



BEFORE THE HON'BLE ODISHA ELECTRICITY REGULATORY
COMMISSION, BHUBANESWAR

Case No....

Filing No. 1

IN THE MATTER OF: An application for extension of Licence Conditions u/s 16 of the Electricity Act, 2003 in favour of M/s Odisha Power Transmission Corporation Ltd. (OPTCL) the deemed Transmission Licensee u/s 14 of the aforesaid Act filed by OPTCL under Sections 86 of Electricity Act, 2003 read with relevant provisions of OERC (Conduct of Business) Regulations, 2004,

IN THE MATTER OF: Odisha Power Transmission Corporation Limited, Janpath,
and Bhubaneswar-751007. ...Applicant

Versus

Additional Chief Secretary to Govt., Department of Energy,
Govt. of Odisha. ...Respondent

The Humble Applicant above named;

MOST RESPECTFULLY SHEWETH THAT:

M/s. Odisha Power Transmission Corporation Limited, Bhubaneswar (in short OPTCL) undertakes Intra State transmission business in the state of Odisha. It has been notified as the State Transmission Utility (STU) u/S. 39(1) of the Act with effect from 01.04.2005. By virtue of the 2nd Proviso to Section 14 of the Electricity Act, 2003 (hereinafter referred to as "the Act"), OPTCL has been a deemed Transmission Licensee under the Act. OPTCL is now governed by License Conditions set forth in OERC (Conduct of Business) Regulations, 2004, at Appendix 4B issued under section 16 of the Act, as modified by OERC by its Order dated 27th October 2006. It was also empowered to "discharge" the State Load Dispatch functions till further orders of the State Govt.



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Hon'ble Odisha Electricity Regulatory Commission (hereinafter referred to as 'OERC') has issued License Conditions of OPTCL effective from 01.11.2006 vide order dated 27.10.2006 passed in Case No 22 of 2006 to undertake the activities relating to transmission of electricity in the State of Odisha.

FACT OF THE CASE

a. Odisha State Electricity Board (OSEB)

The Odisha State Electricity Board (OSEB) was a statutory body constituted under the Electricity (Supply) Act, 1948, responsible for the generation, transmission, and distribution of electricity in the state of Odisha. Under the Orissa Electricity Reform Act, 1995, OSEB was unbundled by separating its core functions of generation, transmission, and distribution into distinct State Govt. entities:

- **Generation** was vested with Odisha Hydro Power Corporation(OHPC) and
- **Transmission and distribution** functions were assigned to Grid Corporation of Orissa Limited (GRIDCO)

b. Grid Corporation of Orissa Limited (GRIDCO)

The transfer of transmission and distribution undertakings in Odisha was carried out under the provisions of the Orissa Electricity Reform Act, 1995 and the **Orissa Electricity Reform (Transfer of Transmission and Distribution Undertakings) Rules, 1996**. All the assets, liabilities, rights, and obligations related to transmission and distribution were transferred from OSEB to newly created government-owned companies **Grid Corporation of Orissa Limited (GRIDCO)** through statutory transfer schemes notified by the State Government of Odisha. Accordingly, OERC vide order dated 31.03.1997 issued Licence No.02/97 to **Grid Corporation of Orissa (GRIDCO)**, to carry out the Business of Transmission and Bulk supply in the state of Odisha under the provisions of the Orissa Electricity Reform Act, 1995. Under the above license, M/s GRIDCO had been carrying out both the Transmission and bulk supply in the State. Further, the licence was amended vide order dated 31.03.1999 in case No.21/1998.



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c. **Odisha Power Transmission Corporation Limited (OPTCL)**

After the enactment of New Electricity Act, 2003 w.e.f 10th June, 2003, in exercise the powers of section 39, 131, 133 and 134 of the Electricity Act, 2003 read with the section 23 and 24 of the Orissa Electricity Reform Act, 1995 the State Govt. makes the scheme called Orissa Electricity Reform (Transfer of Transmission and Related Activities) Scheme, 2005 for the purpose of transform and vesting of the Transmission undertaking of the Grid Corporation of Orissa Limited. The Transmission Undertaking means the undertaking related to the activities of Transmission, State Transmission Utility and State Load Despatch Centre {Section 2.1.(o) of Orissa Electricity Reform Scheme, 2005.

- d. Under second provisos of Sec 14 of the Electricity Act, 2003 and as per the provisions of Government of Orissa's aforesaid Transfer Scheme, OPTCL has become a Deemed Transmission Licensee.
- e. Under section 16 of the Act, the Commission has legal obligation to lay down general or specific conditions which shall apply to the OPTCL as a Deemed Transmission Licensee. Accordingly vide order dated 27.10.2006 in case No.22/2006 has override the licensee condition determined by the Commission vide its order dated 31.03.1999 passed in the case No-21/1998 in favour of OPTCL with effect from 1st November, 2006. (Copy at **Annexure-A**)
- f. Clause 4.1 of the Licence Conditions the ***"Unless the licence of the licensee revoked earlier, the licensee will carry its licenced activity for a period of 30 years from 1st April 1997 upto 31.03.2027"***.
- g. Being a Transmission Licensee OPTCL has been discharging the duties of the Transmission Licensee as provided under Section 40 of the Act and the General Conditions for the Licensee as specified by the Commission in Appendix 4B of the OERC (Conduct of Business) Regulations, 2004 after necessary modifications (In exercise of powers conferred under Clause 18.2).



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- h. Although the present licence conditions will expire on 31.03.2027, as per the Transmission Tariff Regulations, it is mandatory for a transmission licensee to file a Long-Term Transmission Plan, Business Plan for the control period with effect from 01.04.2027, in accordance with the applicable regulations. Similarly, the transmission licensee is required to file the ARR for FY 2027–28 on or before 30.11.2026. Therefore, the licence conditions require extension prior to such filings.
- i. The tenure of the existing Licence Conditions is 30 years. The Hon'ble Commission is requested to extend the same for a further period of 30 years.
- j. Considering the present scenario, certain modifications are required in the existing licence conditions. The same, along with justification, is provided below.
- i. Under Licence Condition 10, the Hon'ble Commission has issued directions regarding “**Investments**”. In the meantime, the Hon'ble Commission has published the draft Odisha Electricity Regulatory Commission (Approval of Capital Investment Schemes) Regulations, 2026. Accordingly, if required, Licence Condition 10 may be modified.
- ii. Under license condition -23.1, the Hon'ble Commission has specified the term “Major Investment” as any planned investment in or acquisition of transmission facilities, the cost of which, when aggregated with all other investments or acquisitions (if any) forming part of the same overall transaction, equals or exceeds Rs. 10 Crore.

In this regard, it is submitted that 29 years have elapsed since the first Licence Conditions were introduced in 1997. Over this period, equipment prices and execution costs have increased significantly. Consequently, the ₹10 crore threshold now appears disproportionately low. Even for relatively minor works, OPTCL is required to comply with Licence Condition 10, leading to avoidable delays in execution.



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Therefore, enhancing the threshold to ₹25 crore would facilitate smoother project implementation by reducing repetitive regulatory compliance. In the proposed Draft Capital Investment Schemes Regulations, 2026, OPTCL has proposed that schemes above ₹25 crore shall be treated as DPR schemes, in line with the MERC (Approval of Capital Investment Schemes) Regulations, 2022.

- iii. Under Licence Condition 24, the Hon'ble Commission has fixed a limit of ₹30 lakh for disposal of assets. This limit was set 29 years ago, when the first licence conditions were introduced in 1997. In the meantime, equipment prices and execution costs have increased significantly. Therefore, the Hon'ble Commission is requested to enhance the limit to ₹5 crore.
- iv. Other modifications, as detailed in **Annexure-B** enclosed, are submitted for the kind consideration of the Hon'ble Commission.

PRAYER

In view of the facts and submissions made herein above, the petitioner OPTCL humbly prays that Hon'ble Commission may kindly;

- i. Extend the existing Licence Conditions for a further period of 30 years.
- ii. Consider the proposed amendments to the existing Licence Conditions as detailed in Annexure-B.

For which the applicant as in duty bound shall ever pray.

Bhubaneswar
24th April, 2026



BY THE APPLICANT
THROUGH

Naba Kumar Barik
Sr. GM (RT&C)

**BEFORE THE HON'BLE ODISHA ELECTRICITY REGULATORY
COMMISSION, BHUBANESWAR**

Case No.-----

Filing No. 1

IN THE MATTER OF: An application for extension of Licence Conditions u/s 16 of the Electricity Act, 2003 in favour of M/s Odisha Power Transmission Corporation Ltd. (OPTCL) the deemed Transmission Licensee u/s 14 of the aforesaid Act filed by OPTCL under Sections 86 of Electricity Act, 2003 read with relevant provisions of OERC (Conduct of Business) Regulations, 2004.

IN THE MATTER OF: Odisha Power Transmission Corporation Limited, Janpath, and Bhubaneswar-751007. **...Applicant**

Versus

Additional Chief Secretary to Govt., Department of Energy,
Govt. of Odisha. **....Respondent**

Affidavit verifying the Application

I, Sri Naba Kishore Barik, son of Late Shyam Sunder Barik, aged about 59 years, residing in Bhubaneswar, do solemnly affirm and say as follows:

1. That I am the Sr. General Manager, RT&C, OPTCL, the Applicant and have been duly authorized by the said Applicant to make this affidavit on its behalf.
2. That the Statements made in paragraphs herein above are based on official information and I believe them to be true.

Bhubaneswar

24th April, 2026

SWORN BEFORE ME

Naba Kishore Barik
DEPONENT



N. Mohanty
**N. MOHANTY
NOTARY**
Regd. No. ON 20/94
382, Bhoi Nagar,
Bhubaneswar-751022

24.04.2026

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**ORISSA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAVAN, UNIT – VIII
BHUBANESWAR – 751012**

**Present : Shri D.C. Sahoo, Chairperson
Shri S.K. Jena, Member**

CASE NO. 22 OF 2006

Date of hearing : 15.09.2006
Date of order : 27.10.2006

IN THE MATTER OF: Determination of Licence Conditions u/s 16 of the Electricity Act, 2003 in favour of M/s Orissa Power Transmission Corporation Ltd. (OPTCL) the deemed Transmission Licensee u/s 14 of the aforesaid Act.

ORDER

The Orissa Electricity Regulatory Commission (the Commission) vide its order dated 31.03.1997 issued licence No.2/97 to Grid Corporation of Orissa (GRIDCO), Janpath, Bhubaneswar to carry out the Business of Transmission & Bulk Supply in the State of Orissa under the provisions of the Orissa Electricity Reform Act, 1995. Under the said License, M/s GRIDCO had been carrying out both the Transmission and Bulk Supply as its licensed activity in the State. Further, this licence was amended vide order dated 31.03.1999 in case No. 21/98.

- 1.1 The Electricity Act, 2003 (Act) has come into force since June 10, 2003. The Govt. of Orissa has drawn up a Transfer Scheme under section 131 and other relevant provisions of the Act, and vested assets and personnel of the transmission activity of GRIDCO to a newly incorporated Govt. Company, namely, Orissa Power Transmission Corporation Limited (OPTCL). Under second provisos of Sec 14 of the Act and as per the provisions of Government of Orissa's aforesaid Transfer Scheme, OPTCL has become a Deemed Transmission Licensee.
- 1.2 Under section 16 of the Act, the Commission has legal obligation to lay down general or specific conditions which shall apply to the OPTCL as a Deemed Transmission Licensee.

- 1.3 The Commission in its Conduct of Business Regulations, 2004 (Appendix 4-B) has specified the General Conditions for Transmission Licensees operating in the State of Orissa. In exercise of powers conferred under Clause 18.2 of Appendix 4B (General Conditions for Transmission Licensee) of the OERC (Conduct of Business) Regulations, 2004, the Commission has modified some of the Clauses of the aforesaid General Conditions. Such General Conditions with modifications have been laid down in Part II of the aforesaid draft licence conditions.
- 1.4 Furthermore, the Commission lays down at Part III of these draft licence conditions the Specific Licence Conditions for OPTCL.
2. Having thus prepared the draft licence conditions for the aforesaid deemed licensee, the Commission decided to finalise the same through a consultative public hearing. For this purpose, the Commission initiated a suo motu proceeding and a case was registered as case No. 22/2006. The Commission directed the deemed licensee to offer its views/comments on the draft licence conditions so also the licensee was directed to publish the public notice in the leading widely circulated newspapers in order to invite suggestions/objections/comments from the general public. The text of the aforesaid public notice and the draft license conditions also made available in the Commission's website www.orierc.org. The said public notice was published in Oriya (Samaj dated 16th and 17th July, 2006) and daily English (New Indian Express dated 16th and 17th July, 2006) in compliance with the aforesaid order of the Commission,. By the said public notice, interested persons/Institutions / Organisations had liberty to offer their views/suggestions/objections on the aforesaid draft license conditions on or before 31.07.06.

- 2.1 Compliance to orders of the Commission, the Sr. General Manager (R&T), OPTCL submitted the comments/suggestions/views of OPTCL. No response had been received from any person / institutions in this regard.
3. The Commission fixed the hearing on 15.09.2006 at 11.00 AM and accordingly served a notice to OPTCL vide letter no 1346 dated 30.08.2006. The MD, OPTCL was directed to appear before the Commission personally or through his authorized representative or duly constituted attorney on the date and time fixed above.
 - 3.1 The matter was heard by the Commission on the scheduled date and time. Sri B.K. Sahoo, Director (Engg.), the authorized officer of the Commission presented the matter in the capacity of petitioner. Sri U.K. Panda Director, Finance (I/C), on behalf of OPTCL was present. The hearing was concluded.
4. The Commission carefully considered the valuable suggestions/views/comments submitted by the deemed transmission licensee i.e. OPTCL on the draft licence conditions and decisions taken in this respect are as follows:
 - 4.1 OPTCL suggested adding "Ltd." at the end of condition 1.1 which has been agreed by the Commission.
 - 4.2 OPTCL suggested the following definition for "Force Majeure" at 3.1(q)
"Force Majeure" means any event which is beyond the control of the licensee which the licensee could not be foresee or with a reasonable amount of diligence could not have foreseen or which could not be prevented and which substantially affect the performance by the licensee including but not limited to:
 - (a) Acts of God, natural phenomena including but not limited to floods, droughts, earthquake, cyclone, storms, adverse weather condition and epidemics:

- (b) Acts of any Government domestic or foreign including but not limited to war, declared or undeclared, hostilities, priorities, quarantines, embargoes;
- (c) Terrorist attack, riots or civil commotion;
- (d) Grid's failure not attributable to the licensee; and
- (e) Other similar occurrence that leads to any act that would involve a breach of relevant laws or regulations connected with electrical safety.

The above definition has been adopted from the OGC and reproduced as such. The Commission agreed with the above alteration.

- 4.3 OPTCL argued that both the conditions 3.2 & 3.3 carry the same meaning. Hence 3.3 should be retained and 3.2 be deleted.

The Commission accepted this suggestion.

- 4.4 OPTCL suggested to replace clause 4.2 with following Para -
"These Licence Conditions may be modified or amended in accordance with the provisions of relevant Regulations and in accordance with the provisions of the Act."

The Commission had accepted the above suggestion.

- 4.5 OPTCL requested the Commission to examine clause 7.3(d) based on the provisions under CEA (Grid Connectivity) Regulations, 2004 and modify/delete the same. The Commission observed that the above regulation is still in draft stage and has not yet been specified by CEA. Further, it appears that this provision in the licence conditions does not contradict any of aforesaid draft regulations of CEA. Hence the Commission does not vie with the idea of modifying and deleting condition 7.3(d) at this moment.

- 4.6 OPTCL sought an amendment in the second Para of condition no. 7.9 by replacing "60 days" with "30 days". The Commission do not accept it inasmuch as it providing for maximum time limit. Furthermore, if this has to be decided through hearing, 30 days as suggested may not be adequate.

- 4.7 OPTCL has suggested a correction in condition no. 8.2 by replacing the word “distribution” by the word “transmission”, as it was patently a typographical error. The Commission had accepted it.
- 4.8 In clause (b) (iii) of Condition no. 8.3, it has insisted to make seven months in place of six months inline with Income Tax Act. The Commission had accepted this suggestion.
- 4.9 OPTCL suggested to incorporate the words “by the Institute of Chartered Accountants of India” in between words “Accounting Standards issued” and “or Rules” in last sentence of the Condition no. 8.4. The Commission accepted these suggestions as it has become general accounting practice to follow the standards prescribed by the Institute.
- 4.10 OPTCL proposed replacing Para at Condition no. 8.7 as below-
“The references to costs or liabilities of, or reasonably attributable to Licensed Business or Other Business shall be construed as including taxation, and capital liabilities”
The Commission do not agree with this proposal because cost and liability invariably excludes taxation.
- 4.11 OPTCL suggested to delete the words “under Section 128 of the Act” at the end of Condition 9.2. The Commission accepted it and amended accordingly.
- 4.12 OPTCL has requested for six months in place of three months in condition 9.9 for submission of Business Plan. The Commission had accepted this suggestion.
- 4.13 OPTCL suggested the following amendments / corrections in 1st proviso of condition 10.12.
(a) “10%” to be replaced with “20%”.
(b) The word “Distribution” to be replaced with “Transmission”.
(c) The word “reallocation” to be replaced with “allocation”.

The Commission accepted (b) and (c) and rejected (a) above as 20% deviation could be a substantially higher amount for EHT works.

- 4.14 OPTCL sought an amendment in condition 11.1 by replacing “60 days” with “30 days”. The Commission did not accept it because it is the maximum time limit and wherever this has to be decided through hearing, 30 days may not be adequate.
- 4.15 In Condition 12.2(a), OPTCL suggested an amendment of reducing the rate of interest from 1.5% to 0.5%. The Commission decided to peg the interest rate down to 1.25% to bring it at par with delayed payment surcharge of 1.25% per month as approved in the last tariff order.
- 4.16 In condition 13(1), OPTCL pointed out the typographical error and suggested to replace the word “luicence” with the word “licence”. Correction of typographical error was accepted.
- 4.17 “In conditions 16.3(b) and 16.5, OPTCL wanted to delete the words “the State Transmission Utility” and argued to incorporate words “Orissa Grid Co-ordination Committee” after the words “Eastern Regional Power Committee”. This is because OPTCL is also the STU and “Orissa Grid Co-ordination Committee” is also a committee created by OGC for maintaining Grid discipline.

The Commission had accepted the suggestion, but the word “Orissa” is taken out from the above suggestion because the OGC has the provision of “Grid Co-ordination Committee” not “Orissa Grid Co-ordination Committee”.

- 4.18 In condition 18.2 (c), OPTCL has proposed to insert the words “and stabilization charges in case of CGS” after the words “the connection charges” The Commission rejected the proposal.
- 4.19 Pursuant to the OERC (Terms and Conditions of Open Access) Regulation, 2006, the concerned distribution licensee may invoice a long-term open access customer in respect of the charges as set out in these regulations and the open access customer must pay those charges in

accordance with the procedures set forth in the open access agreement between the licensee and the customer:

In case of short-term customers, the SLDC shall invoice the customer on behalf of the concerned licensee(s) and the customer shall pay the charges to the concerned licensee(s) directly.

These provisions contradict the condition 19.6 of the licence condition. Hence, OPTCL requested the Commission to examine this condition and do necessary changes.

The Commission verified and found the discrepancy in condition 19.6. Hence, the Commission decided to delete condition 19.6 and subsequent serial no is corrected as 19.6.

4.20 In condition 20.1, OPTCL has pointed out typographical error i.e. the word “too” to be replaced with the word “to”. The correction of typographical error had been accepted.

4.21 In condition 20.2, OPTCL has suggested inserting “without prior approval of the Commission” in the beginning of the Para. The Commission accepted it but rewrote the 1st sentence as below.

“With prior approval of the Commission, the licensee shall guarantee any obligations incurred by an Affiliate of the licensee in respect of a non-core activity.”

4.22 In condition 20.3, OPTCL has suggested inserting “without prior approval of the Commission” in the beginning of the Para.

The Commission did not accept it because it is not at all allowed even with a permission from the Commission.

4.23 At the end of Para at condition 22.2, OPTCL suggested to add the word “etc”. The Commission accepted it but at the same time the word “and” needed to be replaced with “,”.

- 4.24 In Condition 23.1, OPTCL argued to make “100 Crore” in place of “10 Crore”. The Commission did not agree to it because there could be number of investments in between 10 to 100 Crore. Similarly in condition 24.1, OPTCL wanted to raise the limit of 30 lakh to 100 lakh which has been rejected by the Commission.
5. In the draft licence conditions at Condition No.4.1, the terms of the licence was mentioned as 25 years from 1st April 2005. The Commission examined this aspect and observed that it is not compatible to the provisions of the Act. Since the same licence has been continuing and this being determination of licence conditions only as per the Act, the Commission decides that the period of licence shall be 30 years which shall be counted from 1st April, 1997, the date of issue of licences no. 2/97 to M/S-GRIDCO to carryout the bulk supply and transmission activity in the state of Orissa. OPTCL is a successor of GRIDCO to carryout the transmission activity in Orissa under the Govt. of Orissa Scheme, 2005. Hence, the aforesaid licence condition has been modified accordingly.
6. In the light of the above observation, the Commission approves the Licence Conditions for Deemed Transmission Licensees i.e. OPTCL which is attached to this order and shall be treated as a part of this order. The said licence conditions shall be effective from 1st November, 2006.
7. The licence conditions determined by the Commission by this order shall override the licence conditions determined by the Commission vide its order dt.31.03.1999 passed in case Nos. 21/98.
8. OPTCL is directed to keep its licence conditions in its websites and make available the copy of the said licence conditions to the interested persons on payment of reasonable charge. Further, the deemed transmission licensee is directed to publish a public notice in one English and two Oriya dailies having largest circulation in the State of Orissa for two consecutive days, informing the general public about the licence conditions approved by the Commission which is available in the licensee’s website and copy of the same may be obtained from its Corporate office on payment of reasonable charges.

The copy of this order and the text of the licence conditions of the aforesaid deemed transmission licensee may be communicated to Deptt. of Energy, Govt. of Orissa, Central Electrical Authority, Govt. of India, by the Commission's Secretary.

(S.K.Jena)
MEMBER

(D.C.Sahoo)
CHAIRPERSON

LICENCE CONDITIONS
OF
ORISSA POWER TRANSMISSION
CORPORATION LIMITED
(OPTCL)

**(A Deemed Transmission Licensee under Sec. 14 of the
Electricity Act, 2003)**

Registered Office: Janpath, Bhubaneswar – 751 022, Orissa

INTRODUCTION

The Orissa Electricity Regulatory Commission (the Commission) vide its order dated 31.03.1997 passed in case No.2/97,(amended in 1999) under the provisions of the Orissa Electricity Reform Act, 1995 had issued Licence to Grid Corporation of Orissa (GRIDCO), Janpath, Bhubaneswar to carry out the Business of Transmission & Bulk Supply in the State of Orissa. Under the said License M/s GRIDCO had been carrying both the Transmission and Bulk Supply as its licensed activity in the State.

The Electricity Act, 2003 (Act) has come into force since June 10, 2003. The Govt. of Orissa has drawn up a Transfer Scheme under section 131 and other relevant provisions of the Act, and vested assets and personnel of the transmission activity of GRIDCO to a newly incorporated Govt. Company namely Orissa Power Transmission Corporation Limited (OPTCL). Under fifth proviso of Sec 14 of the Act read with the provisions of Government of Orissa's aforesaid Transfer Scheme, OPTCL became a Deemed Transmission Licensee. Under section 16 of the Act, the Commission has legal obligation to lay down the license conditions of the OPTCL as a Deemed Transmission Licensee. The Commission in its Conduct of Business Regulations, 2004 (Appendix 4-B) has specified the General Conditions for Transmission Licensees operating in the State of Orissa. In exercise of powers conferred under Clause 18.2 of Appendix 4B (General Conditions for Transmission Licensee) of the OERC (Conduct of Business) Regulations, 2004, the Commission has modified some of the Clauses of the aforesaid General Conditions. Such General Conditions with modifications have been laid down in Part II of these licence conditions.

Furthermore the Commission lays down at Part III the Specific Licence Conditions for OPTCL.

PART I: PRELIMINARY

1. Short Title

- 1.1 These License Conditions may be called “The Licence Conditions of Orissa Power Transmission Corporation Limited” (A Deemed Licensee under Section 14 of the Electricity Act, 2003), which are applicable to Orissa Power Transmission Corporation Ltd.
- 1.2 These licence conditions shall come into force from 1st November 2006.

2. Area of Operation of Licensed Activity (Area of Supply)

The Area of operation of Licensed Activity of the Licensee shall comprise the State of Orissa excluding any cantonment, aerodrome, fortress, arsenal, dockyard or camp or any building or place in occupation of the Central Government for defence purposes.

3. Definitions

- 3.1 Unless the context otherwise requires in these Licence Conditions;
- (a) **“Accounting Statement”** means for each financial year, accounting statements for the Licensed Business comprising a profit and loss account, a balance sheet and a statement of sources and application of funds, together with notes thereto as detailed under the Companies Act, 1956 (1 of 1956) and such other particulars and details in the manner as the Commission may direct from time to time. If the Transmission Licensee engages in any business or activity in addition to the Licensed Business, the accounting statements shall comply with the regulations of the Commission dealing with the treatment of Other Business of Transmission Licensees and show separately the amounts of any revenue, cost, asset, liability, reserve or provision, which has been either:
 - (b) charged from the Licensed Business to any Other Business or vice versa together with a description of the basis of that charge; or
 - (c) determined by apportionment or allocation between the Licensed Business and any Other Business of the Transmission Licensee together with a description of the basis of the apportionment or allocation.
 - (d) **“Act”** means the Electricity Act, 2003 (36 of 2003)
 - (e) **“Annual Accounts”** means the accounts of the Transmission Licensee prepared in accordance with Condition No.8 and/or in such other manner as may be directed by the Commission in terms of the provisions of the Act;

- (f) **"Ancillary Services"** means black start, reactive power, frequency control and such other services as any Electricity Operator may be required to have available as ancillary services pursuant to the Orissa Grid Code or any agreement with the Licensee primarily for the purpose of securing stability of operation on the Transmission System
- (g) **"Area of Activity"** means the area of activity stated in condition no. 2 of these Licence Conditions within which the Transmission Licensee is authorised to establish, operate and maintain transmission lines;
- (h) **"Auditors"** means the Transmission Licensee's auditors holding office in accordance with the requirements of Sections 224 to 234A or Section 619 as appropriate, of the Companies Act 1956 (1 of 1956);
- (i) **"Authorised"**, in relation to any Person, business or activity, means authorised by licence granted under Section 14 of the Act or deemed to be granted under the first second third and fifth proviso to Section 14 of the Act or exemption granted under Section 13 of the Act and the regulations of the Commission;
- (j) **"Commission"** means the Orissa Electricity Regulatory Commission;
- (k) **"Distribution"** means the conveyance of electricity by means of a Distribution System;
- (l) **"Distribution System"** means the system of wires and associated facilities between the delivery points on the transmission lines or the generating station connection and the point of connection to the installation of the consumer;
- (m) **"Distribution Code"** means the Code governing all material technical aspects relating to connections to and the operation and use of the Distribution System as approved by the Commission;
- (n) **"encumbrance"** means any mortgage, charge, right of possession, assignment by way of security or other form of security interest;
- (o) **"Existing Transmission System Planning and Security Standards"** means the Transmission Licensee's standards for system planning and security of the Transmission System as of the date of the grant of Transmission Licence and in the event of a new Transmission business such standards applicable to the other or previous Transmission Licensees in the State;

- (p) **“Existing Transmission System Operating Standards”** means the Transmission Licensee’s standards for operating the Transmission System as of the date of the grant of the Transmission Licence and in the event of a new Transmission business such standards applicable to the other or previous Transmission Licensees in the State;
- (q) **“Force Majeure”** means any event which is beyond the control of the licensee with a reasonable amount of diligence could not be foreseen or which could not be prevented and which substantially affect the performance by the licensee including but not limited to:
- (i) Acts of God, natural phenomena including but not limited to floods, droughts, earthquake, cyclone, storms, adverse weather condition and epidemics;
 - (ii) Acts of any Government domestic or foreign including but not limited to war, declared or undeclared, hostilities, priorities, quarantines, embargoes;
 - (iii) Terrorist attack, riots or civil commotion;
 - (iv) Grid’s failure not attributable to the licensee; and
 - (v) Other similar occurrence that leads to any act that would involve a breach of relevant laws or regulations connected with electrical safety.
- (r) **“Generator Interconnection Facilities”** means electrical lines, transformers, bus-bars, switch-gear, plant or apparatus utilised to enable access to a Transmission System or Distribution System by the Generating Set(s);
- (s) **“Holding Company”** shall have the same meaning as in Section 4 of the Companies Act, 1956;
- (t) **“Intervening Transmission Facilities”** means the electric lines owned or operated by a Transmission Licensee where such electric lines can be utilized for transmitting electricity for and on behalf of another licensee at his request and on payment of a tariff or charge;
- (u) **“Licence”** means the licence under section 14 of the Act under which the Licensee is authorised to conduct the Licensed Business;
- (v) **Licensee** means Orissa Power Transmission Corporation Limited (OPTCL).
- (w) **“Licensed Business”** means the business of Transmission of electricity as authorised under the licence;

- (x) **“Major Incident”** means an incident associated with the Transmission of electricity, which results in a significant interruption of service, substantial damage to equipment, or loss of life or significant injury to human beings, or as otherwise directed by the Commission and shall also include any other incident which the Commission expressly declares to be a major incident;
- (y) **“Non-core Activity”** means any activity of the Licensee or an Affiliate of the Licensee other than that carried out as a part of the Transmission Business
- (z) **“Operational Control”** means possessing the authority to make operational decisions such as commissioning and utilisation of units, service lines and equipment;
- (aa) **“Orissa Grid Code (OGC)”** means the Orissa grid code specified by the Commission, covering all material technical aspects relating to connections to and the operation and use of a Transmission System, or (in so far as relevant to the operation and use of a Transmission System) the operation of electric lines and electrical plant connected to the Transmission System, the Distribution Systems, or the system of any Supplier;
- (bb) **“Other Business”** means business of the Transmission Licensee other than the Licensed Business on its non core activity;
- (cc) **“Performance Standards”** means the standards as may be determined by the Commission pursuant to section 57 of the Act;
- (dd) **“Person”** shall include any company or body corporate or association or body of individuals, whether incorporated or not, or artificial juridical person;
- (ee) **“Regulations”** means the regulations made by the Commission, under the provisions of the Act or the State Act;
- (ff) **“Specific Conditions”** means the conditions in addition or in variation to the General Conditions, which the Commission lays down, specifically for a transmission Licensee at Chapter III.
- (gg) **“State Act”** means the Orissa Electricity Reform Act, 1995;
- (hh) **“State Government”** means the Government of the State of Orissa;

- (ii) **“Subsidiary”** shall have the same meaning as in section 4 of the Companies Act 1956 (1 of 1956);
- (jj) **“Transfer”** shall include the sale, exchange, gift, lease, licence, loan, securitisation, mortgage, charge, pledge or grant of any other encumbrance or otherwise permitting of any encumbrance to subsist or parting with physical possession or any other disposition or dealing;
- (kk) **“Transmission Business”** means the Authorised business of a Transmission Licensee to Transmit electricity, whether for its own account or for that of any other Person, through any system owned and/ or operated by such Licensee;
- (ll) **“Transmission Licensee”** means the entity, which has been granted a Transmission Licence or is a deemed Licensee under the first, second, third or fifth proviso of Section 14 of the Act authorized to transmit electricity;
- (mm) **“Transmission Operating Standards”** means the standards related to the Transmission Licensee's operation of its Transmission System approved by the Commission;
- (nn) **“Transmission Planning and Security Standards”** means the standards related to the adequacy of the Transmission Licensee's system planning and security of its Transmission System as approved by the Commission;
- (oo) **“Transmission System”** means the system consisting mainly of extra high voltage electric lines, owned or controlled by the Transmission Licensee, and used for the purposes of the conveyance of electricity from one power station to a sub-station or to another power station or between sub-stations, or to or from any external interconnection including 33/11 kv bays/equipment up to the interconnection with the Distribution System, and any plant, apparatus and meters owned or used in connection with the transmission, and such buildings or plants thereof as may be required to accommodate such plant apparatus, other works and operating staff thereof;
- (pp) **“Use of System”** means use of the Transmission System for the transportation of electricity for any person pursuant to a contract entered into with the Transmission Licensee;
- (qq) **“Users”** means anyone who uses the Transmission System;

3.2 Words, terms and expressions used in these Licence Conditions which are not defined in these Conditions or in the Electricity Act, 2003 have the meaning as usually are understood in electrical industry.

- 3.3 References in these Licence Conditions to Paragraphs, Conditions, Parts and Schedules shall, unless the context otherwise requires, be construed as references to conditions, paragraphs and parts of, and schedules to, these Licence Conditions.

4. Terms of Licence

- 4.1 Unless the licence of the licensee revoked earlier, the licensee will carry its licenced activity for a period of 30 years from 1st April 1997.
- 4.2 These Licence Conditions may be modified or amended in accordance with the provisions of relevant Regulations and in accordance with the provisions of the Act.

PART II: GENERAL CONDITIONS

5. The General Conditions for the Licensee as specified by the Commission in Appendix 4B of the OERC (Conduct of Business) Regulations, 2004 after necessary modifications (In exercise of powers conferred under Clause 18.2) shall be General Conditions as given below:

6. Compliance with Laws, Rules and Regulations

- 6.1 The Licensee shall duly comply with the provisions of the Act, Rules, Regulations including Policies, Notifications, Circulars and Orders made there under; and the provisions of all applicable laws and orders, directions issued by the Commission from time to time. The licensee shall also comply with Distribution Code to the extent it is applicable to it.
- 6.2 The Licensee shall act in accordance with this General Conditions except where the Licensee is exempted from any provisions of these general conditions at the time of the grant of licence or otherwise specifically obtains the approval of the Commission for any deviation there from.
- 6.3 The Licensee shall duly comply with the order and directions of the National Load Despatch Centre, Regional Load Despatch Centre and the State Load Despatch Centre and other statutory authorities issued in the discharge of their functions under the Act or the State Act.

7. Activities of the licensee

- 7.1 The Licensee shall duly discharge the duties of the Transmission Licensee as provided under section 40 of the Act.

- 7.2 The Licensee shall provide non discriminatory open access to the Transmission System for use of the Licensees, and Generating Company including the Captive Generating Plant and the Consumer subject to availability of transmission capacity in the transmission lines and in the case of use of such Transmission System for supply of electricity to consumer subject to payment of surcharge to meet the current level of cross subsidy as envisaged in section 40 read with sub-section (2) of section 42 of the Act .
- 7.3 The Licensee shall not without the prior approval of the Commission:
- (a) undertake any transaction to acquire by purchase or takeover or otherwise, the utility of any other Licensee;
 - (b) merge his utility with the utility of any other licensee
 - (c) acquire any beneficial interest in any Generating Company of Generating Station,, or
 - (d) transmit electricity to any Person in the State of Orissa, not authorised to by the Commission.
- 7.4 The Transmission Licensee shall not engage in the business of electricity Trading directly or indirectly or associate in the business of an electricity trader or the Distribution Licensee.
- 7.5 The Licensee shall provide to the other licensees Intervening Transmission Facilities to the extent of surplus capacity available, in his Transmission System and in the event of any dispute as to the availability of the surplus capacity the same shall be determined by the Commission. The charges and terms and conditions for the intervening facilities may be mutually agreed between the Licensees and in the event of any disagreement the same shall be decided by the Commission.
- 7.6 In the event the Licensee engages in any Other Business, the same shall be subject to the following conditions:
- (a) the Licensed Business and the conduct thereof by the Transmission Licensee is not prejudiced and/or adversely affected in any manner by reason of the Other Business;
 - (b) a proportion of the revenue, as may be directed by the Commission, derived from such Other Business shall be utilized for reducing the charges for Transmission and Wheeling;
 - (c) the Licensee shall prepare and keep, in respect of the Other Business activities, separate accounting records as would be required to be kept in respect of such activities as if they were carried on by a separate company, so that the revenues, costs, assets, liabilities, reserves and provisions of, or reasonably attributable to such Other Business activities are separately identifiable from those of the Licensed Business;
 - (d) the Licensed Business does not subsidize in any way such Other Business nor creates Encumbrance on its transmission assets in any way to support such Other Business; and

- (e) the Licensee shall not transfer any assets utilised in the Transmission System for the purposes of Other Business activities without the prior approval of the Commission.

7.7 The Licensee shall seek approval of the Commission before making any loans to, or issuing any guarantee for any obligation of any Person, except when made or issued for the purposes of the Licensed Business. Loans to employees pursuant to their terms of service and trade advances in the ordinary course of business are excluded from the requirement to seek such approval.

7.8 The Licensee may engage any of its Subsidiaries or Holding Company or a Subsidiary of such Holding Company of the Licensee to provide any goods or services to the Licensee in connection with the Licensed Business, subject to the following conditions that:

- (a) the transaction will be on an arms-length basis and at a value that is fair and reasonable in the circumstances;
- (b) the transaction will be consistent with any Regulations framed by the Commission relating to the provision of goods and services with respect to Licensed Business; and
- (c) the Licensee will give 15 days' notice with details of such arrangement, to the Commission prior to commencement of such arrangement.

7.9 In all other cases of engagement of such Subsidiary or Holding Company or a subsidiary of the Holding Company, prior permission of the Commission will be required. Where such prior permission is required, the Licensee will file a suitable application with the Commission disclosing relevant facts. The Commission may, within 30 days of the filing of the application, seek further information in support of the application.

The Commission shall generally within 30 days of such further information being submitted by the Licensee, and where no such further investigation is required, generally within 60 days of the filing of the application, allow the arrangement subject to such terms and conditions or modifications as it considers appropriate or reject the same, for reasons recorded in writing in the order to be issued by the Commission.

7.10 The Licensee shall not at any time assign his licence or transfer his utility, or any part thereof, by sale, lease, exchange or otherwise without the prior approval of the Commission. To obtain the approval of the Commission as aforesaid, the Licensee will file a suitable application with the Commission disclosing relevant facts in that behalf and the Commission shall dispose such application expeditiously.

8 Accounts

- 8.1 Unless otherwise permitted by the Commission the financial year of the Licensee for the purposes of these Conditions and matters relating to the Licensed Business shall run from the first of April to the following thirty-first of March.
- 8.2 The Licensee shall maintain separate accounts for each such business undertaking to ensure that transmission business neither subsidises in any way such business undertaking nor encumbers its transmission assets in any way to support such business..
- 8.3 The Licensee shall, in respect of the Licensed Business and any Other Business:
- (a) keep such accounting records as would be required to be kept in respect of each such business so that the revenues, costs, assets, liabilities, reserves and provisions of, or reasonably attributable to the Licensed Business are separately identifiable in the books of the Transmission Licensee, from those of Other Business in which the Transmission Licensee may be engaged; and
 - (b) prepare on a consistent basis from such accounting records and deliver to the Commission the Accounting Statements; namely;
 - (i) in respect of the first six months of each financial year, a Half Yearly profit and loss account, cash flow statement and balance sheet together with such supporting documents and information as the Commission may prescribe from time to time such statements and documents to be published in the manner directed by the Commission;
 - (ii) in respect of the Accounting Statements prepared, an Auditor's report for each financial year, stating whether in their opinion these statements have been properly prepared in accordance with this clause and give a true and fair view of the revenues, costs, assets, liabilities, reserves and provisions of, or reasonably attributable to such businesses to which the statements relate; and
 - (iii) a copy of each Half Yearly profit and loss account not later than three months after the end of the period to which it relates, and copies of the Accounting Statements and Auditor's report not later than seven months after the end of the financial year to which they relate.

- 8.4 The Licensee shall not normally change the basis of charge or apportionment or allocation of revenues or expenses in relation to the preparation of the Accounting Statements in respect of a financial year from those applied in respect of the previous financial year, without prior intimation to the Commission. Any change, if proposed, in the basis of charge or apportionment of revenues or expenses shall be consistent with the provisions of the Companies Act, 1956, the Accounting Standards issued by Institute of Chartered Accountants of India or Rules and any guidelines issued by the Commission in this regard.
- 8.5 Where, in relation to the Accounting Statements in respect of a financial year, the Licensee has changed the basis of charge or apportionment or allocation from those adopted for the immediately preceding financial year, the Licensee shall, if directed by the Commission, (in addition to preparing Accounting Statements on those basis which it has adopted), prepare and deliver to the Commission such Accounting Statements on the basis which it applied in respect of the immediately preceding financial year.
- 8.6 Accounting Statements under clause 8.3 above shall, unless or otherwise approved or directed by the Commission:
- (a) be prepared and published with the Annual Accounts of the Licensee, in the manner provided herein;
 - (b) state the accounting policies adopted;
 - (c) be prepared in accordance with generally accepted Indian accounting standards; and
 - (d) be prepared in the form as the Commission may stipulate from time to time;
- 8.7 The references 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.
- 8.8 The Licensee shall ensure that the Accounting Statements in respect of each financial year prepared under clause 8.3 and the Auditor's report in respect of each financial year are publicised in such manner as the Commission may direct and are made available to any person requesting them at a price not exceeding the reasonable cost of duplicating them.

9 Provision of information to the Commission

- 9.1 The Licensee shall furnish to the Commission without undue delay such information, documents and details related to the Licensed Business or any Other Business of the Licensee, as the Commission may require from time to time for its own purposes or for the purposes of the Government of India, State Government, the Central Commission and/or the Central Electricity Authority, the State Transmission Utility and the State Load Despatch Centre.

- 9.2 The Licensee shall duly maintain the information as the Commission may direct.
- 9.3 The Licensee shall notify the Commission as soon as possible the occurrence of any Major Incident affecting any part of its Transmission System and in any event, by not later than 48 hours of such occurrence:
- (a) submit a report to the Commission giving full details of the facts within the knowledge of the Licensee regarding the incident and its cause.
 - (b) in the event the report under sub-clause (a) is likely to take more than two months from the date of such incident, the Licensee shall within one month from such date of the incident submit a preliminary report with such details which the Transmission Licensee can reasonably furnish and state reasons as to why the Licensee requires more than two months for giving full report of such incident; and
 - (c) give copies of the report to all parties concerned with the Major Incident and to such other Persons as the Commission may direct.
- 9.4 The decision of the Commission as to what is a Major Incident shall be final. The Commission may by order, after providing an opportunity of hearing direct the Licensee to provide such amount of compensation as the Commission may direct to persons' who suffer substantial injury or to the heirs of those who lose their lives as a result of such major incident where a Major Incident has been caused by any act of commission, omission or negligence on the part of any of the employees or agents of the Licensee.
- 9.5 The Commission at its own discretion may require the submission of a report to be prepared by an independent person at the expense of the Licensee.
- 9.6 The Licensee shall also undertake such studies as the Commission may direct it to undertake from time to time for the improvement of its Transmission Business and any other matter concerning the Transmission Business that the Commission considers necessary in the public interest to avoid the occurrence of any such major incident.
- 9.7 The Licensee shall duly inform the Commission about any incident restricting it from meeting its obligation under his licence granted including any act of omission or commission by others and steps taken by the Licensee to mitigate the effect of such incident.

- 9.8 The Commission may at any time require the Licensee to comply with the provisions of clauses as to incidents which the Commission may specifically direct and the Licensee shall be obliged to comply with the same notwithstanding that such incidents are not Major Incidents; provided that the time limits specified shall commence from the date that the Commission notifies Licensee of such requirement.
- 9.9 The Licensee shall submit a Business Plan to the Commission for approval within six months of these licence conditions coming in to force for such period as the Commission may direct and shall update such plan annually. The Business Plan shall contain year wise load growth, year wise Transmission loss reduction proposal along with specific action plan, metering plan for metering interface points, investment plan, treatment of previous losses, debt restructuring plan, cost reduction plan, projected profit and loss account, projected balance sheets, projected cash flow statements and projected important financial parameters.

The licensee will duly implement the aforesaid Business Plan approved by the Commission.

- 9.10 The Commission may require the Licensee to intimate by the end of first quarter of each financial year the progress made in implementing the Business Plan of the previous financial year with the comparison of actual implementation vis-à-vis the Plan as approved by the Commission. The licensee shall post the accounting statements in respect of each financial year along with their auditor's comments on their web-site.

10 Investments

- 10.1 Unless otherwise directed by the Commission, the licensee shall obtain prior approval of the Commission for making investment in the licensed business if such investment is above the limits laid down at licence condition no. 23.1.
- 10.2 The Licensee shall duly comply with the Regulations, guidelines, directions and orders the Commission may issue from time to time in regard to the investments to be made in the Transmission Business.
- 10.3 The Licensee shall submit to the Commission Investment Plans as a part of the business plan under clause 9.9 above giving details of investment schemes to be undertaken during the concerned period for the approval of the Commission. The Licensee shall demonstrate to the satisfaction of the Commission that:

(a) there is a need for such Investments in the Transmission System; and

(b) the Transmission Licensee has examined the economic, technical, system and environmental aspects of all viable alternatives to the

proposal for investing in or acquiring new Transmission System assets to meet such need;

10.4 In the application for investment approval, the licensee shall furnish the following information or particulars:

- (a) A detailed project report containing examination of an economic technical system and environmental aspects of the investment together with the outline of the working to be undertaken, the salient features and particulars demonstrating the need for investment;
- (b) The project cost together with the cost benefit analysis;
- (c) Whether the investment is in a new project or for expansion or up-gradation of an existing system;
- (d) Sanctions and statutory clearances required for execution of the project and status of such sanctions and statutory clearances;
- (e) Phasing of investment over the financial years and Commissioning schedule;
- (f) The manner in which investments will be capitalised for the purposes of inclusion in the revenue requirements of the Licensee;
- (g) Constraints which the Licensee may face in making the investments or in the implementing the project including constraints on information available;
- (h) Resource mobilisation and financial plans for meeting the investment;
- (i) Process for inviting and finalizing tenders for procurement of equipment, material and /or services relating to investment, in accordance with a transparent tendering procedure as may be approved by the Commission; and
- (j) Such other particulars as the Commission may from time to time direct.

10.5 The licensee shall cooperate with the Commission's staff, consultants and experts to enable them to discharge their functions and to submit a report to the Commission on the outcome of their findings.

10.6 The licensee shall intimate, by the end of the first quarter of each financial year -

- (a) the annual investment plan with details of investment schemes to be carried out during the financial year and
- (b) the progress made in implementing the annual investment plan of the previous financial year with the comparison of actual implementation vis-à-vis the plan as approved by the Commission for the concerned period.

10.7 The Licensee shall make the investments in a prudent manner being guided by the duty to build, maintain and operate an efficient, co-ordinated and economical Transmission System in the State.

- 10.8 The Licensee shall not undertake schemes involving Major Investments, not covered under the Investment Plan approved by the Commission under clause 10.3 above without the prior approval of the Commission, and for such approval the Licensee shall demonstrate to the satisfaction of the Commission the factors mentioned in clause 10.3 above.
- 10.9 The licensee shall invite and finalise tenders for procurement of equipment, material and/or services relating to major investment, in accordance with a transparent tendering procedure as may be directed by the Commission.
- 10.10 For the purposes of this clause 10, the term "Major Investment" means any planned investment in or acquisition of Transmission facilities, the cost of which, when aggregated with all other investments or acquisitions (if any) forming part of the same overall transaction, equals or exceeds an amount contained in the specific conditions 23.1 applicable to the licensee or otherwise decided by the Commission from time to time by a general or special order.
- 10.11 The Licensee shall be entitled to make Investment in the Transmission Business other than those covered under clauses 10.3 and above but for the purposes of considering such Investment while determining the tariff, the Licensee shall satisfy the Commission that the Investment was required for the Transmission Business and such investment was made in an efficient, co-ordinated and economical manner.
- 10.12 The Licensee shall submit to the Commission along with the "Expected Revenue Calculations" filed under section 62 of the Act, the highlights of the annual investment plan consisting of the schemes to be framed by the Commission under section 61 of the Act, the approval granted by the Commission to the Licensees for the investments under this clause and the actions and inactions on the part of the Licensees in complying with the terms contained in this clause.

Provided that if any unforeseen contingencies required reallocation of funds within the schemes listed in the annual investment plan, the Licensee may do so to the extent such reallocation up to a limit of 10 % of the overall investment plan and 25 % of the approved amount in respect of each item/work of the investment plan. The Transmission Licensee shall give due intimation of such allocation to the Commission within 7 days of making the investment.

Provided also that if on account of unforeseen circumstances the Transmission Licensee is required to make investment in a scheme, which does not find a place in the annual investment plan, the Licensee may do so if the same is not a major investment and subject to the conditions contained in clause 10.11 above.

11. Transfer of assets

The Licensee shall not, in a single transaction or a set of related transactions, transfer or relinquish Operational Control over any asset whose book value at the time of the proposed Transfer exceeds the amount decided by Commission in the Specific condition 24 applicable to the Licensee or otherwise by a general or special order, without complying with the conditions 11 and 24.

- 11.1 The Licensee shall give to the Commission prior written notice of its intention to transfer or relinquish Operational Control over any asset whose value exceeds the amount decided by the Commission as per condition 11.1 above and the Licensee shall disclose all relevant facts in the communication to the Commission. The Commission may, within 30 days of the receipt of the notice, seek further information in support of the transaction and shall, generally within 30 days of such further information being submitted by the Licensee, and where no such further information is sought by the Commission as above, within 60 days of the filing of the application, approve the Transfer arrangement subject to such terms and conditions or modifications as is considered appropriate or reject the same, for reasons recorded in writing in the order to be issued by the Commission.
- 11.2 The Licensee may transfer or relinquish Operational Control over any asset as is detailed in any notice given under condition 11.2 where:
 - (a) the Commission confirms in writing that it consents to such transfer or relinquishment of Operational Control subject to such conditions as the Commission may impose; or
 - (b) the Commission does not inform the Licensee in writing of any objection to such Transfer or relinquishment of Operational Control within the notice period referred to in condition 11.2 and the transfer is effected by transparent and competitive bidding Procedures.
- 11.3 The Licensee may also Transfer or relinquish Operational Control over any asset where:
 - (a) the Commission has issued directions for the purposes of this clause 8 containing a general consent (whether or not subject to conditions) to:
 - (i) the transactions of a specified description, and/or
 - (ii) the Transfer or relinquishment of Operational Control over assets of a specified description, and/or
 - (iii) the Transfer or relinquishment of Operational Control is in accordance with any conditions to which the consent is subject, or
 - (b) the Transfer or relinquishment of Operational Control in question is mandated under any other law; or
 - (c) the asset in question was acquired and used by the Licensee exclusively or primarily in connection with any Other Business and

does not constitute a legal or beneficial interest in land, or otherwise form part of the Transmission System or is not otherwise an asset required for the Licensed Business.

- 11.4 The Licensee will be entitled to utilise the assets as a means of facilitating financing its investment requirement or including collateral for debt financing, securitisation of receivables subject to the conditions:
- (a) that the Licensee will inform the Commission about such arrangements at least 15 days prior to the effective date of the relevant agreements;
 - (b) the Licensee acts in a prudent and reasonable manner in such utilisation of assets; and
 - (c) the Licensee retains the Operational Control over assets in the Transmission System.

12 Payment of licence fees

- 12.1 Within such period as the Commission may direct, the Licensee shall pay to the Commission the Licence Fees, initial and also periodic, mentioned in the Specific condition 25. in such manner as the Commission may direct in the said Specific Condition.
- 12.2 Where the Licensee fails to pay to the Commission any of the fees due under condition 12.1 by the due dates:
- (a) without prejudice to other obligations, the Licensee shall be liable to pay interest on the outstanding amount at a simple interest rate of 1.25 percent per month, the interest being payable for the period beginning on the day after which the amount became due, and ending on the day on which the payment is made to the Commission; and
 - (b) in the event of continued default by the Licensee, the Commission may revoke the Licence.
- 12.3 In the determination of aggregate revenues to be charged to the tariff, the Licensee shall be entitled to take into account any fee paid by it under this Condition excluding the interest for delayed payment as an expense and payment of penalty, fines and charges paid by the licensee.

13. Revocation of licence

- (1) During the continuance of the licence period, the Commission after making an enquiry, and for the public interest may revoke the licence of

the licensee for the grounds mentioned in sub-sections (1) (a),(b),(c), (d) and Sub-section (2) of Section 19 of the Act.

- (2) The Commission may also revoke the licence of the licensee for the breach of the following licence conditions.
- (a) Where the licensee fails to pay the Commission any of the fees due under condition 12 of these licence conditions.
 - (b) Where the licensee fails to implement its Business Plan submitted under condition 9.9 of these conditions.
 - (c) Where the licensee fails to comply with the provisions of condition 10.2 of these licence conditions with regard to investment to be made in the Transmission Business

14. Amendment of license conditions

14.1 On the request of the Licensee or otherwise, Commission at any time, in the public interest, may modify/amend these Licence Conditions in exercise of powers under Section 18 of the Act. For any such alteration or amendment, before any alterations or amendments in the Transmission License are made , the following

- (a) where the Licensee has made an application under Section 18, sub-section (1) of the Act proposing any alteration or amendment in the Conditions of License, the Licensee shall publish a notice of such application with such particulars and in such manner as may be directed by the Commission;
- (b) in the case of an application proposing alterations or modifications in the area of activity comprising the whole or any part of any cantonment, aerodrome, fortress, arsenal, dockyard or camp or of any building or place in the occupation of the Central Government for defence purposes, the alterations or modifications shall be made only with the consent of the Central Government;
- (c) where any alterations or amendments in a license are proposed to be made otherwise than on the application of the Licensee, the Commission shall publish the proposed alterations or amendments with such particulars and in such manner as the Commission consider to be appropriate;
- (d) The Commission may give reasonable opportunity of hearing to the licensee and other affected persons on such proposed amendments/modifications.

- (e) the Commission shall not make any alterations or amendment unless all suggestions or objections received within thirty days from the date of the first publication of the notice have been considered by the Commission.

15. Dispute resolution

- 15.1 The Commission shall be entitled to act as arbitrator or nominate person(s) as arbitrator(s) to adjudicate and settle disputes between the Licensee and any other licensees or between the Licensee and a generating company in pursuance of clause (f) of sub-section (1) of section 86 read with Section 158 of the Act and the Conduct of Business Regulations of the Commission.

16. Transmission Planning and Security Standards; Transmission Operating Standards

- 16.1 The Licensee shall plan and operate the Transmission System, so as to ensure that Transmission System built, operated and maintained to provide an efficient, economical and co-ordinated system of Transmission, in accordance with the Orissa Grid Code and the Overall Performance Standards.
- 16.2
 - (a) The Licensee shall make arrangements, within such time as the Commission may direct, to meet the Power Supply Planning and Security Standards and Power Supply Operating Standards.
 - (b) The Security Standards are such standards as:
 - (i) will ensure that the Licensee conducts its planning security so that transmission of electricity will meet levels of reliability and quality proposed by the Licensee and approved by the Commission; or
 - (ii) the Commission may otherwise direct from time to time.
 - (c) The operating standards are such levels of operational security as approved by the Commission from time to time.
- 16.3
 - (a) The Licensee shall, within such time as the Commission may direct or otherwise submit to the Commission the existing planning and security standards and the operating standards for its Transmission System and the existing planning and security standards and operating standards relating to generation capacity connected to its Transmission System being followed by the Transmission Licensee. Such existing standards, with such modification as the Commission may direct, shall continue to remain in effect until the new standards approved by the Commission.

- (b) The Licensee shall, within such time as the Commission may direct or otherwise, prepare, in consultation with the Suppliers, Generating Companies, Central Transmission Utility, Eastern Regional Power Committee, Grid Co-ordination Committee and such other person as the Commission may direct, and submit to the Commission for approval the Licensee's proposal for Transmission Planning and Security Standards and Transmission Operating Standards, in accordance with these General Conditions.
 - (c) The Transmission Planning and Security Standards and Transmission Operating Standards, submitted by the Licensee pursuant to this condition 16, with such modifications as the Commission may require, shall take effect from such dates as the Commission may direct.
- 16.4 The Licensee shall not be in breach of its obligations, if the failure to meet the Transmission Planning and Security Standards or the Transmission Operating Standards is due to Force Majeure, provided that, the Licensee has used its reasonable efforts, to comply with the Transmission Planning and Security Standards or the Transmission Operating Standards, as the case may be.
- 16.5 The Licensee shall, in consultation with Suppliers, the Generating Companies, the Central Transmission Utility, the Eastern Regional Power Committee, Grid Co-ordination Committee and such other persons as the Commission may order, review the standards and their implementation Following any such review, the Licensee shall send to the Commission:
- (a) a report on the outcome of such review; and
 - (b) any revision which the Licensee proposes to make to such documents from time to time (having regard to the outcome of such review); and
 - (c) any written representations or objections (including those not accepted by the Licensee) from Suppliers, the Generating Companies, the Central Transmission Utility, the State Transmission Utility, the Eastern Regional Power Committee, Grid Co-ordination Committee and such other persons as the Commission may order arising during the consultation process;
- 16.6 The Commission may, having regard to any written representations and objections received and following such further consultation as the Commission may consider appropriate, issue directions requiring the Licensee to revise the standards in such manner as may be stated in the directions. The Licensee shall duly carry out the revisions directed by the Commission

- 16.7 The Licensee shall within three months of the end of each financial year, submit to the Commission a report indicating the performance of the Transmission System during the previous financial year. The Licensee shall, if required by the Commission, publish the reports in a manner to be determined by the Commission. The copies of this report shall also be furnished by the Licensee to all persons applying for the same at the normal cost of photocopying.
- 16.8 The Licensee shall, upon request by the Commission, provide to the Commission such information as the Commission may require under or for the purpose of monitoring the duties and responsibilities of the Licensee under this condition 16.

17. Orissa Grid Code

- 17.1 The Licensee shall ensure due compliance with the Indian Electricity Grid Code, and the Orissa Grid Code (OGC) in operation.
- 17.2 The Commission may, on reasonable grounds and after consultation with any affected Generating Companies, the Licensee, the State Transmission Utility, the State Load Despatch Centre and Electricity Traders, issue directions relieving the Licensee of its obligation in respect of such parts of the Orissa Grid Code and to such extent as may be decided by the Commission.

18. Connection and use of system

- 18.1 The Licensee shall make such arrangements for non discriminatory open access to the use of his Transmission System by Users subject however to the availability of the adequate transmission capacity in accordance with Open Access Regulations notified by the Commission and further subject to the User agreeing to pay all applicable charges including the transmission charges and surcharges wherever applicable.
- 18.2 On application made for grant of a connection by any person intending to use the Transmission System the Licensee shall offer to enter into an agreement with such person for connection to the Transmission System or for modification of such an existing connection and such offer shall make provision for:
- (a) carrying out of works necessary to make the required connection, including the installation of meters;
 - (b) carrying out of any necessary works to reinforce the Licensee's Transmission System;
 - (c) the connection charges to be paid as directed by the Commission; and
 - (d) the completion date and such other terms as are relevant to the circumstances.

- 18.3 The Transmission Licensee shall offer terms for agreements in accordance with conditions 18.1 or 18.2 as soon as practicable to the intended Users of the System. The Licensee shall not be obliged to offer to enter into any agreement if
- (a) the adequate transmission capacity is not available in the Transmission system, provided that the existence or absence of such available capacity shall be subject to determination by the State Transmission Utility and in case of any dispute pertaining to the same on such determination the same shall be subject to the decision of the Commission;
 - (b) it is likely to result in breach of its duties under the Act or the State Act; or
 - (c) it is likely to result in breach of any Rules or Regulations relating to safety or Standards applicable to the Transmission Business including, the prevailing Rules;
 - (d) being in breach of any provisions of the Orissa Grid Code or
 - (e) the person making the application does not undertake to comply with the Orissa Grid Code from time to time in force to the extent that it is applicable to that Person; or
 - (f) the person making the application does not undertake to pay the applicable charges, surcharges, adjustment for losses of electricity in the Transmission Systems determined by the Commission.
- 18.4 If, after a period which appears to the Commission to be reasonable for the purpose, the Licensee has failed to enter into an agreement with any intending user of the Transmission System, the Commission may at the request of such intending user settle such terms in dispute between the Licensee and that person and, the Licensee shall forthwith enter into and implement such agreement in accordance with its terms as settled by the Commission.
- 18.5 The Licensee shall prepare and submit to the Commission on an annual basis, a statement showing in respect of each of the five succeeding financial year's forecasts of circuit capacity, power flows and loading on the Transmission System under standard planning criteria, together with:
- (a) such further information as shall be reasonably necessary to enable any person seeking Use of System to identify and evaluate the opportunities available when connecting to and making use of such system; and

- (b) a statement prepared by the Licensee indicating its views as to those parts of its Transmission System most suited to new connections and transport of further quantities of electricity.
- 18.6 At the request of a person or a Supplier who wishes to use the Transmission System, the Licensee shall prepare an update to the above statement; incorporating most recent data but specifically including any facility for which any other person or a Supplier has requested use of and connection to the Transmission System.
- 18.7 The Licensee may make a charge for any statement given or sent to persons seeking Use of System, of an amount reflecting the Licensee's reasonable costs of providing such a statement.
- 18.8 The Licensee is entitled to undertake all activities necessary, related or incidental to the conduct of the Transmission Business, which would include laying and operating appropriate communication network to implement information technology based solutions like remote metering etc. for the Licensed Transmission Business.

19. Expected revenue calculation and tariffs

- 19.1 The Licensee shall calculate the expected revenue from charges which it is permitted to recover, in accordance with the provisions of the Act, the State Act, the Regulations of the Commission, the tariff terms and conditions and other guidelines, orders and directions issued by the Commission from time to time.
- 19.2 The Licensee shall file the Expected Revenue Calculation and the application containing tariff proposals in the manner provided in the Conduct of Business Regulations in complete shape and consistent with the Regulations under section 61 read with Section 64 of the Act.
- 19.3 Unless otherwise provided in any order or direction made by the Commission the Licensee shall every year, not later than 30th November, submit to the Commission (i) a Statement with full details of its expected aggregate revenues and cost of service for the ensuing financial year (including financing costs and its proposed return on equity) for its Licensed Business, in accordance with the provisions of the Act and the regulations, guidelines and orders issued by the Commission from time to time and (ii) the annual investment plan giving specific details of the investment which the Licensee proposes to make in the ensuing financial year and which the Licensee desires to be covered under the revenue requirements in the ensuing financial year with appropriate references to schemes, if any, already approved by the Commission of which such investments form a part. The Licensee shall prepare and submit to the Commission the Statement and the investment details referred to in the

above separately for each of its Licensed Businesses and Other Businesses.

- 19.4 The Licensee shall along with the Expected Revenue Calculation or at such other time and periodicity, the Commission may specifically permit to file the application containing tariff proposals and the revision to the existing tariffs approved by the Commission to match the revenue requirements of the Licensee
- 19.5 The amount that the Licensee is permitted to recover from its tariffs is the amount that the Commission determines and approves in accordance with the provisions of the Act, State Act and the Regulations of the Commission
- 19.6 The Licensee may apply to the Commission to amend its tariffs in accordance with the Act and applicable Regulations and directions of the Commission.

PART III : SPECIFIC CONDITIONS

20. Restrictions

- 20.1 In addition to the restrictions as stated under conditions 7.3, 7.4 and 7.10, following restrictions are to be adhered to by the Licensee. Neither the Licensee nor any of its Affiliates shall, without the prior written consent of the Commission:
 - (a) own, hold any beneficial interest in, or operate, any facilities for Transmission & Distribution in the Area of Transmission other than pursuant to a licence granted to the Licensee or the relevant Affiliate by the Commission; or
 - (b) start any non-core activity which is not reasonably incidental to the functions of transmission which it is authorised to carry on pursuant to his licence, unless specifically authorised by the Commission. Any non-core activity so authorised by the Commission shall constitute a Separate Business for the purpose of conditions 7.6 and 8.2 of these licence conditions.
- 20.2 With prior approval of the Commission, the Licensee shall guarantee any obligations incurred by an Affiliate of the Licensee in respect of a non-core activity. In carrying out the Transmission Business, the Licensee shall not incur any loan or loans for the purposes of any other Separate Business or non-core activity of the Licensee.
- 20.3 The Licensee shall not create or permit to subsist any encumbrance in favour of any other person over any of the Licensee's assets for the

purposes of securing any obligation of any other person or of the Licensee in relation to any non-core activity.

21. Subsidies among Other Businesses

In respect of each Other Business, the Licensee shall not, without the prior permission of the Commission, give any subsidy to or receive any subsidy from any Other Business or from any other business of the Licensee or any Affiliate of the Licensee.

22. Prohibition of Discrimination

22.1 Subject to condition 22.2, where under the terms of these Licence Conditions the Licensee provides Use of System or connection services, the Licensee shall not (unless authorised by the Commission or pursuant to condition 21 unduly discriminate in respect of price or other terms:

(a) between any users or classes of users of the Transmission System;

(b) as between the Licensee (in the use of the Transmission System by the Licensee and any other users or classes of users of the Transmission System.

22.2 Nothing in condition 22.1 shall prohibit the Licensee from providing Use of System services to any user on price or other terms which materially differ from those offered to other users, where such differences reflect different circumstances of service including load factor, power factor, the level, timing etc.

23. Investment

23.1 For the purposes of condition 10.10, the term "Major Investment" means any planned investment in or acquisition of Transmission facilities, the cost of which, when aggregated with all other investments or acquisitions (if any) forming part of the same overall transaction, equals or exceeds Rs.10 crore.

24. Disposal of Assets

24.1 The Licensee shall not dispose of or relinquish operational control over any assets with replacement cost in excess of Rs.30 lakh otherwise than in accordance with condition 11 of these Licence Conditions.

24.2 For purpose of this Condition, the term "disposal" means any sale including sale of shares and stock, gift, lease, licence, the grant of any right of possession (or ownership whether immediate or in the future), transfer of ownership, grant of any encumbrance or the permitting of any encumbrance to subsist or any other disposition to a third party, the cost

of which, when aggregated with all other assets (if any) forming part of the same overall transaction equals or exceeds Rs.30 lakh, and "dispose" shall be construed accordingly. The cumulative sale of shares and stock to a single party shall be considered to form part of the same overall transaction.

25. Payment of Annual Licence Fees

- 25.1 With reference to Condition 12 of the General Conditions the Licensee shall pay initial Annual Licence fee of Rs 50 lakh to the Commission for the beginning of Financial Year (FY 05-06).
- 25.2 For each subsequent financial year that his licence remains in force, the Licensee shall, by 10th April of every year, be liable to pay to the Commission an annual licence fee of Rs.50 lakh for each ensuing financial year.
- 25.3 All licence fees (including interest if is due under General Condition 12.2) will have to be deposited in "The Orissa Electricity Regulatory Commission Fund" operated under the Commission.
- 25.4 (a) The Licensee shall be subject to the proceedings for the recovery of such fees specified in the Act; and
- (b) The Commission may review the amount of licence fee in every three years.

26. Compliance with Distribution Code

- 26.1 The Licensee shall comply with the provisions of the Distribution (Planning and Operation) Code of any Distribution Licensee, in so far as applicable to it.
- 26.2 The Commission may (following consultation with any Distribution Licensee, which is directly affected thereby) issue directions relieving the Licensee of its obligation under condition 26.1 in respect of such parts of the above Distribution (Planning and Operation) Code.

27. Basis of Charges

- 27.1 The Licensee shall by the time specified in the OERC (Conduct of Business) Regulations, 2004 prepare and lodge with the Commission submissions setting out in full detail.
- (a) a statement of the Licensee's revenue requirement for the ensuing financial year, prepared in accordance with the aforesaid Regulations read with Sections 61 of the Act.

- (b) a statement of the Licensee's expected revenue for the ensuing financial year, at the prevailing tariff.
- 27.2 In accordance with Section 64 of the Act, an application in complete shape for determination of Annual Revenue Requirement (ARR) and calculation of tariff shall be made by the Licensee, setting out in full the following,
 - (a) all filings for Annual Revenue Requirement as per annual schedule, by 30th November of every year, indicating the manner in which the gap, if any, between the charges which it is permitted to recover and the expected revenue calculated shall be filled up;
 - (b) a new or amended tariff proposed by the Licensee indicating the date of implementation drawing attention to the proposed changes. Such date shall be not less than 120 days from the date of the submission of the Tariff proposal with all information, data, calculations etc. as required.
 - (c) the aggregate revenue which the Licensee expects to be able to recover from the proposed new or amended tariff, such aggregate revenue figure shall relate to the first full financial year after the proposed specified date, where the specified date coincides with the beginning of the financial year and, in addition where the specified date does not coincide with the beginning of the financial year, the aggregate revenue figure to be calculated at the prevailing tariff up to the date of revision and thereafter at the revised tariff up to the end of the relevant financial year;
Provided that no tariff or part of tariff shall be amended more than once in any financial year.
- 27.3 The Commission may require comparative data for the first six months of the current and preceding full financial year, for the purposes of comparison, along with such other data, calculation etc. as the Commission considers necessary, and the Licensee shall furnish such data, calculations, comparisons as directed by the Commission.
- 27.4 Subject to the provisions of the Act and the Regulations, Commission shall within one hundred and twenty days from receipt of an application for determination of tariff and after considering all suggestions and objections received from the public, notify the Licensee either
 - (i) that it accepts the Licensee's calculation on (a) and (b) , and (c) of Condition 27.2; or
 - (ii) that it does not consider the Licensee's calculation to be in accordance with the prescribed methodology or procedure and will propose an alternative calculation which the Licensee shall accept. ; or
 - (iii) reject the application
- 27.5 Following approval by the Commission of any new or amended tariff, the Licensee shall publish details of the same in accordance with the requirements of the Act. The previously notified tariff shall remain in effect till the new or amended tariff takes effect.

- 27.6 The Licensee shall ensure that all amounts due to other Users in respect of the electricity generated or supplied or other goods or services provided by them shall be paid promptly

28. Contravention of Licence Condition

In case of any contravention of any Licence Conditions (General/Specific) by the Licensee, the Licensee shall be liable for penal action under Sections 19, 24, 128, 129 & 142 of the Act and under other relevant provisions of the Act, Rules, Regulations, and Notifications.

29. Functions of STU and SLDC

Subject to the notification of the State Govt. under section 39 of the Act, read with OER (Transfer of Transmission and Related Activities) Scheme , 2005, the licensee shall act and discharge its function as State Transmission Utility (STU) and also discharge the functions of State Load Dispatch Centre (SLDC).

30. Miscellaneous

- 30.1 All issues arising in relation to interpretation of these Conditions and as to the terms and conditions thereof shall be a matter for the determination of the Commission and the decision of the Commission on such issues shall be final.

Annexure-B

PROPOSED AMENDMENTS IN THE LICENCE CONDITIONS OF OPTCL

SL No.	Existing Conditions	Proposed amendments	Justifications/Remarks
1.	"Orissa"	"Odisha" may be substituted with "Orissa" where ever applicable.	Orissa" was officially changed to "Odisha" on 4 th November 2011.
2.	"Companies Act,1956"	"Companies Act, 1956" may be substituted with "Companies Act,2013" where ever applicable.	New act was effective from 29-08-2013
3	"Accounting Statement"	The word may be replaced with " Financial Statement ", where ever applicable.	Financial Statement is defined under section 2(40) of the Companies Act,2013
4	8.4. The Licensee shall not normally change the basis of charge or apportionment or allocation of revenues or expenses in relation to the preparation of the Accounting Statements in respect of a financial year from those applied in respect of the previous financial year, without prior intimation to the Commission. Any change, if proposed, in the basis of charge or apportionment of revenues or expenses shall be consistent with the provisions of the Companies Act, 1956 , the Accounting Standards issued by Institute of Chartered Accountants of India or Rules and any guidelines issued by the Commission in this regard.	The Licensee shall not normally change the basis of charge or apportionment or allocation of revenues or expenses in relation to the preparation of the Accounting Statements in respect of a financial year from those applied in respect of the previous financial year, In compliance to prevailing Accounting Standard. Any change, if proposed, in the basis of charge or apportionment of revenues or expenses shall be consistent with the provisions of the Companies Act, 2013 , the Accounting Standards there of issued by Institute of Chartered Accountants of India or Rules and any guidelines issued by the Commission in this regard.	The Companies Act, 2013 will enough to address this conditions.
5	10. Investments		In the meantime Hon'ble Commission has published Draft "Odisha Electricity Regulatory Commission (Approval of Capital Investment Schemes) Regulations, 2026. The 10 (investments) of the license condition may be modified accordingly.
6	23 Investments		

	23.1 For the purposes of condition 10.10, the term "Major Investment" means any planned investment in or acquisition of Transmission facilities, the cost of which, when aggregated with all other investments or acquisitions (if any) forming part of the same overall transaction, equals or exceeds Rs.10 crore.	23.1 For the purposes of condition 10.10, the term "Major Investment" means any planned investment in or acquisition of Transmission facilities, the cost of which, when aggregated with all other investments or acquisitions (if any) forming part of the same overall transaction, equals or exceeds Rs.25 crore.	In the proposed Draft Capital Investment Schemes Regulations, 2026 OPTCL has proposed that the scheme above Rs.25 Crore shall be considered as DPR Scheme.
7	24. Disposal of Assets 24.1 The Licensee shall not dispose of or relinquish operational control over any assets with replacement cost in excess of Rs.30 lakh otherwise than in accordance with condition 11 of these Licence Conditions. 24.2 For purpose xxxxxx equals or exceeds Rs.30 lakh, and "dispose" shall be construed accordingly. The cumulative sale of shares and stock to a single party shall be considered to form part of the same overall transaction.	24.1 The Licensee shall not dispose of or relinquish operational control over any assets with replacement cost in excess of Rs.5 Crore otherwise than in accordance with condition 11 of these Licence Conditions. 24.2 For purpose xxxxxx equals or exceeds Rs.5 Crore, and "dispose" shall be construed accordingly. The cumulative sale of shares and stock to a single party shall be considered to form part of the same overall transaction.	At the present date Rs.30 lakh is very low.
8	25. Payment of annual fees 25.1 With reference to Condition 12 of the General Conditions the Licensee shall pay initial Annual Licence fee of Rs 50 lakh to the Commission for the beginning of Financial Year (FY 05-06). 25.2 For each subsequent financial year that his licence remains in force, the Licensee shall, by 10th April of every year, be liable to pay to the Commission an annual licence fee of Rs.50 lakh for each ensuing financial year.	With reference to Condition 12 of the General Conditions the Licensee shall pay the Annual Licence as determined by the Commission from time to time.	In the meantime the licences fees has been increased to Rs.3.00 Cr. for FY 2026-27