

**MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION
BHOPAL**

Sub: Application under Section 14, 15 and 86(1)(d) of the Electricity Act, 2003 read with Madhya Pradesh Electricity Regulatory Commission (Procedure of Application for License) Regulations, 2004, with respect to Grant of Transmission License to Mahan Transmission Limited.

Petition No. 35 of 2025

Final Order
(Hearing through video conferencing)
(Date of Hearing: 20th August' 2025)
(Date of Order: 25th August' 2025)

M/s Mahan Transmission Ltd.,
C/o Adani Energy Solutions Ltd.,
C – 105, Anand Niketan,
110057, INDIA

Petitioner

Vs.

- 1. Chief General Manager (Commercial),
M.P. Power Management Company Limited,
Block No-15, Shakti Bhawan, Vidyut Nagar
Rampur, Jabalpur – 482008**
- 2. Managing Director,
M.P. Poorv Kshetra Vidyut Vitaran Company Limited,
Block No-7, Shakti Bhawan, Rampur, Jabalpur – 482008**
- 3. Managing Director,
M.P. Madhya Kshetra Vidyut Vitaran Company Limited,
Bijli Nagar, Nishtha Parisar, Govindpura, Bhopal (MP) – 462023**
- 4. Managing Director,
M.P. Paschim Kshetra Vidyut Vitaran Company Limited,
GPH Compound, Polo Ground, Indore (MP) – 452003**
- 5. Managing Director,
M.P. Power Transmission Company Ltd.
Block No. 3 , Sakti Bhavan Rampur, Jabalpur (M.P.)-482008**
- 6. Chief Executive Officer
REC Power Development and Consultancy Limited
ECE House, 3rd Floor, Annexe-II, 28 A, KG Marg,
Bhopal (MP) – 110001**

Respondent(s)

Shri Prashant Kumar appeared on behalf of the petitioner.

1. The petition has been filed by M/s Mahan Transmission Limited for grant of Transmission License under the provision of Sections 14, 15 and 86 (1) (d) of the Electricity Act, 2003 read with MPERC (Procedure of Application for License) Regulations, 2004.

2. In the subject petition, the Petitioner has broadly submitted as under;

- i. The instant application is preferred by Mahan Transmission Limited (herein after referred to as "Applicant") under Section-14, 15 and 86 (1)(d) of the Electricity Act, 2003 (herein after referred to as the "EA, 2003") read with Madhya Pradesh Electricity Regulatory Commission (Procedure of Application for License) Regulations, 2004 (hereinafter referred to as "Transmission Licence Regulations") seeking grant of Transmission Licence to the Applicant.

The said transmission license would categorically allow the Applicant to establish and maintain transmission system for "Development of Intra-State Transmission System for Evacuation of 1230 MW Power through STU Network from Proposed Thermal Power Project of M/s Mahan Energen Ltd. (MEL)" on build, own, operate and transfer basis (hereinafter referred to as "the project").

Name of the Project: "Development of Intra-State Transmission work in M.P. through Tariff Based Competitive Bidding: Package - I"

Work Covered under the Project:

List of Elements

Sl. No.	Name of the Transmission Element
1 (i)	Construction works of 400/220/132 kV Substation at Rewa (Sagra)
(ii)	PTEMPL(MEL) Switchyard-Rewa (Sagra) 400kV DCDS line (Quad Moose)
(iii)	LILO of both circuit of Rewa Sirmour/ Bansagar-1 220kV line at Rewa (Sagra) 400kV S/s
(iv)	Rewa (Sagra) 400kV – Kotar 220kV DCDS Line
(v)	Rewa (Sagra) 400kV – Rewa (Sagra) 132kV DCDS Line (Interconnector)
(vi)	Rewa (Sagra) 400kV – Rewa (Sagra) 132kV DCDS Line
(vii)	LILO of both circuit of Rewa 220kV – Mangawan 132kV line at Rewa (Sagra) 400kV S/s
2 (i)	Construction works of 400/220/132 kV Substation at Amarpatan
(ii)	Rewa (Sagra) – Amarpatan 400kV DCDS line (Quad/Twin Moose)
(iii)	LILO of both circuit of Maihar – Satna (PGCIL) 200kV line at Amarpatan 400kV S/s
(iv)	Amarpatan 400kV – Amarpatan 132kV DCDS line (Interconnector)
(v)	Amarpatan 400kV – Satna-II 132kV DCDS line
(vi)	Amarpatan 400kV – Rampur Baghelanm 132kV DCDS line
(vii)	Amarpatan 400kV – Unchehra 132kV DCDS line

- ii. It is submitted that the Government of Madhya Pradesh, vide its Gazette Notification No. 6395/2195283/2024/XIII dated 30.08.2024, notified REC Power Development and consultancy Limited (RECPDCL) to be the Bid Process Coordinator (hereinafter referred to as the "BPC") for the purpose of selection of Bidder as Transmission Service Provider (hereinafter referred as the "TSP") for "Development of Intra-State Transmission System for Evacuation of 1230 MW Power through STU Network from Proposed Thermal Power Project of M/s Mahan Energen Ltd. (MEL)".
- iii. Subsequently, the BPC, on 20.11.2024, incorporated Mahan Transmission Limited

- under the Companies Act 2013, as its 100% wholly owned subsidiary to initiate the activities qua execution of the Project, and subsequently to act as Transmission Service Provider (TSP) after being acquired by the successful bidder selected through Tariff Based Competitive Bidding process.
- iv. It is submitted that the said BPC invited all prospective Bidders for participation, i.e., Request for Proposal (RFP), as part of the process for selection of Transmission Service Provider (TSP). The said TBCB process was to be conducted in accordance with the "Tariff Based Competitive Bidding Guidelines for Transmission Service" and "Guidelines for Encouraging Competition in Development of Transmission Projects" issued by Government of India, Ministry of Power under Section 63 of the EA, 2003 and as amended. In this regard, the responsibility of the TSP was to establish the Transmission System, viz, "Development of Intra-State Transmission System for Evacuation of 1230 MW Power through STU Network from Proposed Thermal Power Project of M/s Mahan Energen Ltd. (MEL)" on build, own, operate & transfer basis.
 - v. It is submitted that Adani Energy Solutions Limited qualified as a participant for the RFP process, as communicated by the BPC vide letter dated 09.12.2024.
 - vi. Pursuant to the process of competitive bidding conducted by the BPC, M/S. Adani Energy Solutions Limited has been declared as the successful bidder, and accordingly, the BPC, on 24.02.2025, issued a Letter of Intent (hereinafter referred to as "LoI") in favour of M/S Adani Energy Solutions Limited.
 - vii. It is further submitted that in accordance with the LoI, Adani Energy Solutions Limited is under an obligation to furnish a Contract Performance Guarantee. Accordingly, Adani Energy Solutions Limited on 25.03.2025 furnished the Contract Performance Guarantees (hereinafter referred to as the "CPG") for an aggregate value of Rs. 46.95 Crores separately in favour of MPPMCL as per the provisions of Clause 2.12 of the RFP documents.
 - viii. M/s Adani Energy Solutions Limited acquired Mahan Transmission Limited/Applicant on 26.03.2025 after execution of the Share Purchase Agreement and has completed all procedural requirements as contemplated in the bid documents.
 - ix. Thereafter, the Transmission Service Agreement (hereinafter referred to as the "TSA") dated 26.03.2025 was entered between the M.P. Power Management Company Limited (Nodal Agency) and Mahan Transmission Limited.
 - x. As such, in terms of the aforesaid SPA, the Applicant is now a 100% wholly owned subsidiary of M/S Adani Energy Solutions Limited, who has been selected as the successful bidder on the basis of the Tariff Based Competitive Bidding as per the Tariff Based Bidding Guidelines for Transmission Service issued by the Government of India, Ministry of Power and thus eligible for issuance of transmission licence.
 - xi. It is submitted that as per Clause 2.15.4 of Request for Proposal (RFP), the TSP/Petitioner is required to apply for Grant of Transmission Licence within 5 working days from the date of acquisition of SPV.
 - xii. It is submitted that Section 14 of the EA, 2003 provides that the Appropriate Commission may, on an application made under Section 15 of the said Act, grant licence to any person to permit transmission of electricity as a transmission licensee, in any area as may be specified in the Licence. The aforesaid provisions are set out

hereinbelow for the ready reference of this Hon'ble Commission.

Further, the word 'person' has been defined in Section 2(49) of the EA, 2003 to include any company or body corporate or association or body of individuals, whether incorporated or not, or artificial juridical person. Therefore, the Applicant, in accordance with the TSA dated 26.03.2025 and as per the principle enshrined under Section 14 of the said Act, is filing the present Application inter-alia seeking grant of Transmission Licence for the Project as explained hereinabove.

- xiii. It is further submitted that Section 15(1) of the EA, 2003 provides that every application under Section 14 of the said Act shall be made in such manner and in such form as may be specified by the Appropriate Commission and shall be accompanied with such fees as may be prescribed.
- xiv. The grant of transmission license is a condition under the Transmission Service Agreement and is also a requirement in law without which the Applicant cannot proceed with the establishment of the Transmission System.
- xv. In this regard, reference is made to Regulations 1.5 and 1.8 of the Madhya Pradesh Electricity Regulatory Commission (Procedure of Application for License) Regulation, 2004 (hereinafter of the "License Application Regulations, 2004"), which are set out hereinbelow:

"Application for licence:

1.5 Any person desirous of engaging in the State of Madhya Pradesh in the business of transmission or distribution or trading of electricity shall apply to the Commission for the grant of appropriate licence by the Commission in such form as specified under clause 1.8 (a) to (h) of these Regulations and accompanied by documentary evidence of having paid such fees as may be prescribed for the purpose under section 180 (2) (a) of Electricity Act 2003.

.....

1.8 Every application for licence and the supporting documents shall be signed by or on behalf of the applicant and addressed to Secretary or such Officer as the Commission may designate in this behalf and shall be accompanied by

- a) six copies, or such number of copies as the Commission may direct, of the pro-forma containing the terms and conditions which the applicant desires to be included in the Licence with the name and address of the applicant and of his agent (if any) printed on the cover page of the pro-forma
- b) six copies or such number of copies as the Commission may direct, each signed by the applicant, of maps of the proposed area of transmission or supply on such scale as may be approved/specified by the Commission
- c) a statement describing any lands or assets, which the applicant proposes to acquire for the purpose of the licence and the means of such acquisition;
- d) a copy of the business plan, with a statement of the capital proposed to be expended in connection with the licensee, the means of financing for such capital expenditure, the resultant efficiency improvements and such other particulars as the Commission may require;

- e) a copy of Memorandum and Articles of Association in the case of a company or the incorporation or registration documents in the case of other legal entities.
- f) Annual Accounts or other similar documents as may be required;
- g) a receipt in acknowledgement of payment of the fee.
- h) Formats (I) to (VIII) enclosed with these regulations are applicable as below: -
 - 1. formats (I) and (III) are commonly applicable to all applicants.
 - 2. formats (II). (IV) and (V) are applicable to proposed Distribution Licensee
 - 3. formats (VI) and (VII) are applicable to proposed Transmission Licensee
 - 4. format (VIII) is applicable to proposed Trading Licensee."
- xvi. In compliance of the aforesaid Regulation 1.8 of the aforesaid License Application Regulations, 2004, the Applicant has submitted all the required documents and additionally also submitted Format I, III, VI & VII of Madhya Pradesh Electricity Regulatory Commission (Procedure of Application for License) Regulation, 2004.
- xvii. It is submitted that the Applicant is also submitting/furnishing a copy of the instant Application to State Transmission Utility, as required under Section 15 (3) of the Act and Regulation 1.21 of Madhya Pradesh Electricity Regulatory Commission (Procedure of Application for License) Regulation, 2004 for the recommendation, if any, in accordance with Section 15 (4) of Act simultaneously along with submission of this Application to Hon'ble Commission.
- xviii. Therefore, keeping in view the above, the Applicant has fulfilled all the procedural aspects as prescribed under the MPERC (Procedure of Application for License) Regulation, 2004 and also the statutory mandate envisaged under the Act. As such, this Hon'ble Commission is requested to grant the prayers as prayed for herein under.
- xix. The Applicant shall also comply with all the other requirements as provided in the Regulation 1.8 to 1.21 of Madhya Pradesh Electricity Regulatory Commission (Procedure of Application for License) Regulation, 2004, including publication of notices in newspapers, service on the beneficiaries of the Applicant's Transmission System. Further, the Applicant shall place the compliance report on record before the Hon'ble Commission.
- xx. The present Application is bonafide and made in the interest of justice. Further, the Applicant craves leave to furnish any other information/ documents which may be required by this Hon'ble Commission, at a later stage, in the interest of justice.

With the above-mentioned submissions, Petitioner made following prayers to the Commission:

- a. Issue the Transmission License to the Applicant for establishing, operating and maintaining the Transmission System in terms of the Transmission Service Agreement dated 26.03.2025, as detailed in the present Application;
- b. Allow the recovery of Transmission charges as per Article 10 of the Transmission Service Agreement;

- c. Condone any inadvertent errors/ omissions/ shortcomings, if any, and accordingly, permit the Applicant to add/ change/ modify/ alter these filings and make further submissions as may be required at a future date; and
 - d. Pass any such other order/ orders, as may be deemed fit and proper in the facts and circumstances of the case.
3. During the motion hearing held on 28.05.2025, the petitioner reiterated the genesis of the petition and prayed to admit the petition. Petitioner was asked whether the license is required for transmission of 1230 MW of power or for 1600 MW. It was informed by the petitioner that the license is being applied for transmission of 1230 MW power through STU network. Having heard the petitioner, petition was admitted. The respondents were directed to file their response to the petition within the next 15 days. The case was listed for hearing on 02.07.2025.
4. Through affidavit dated 19.06.2025, Respondent No. 1 i.e., MP Power Management Co. Ltd., submitted as under: -
 - i. Petitioner has filed present Petition under Section 14, 15, 86(1)(d) of the Electricity Act, 2003 read with Madhya Pradesh Electricity Regulatory Commission (Procedure of Application for License) Regulations, 2004 with respect of Grant of Transmission License to Mahan Transmission Limited for Development of Intra-State Transmission System for Evacuation of 1230 MW Power through STU Network from Proposed Thermal Power Project of M/s Mahan Energen Ltd., (MEL)" on build, own, operate and transfer basis ("Project").
 - ii. The Government of Madhya Pradesh, vide its Gazette Notification No. 6395/2195283/2024/XIII dated 30.08.2024, notified REC Power Development and consultancy Limited (RECPDCL) to be the Bid Process Coordinator (hereinafter referred to as the "BPC") for the purpose of selection of Bidder as Transmission Service Provider (hereinafter referred as the "TSP") for "Development of Intra-State Transmission System for Evacuation of 1230 MW Power through STU Network from Proposed Thermal Power Project of Mahan Energen Ltd. (MEL)"
 - iii. RECPDCL, on 20.11.2024, has incorporated Mahan Transmission Limited under the Companies Act 2013, as its 100% wholly owned subsidiary to initiate the activities qua execution of the Project, and subsequently to act as Transmission Service Provider (TSP) after being acquired by the successful bidder selected through Tariff Based Competitive Bidding process.
 - iv. RECPDCL invited all prospective Bidders for participation i.e., Request for Proposal dated 18.11.2024 (hereinafter referred to as "RFP"), as part of the process for selection of TSP on the basis of international competitive bidding in accordance with the "Tariff Based Competitive Bidding Guidelines for Transmission Service" and "Guidelines for Encouraging Competition in Development of Transmission Projects"

issued by Government of India, Ministry of Power and its amendment thereof. In this regard, the responsibility of the TSP is to establish the Transmission System, viz, "Development of Intra-State Transmission System for Evacuation of 1230 MW through STU Network from Proposed Thermal Power Project of M/s Mahan Energen Ltd. (MEL)" on build, own, operate & transfer basis.

- v. M/s RECPDCL (Respondent no. 5) has conducted the bid as Bid Process Coordinator. RECPDCL vide its letter dated 19.03.2025 had intimated AESL that the total acquisition price of Mahan Transmission Limited is Rs. 4,77,32,215/- for Acquisition of 100% of equity shareholding along with all its assets and liabilities. Thereafter, the Transmission Service Agreement (hereinafter referred to as the "TSA") dated 26.03.2025 entered between the answering Respondent MPPMCL and Applicant/Petitioner, Mahan Transmission Limited.
 - vi. MPPMCL has already signed the TSA and said transmission line is for the benefit of the end consumers of the state of Madhya Pradesh and it has no objections if this Commission grants the Transmission licenses to Applicant/Petitioner for the Development of Intra-State Transmission System for Evacuation of 1230 MW Power through STU Network from Proposed Thermal Power Project of M/s Mahan Energen Ltd (MEL)" on build, own, operate & transfer basis.
5. Through affidavit dated 24.06.2025, Respondent No. 5 i.e., MP Power Transmission Co. Ltd., submitted as under: -
- i. *Mahan Transmission Limited, C/o Adani Energy Solutions Ltd., New Delhi has filed a Petition under section 14, 15 and 86(1)(d) of the Electricity Act, 2003 read with Madhya Pradesh Electricity Regulatory Commission (Procedure of Application for License) Regulations, 2004 with respect to Grant of Transmission License to Mahan Transmission Limited.*
 - ii. *It is submitted that the MPPTCL (Respondent, No. 5) has no objection with respect to Grant of Transmission License to Mahan Transmission Limited subject to reserving our rights to plead and argue any matter at the time of hearing, if found appropriate.*
6. During the hearing held on 09.07.2025, Petitioner stated that notice was published as required under section 15(2) of the Electricity Act, 2003 and no objections were received.
7. Through affidavit dated 04.07.2025, petitioner further submitted that the project doesn't pass through any area mentioned in Section 15(2)(ii) of the Electricity Act, 2003 and that they have written letter to Web Master, Indian Army for issue of NOC, however no response has been received from them till date.
8. Ld. Counsel appearing on behalf of respondents no. 1 to 4 stated that they do not have any objections on issue of transmission license to the petitioner as per rules and regulations.

9. Respondent no. 5 also stated that they have no objections in grant of transmission license to petitioner and that they have submitted their response through affidavit dated 24.06.2025.
10. Public hearing in the petition was held on 20.08.2025 in which, petitioner and respondents were present and no objections were made by any party. Order was reserved in the petition.

Commission's analysis and order

11. The Commission has observed that Section 15(5) of the Electricity Act, 2003 and regulation 1.25 of the MPERC (Procedure of Application for License) Regulations, 2004 stipulates as under: -

“Section 15 (5)- Before granting a licence under section 14, the Appropriate Commission shall

- a. publish a notice in two such daily newspapers, as that Commission may consider necessary, stating the name and address of the person to whom it proposes to issue the licence;*
- b. consider all suggestions or objections and the recommendations, if any, of the Central Transmission Utility or State Transmission Utility, as the case may be.”*

Regulation 1.25

“The Commission shall also publish a notice in two such daily newspapers, as the Commission may consider necessary, stating the name and address of the person to whom it proposes to issue the license.”

12. In view of the provisions of section 15(5)(a) of the Electricity Act, 2003 and regulation 1.25 of the MPERC (Procedure of Application for License) Regulations, 2004, the Commission Secretary was directed to publish notice in daily newspapers vide daily order dated 09.07.2025 and fix public hearing in the matter.
13. In compliance of daily order dated 09.07.2025, public notice was published on 19.07.2025 and uploaded on website of Commission and same was also published in 2 daily newspapers namely Patrika, Bhopal and Times of India, Indore for comments/ suggestions/ objections on the petition within 21 days. Public hearing in the matter was scheduled on 20.08.2025.
14. Commission noted that no comments/ suggestions/ objections were received on public notice dated 08.04.2025 issued by the Petitioner and public notice dated 19.07.2025 issued by the Commission till the stipulated last date of submission. The Commission also noted that during the public hearing held on 20.08.2025, no objection was received from any parties.
15. Commission also noted that petitioner has submitted on affidavit that the project doesn't pass through any area mentioned in Section 15(2)(ii) of the Electricity Act, 2003 and that

no objections have been received from Web Master, Indian Army on the reference of petitioner to them in the matter of grant of transmission license.

16. On examination of the documents placed on record with this petition and affidavits submitted during proceedings, the Commission is of the view that the conditions laid down under Section 14, 15, 86(1)(d) of the Electricity Act, 2003 read with MPERC (Procedure, Terms and conditions for Grant of Transmission Licence and Other matter of Transmission Licensee (including deemed Licensee)) Regulations, 2025 with respect to Grant of Transmission License are fulfilled by the Petitioner.
- a. In view of above, the Commission decided to grant intra state transmission license to the Petitioner “Mahan Transmission Limited” to establish the Transmission System consisting of elements mentioned in para 2(i) of this order, in accordance with the provisions of Sections 14 & 15 of the Electricity Act, 2003 and MPERC (Procedure, Terms and conditions for Grant of Transmission Licence and Other matter of Transmission Licensee (including deemed Licensee)) Regulations, 2025 on the terms and conditions specified therein. A copy of Transmission License is set out with this order.

Ordered accordingly.

(Prashant Chaturvedi)
Member

(Gopal Srivastava)
Acting Chairman