

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 203/MP/2018

Subject :Petition under Section 17(3) and (4) of the Electricity Act, 2003 read with Article 15.2.2 and 15.2.4 of the Transmission Service Agreement dated 6.8.2013, seeking approval for creation of Security Interest in favour of IDBI Trusteeship Services Limited, ("Petitioner-II"/ "Debenture Trustee") as Debenture Trustee acting for the benefit of the debenture holders of Petitioner No.1 ("Debenture Holders") in relation to the secured, senior, listed, rated, redeemable, non-convertible debentures to be issued by the Petitioner No.1, in the form of Separately Tradable and Redeemable Principal Parts ("STRPPs") of a face value of Rs.10,00,000 (rupees ten lacs only) each for cash at par aggregating to Rs.860,00,00 (hereinafter referred to as the "Debentures") on a private placement basis for refinancing the existing loans of existing lenders as set out in Schedule VII of the Debenture Trust Deed, executed between Darbhanga-Motihari Transmission Company Limited and IDBI Trusteeship Services Limited dated 21.12.2017.

Date of hearing : 21.8.2018

Coram : Shri P.K. Pujari, Chairperson
Shri A.K. Singhal, Member
Dr. M.K. Iyer, Member

Petitioners : 1. Darbhanga-Motihari Transmission Co. Ltd. (DMTCL)
2. IDBI Trusteeship Services Ltd.

Respondents : Bihar State Power Transmission Co. Ltd. and Others

Parties present :ShriSanjay Sen, Senior Advocate, DMTCL
ShriAmit Kumar, DMTCL
ShriVinod B, DMTCL
Shri Vijay Pathak, DMTCL
ShriMohit Jain, DMTCL
Shri L.N. Agrawal, DMTCL
ShriTusharSrivastava, DMTCL
ShriShariqAhmid, DMTCL

Record of Proceedings

Learned senior counsel forthe Petitioner submitted that thepresent petition has been filed for approval of the Commission under Section 17(3) and 17(4) of the Electricity Act, 2003 for creation of Security Interest in favour of IDBI Trusteeship Services Limited, as Debenture Trustee acting for the benefit of the debenture holders of Petitioner No.1 which issued debenture amounting to Rs.860 crorefor refinancing the existing loans of existing lenders.Learned senior counsel requested the Commission to approve the

creation of security interest in favour of IDBI Trusteeship Services Limited as Debenture Trustee.

2. None was present on behalf of the respondents despite notice.

3. After considering the submissions made by the learned senior counsel for the Petitioner, the Commission directed the Petitioner to submit the following information on an affidavit by 31.8.2018:

(a) The Petitioner No.1 was acquired by the successful bidder with a share capital of Rs.5 lakh and subsequently the allotment of equity shares was made by way of Right issues aggregating the equity share capital of Rs.1624.67 lakh alongwith Equity Share premium of Rs. 22745.33 lakh. Clarify, being a single project company how the shares were issued on premium and also submit its valuation basis; and

(b) Whether the original Debt Equity has been maintained in the same ratio in line with the change in actual project cost alongwith the reasons.

4. The Commission directed that due date of filing the information should be strictly complied with failing which the order shall be passed on the basis of the documents available on record.

5. Subject to the above, the Commission reserved order in the Petition.

By order of the Commission

**Sd/-
(T. Rout)
Chief (Law)**