

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 260/TD/2023

**Coram:
Shri Jishnu Barua, Chairperson
Shri Arun Goyal, Member
Shri P.K. Singh, Member**

Date of Order: 30th November, 2023

In the matter of

Application under Section 14 of the Electricity Act, 2003 read with Regulation 6 of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2020 for grant of an inter-State trading licence.

**And
In the matter of**

APECO Infrastructure (India) Pvt. Ltd.,
8-3-1062, Plot No.5, Flat No. 5,
Flat No. 401, Jyothi Palace, Srinagar Colony,
Hyderabad-500 073.

.....Petitioner

The following was present:

Shri Manish Sharma, Petitioner

ORDER

The Petitioner, APECO Infrastructure (India) Pvt. Ltd., has made the present application under Section 14 of the Electricity Act, 2003 (hereinafter referred to as “the Act”) read with Regulation 6 of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for the grant of Trading Licence and other related matters) Regulations, 2020 (hereinafter referred to as “the Trading Licence Regulations”) amended from time to time, for the grant of a Category 'V' trading licence for inter-State

trading in electricity all over India.

2. The matter was listed for the hearing on 28.11.2023. During the course of the hearing, the learned counsel for the Petitioner submitted that the Petitioner satisfies all the criteria for the grant of a Category 'V' trading licence as stipulated in the Trading Licence Regulations.

3. During the course of the hearing, the Commission observed that the Petitioner does not meet the requirements for the grant of a trading licence due to the following reasons:

(a) As per the Trading Licence Regulations, the trading licensee cannot engage in the business of transmission of electricity during the period of subsistence of the trading licence. Further, as per OTC Guidelines, any person desirous of setting up an OTC platform cannot undertake trading of electricity. However, in the Memorandum of Association, the Applicant company has been authorized to undertake a transmission business and to set up an OTC platform.

(b) In accordance with Clause (3) of Regulation 3 of the Trading Licence Regulations, a person applying for a Category 'V' trading licence should have a net worth of Rs. two crore and should have maintained a minimum current ratio and liquidity ratio of 1:1 as on the date of the Audited Special Balance Sheet accompanying the application. However, as per the Audited Special Balance Sheet as on 7.7.2023, the net worth of the applicant company is Rs. 186.43 lakh.

(c) In accordance with Clause (2) of Regulation 3 of the Trading Licence

Regulations, the Petitioner should have at least one full-time professional with qualifications and experience in power system operation and commercial aspects of power transfer, finance, commerce, and accounts. As per the information submitted by the Petitioner, it does not meet the above requirements as the names of the professionals given in the Petition appear to be engaged as experts and providing consultancy to the Applicant company.

4. In response, the representative of the Petitioner sought permission to withdraw the present Petition with liberty to approach the Commission with a fresh application. The representative of the Petitioner requested to adjust the filing fees paid in the Petition against the Petition to be filed in future with regard to the grant of trading licence.

5. In view of the submission of the representative of the Petitioner, the Petitioner is permitted to withdraw the present Petition. The filing fees paid in the present Petition shall be adjusted against the Petition to be filed by the Petitioner with regard to grant of trading licence in future.

6. Accordingly, the Petition No. 260/TD/2023 is disposed of as withdrawn.

Sd/-
(P.K. Singh)
Member

sd/-
(Arun Goyal)
Member

sd/-
(Jishnu Barua)
Chairperson