

Rajasthan Electricity Regulatory Commission
Vidyut Vinyamak Bhawan , Sahkar Marg,
Jaipur-302001

Licence

Licence for Trading in Electricity under the Electricity Act, 2003

Licence No.: RERC/Trading Licence 9/2013

Date

Licence is hereby granted for trading in electricity to the person whose name and address is given below with powers and on terms and conditions specified hereunder: -

1. **Name**: M/s Rajasthan Renewable Energy Corporation Ltd.
2. **Address**: E-166, Yudhishtir Marg, C- Scheme, Jaipur
Telephone: 91-141-2225859/ 2228198/ 2229341/ 2221650/ 2229055/
2223556/ 2222941
Fax: 91-141-2226028
E-mail Id: rrec_jai@yahoo.co.in

3. **Area of trading**

The licensee is authorized to trade in electricity in the area specified below:

State of Rajasthan

4. **Security**

The licensee shall deposit as security an amount of **Rs. 20.00.000/-** (Rupees Twenty Lacs only) before the effective date specified at **clause 25(1)** towards fulfillment of terms and conditions of this licence and efficient discharge of duties and obligations imposed upon him by this licence.

5. **Volume of trading**

The licensee is authorized to trade in electricity under category 'F' of regulation 25 of the Rajasthan Electricity Regulatory Commission (Licensing of Trading) Regulations, 2004, amended from time to time.

6. The licensee shall comply with the requirements of laws in force and, in particular, the Act, the Rules and the Regulations, Grid Code, orders and directions issued by the Commission from time to time.

7. The licensee shall comply with the Rajasthan Electricity Regulatory Commission (Terms and conditions for Open Access) Regulations 2004, interalia, in respect of metering, scheduling and energy accounting.
8. The licensee shall establish adequate communication facilities such as telephone, fax, computer, Internet facilities, before undertaking trading.
9. The licensee shall coordinate with transmission licensee, distribution licensees operating in the State, the State Load Dispatch Centre and State Transmission Utility with regard to all trading- related activities.
10. (1) The licensee shall sell electricity to a consumer only in terms of the Rajasthan Electricity Regulatory Commission (Terms and Conditions for Open Access) Regulations 2004

(2) Trading shall be carried out between the parties by entering into appropriate agreement between them as well as with the transmission or distribution licensees whose transmission or distribution system is to be used. Necessary safeguards with regard to supply of electricity through trading and payment for the electricity traded shall be included in such agreements between the parties.
11. The licensee shall pay the licence fee specified under the Regulations in accordance with the time-schedule specified there under.
12. The licensee shall not omit or neglect to undertake trading activity for four consecutive quarters.
13. The licensee shall not enter into any agreement leading to abuse of its dominant position or enter into a combination, which is likely to cause an adverse effect on competition or operation of a free market in the electricity industry.
14. The licensee shall maintain up-to-date record of customers and the transactions undertaken with other parties and produce such documents if called for to do so by the Commission.
15. The licensee shall not without prior approval of the Commission—
 - (a) undertake any transaction to acquire by purchase or take over or enter into leasing arrangements or otherwise, the business of any other licensee; or
 - (b) merge its business with the business of any other licensee: or
 - (c) assign its licence or transfer its business or any part thereof, by sale, lease, exchange or otherwise.
16. The Licensee shall submit a copy of each of the licences obtained anywhere in the Union of India under the provisions of the Electricity Act,

2003 subsequent to the grant of this licence, within 15 days of obtaining such licence

17. Any agreement relating to any transaction referred to in **clause 14 and 16** above unless made with the approval of the Commission, shall be void.
18. The grant of this licence to the licensee shall not in any way hinder or restrict the right of the Commission to grant a licence to any other person within the same area or any other area for trading in electricity as an electricity trader in the State of Rajasthan. The licensee shall not claim any exclusivity.
19. The licensee may with prior intimation to the Commission engage in any other business for optimum utilization of its assets. Provided that the licensee shall not engage in the business of transmission of electricity.

20. Accounts of the Licensee

(1) The licensee shall :-

- (a) Maintain separate information and statement of accounts for the business of intra-state trading covered by this licence;
- (b) Maintain the statement of accounts in such form and contain such particulars as may be specified by the Commission and till such time these are specified by the Commission, the accounts shall be maintained in accordance with the provisions of the Companies Act, 1956, (1 of 1956) as amended from time to time;
- (c) Keep the accounts of the business of intra-state trading separate from any other business, whether licensed or otherwise;
- (d) Prepare on a consistent basis from such records accounting statements for each financial year comprising a profit and loss account, a balance sheet and a statement of source and application of funds together with notes thereto and showing separately the amounts of any revenue, cost, asset, liability, reserve, or provision which has been either:
 - (i) Charged from or to any other business together with a description on the basis of that charge; or
 - (ii) determined by apportionment or allocation between the various business activities together with a description on the basis of the apportionment or allocation;

- (e) Provide in respect of the accounting statements prepared in accordance with foregoing clauses, a report by the Auditors in respect of each financial year, stating whether in their opinion the statements have been properly prepared and give a true and fair view of the revenue, costs, assets, and liabilities, reserves reasonably attributable to the business to which the statements relate, and
 - (f) Submit to the Commission copies of the accounting statements and Auditor's report not later than nine months after the close of the year to which they relate.
- (2) Any person authorised by the Commission shall be entitled to inspect and verify the accounts of the licensee and the licensee shall render all necessary assistance to such person.

21. Trading Margin

The applicant shall charge the trading margin strictly in accordance with Rajasthan Electricity Regulatory Commission (Fixation of Trading Margin) Regulations, 2007 as amended from time to time.

22. Standards of performance

The licensee shall adhere to the standards of performance as and when laid down by the Commission under Section 57 of the Act.

23. Duties of the licensee

The licensee shall discharge such duties as may be laid down by the Commission.

24. Terms of licence

- (1) The licence shall be effective from
- (2) The licence shall be in force for a period of **twenty five years** from the date of its coming in to effect unless revoked earlier by the Commission.

25. General conditions of licence

In addition to the said terms and conditions of this licence, the general conditions of licence specified by the Commission in the order dated ___th March, 2013 granting licence, shall apply to the licensee and shall also be deemed to be the conditions of this licence.

26. Revocation of licence

The licence is liable to be revoked under Section 19 of the Electricity Act, 2003, for reasons mentioned therein, or for breach of any terms and conditions as and when specified by the Commission under Section 16 of the Act or any conditions of this licence.

(G. K. Sharma)
Secretary, RERC