

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 21/TDL/2014

Coram:

Shri M. Deena Dayalan, Member

Shri A.K. Singhal, Member

Shri A.S.Bakshi, Member

Date of Hearing: 21.8.2014

Date of order : 12.9.2014

In the matter of

Application for grant of inter-State trading licence to RJ Power (India),Gujarat.

And

In the matter of

RJ Power (India)
20, Uganda Society,
Memnagar, Ahmedabad, Gujarat-380 052

....Petitioner

The following were present:

Ms. Swita Bankoti, Advocate for the petitioner
Shri Vivek Kumar, RJ Power

ORDER

The petitioner, RJ Power (India), a proprietorship firm registered with Ahmadabad Municipal Corporation as commercial establishment for undertaking commission business, has filed the present petition under sub-section (1) of Section 15 of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Trading licence and other related matters) Regulations, 2009 as

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

2. During the hearing of the petition on 21.8.2014, learned counsel for the petitioner sought permission to file current audited balance sheet of the petitioner. Accordingly, the petitioner was allowed to file current audited balance sheet on affidavit, by 29.8.2014. The petitioner has failed to file audited balance sheet.

3. As per Regulation 3 (2) of the Trading Licence Regulations, the applicant should have at least one full-time professional having qualification and experience in the discipline of power system operation and finance. The petitioner has submitted that Shri Ishwarbhai Premjibhai, General Manager (Operation) and Ms. Megha Bhavik Shah, General Manager (Commercial) are full time employees having technical qualification in the discipline of power system operation and finance respectively. Accordingly, the petitioner fulfills the requirement of Regulation 3 (2) of the Trading Licence Regulations.

4. In accordance with Regulation 3 (3) of the Trading Licence Regulations, a person applying for Category `III` trading licence should have net worth of ₹ 5 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 has submitted the special audited balance sheet as on 27.1.2014. As per the special balance sheet, the petitioner was

having net worth of ₹ 14.87 lakh as on 27.1.2014 excluding revaluation reserves.

5. Based on the special balance sheet as on 27.1.2014, net worth and liquidity ratios have been worked out as under:

(₹ in lakh)

S.No.	Particulars	27.1.2014
1.	Capital account	55.287
2.	Reserves and Surplus	655.538
	Total Capital and Free Reserves (A)	710.825
	Loans and Advances to associates (B)	0.00
3.	Revaluation Reserve (C)	655.404
	Misc. Expenses to the extent not written off (D)	40.550
	Net Worth (A-B-C-D)	14.871

6. From the preceding para it is noted that the petitioner does not meet the net worth requirement of ₹ 5 crore for Category III licence. Therefore, the petitioner is not eligible for grant of Category III licence.

7. Accordingly, the petition No. 21/TDL/2014 is dismissed.

Sd/-
(A.S.Bakshi)
Member

sd/-
(A.K.Sinshal)
Member

sd/-
(M.Deena Dayalan)
Chairperson