b>C) Loans and Advances given to associates (3)</b>	<b>0.10</b>
<b>D) Deferred Expenditure (including Misc. Expenses) not written off (4)</b>	<b>0.00</b>
<b>Net Worth (1+2-3-4)</b>	<b>-4.93</b>

4. The net worth of the petitioner is further represented by the following:

(₹ in lakh)

<b>Net worth (Asset approach), Current Ratio and Liquidity Ratio Computation</b>	<b>As on 30.9.2016</b>
<b>A) Non-current Assets</b>	
A.1. Net block of Tangible Asset	0.00
A.2 Net Block of Intangible Asset	0.00
A.3 Capital work in progress	0.00
A.4 Intangible Assets under development	0.00
A.5 Non-Current Investments	0.00
A.6 Deferred Tax Assets	0.00
A.7 Long-term loans and advances	0.00
A.7.1 Less: Loans & Advances given to Associates included in above	0.00
<b>A.7.2 Net Long Term Loans and Advances (A.7 - A.7.1)</b>	<b>0.00</b>
A.8 Other Non Current Asset	0.00
A.9 Deferred Expenditure (including Misc. Expenses) not written off (Not considered for net worth computation)	0.00
<b>Total Non-Current Assets</b>	<b>0.00</b>
<b>Total Non-Current Assets considered for net worth (1)</b>	<b>0.00</b>
<b>B. Non-Current Liabilities, Pref. Share and Share Application money and Reserves other than free reserves</b>	
B.1 Share application money pending allotment	170.00
B.2 Preference Share Capital	0.00
B.3 Long term Borrowings	0.00
B.4 Deferred tax Liabilities	0.00
B.5 Other Long Term Liabilities	0.00
B.6 Long Term provisions	0.00

B.7 Reserves other than free reserves	0.00
<b>Total Non-Current Liabilities, Reserves other than free reserves considered for Net worth (2)</b>	<b>170.00</b>
<b>C. Current Assets</b>	
C.1. Current Investments	0.00
C.2. Inventories	0.00
C.3. Trade Receivables	0.00
C.4. Cash and cash equivalents	165.28
C.5 Short Term Loans & Advances	0.00
C.5.1 Less: Loans & Advances given to associates	0.00
C.5.2 <b>Net Short Term Loan &amp; Advances(C.5 - C.5.1)</b>	0.00
C.6 Other current assets (Unamortised ancillary cost of borrowing, and non -current bank balance)	0.00
C.7 Deferred Expenditure (including Misc. Expenses) not written off (not considered for net worth & Liquidity purpose)	0.00
Total Current Assets	<b>165.28</b>
<b>Total Current Asset considered for Net worth (3)</b>	<b>165.28</b>
<b>D. Current Liabilities</b>	
D.1. Short-term Borrowings	0.00
D.2. Trade payables	0.00
D.3. Other Current liabilities ( i.e. loan from Director and TDS payable)	0.12
D.4. Short-term provisions	0.00
<b>Total Current Liabilities considered for Net worth (4)</b>	<b>0.12</b>
<b>Net worth ((1-2)+(3-4))</b>	<b>-4.83</b>

5. Based on the above, the net worth, current ratio and liquidity ratio work out as under:

S. No.	Particulars	15.9.2015
1.	Net worth ( ₹ in lakh)	<b>-4.83</b>
2.	Current ratio	<b>1424.74</b>
3.	Liquidity ratio	<b>1424.74</b>

6. From the preceding para it is noted that the petitioner does not meet the net worth requirement of ₹ 1 crore for Category IV licence.

7. In accordance with Regulation 3 (2) of the Trading Licence Regulations, the petitioner should have at least one full time professional having, qualifications and experience in power system operation and commercial aspects of power transfer and finance, commerce and accounts. However, it is noticed from the resumes submitted by the petitioner that except Shri Kupparaju Nagaraju, all other professionals are presently working in Atria Power Corporation Private Limited. Moreover, no professional is having the qualification prescribed for finance/commerce and accounts discipline. Therefore, the petitioner does not satisfy the requirement stipulated in the Regulation 3 (2) of the Trading Licence Regulations.

8. In view of the above, the petitioner is not eligible for grant of Category IV licence for not satisfying the requirement of clauses (2) and (3) of Regulation 3 of the Trading Licence Regulations.

9. Accordingly, the petition No. 201/TD/2016 is dismissed.

**Sd/-**  
**(Dr. M.K.Iyer)**  
**Member**

**sd/-**  
**(A.S.Bakshi)**  
**Member**

**sd/-**  
**(A.K.Singhal)**  
**Member**

**sd/-**  
**(Gireesh B. Pradhan)**  
**Chairperson**