

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram

1. **Shri Ashok Basu, Chairman,**
2. **Shri K.N.Sinha, Member**
3. **Shri Bhanu Bhushan, Member**

Petition No. 5/2004

In the matter of

M/s Lanco Electric Utility Limited

....Applicant

And in the matter of

Grant of licence for inter-state trading in electricity

The following were present

Shri S.Rajindran, AGM(F), Lanco Electric Utility Ltd., Hyderabad

**ORDER
(DATE OF HEARING: 20.5.2004)**

The application has been filed under sub-section (1) of Section 15 of the Electricity Act 2003 (the Act), for grant of licence for inter-state trading in electricity. The application was initially heard on 16.3.2004. It was observed that the notices published in pursuance of sub-section (2) of Section 15 of the Act read with Central Electricity Regulatory Commission (Procedure, Terms & Conditions for grant of Licence for Trading and other related matters) Regulations,2004 were deficient. Therefore, in terms of our order dated 24.3.2004, the petitioner was directed to issue a fresh notice. The application

was ordered to be listed for hearing on 18.5.2004 as the representative of the applicant had undertaken that necessary steps would be taken in advance of the date fixed. The application was, however, heard on 20.5.2004.

2. In pursuance of our direction the applicant has published notice in the Deccan Chronicle dated 1.5.2004, a daily newspaper having circulation within the State of Andhra Pradesh. In accordance with the public notice, the objections to the application made by the applicant are awaited up to 31.5.2004. Therefore, a further view on the application cannot be taken at this stage.

3. An affidavit has also been filed on behalf of the applicant. It has been stated that in order to meet capital adequacy and creditworthiness requirements, the promoters of the applicant have raised additional equity amount and the net worth of the applicant is equivalent to Rs.153.64 lakh, as per the details given below:

	(Rs.in lakh)
a) Share capital issue and paid up	: 158.00
b) Share applicant money	: 3.31
Total	: 161.31
Less pre-operation expenses to the extent not written off	: 7.67

Net worth	: 153.64
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4. The applicant has submitted a certificate from the Chartered Accountant in support of the above details.

5. The decision in regard to the prayer for grant of licence made by the applicant will be taken after expiry of the period of 30 days from the date of publication of the notice. If the Commission finds it appropriate, the application will be listed for further hearing. Meanwhile, the applicant is directed to file its reply on the objections, if any, received in response to the public notice. In case no objections are received from the general public, an affidavit shall be filed on behalf of the applicant to that effect. The affidavit shall be filed latest by 10.6.2004.

**Sd/-
(Bhanu Bhushan)
Member**

**Sd/-
(K.N.Sinha)
Member**

**Sd/-
(Ashok Basu)
Chairman**

New Delhi dated the 27th May, 2004