

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 445/TD/2025**

**Coram:**

**Shri Jishnu Barua, Chairperson**

**Shri Ramesh Babu V., Member**

**Shri Harish Dudani, Member**

**Shri Ravinder Singh Dhillon, Member**

**Date of Order: 31<sup>st</sup> August, 2025**

**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 the grant of inter-State trading licence.

**And**

**In the matter of**

**Mahagenco Renewable Energy Limited,**

Prakashgad Ground Floor, Plot No. G-9,

Prof. Anant Kanekar Marg, Bandra (East),

Mumbai-400051, Maharashtra

**....Petitioner**

**Parties Present:**

Ms. Mansi Agarwal, Advocate, MREL

**ORDER**

The Petitioner, Mahagenco Renewable Energy Limited (hereinafter referred to as 'the Petitioner'), registered under the Companies Act, 2013, has made the present application under Section 14 of the Electricity Act, 2013 (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 'IV' trading licence for inter-State trading in electricity in Pan India.

#### **Hearing dated 20.6.2025**

2. During the course of the hearing, the learned counsel for the Petitioner reiterated the submissions made in the Petition and submitted that the Petitioner has complied with the provisions of the Trading Licence Regulations. Vide Record of Proceedings for the hearing dated 20.6.2025, the Petitioner was directed to furnish an undertaking to the effect that the Petitioner shall not engage in the business of transmission of electricity and shall not carry out the business of transmission of electricity during the subsistence of inter-State trading licence, if granted by the Commission, and to clarify whether the professionals whose details are submitted in the Petition, are full time professionals in the company, and also provide their designation. In response, the Petitioner, vide its affidavit dated 3.7.2025, has filed the information called for, which is dealt with in the subsequent paragraphs.

#### **Hearing dated 31.7.2025**

3. The matter was heard on 31.7.2025. During the course of the hearing, the learned counsel for the Petitioner submitted that the Petitioner has filed the information called for and the Petitioner satisfies all the criteria for the grant of a Category 'IV' trading licence, as stipulated in the Trading Licence Regulations and prayed to grant a trading licence to the Petitioner.

4. We have perused the documents available on record. Regulation 6 of the Trading Licence Regulations provides for the procedure for the grant of a trading licence as under:

***“6. Procedure for grant of licence***

*(1) Any person desirous of undertaking inter-State trading in electricity shall make an application to the Commission for grant of licence in the manner specified in Form-I appended to these regulations and such application shall be accompanied by-*

*(a) Such application fee as prescribed by the Central Government from time to time and shall be paid as per the procedure specified in Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012, as amended from time to time or any statutory re-enactment thereof.*

*(b) Copies of the annual reports in case of the persons incorporated under the Companies Act, 1956 or Companies Act, 2013 including audited accounts along with the Directors' Report, Auditors' Report, the Schedules and notes to accounts for one Year immediately preceding the Year in which the application has been made and the audited special balance sheet as on any date falling within 30 days immediately preceding the date of filing the application.*

*(2) The Applicant shall post complete application along with annexures and enclosures on its website so as to facilitate access to the application by any person through internet and shall keep them on the website till the disposal of the application.*

*(3) The Applicant shall within 7 days after making such application, publish a notice of its application, in two daily newspapers in Form II, with the following particulars, namely:*

*\*\*\*\*\**

*(4) The Applicant shall within 7 days from the date of publication of the notice as aforesaid submit to the Commission on affidavit the details of the notice published and shall also file the original complete page of the newspaper in which the notice has been published.*

*(5) The Applicant shall allow a period of 30 days to the public to file objections or suggestions to the notice of application published in the newspapers.*

*(6) The Applicant shall file its reply before the Commission within 30 days from the last date of receipt of objections or suggestions from the public.*

*(7) The Commission after consideration of the objections or suggestions received in response to the notice published by the Applicant and its reply may reject the application or may propose to grant licence.*

*(8) When the Commission proposes to grant licence, it shall publish a notice of its proposal in two daily newspapers, as the Commission may consider appropriate, stating the name and address of the person to whom it proposes to issue the licence and with such other details as the Commission considers appropriate, to invite further objections or suggestions to its proposal.”*

5. The Petitioner has submitted the application as per Form-I, along with the requisite fees.

6. The Petitioner has uploaded the application for the grant of a trading licence on its website in terms of Clause (3) of Regulation 6 of the Trading Licence Regulations and further placed on record the relevant copies of the newspapers in original in which notice of its application has been published. The Petitioner, vide its affidavit dated 9.5.2025, has submitted that notices under sub-section (2) of Section 15 of the Act read with Clause (4) of Regulation 6 of the Trading Licence Regulations have been published by the Petitioner company on 8.5.2025 in the 'Financial Express' (Delhi, Mumbai, Chennai, Kolkata and Bangalore editions), in the 'Business Standard' (Delhi, Mumbai, Chennai, Bangalore, Kolkata and Bhubaneshwar editions). It has been submitted by the Petitioner that no objection has been received in response to the public notices.

7. The Petitioner Company, formerly known as Dhule Thermal Power Company Limited (State Government Company), is a Public Limited Company, registered under the Companies Act, 2013, on 24.8.2007. Clause III (A) (3) of the Memorandum of Association provides that the Petitioner should have been authorized to undertake trading in electricity by its Memorandum of Association. We note that trading in electricity is covered under its Memorandum of Association of the Petitioner Company.

Clause III (A) (3) of the Memorandum of Association of the Petitioner company reads as under:

*“III (A) (3). “To coordinate, aid and advise on the activities of other companies and concerns including its subsidiaries, associates and affiliates, engaged in generation, distribution, **trading** and wheeling of electrical energy; to provide consultancy services, to provide training and capacity building activities, to determine their economic and financial objectives/ targets; to review, control, guide and direct their performance with a view to secure optimum utilization of all resources placed at their disposal (including asset monetization); take allied, ancillary and other businesses and undertakings with a view to optimally utilize its assets and expertise, as also to perform its functions and obligations; to lay down, establish, fix and carry out all necessary infrastructure including cables, wires, lines, step up transformers and other related infrastructure.”*

8. In view of the above, it has been submitted by the Petitioner that it fulfils the requirements specified in Clause (1) of Regulation 3 of the Trading Licence Regulations.

9. In accordance with Clause (3) of Regulation 3 of the Trading Licence Regulations, a person applying for a Category 'IV' trading licence should have a net worth of Rs. Three crores and should have maintained a minimum current ratio and liquidity ratio of 1:1 as on the date of the Special Audited Balance Sheet accompanying the application. The Petitioner has submitted the Special Audited Balance Sheet as on 28.2.2025.

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

(Rs. in thousand)	
Net Worth Computation	As per the Special Audited Balance Sheet as on 28.2.2025
Particulars	
A) Paid up equity capital (1)	102235.13

<b>B) Reserves and Surplus</b>	
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)	0.00
B.8. Other Free Reserves (i.e. general reserve and cash flow reserve)	0.00
<b>Free Reserves &amp; Surplus considered for net worth (2) (B6+B7+B8)</b>	<b>0.00</b>
<b>C) Loans and Advances given to associates (3)</b>	<b>0.00</b>
<b>D) Deferred expenditure (including Misc. Expenses) not written off (4)</b>	<b>0.00</b>
<b>Net Worth (1+2-3-4)</b>	<b>102235.13</b>

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

<b>(Rs. in thousand)</b>	
<b>Net worth (Asset approach), Current Ratio &amp; Liquidity Ratio computation</b>	<b>As per the Special Audited Balance Sheet as on 28.2.2025</b>
<b>A) Non-current Assets</b>	
A.1 Net block of Tangible Asset	246.41
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	0.00
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)	0.00
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	0.00
<b>Total Non-Current Assets considered for net worth (1)</b>	<b>246.41</b>
<b>B. Non-Current Liabilities, Preferential Share &amp; Share Application money and Reserves other than free reserves</b>	
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	0.00
B.7 Reserves other than free reserves	0.00
<b>Total Non-Current Liabilities, Reserves other than free reserves considered for Net worth (2)</b>	<b>0.00</b>
<b>C. Current Assets</b>	0.00
C.1. Current Investments	0.00
C.2. Inventories	0.00
C.3. Trade Receivables	0.00
C.4. Cash and cash equivalents	102467.98
C.5 Short Term Loans & Advances	0.00
C.5.1 Less: Loans and Advances given to associates	0.00
C.5.2 Net Short Term Loan and Advances (C.5 - C.5.1)	0.00
C.6 Other current assets *	20.80
C.7 Deferred Expenditure	0.00
Total Current Assets	102488.79
<b>Total Current Asset considered for Net worth (3)</b>	<b>102488.79</b>
<b>D. Current Liabilities</b>	
D.1. Short-term Borrowings	0.00
D.2. Trade payables	0.00
D.3. Other Current liabilities	500.07
D.4. Short-term provisions	0.00
<b>Total Current Liabilities considered for Net worth (4)</b>	<b>500.07</b>
<b>Net worth ((1-2)+(3-4))</b>	<b>102235.13</b>

12. Based on the Audited Balance Sheet as on 28.2.2025, net worth, current ratio, and liquidity ratio have been worked out as under:

Sr. No.	Particulars	As per the Special Audited Balance Sheet
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		<b>as on 28.2.2025</b>
1	Net worth (Rs. in thousand)	102235.13
2	Current ratio	204.95
3	Liquidity ratio	204.95

13. 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. With regard to full-time professionals, the Petitioner has submitted that Mr. Harshal S. Bhaskare, M.Tech. in Energy technology and MBA in Operations is a Chief General Manager (I/C) and has 20+ years of professional experience in the power industry delivering service in RE, regulatory and policy, power projects, energy conservation and project management; and Mr. Pravin Dilip Bhoir, CA, is a Deputy General Manager (Finance and Accounts) and has 12+ years of work experience handling finance and accounts of power generation company (Mahagenco) that includes costing, corporate accounting policies, finalization of accounts, audit management, statutory compliance, taxation, MIS, and financial management. The Petitioner, vide its affidavit dated 3.7.2025, has submitted that Mr. Harshal S. Bhaskare is working for gain as Chief General Manager (I/C), and Mr. Pravin Dilip Bhoir is working for gain as a CA for the Petitioner Company. Accordingly, as per the information submitted by the Petitioner, it fulfils the requirements of Clause (2) of Regulation 3 of the Trading Licence Regulations.

14. The Memorandum of Association authorises the Petitioner company to engage in the transmission of electricity. The Petitioner vide affidavit dated 3.7.2025, has submitted



that it will not engage in the transmission business without surrendering the trading licence, if granted by the Commission.

15. On consideration of the above facts, after a preliminary examination, we find that the Petitioner meets the requirements as specified in the Trading Licence Regulations for the grant of a Category 'IV' trading licence. In view thereof, the Commission proposes to grant a Category 'IV' trading licence to the Petitioner. We direct that a notice under Clause (a) of Sub-section (5) of Section 15 of the Act be issued inviting further suggestions or objections to the proposal of the Commission.

16. The Petition shall be listed for a final hearing on **23.9.2025**.

**Sd/-**  
**(Ravinder Singh Dhillon)**  
**Member**

**sd/-**  
**(Harish Dudani)**  
**Member**

**sd/-**  
**(Ramesh Babu V.)**  
**Member**

**sd/-**  
**(Jishnu Barua)**  
**Chairperson**