

MAHARASHTRA STATE ELECTRIC POWER TRADING COMPANY (P) LTD.

(A wholly owned subsidiary of MSEB Holding Co. Ltd.)

Regd. Office : Prakashgad, Plot G-9, Prof. Anant Kanekar Marg, Bandra (E), Mumbai - 400 051.
Ph. No. 022-26595031 E-mail : maharashtra1state1powertrading@gmail.com

The Secretary
Central Electricity Regulatory Commission
6th Floor, Core-3, SCOPE Complex
7, Industrial Area
Lodhi Road
New Delhi 110003

22 Jan 08

Dear Sir,

APPLICATION FOR GRANT OF INTER-STATE LICENSE

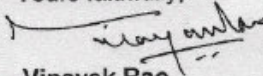
We herewith file an application for seeking grant of License for Inter-State trading of electricity under Section 15 of the Electricity Act, 2003 to MAHARASHTRA STATE ELECTRIC POWER TRADING COMPANY PRIVATE Limited, a wholly owned subsidiary of MSEB Holding Company Limited incorporated under Companies Act 1956 vide CIN No. U40109MH2007SGC176309 dt. 29.11.2007 to undertake Inter-State trading of electricity within India.

A Demand Draft (No. 128656) for Rs. 1.00 Lakh drawn in favor of "Assistant Secretary, Central Electricity Regulatory Commission, New Delhi" is enclosed toward processing of the application as per the fee structure prescribed under CERC's notification No L-7/25(6)/2004 dtd 30th January 2004.

We request the Hon'ble Commission to kindly consider our application at an early date.

Thanking you,

Yours faithfully,


Vinayak Rao
Director



BEFORE THE CENTRAL ELECTRICITY REGULATORY COMMISSION, NEW DELHI.

File No. :

Case No.: IN THE MATTER OF:

Application for Grant of an Inter-state Trading License to MAHARASHTRA STATE ELECTRIC POWER TRADING COMPANY (P) LTD.

AND

IN THE MATTER OF :

MAHARASHTRA STATE ELECTRIC POWER TRADING COMPANY (P) LTD.
Prakashgad, Plot G-9,
Prof. Anant Kanekar Marg,
Bandra (E), Mumbai - 400 051.

Sr. No.	Description	Page No.
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3.	Certificate of Incorporation	8
4.	Memorandum & Articles of Association of MSEPTCPL	9-9U

(Rupees One Hundred Only)

R. R. Rogade
Authorised Signatory
Bandra (E) Branch

The North Maharashtra Co-op
Bank Ltd., Bandra Branch, Zapurda
Sahitya Sahawas, Kalanagar,
Mumbai-400 051
D-5/STP(V/C.R.1042/02/05/1300 to
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BEFORE THE CENTRAL ELECTRICITY REGULATORY COMMISSION, NEW DELHI

FILE NO.

CASE NO.

IN THE MATTER OF:

Application for grant of Inter-State License to MAHARASHTRA STATE ELECTRIC POWER TRADING COMPANY PRIVATE Limited ("MSEPTCL")

AND

IN THE MATTER OF

MAHARASHTRA STATE ELECTRIC POWER TRADING COMPANY PRIVATE Limited,
Prakashgad, Plot G-9, Prof Anant Kanekar Marg, Bandra[East], Mumbai-400051-

Applicant

AFFIDAVIT VERIFYING THE APPLICATION

I, Vinayak Rao, son of Shri K Vasudeva Rao, aged 45 years, being the Director of Maharashtra State Electric Power Trading Company Private Limited having office premises at Prakashgad, Plot G-9, Prof Anant Kanekar Marg, Bandra[East], Mumbai-400051 do hereby solemnly affirm and state as follows:

1. I say that I am conversant with the facts and circumstances of this case and I am duly authorized to execute, file and pursue the application seeking the grant of an Inter-State License on behalf of Maharashtra State Electric Power Trading Company Private Limited

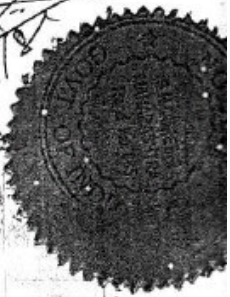
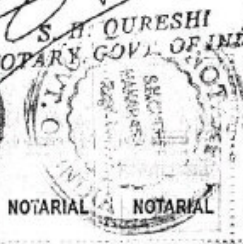
Vinayak Rao
DEPONENT

Verification:

I, the deponent named above hereby solemnly affirms that the contents of my above affidavit are true to my knowledge, no part of it is false and nothing material has been concealed therein.

Verified by me on this 21st day of January 2008 at Mumbai

A. N. Pande
A. N. Pande
B.A., LL.B.
Advocate High Court
Lawyer's Chamber, 2nd Floor
'BHASKAR' Building,
K. Maru, Bandra (East), Mum.



Vinayak Rao
DEPONENT
BEFORE ME
21 JAN 2008

INTER STATE TRADE LICENSE - APPLICATION FORM

FORM- 1

PARTICULARS OF THE APPLICATION

1.	Name of the applicant	M/s. Maharashtra State Electric Power Trading Company Pvt. Ltd.		
2.	Address	Prakashgad, Plot NO. G. 9, Prof Anant Kanekar Marg, Bandra (E), Mumbai 400051.		
	(a) Registered Office address	Prakashgad, Plot NO. G. 9, Prof Anant Kanekar Marg, Bandra (E), Mumbai 400051.		
	(b) Address for Correspondence	Prakashgad, Plot NO. G. 9, Prof Anant Kanekar Marg, Bandra (E), Mumbai 400051		
3.	(c) Web site address			
	Name, Designation & Address of the contact person	Vinayak Rao Director Prakashgad, Plot NO. G. 9, Prof Anant Kanekar Marg, Bandra (E), Mumbai 400051		
	Contact Tel. Nos.	26595031		
4.	Contact Tel. Nos.	2647 2119		
5.	Fax No.	maharashtra state powertrading@gmail.com		
6.	Email ID	maharashtra state powertrading@gmail.com		
7.	Status of the applicant	Pvt. Ltd. Company		
8.	Place of Incorporation/registration	Mumbai, Maharashtra		
9.	Year of Incorporation/Registration	2007		
10.	Authorised, issued, subscribed and paidup share capital (in Rs. Cr)		Authorised	Issued, Subscribed & Paid up
		Equity	20	10.01
		Preference	-	-
		Total	20	10.01
a)	Certificate of registration	Enclosed as Annexure -1		
b)	Certificate for Commencement.	Not Required for Private Limited Company		
c)	Memorandum of Association and Articles of Association	Enclosed as Annexure - 2		
d)	Original Power of Attorney	Enclosed as Annexure - 3		
11.	Category of license applied	Under category (D)		



12.	Volume of Trading	Trading in power upto 100 Kwh per annum during the first year and upto 1000 Kwh per annum during the next five years.
13	Area of Trading	The geographical area of trading would extend to the whole of India, except the State of Jammu & Kashmir.

Details of Financial Data of Applicant

14. Net worth (in equivalent Indian Rupees-conversion to be done at the rate of exchange prevailing at the end of each year) for immediate post 3 (Three) financial years. (Specify financial year as applicable).

(DD/MM/YY) to (DD/MM/YY)

	In Home Currency (Rs. In. Cr.)	Exchange Rate Used	In equivalent
2004-2005	-NA-	-NA-	-NA-
2005-2006	-NA-	-NA-	-NA-
2006-2007 (Provisional)	-NA-	-NA-	-NA-

(This is the first year of operation activates)

(f)	Copies of Annual Reports or certified audited results to be enclosed in support of above.	N.A.
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15. Details of Shareholding as on the date of making application:

Name of the Share Holder (Equity)	MSEB holding Company Ltd. through its Directors.
No. of Shares Held	10010000
Value of Share held	Rs10,01,00,000 /-. (Rs. 10/- per share)
% age holding of total paid up capital of the company	100%

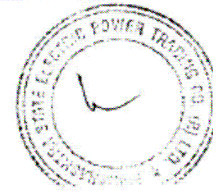
The 100% share holding in the company is held by M/s. MSEB Holding Co. Ltd.

16. Annual turnover (in equivalent Indian Rupees – conversion to be done at the rate of exchange prevailing at the end of each year) for immediate past 5 (five) financial years. (Specify financial year as applicable)

(Not Applicable)

(DD/MM/YY) to (DD/MM/YY)

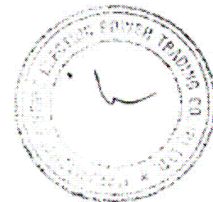
	In Home Currency (Rs. in.Cr)	Exchange Rate Used	In equivalent
2004-2005	-NA-	-NA-	-NA-
2005-2006	-NA-	-NA-	-NA-
2006-2007 (Provisional)	-NA-	-NA-	-NA-



Copies of Annual Reports or certified audited results to be enclosed in support of the above -.

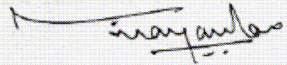
(Proof of paid up capital is enclosed Annexure-4- Form 2 filed with Registrar of Company)

17	Organizational & Managerial Capacity of the applicant	Enclosed as Annexure - 5
18	Approach & Methodology	Enclosed as Annexure - 6
19	<p>(a) Whether the applicant or any of his partners or promoters or Directors or Associates has been declared insolvent and has not been discharged. If so, the details thereof.</p> <p>(b) Details of cases resulting in conviction of the frauds or economic offences at the applicant, any of his partners, promoters or Directors or Associates during the three years preceding the year of making application.</p> <p>(d) Details of pending cases involving the applicant any of his partners or promoters or Directors or Associates, which shall include nature of dispute, whether civil or criminal, name of the other party or parties, the court before whom pending and least status.</p> <p>(e) Whether the applicant or any of his partners, or promoters or Directors or Associates was ever refused license. If so, give the details of date of Making application, date of refusal and reasons for refusal.</p>	<p>- NO -</p> <p>- NIL -</p> <p>- NIL -</p> <p>- NO -</p>



20	List of Documents Enclosed	
	Certificate of Incorporation	Annexure - 1
	Memorandum of association and Articles of Association	Annexure - 2
	Board Resolution Authorizing Shri Vinayak Rao, Director to make the application.	Annexure - 3
	Proof of Allotment of Shares	Annexure - 4
	Organizational & Managerial Capacity of the applicant	Annexure - 5
	Approach & Methodology	Annexure- 6

Place: Mumbai
Date: 21.1.2008


(Signature of the Applicant)



प्रारूप 1
पंजीकरण प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U40109MH2007SGC176309 2007 - 2008

मैं एतद्वारा सत्यापित करता हूँ कि मेसर्स

MAHARASHTRA STATE ELECTRIC POWER TRADING COMPANY PRIVATE LIMITED

का पंजीकरण, कम्पनी अधिनियम 1956 (1956 का 1) के अंतर्गत आज किया जाता है और यह कम्पनी प्राइवेट लिमिटेड है।

यह नियमन-पत्र आज दिनांक उनतीस नवम्बर दो हजार सात को मेरे हस्ताक्षर स मुंबई में जारी किया जाता है।

Form 1
Certificate of Incorporation

Corporate Identity Number : U40109MH2007SGC176309 2007 - 2008
I hereby certify that MAHARASHTRA STATE ELECTRIC POWER TRADING COMPANY PRIVATE LIMITED is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the company is private limited.

Given under my hand at Mumbai this Twenty Ninth day of November Two Thousand Seven.



(SHYAM SUNDER .)

सहायक कम्पनी रजिस्ट्रार / Assistant Registrar of Companies

महाराष्ट्र, मुंबई
Maharashtra, Mumbai

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:
MAHARASHTRA STATE ELECTRIC POWER TRADING COMPANY PRIVATE LIMITED
PRAKASHGAD, PLOT NO. G 8., PROF ANANT KANEKAR MARG, BANDRA (EAST),
MUMBAI - 400051,
Maharashtra, INDIA

MAHARASHTRA STATE ELECTRIC POWER TRADING COMPANY (P) LTD.

(A wholly owned subsidiary of MSEB Holding Co. Ltd.)

Regd. Office : Prakashgad, Plot G-9, Prof. Anant Kanekar Marg, Bandra (E), Mumbai - 400 051.
Ph. No. 022-26595031 E-mail : maharashtra1state1powertrading@gmail.com

Annexure - 3

Extract of the Resolution passed at the Board Meeting held on 18th January 2008.

Obtaining Power Trading License :

"Resolved that consent of the Board be and is hereby accorded for making an application to the Central Electricity Commission for obtaining Power Trading License as per the applicable provision of Law and Mr. Vinayak Rao Director, be and is here by authorized to sign the application, affidavits and other documents and take all such actions & deeds as may be required in this regard, on behalf of the Company, for obtaining the Power Trading License."

For MSEPTCPL


(Director)

Annexure - 4

FORM 2

Return of allotment

[Pursuant to section 75(1) of the Companies Act, 1956]

Note - All fields marked in * are to be mandatorily filled.

1(a). * Corporate identity number (CIN) of company

(b). Global location number (GLN) of company

2(a). Name of the company

(b). Address of the registered office of the company

3. *Date of allotment (DD/MM/YYYY)

4. Shares allotted payable in cash

Class of shares Preference Equity

Class of Shares	Preference	Equity
Number of shares allotted		10,010,000
Nominal amount per share (in Rs.)		10.00
Total nominal amount (in Rs.)		100,100,000
Amount paid per share on application (in Rs.)		10.00
Total amount paid on application (in Rs.)		100,100,000
Amount due and payable per share on allotment (excluding premium) (in Rs.)		
Total amount paid on allotment (excluding premium) (in Rs.)		100,100,000.00
Premium amount per share due and payable (if any) (in Rs.)		0.00
Total premium amount due and payable (if any) (in Rs.)		0.00
Premium amount paid per share (if any) (in Rs.)		0.00
Total premium amount paid (if any) (in Rs.)		0.00
Amount of discount per share (if any) (in Rs.)		0.00
Total discount amount (if any) (in Rs.)		0.00



5. Shares allotted for consideration otherwise than in cash

Class of shares Preference Equity

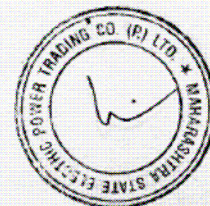
Class of Shares	Preference	Equity
Number of shares allotted		
Nominal amount per share (in Rs.)		
Amount to be treated as paid-up on each share (in Rs.)		
The consideration for which such shares have been allotted		
(a) Property and assets acquired	Description	
	Amount (in Rs.)	
(b) Goodwill	Description	
	Amount (in Rs.)	
(c) Services (give nature of services)	Description	
	Amount (in Rs.)	
(d) Other items (to be specified)	Description	
	Amount (in Rs.)	

6. Bonus shares issued

(a) Number of bonus shares

(b) Nominal amount per share (in Rs.)

(c) Amount to be treated as paid-up per share (in Rs.)



7(a) Total nominal value of equity shares issued including the present allotment (in Rs.)

(b) Total nominal value of preference shares issued including the present allotment (in Rs.)

8 (a) Date of passing the special resolution authorising issue under section 81 (DD/MM/YYYY)

(b) Service request number (SRN) of Form 23

Attachments

1. Copy of the resolution authorising the issue of bonus shares
2. List of allottees
3. Copy of the resolution for the issue of shares at a discount with a copy of the order of the Central Government
4. Copy of the contract, if any, for allotment of shares for consideration otherwise than in cash
5. Optional attachment(s) - if any

List of attachments

list of allottee[1].pdf

Declaration

To the best of my knowledge and belief, the information given in this form and its attachments is correct and complete. I have been authorised by the board of directors' resolution dated 18/01/2008 (DD/MM/YYYY) to sign and submit this form.

To be digitally signed by

Managing director or director or manager or secretary of the company

CERTIFICATE

It is hereby certified that I have verified the above particulars from the books of account and records of M/s MAHARASHTRA STATE ELECTRIC POWER TRADING COMPANY PRIVATE LIMITED and found them to be true and correct.

Chartered accountant or cost accountant or company secretary (in whole-time practice)

For office use only:

This e-Form is hereby registered

Digital signature of the authorising officer



Organizational & Management Capacity of the Applicant

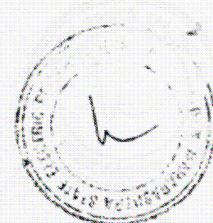
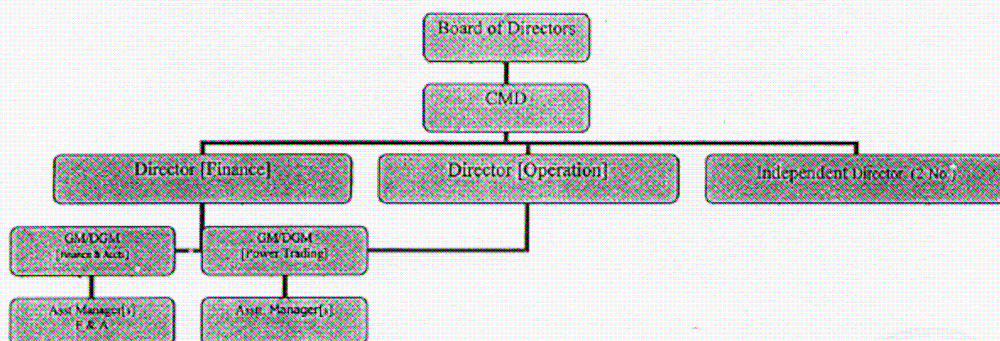
Annexure – 5

- 1) The present Directors on the Board of MSEPTCPL have experience in the Power Sector since last 2 to 3 years. Shri Subrat Ratho, I.A.S. is also holding the position of Director in other subsidiary Companies of MSEB holding Company Ltd viz; Maharashtra State Electricity Distribution Co Ltd, Maharashtra State Power Generation Company limited, and Managing Director of Maharashtra State Electricity Transmission Co Ltd.

Shri Vinayak Rao, IRAS have experience of over 20 years in the field of Account & Finance. At present, he is also occupying the position of Director (Finance) in MSEB Holding Company Limited. Prior to present assignment, he was also Director (Finance) in Maharashtra State Electricity Transmission Company Limited, Maharashtra State Electricity Distribution Company Limited, Maharashtra State Power Generation Company Limited and Member (Accounts) in MSEB.

- 2) The personnel of the other subsidiary companies of MSEB Holding Company Ltd. have vast experience in power plant construction and operation, operation and maintenance of power plants, power dispatching in coordination with the area Load Dispatch Center, metering, power purchase agreements and all other related issues. It is planned to take on deputation suitable in-service power system engineers, finance personnel etc to MSEPTCPL, and also to recruit suitable qualified personnel from the open market to carry out the power trading business efficiently.

- 3) The Organization structure of the Applicant Company is proposed to be as follows



- 4) The Structure Proposed above will be reviewed and modified over a period of time, depending interalia on business growth, power trading market development in the country, online trading possibilities through power exchanges, etc. Regional offices will also be planned based on the business opportunities, power shortages/availability, etc.
- 5) The Board of MSEPTCPL companies at present of the following Directors:
- a) Mr. Subrat Ratho, IAS, C.E.O.
 - b) Mr. Vinayak Rao, IRAS, Director (Finance)
 - c) Mr. Prakash V. Page, Independent Director
- 6) The Board will suitably expand in line with corporate governance philosophy and also to ensure compliance with statutory requirements, if any. The Company has Directors having adequate experience in Power Sector.
- 7) As the volume of electricity traded increases and business expands, MSEPTCPL will suitably increase its manpower through recruitment of trading professionals/experts from open market having right mix of talent, knowledge, experience and expertise. As mentioned above, the process for identification and recruitment of persons with requisite qualification and experience has been initialized. At the same time, taking trading professional/ experts in power systems on deputation basis from various group Companies will add to the experience and expertise.



APPROACH AND METHODOLOGY

ANNEXURE - 6

- 1) MSEPTCPL shall strive to become one of the leading power trading companies in the country and contribute to the development of a vibrant power market in India. To achieve this, MSEPTCPL will adopt the following approach and methodology in its conduct as power trader.
- 2) MSEPTCPL shall recruit adequate manpower with relevant qualification/expertise/experience and shall establish/suitably expand requisite infrastructure facilities before starting the trade activities
- 3) MSEPTCPL shall initially carry out bilateral trading between generators including captive generators and distribution business, entering into appropriate contracts where necessary safeguards with regard to supply of electricity through trading to the power purchaser and payment for electricity traded to the seller of power shall be incorporated
- 4) Over the period, the list of services which will be provided as follows.
 - a) Identification of probable buyers and suppliers (State Utilities, Independent Power Producers, Captive and Co-generation power plants) to meet requirements of both.
 - b) Striving to make available the least priced reliable power to the buyer on the one hand and a sustainable deal for the seller on one hand, through market scanning and commercial contracts.
 - c) Providing focused single point services to prospective customers.
 - d) Co-ordinations with Regional Power Committee, RLDC/SLDC, CTU/STUs in dispatch, metering and billing.
 - e) Mitigating payment risk to the seller through secured commercial contracts.
 - f) In case of default find alternative buyers.
- 5) MSEPTCPL aims to develop, over a period of time, sophisticated trading platform to facilitate online trading of power. It also plans to develop requisite skills for forecasting power demand/supply imbalances and will proactively provide service to its customers.
- 6) The Trading activities of MSEPTCPL shall be in line with the regulatory regime.
- 7) MSEPTCPL will have a rolling business plan, keeping in mind the changes in the market, competitive, regulatory and other environmental conditions. The business plan shall seek to reinforce the structure and system required to create a self-sustaining organization that can fulfill its role of undertaking trading, as well as providing support for upcoming power projects.

