

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 13/TD/2026

Coram:

**Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member
Shri Ravinder Singh Dhillon, Member**

Date of Order: 28th January, 2026

In the matter of

Application under Sections 14 and 15 (1) of Electricity Act, 2003 read with Regulation 15 (3) and Regulation 9 (4) of the Central Electricity Regulatory Commission (Procedures, Terms and Conditions for Grant of trading license and other related matters) Regulations, 2020 for down-gradation of inter-State trading licence in electricity from Category 'I' to Category 'V'.

And

In the matter of

Statkraft Markets Private Limited,
401, 4th Floor, D-1, Salcon Rasvilas Building,
Saket District Centre, New Delhi – 110017

...Petitioner

Parties Present:

Shri Tabrez Malawat, Advocate, SMPL
Shri Syed Hamza, Advocate, SMPL
Shri Sourajit Sarkar, Advocate, SMPL

ORDER

The Petitioner, Statkraft Markets Private Limited (formerly known as SN Power Markets Private Limited), has filed the present petition seeking down-gradation of its inter-State trading licence in electricity from Category 'I' to Category 'V'.

2. Vide order dated 21.6.2012 in Petition No. 115/TDL/2012, SN Power Markets Private Limited (Now, Statkraft Markets Private Limited) was granted a Category-I licence for inter-State trading in electricity in whole of India in accordance with the provisions of the Central Electricity Regulatory Commission (Procedure, Terms and



Conditions for grant of trading license and other related matter) Regulations, 2009 ('Trading Licence Regulations, 2009'), subject to the terms and conditions contained in the said licence. Subsequently, based on the request of the trading licensee, the Commission vide order dated 17.11.2014 changed the name of the Petitioner company from 'SN Power Markets Private Limited' to 'Statkraft Markets Private Limited' pursuant to the Certificate of Incorporation issued by the Registrar of Companies, Delhi, on 23.8.2014.

3. The Petitioner has submitted that it has regularly paid the annual licence fee for the Category 'I' licence for the respective financial years from 2012–2013 to 2025–2026. The Petitioner has submitted that, on account of adverse market conditions, severe competition, the lack of expected growth in the power market, and the assessment of future business potential in power trading, Statkraft Markets Private Limited is seeking down-gradation of its trading licence from Category 'I' to Category 'V'. The Petitioner has submitted that it intends to engage in trading activities not more than 500 MUs annually.

4. The Petitioner has submitted that its trading volumes have steadily declined over recent financial years, further justifying the downgrade to ensure compliance with the Trading Licence Regulations, 2020, and the terms of the trading licence.

Hearing dated 21.1.2026

5. During the course of the hearing, the learned counsel for the Petitioner submitted that the Petitioner company has complied with all requirement for down-gradation of trading licence and requested to reserved the order in the matter.

Analysis and Decision

6. We have considered the submissions of the Petitioner. Regulation 9(4) of the Trading Licence Regulations 2020 provides as under:

“(4) The Trading Licensee shall 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 in order to fulfil the conditions of these regulations in accordance with the procedure specified in Regulation 15 of these regulations.”.

7. Regulation 15(3) of the Trading Licence Regulations 2020 provides as under:

“15(3) Down gradation of licence:

(a) The Trading Licensee may file an application to the Commission for down gradation of its licence to a lower category at any time:

Provided that the Trading Licensee shall not be allowed to apply for up-gradation within the same Year.

(b) The Trading Licensee shall be required to upload the audited special balance sheet to support the compliance of New Worth requirement for lower category licence.

(c) While applying for down gradation of licence, the Trading Licensee shall be required to pay the licence fee applicable for the category of licence for which the application is being submitted.”

8. The Petitioner has filed the present application for the down-gradation of its licence in accordance with the Trading Licence Regulations, 2020. On perusal of the application, we observe that the Petitioner, being an existing trading licensee, fulfils all technical requirements for the grant of a Category ‘V’ inter-State trading licence specified in Regulation 3(2) of the Trading Licence Regulations 2020. As regards the net worth requirements for Category ‘V’, Regulation 3 (3) (a) of the Trading Licence Regulations, 2020 provides that a person applying for a Category ‘V’ trading licence should have a net worth of Rs. 2 crore and should have maintained minimum current ratio and liquidity ratio of 1:1 on the date of Audited Special Balance Sheet accompanying the Petition.

9. The Petitioner has submitted the audited special balance sheet as on 30.11.2025. Based on the audited special balance sheet, its net worth has been worked out as under:

(Rs. in lakh)	
Net Worth Computation	As per Special Audited Balance Sheet as on 30.11.2025
Particulars	
A) Paid up equity capital (1)	18190.68
B) Reserves and 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	0.00
B.7. Surplus (P and L Account)	-13568.71
B.8. Other Free Reserves (i.e. general reserve and cash flow reserve)	0.00
Free Reserves & Surplus considered for net worth (2) (B6+B7+B8)	-13568.71
C) Loans and Advances given to associates (3)	1.22
D) Deferred expenditure (including Misc. Expenses) not written off (4)	0.00
Net Worth (1+2-3-4)	4620.75

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

(Rs. in lakh)	
Net worth (Asset approach), Current Ratio & Liquidity Ratio computation	As per Special Audited Balance Sheet as on 30.11.2025
A) Non-current Assets	
A.1 Net block of Tangible Asset	102.23
A.2 Net Block of Intangible Asset	0.00
A.3 Capital work in progress	0.00
A.4 Intangible Assets under development	0.00

A.5 Non-Current investments	0.00
A.6 Deferred Tax Assets	0.00
A.7 Long-term loans and advances	177.81
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)	177.81
A.8 Other non-current asset (Right of use assets, capital advances and prepaid expenses, etc.)	0.00
A.9 Deferred expenditure (including Misc. Expenses) not written off (Not considered for net worth computation)	0.00
Total Non-Current Assets	280.04
Total Non-Current Assets considered for net worth (1)	280.04
B. Non-Current Liabilities, Preferential 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	0.00
B.4 Deferred tax Liabilities	0.00
B.5 Other Long Term Liabilities	0.00
B.6 Long Term provisions	192.40
B.7 Reserves other than free reserves	0.00
Total Non-Current Liabilities, reserves other than free reserves considered for Net worth (2)	192.40
C. Current Assets	
C.1. Current Investments	0.00
C.2. Inventories	0.00
C.3. Trade Receivables	14.19
C.4. Cash and cash equivalents	5882.49
C.5 Short Term Loans & Advances	67.39
C.5.1 Less: Loans and Advances given to associates	1.22
C.5.2 Net Short-Term Loan and Advances (C.5 - C.5.1)	66.17
C.6 Other current assets	1584.23
C.7 Deferred Expenditure	0.00
Total Current Assets	7547.08
Total Current Asset considered for Net worth (3)	7547.08
D. Current Liabilities	
D.1. Short-term Borrowings (including other financial liabilities)	0.00
D.2. Trade payables	1133.26
D.3. Other Current liabilities	1802.01
D.4. Short-term provisions	78.70
Total Current Liabilities considered for Net worth (4)	3013.97
Net worth ((1-2) + (3-4))	4620.75

11. Based on the above, the net worth, current ratio and liquidity ratio of the Petitioner are as under:

Sr. No.	Particulars	As per Special Audited Balance Sheet as on 30.11.2025
1	Net worth (Rs. in lakh)	4620.75
2	Current ratio	2.50
3	Liquidity ratio	2.50

12. In terms of the above, the SMPL meets the net worth, current ratio and liquidity requirements specified in the Trading Licence Regulations, 2020. Accordingly, we approve the down-gradation of the inter-State trading licence of the Petitioner from Category 'I' to Category 'V' with effect from the date of issuance of the order. The licensee shall remain bound by the terms and conditions contained in the order dated 21.6.2012 in Petition No. 115/TDL/2012, whereby it was issued with Category 'I' trading licence under Trading Licence Regulations 2009 and the terms and conditions specified in the Trading Licence Regulations, 2020.

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

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

15. Petition No. 13/TD/2026 is allowed in terms of the above.

Sd/-
(Ravinder Singh Dhillon)
Member

sd/-
(Harish Dudani)
Member

sd/-
(Ramesh Babu V.)
Member

sd/-
(Jishnu Barua)
Chairperson