

Transmission Licence No. 2 of 2021
Adani Electricity Mumbai Infra Limited

Date: 21 March, 2021

Licence is granted by the Maharashtra Electricity Regulatory Commission under Section 14 of the Electricity Act, 2003 (36 of 2003) to Adani Electricity Mumbai Infra Limited (AEMIL), having its registered office at ‘Adani Corporate House’, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382421, to transmit electricity within the area of transmission (as defined in this Licence, under Part II, Section 3, Alternative 2) and with the powers and upon the terms and conditions specified herein.

Part I: General

1. Short Title:

This Licence may be called the Transmission Licence for Adani Electricity Mumbai Infra Limited (AEMIL), (Licence No. 2 of 2021).

2. Definitions:

In these Regulations unless the context otherwise requires:

- (a) “Accounting Statement” means for each financial year, accounting statements separately in respect of the Licensed Business and the Other Business, comprising-
- i. balance sheet, prepared in accordance with the form contained in the Companies Act, 1956 or Companies Act, 2013, as applicable;
 - ii. profit and loss account, complying with the requirements contained in the Companies Act, 1956 or Companies Act, 2013, as applicable;
 - iii. cash flow statement, prepared in accordance with the applicable Accounting Standards of the Institute of Chartered Accountants of India;
 - iv. report of the statutory auditors of the Transmission Licensee;
 - v. reconciliation statement, duly certified by the statutory auditors, showing the reconciliation between the total expenses, revenue, assets and liabilities, of the entity as a Company and the expenses, revenue, assets and liabilities, separately for each business regulated by the Commission and unregulated business operations;
 - vi. cost records prescribed by the Central Government under the Companies Act, 1956 or Companies Act, 2013, as applicable;

together with notes thereto, and such other supporting statements and information as the Commission may direct from time to time;

- (b) “Allocation Statement” means for each financial year, a statement in respect of each of the Other Businesses of the Transmission Licensee undertaken for optimum utilisation of its assets, showing 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 of the basis of that charge; or
 - ii. determined by apportionment or allocation between the Transmission Business and any Other Business of the Transmission Licensee, together with a description of the basis of the apportionment or allocation;
- (c) “Act” means the Electricity Act, 2003 (36 of 2003), as amended from time to time;
- (d) “Commission” means the Maharashtra Electricity Regulatory Commission;
- (e) “Licence” means licence granted under Section 14 of the Act to establish or operate transmission lines;
- (f) “Licensed Business” means the business of establishing or operating transmission lines;
- (g) “Other Business” means such other business as is referred to in Section 41 of the Act;
- (h) “Transmission Licensee” means M/s. Adani Electricity Mumbai Infra Limited, in its capacity as operator of the Licensed Business.

Words or expressions used herein and not defined shall have the meanings assigned to them in the Act.

Part II: General Terms and Conditions

3. Area of transmission:

The Licence authorizes the Transmission Licensee to build, own, operate and maintain the transmission lines inclusive of related infrastructure strictly as per the scope of work defined in Table 1 of the Order dated 21 March, 2021, as under:

Sl. No.	Transmission Lines	Line length in Ckt. km. (estimated)
A.	400 kV Transmission	
1	400 kV MSETCL Kudus-AEMIL Kudus transmission line 1	1
2	400kV MSETCL Kudus-AEMIL Kudus transmission line 2	1
B.	220 kV Transmission	
1	220 kV AEMIL Aarey-HVDC Aarey line-1	1
2	220 kV AEMIL Aarey-HVDC Aarey line-2	1
C.	HVDC Transmission lines	
1	±320 kV HVDC cable Aarey-Kudus (route length – 80 kms)	80

Sl. No.	Transmission Bays	No. of Bays (estimated)
A.	List of EHV Substation Bays – 220 kV	
1	220 kV Aarey EHV Station (HVDC Connectivity)	9
B.	Proposed System – List of EHV Substation Bays – 400 kV	
1	400 kV AEMIL-Kudus (HVDC Connectivity)	14

4. Commencement and term of licence:

The Licence shall come into force from 21 March, 2021 and, unless revoked earlier by the Commission in accordance with the provisions of Section 19 of the Act, shall remain in force for the period of 25 years as specified under sub-section (8) of Section 15 of the Act.

5. Duties:

- 5.1 The Transmission Licensee shall comply with all the applicable provisions of the Act, the rules prescribed thereunder, all Regulations, Orders and directions issued by the Commission from time to time.
- 5.2 The Transmission Licensee shall as soon as practicable, report to the Commission:
- (a) any significant change in its circumstances, which may affect the Transmission Licensee’s ability to meet its obligations under the Act, the Rules and Regulations thereunder, directions and Orders issued by the Commission, or the Licence;
 - (b) any material breach, or likelihood thereof, of the provisions of the Act, the Rules and the Regulations thereunder, Directions and Orders issued by the Commission, agreement or the Licence, which was reasonably within its knowledge, along with the reasons therefor, as soon as practicable; and
 - (c) any change in management control or major change in the shareholding pattern of the Transmission Licensee.

Explanation I – for the purpose of this clause, “management control” shall include the right to appoint majority of the directors or to control the management or policy decisions of the Transmission Licensee, including by virtue of shareholding or management rights or shareholders’ agreement or partnership deed or trust deed or voting agreement or in any other manner;

Explanation II – for the purpose of this clause, “major change in shareholding pattern” shall mean the acquisition, by such person as specified in Regulation 7 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as in force from time to time, of such per cent of shares or voting rights in the Transmission Licensee as would entail a disclosure under sub-regulation (1) of that Regulation.

- 5.3 The Transmission Licensee shall seek the approval of the Commission before creating any encumbrance on the assets of the Licensed Business, except where such encumbrance is created for the purpose of the Licensed Business.
- 5.4 The Transmission Licensee may engage any of its subsidiaries or holding company or a subsidiary of such holding company to provide any goods or services to the Transmission Licensee in connection with the Licensed Business, subject to the following conditions:
- (a) that the transaction shall be undertaken on an “arm’s-length basis” and at a value that is fair and reasonable in the circumstances, which for the purposes of this clause, shall mean with respect to any specific transaction, substantially on terms that would be obtained between the Transmission Licensee and a third party unrelated to and unconnected with the Transmission Licensee;
 - (b) that the Transmission Licensee shall report to the Commission, for each financial year, the details of all transactions of the nature referred to in this Regulation entered into during the financial year;
 - (c) that the Transmission Licensee shall submit to the Commission, for each financial year, a certificate from a Chartered Accountant as regards compliance with the requirement of clause (a) above.

Explanation – for the purpose of this clause, the terms “subsidiary” and “holding company” shall have the same meaning as under Section 2 of the Companies Act, 2013 as amended from time to time.

6. Street Works:

The Transmission Licensee may, undertake works upon any streets or parts of streets, railways, canals or waterways or parts thereof, either in the domain of Central Government, State Government, Semi government and Municipal bodies or in private domain, only after obtaining all statutory permissions required to be obtained for undertaking such work as prescribed under “The Maharashtra Electricity Work of Licensees Rules, 2012”.

7. Accounts:

- 7.1 The financial year of the Transmission Licensee shall run from the first of April to the following thirty-first of March.
- 7.2 The Transmission Licensee shall, in respect of the Licensed Business and the Other Business:
- (a) keep such Allocation Statement as would be required, so that the revenues, costs, assets, liabilities, reserves and provisions for, or reasonably attributable to the Licensed Business are separately identifiable in the books of the Transmission Licensee;
 - (b) adopt a fair and transparent cost allocation mechanism for the reasonable allocation of joint and common costs between the Licensed Business and the Other Business;
 - (c) prepare on a consistent basis the Accounting Statements in accordance with the provisions of the Companies Act, 2013 and/or the standards or guidelines of the Institute of Chartered Accountants of India.

Explanation – References in this Licence Condition 7.2 to costs or liabilities of, or reasonably attributable to Licensed Business or Other Business shall be construed as excluding taxation, and capital liabilities, which do not relate principally to such Business and interest thereon.

7.3 The Transmission Licensee shall upon request by any person make available a copy of its Accounting Statements to any person who may require it at a reasonable price not to exceed the photocopying charges.

8. Provision of Information to the Commission:

The Transmission Licensee shall furnish to the Commission such information, documents and details related to the Licensed Business and/or the Other Business of the Transmission Licensee as the Commission may require.

9. Licence Fees:

During the period of validity of the licence, the Transmission Licensee shall, by the 10th of April of every year, or such further period as the Commission may allow, pay to the Commission such licence fees as specified under MERC (Fees and Charges) Regulations, 2017, as amended from time to time.

10. Decision on Interpretation of Licence:

The interpretation of the Licence and the terms and conditions thereof shall be as determined by the Commission.

Part III: Specific Terms and Conditions

11. Other Duties:

11.1 The Transmission Licensee shall comply with the provisions of the Transmission Licence Regulations or any subsequent enactment thereof and the terms and conditions of the Licence during the period of subsistence of the Licence.

11.2 The Transmission Licensee shall abide by the system specifications as provided and agreed in the Licence Application. In case of any deviation, prior approval of the Commission shall be required.

11.3 The Transmission Licensee shall be responsible for obtaining all Consents, Clearances and Permits relating but not limited to road/ rail/ river/ canal/ power line/ crossings, power and telecom coordination committee, defence, civil aviation, right of way/ way-leaves and environmental and forest clearance from relevant authorities required for developing, financing, constructing, maintaining/ renewing all such Consents, Clearances and Permits in order to carry out its obligations under the Transmission Licence, and shall furnish to the Commission promptly the copy/ies of Consents, Clearances and Permits, which it obtains.

11.4 The Transmission Licensee shall be responsible to acquire the necessary land for Substations and Lines, etc., required for the project in a manner such that all the obligations under the Transmission Licence are met.

- 11.5 The Transmission Licensee shall be responsible to operate and maintain the project in an efficient, coordinated and economical manner in accordance with MERC State Grid Code and comply with the directions issued by the National Load Despatch Centre, RLDC or the SLDC, as the case may be, in line with the provisions of the Electricity Act 2003 and Rule 5 of the Electricity Rules, 2005, and as amended from time to time.
- 11.6 The Transmission Licensee shall be responsible to honour all the terms and conditions of the Transmission Licence during the construction and operations phase.
- 11.7 The Transmission Licensee shall not enter into any contract for or otherwise engage in the business of trading in electricity during the period of subsistence of the Transmission Licence.
- 11.8 The licensee shall not undertake any other business for optimum utilization of the Transmission System without prior intimation to the Commission.
- 11.9 The Transmission Licensee shall endeavour to commission the project within 48 months of issue of the Transmission Licence and as per the applicable Technical Standards and Grid Standards of CEA.
- 11.10 The Transmission Licensee shall provide monthly progress report to the STU, CEA and the Commission, with regard to obtaining necessary clearances and approvals, Right of Way (RoW) issues, equipment ordering and installation, and slippages with respect to the Schedule, if any, to enable continuous monitoring of the Project.
- 11.11 The Transmission Licensee shall as far as practicable, coordinate with the other licensees executing the upstream or downstream transmission Projects and the STU for ensuring execution of the Project in a matching timeline.
- 11.12 In case of failure of AEMIL to comply with the provisions of the Act and Rules and Regulations, etc., this Licence would be liable to be cancelled with due process.

12. Sharing of Transmission Charges:

The transmission charges will be shared and recovered as per the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019 as amended from time to time.



(Abhijit Deshpande)
Secretary

Maharashtra Electricity Regulatory Commission, Mumbai

Dated: 21 March, 2021