

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 456/MP/2020

- Subject : Petition seeking approval under Section 17(3) and 17(4) of the Electricity Act, 2003 read with Article 15 of the Transmission Service Agreement dated 24.6.2015 for creation of security interest in the transmission project assets and other relevant documents of Raipur-Rajnandgaon Warora Transmission Limited in favour of Security Trustee.
- Date of Hearing : 25.8.2020
- Coram : Shri P. K. Pujari, Chairperson
Shri I. S. Jha, Member
Shri Arun Goyal, Member
- Petitioner : Raipur-Rajnandgaon Warora Transmission Limited (RRWTL) and Anr.
- Respondents : Maharashtra State Electricity Distribution Company Limited and 7 Ors.
- Parties present : Shri Amit Kapur, Advocate, RRWTL
Ms. Poonam Verma, Adocate, RRWTL
Ms. Aparajita Upadhyay, Advocate, RRWTL
Ms. Sakshi Kapoor, Advocate, RRWTL
Shri Vivek Singla, RRWTL
Shri Bhavesh Kundalia, RRWTL
Shri Sameer Trikha, RRWTL

Record of Proceedings

The matter was heard through video conferencing.

2. Learned counsel for the Petitioners submitted that the present Petition has been filed, *inter-alia*, seeking in-principle approval for creation of security in favour of the Petitioner No.2, Catalyst Trusteeship Limited by way of mortgage, hypothecation and charge or assignment over all movable and immovable assets of the Petitioner No.1 including the its beneficial rights, title and interest under Transmission Service Agreement, transmission licence and other transmission project related documents. Learned counsel for the Petitioners further submitted as under:

(a) The Commission in its order dated 28.7.2016 in Petition No. 87/MP/2016 had approved the creation of security interest over the project assets of the Petitioner No.1 in favour of Axis Trusteeship acting as the Security Trustee for the benefit of Rupee Lenders, the Account Bank and the Facility Agent.



Subsequently, the Commission in its order dated 4.7.2019 in Petition No. 3/MP/2019 had allowed the change of constitution of the consortium of existing Rupee Lenders.

(c) The rupee term loan availed by the Petitioner No.1 is now being refinanced by issuing Senior Secured Notes to eligible investors by way of private placement ('USPP Notes'). The USPP Notes will have a tenure of 30 years and shall mature in March, 2050.

(d) In order to avail the proposed debt facility by issuance of USPP Notes, the Petitioner No. 1 has entered into a Master Note and Guarantee Agreement dated 4.3.2020, as amended and supplemented and Security Trustee and Intercreditor Deed dated 6.3.2020, as amended and supplemented. Under the said agreements, the Petitioner No.1 is required to secure its obligations to the secured parties (which includes USPP Note holders, Hedge Counterparties, other secured parties and their respective successors, assignees, novatees and transferees) by creating security on the Petitioner No.1's assets in favour of Petitioner No.2, Catalyst Trusteeship Limited.

(e) The Petitioner No.1 will also be entering into Hedging Agreements with various banks and financial institutions ('Hedge Counterparties') to manage the risk of adverse interest rate or currency movements in the short or medium term in its business or funding in accordance with the Security Trustee and Intercreditor Deed.

3. After hearing the learned counsel for the Petitioners, the Commission admitted the Petition and directed to issue notice to the Respondents.

4. The Commission directed the Petitioners to serve copy of the Petition on the Respondents immediately, if not already served. The Respondents were directed to file their reply by 14.9.2020, with advance copy to the Petitioner, who may file its rejoinder, if any, by 25.9.2020.

5. The Commission further directed the Petitioners to provide the following clarification/ information, on affidavit, by 11.9.2020:

(a) Reason for difference in the project element details and completion target submitted in Paragraph 1 of the Petition & assets details and gap between effective date and scheduled COD as mentioned in the prescribed format submitted vide affidavit dated 7.7.2020; and

(b) Reason for mentioning 'Loan amount from PTC India Financial Services Limited' as Rs. 130 crore in Paragraph 29 of the Petition. However, in the format submitted vide affidavit dated 7.7.2020, loan from PTC India Financial Services Limited has been indicated as Rs. 219 crore.



6. The due date of filing of reply, rejoinder and clarification/ information should be strictly complied with.

7. The Petition shall be listed for hearing in due course for which separate notice will be issued.

By order of the Commission

Sd/-

(T.D. Pant)

Deputy Chief (Law)

