

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 305/TD/2018

**Coram:
Shri P.K.Pujari, Chairperson
Dr. M.K.Iyer, Member**

Date of Order : 3rd of December, 2018

In the matter of

Application for up-gradation of inter-State trading licence in electricity from Category IV to Category II.

**And
In the matter of**

Amplus Energy Solutions Private Limited
6th Floor, Emaar Palm Square, Golf Course Extension Road,
Sector 66, Gurgaon, Haryana-122 102
Haryana,

Petitioner

ORDER

The Petitioner, Amplus Energy Solutions Private Limited (hereinafter referred to as 'the licensee'), has filed the present petition for up-gradation of its inter-State trading licence in electricity from Category IV to Category II.

2. By order dated 17.4.2017, Amplus Energy Solutions Private Limited was granted trading licence for Category IV to trade in electricity as an electricity trader in accordance with Central Electricity Regulatory Commission (Procedure, Terms and Conditions of Trading licence and other related matters) Regulations, 2009 as amended from time to time (hereinafter referred to as the "Trading Licence Regulations"), subject to the terms and conditions contained in the licence.

3. The third proviso to Regulation 7 (b) of the Trading Licence Regulations provides as under:

"Provided also that a licensee may make an appropriate Application accompanied by prescribed fees for up-gradation of its licence to a higher category or down gradation of its licence to a lower category if it fulfills the conditions of these regulations for grant of such licence but it shall not be required to follow the procedure specified in Regulation 6 of these regulations."

4. The licensee has filed an application for up-gradation of its licence in accordance with Trading Licence Regulations. On perusal of the application, we find that the applicant being a Category IV licensee fulfills all technical requirements for grant of Category II inter-State trading licence. As regards the net worth requirements for Category II, Regulation 3 (3) of the Trading Licence Regulations provides that a person applying for Category II trading licence should have net worth ₹ 15 crore and should have maintained minimum current ratio and liquidity ratio of 1:1 on the date of audited special balance sheet accompanying the application. As per Regulation 6 (1) (b) of the Trading Licence Regulations, the applicant is required to submit the special balance sheet as on any date falling within 30 days immediately preceding the date of making the application. The licensee filed its application under affidavit dated 26.9.2018 and submitted Audited Special Balance Sheet as on 31.8.2018.

5. Based on the Special Audited Balance Sheet as on 31.8.2018 submitted by the Petitioner, its net worth has been worked out as under:

(₹ in lakh)	
Net Worth Computation	As per Audited Special Balance Sheet as on 31.8.2018

Particulars	
A) Paid up equity capital (1)	784.87
B) Reserves & Surplus	
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	12601.20
B.7. Surplus (P & L Account)	(-)2585.94
B.8. Other Free Reserves	0.00
Free Reserves & Surplus considered for Net worth (2) (B6+B7+B8)	10015.27
C) Loans & Advances given to associates (3)	114.09
D) Deferred Expenditure (including Misc. Expenses) not written off (4)	0.000
Net Worth (1+2-3-4)	10686.04

6. The net worth of the Petitioner is further represented by the following:

(₹ in lakh)	
Net worth (Asset approach), Current Ratio & Liquidity Ratio Computation	As on 31.8.2018
A) Non-current Assets	
A.1. Net block of Tangible Asset	12614.95
A.2 Net Block of Intangible Asset	187.00
A.3 Capital work in progress	3798.37
A.4 Intangible Assets under development	24.50
A.5 Non-Current Investments (Fixed Deposit, investment in equity shares of subsidiary co.)	2956.68
A.6 Deferred Tax Assets	0.00
A.7 Long-term loans and advances	56.89
A.7.1 Less: Loans & Advances given to Associates included in above	0.00
A.7.2 Net Long Term Loans & Advances (A.7 - A.7.1)	56.89
A.8 Other Non Current Asset	504.74
A.9 Deferred Expenditure (including Misc. Expenses) not written off (Not considered for net worth computation)	0.00
Total Non-Current Assets	20143.13

Total Non-Current Assets considered for net worth (1)	20143.13
B. Non-Current Liabilities, Pref. Share & Share Application money and Reserves other than free reserves	
B.1 Share application money pending allotment	0.00
B.2 Preference Share Capital	0.00
B.3 Long term Borrowings (i.e. debentures)	13286.46
B.4 Deferred tax Liabilities	0.00
B.5 Other Long Term Liabilities (i.e. Security desposit)	176.95
B.6 Long Term provisions (i.e. provision for gratuity)	71.23
B.7 Reserves other than free reserves	0.00
Total Non-Current Liabilities, Reserves other than free reserves considered for Net worth (2)	13534.64
C. Current Assets	
C.1. Current Investments	0.00
C.2. Inventories	0.00
C.3. Trade Receivables	5006.12
C.4. Cash and cash equivalent	617.79
C.5 Short Term Loans & Advances	1692.72
C.5.1 Less: Loans and Advances given to associates	114.09
C.5.2 <i>Net Short Term Loan and Advances (C.5 - C.5.1)</i>	1578.63
C.6 Other current assets (TDS, Advance given tax payable, accrued interest and other receivable from group companies)	1810.22
C.7 Deferred Expenditure (including Misc. Expenses) not written off (not considered for net worth & Liquidity purpose)	0.00
Total Current Assets	9126.85
Total Current Asset considered for Net worth (3)	9012.76
D. Current Liabilities	
D.1. Short-term Borrowings	0.00
D.2. Trade payables	0.00
D.3. Other Current liabilities (Expenses payable, due to Directors, share application money due for refund, other payables)	4935.21
D.4. Short-term provisions	0.00
Total Current Liabilities considered for Net worth (4)	4935.21
Net worth ((1-2)+(3-4))	10686.04

7. Based on the above, the net worth, current ratio and liquidity ratio workout as under:

Particulars	31.8.2018
Net Worth (₹ in lakh)	10686.04
Current Ratio	1.85
Liquidity ratio	1.85

8. On consideration of the above facts, we are satisfied that the Petitioner meets the net worth, current ratio and liquidity ratio requirements specified by the Commission for grant of Category-II licence and satisfy the requirement stipulated in the Regulation 3 (2) of the Trading Licence Regulations. Accordingly, we approve the up-gradation of the licence of the petitioner from Category IV to Category-II. The licensee shall remain bound by the terms and conditions contained in the order dated 17.4.2017.

9. A copy of this order be sent to the Central Government in Ministry of Power and CEA in terms of sub-section (7) of Section 15 of the Electricity Act, 2003 for their information and record.

10. We direct that necessary endorsement be made on the licence issued to the applicant with regard to change of Category of the licensee.

11. Petition No. 305/TD/2018 stands disposed of accordingly.

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

sd/-
(P.K.Pujari)
Chairperson