

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 217/MP/2018

Coram:

**Shri P.K.Pujari, Chairperson
Dr. M.K. Iyer, Member**

Date of Order: 14th of November, 2018

In the matter of:

Petition for approval under Sections 17 (3) and (4) of the Electricity Act, 2003 for creation of Security Interest over assets of Petitioner No.1 in favour of Axis Trustee Services Limited as Debenture Trustee acting for the benefit of the debenture holders of Petitioner No. 1 in relation to the 6800 senior, listed, unsecured, redeemable, non-convertible debentures issued by Petitioner No. 1 in the form of STRPPs of face value of Rs. 10,00,000/- each aggregating to Rs. 680,00,00,000 on a private placement basis for refinancing the existing loans as set out in Schedule VI of the Debenture Trust Deed between NRSS XXXI (B) Transmission Limited and Axis Trustee Services Limited dated September 19, 2017.

And

In the matter of:

1. NRSS XXXI (B) Transmission Limited
6th floor, Plot No. 19 & 20, Film City, Sector 16-A,
Gautam Buddha Nagar, Noida, Uttar Pradesh - 201301
2. Axis Trustee Services Limited,
Axis House, Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg, Worli, Mumbai- 400025

...Petitioners

Versus

1. U.P. Power Corporation Ltd.
14th Floor, Shakti Bhawan Extension,
14-Ashok Marg, Lucknow, Uttar Pradesh-226001.
2. AD Hydro Power Ltd.
A-12 Bhilwara Tower, Sector-1,
Noida, Uttar Pradesh-201301.

3. Haryana Power Purchase Centre
Shakti Bhavan Energy Exchange,
(Room No.446), Top Floor,
Sector-6, Panchkula, Haryana-134109.
4. Punjab State Power Corporation Ltd.
D-3, Shakti Vihar, PSPCL,
Patiala-147001
5. Himachal Sorang Power Pvt. Ltd.
#D-7, Lane-1, Sector-1, New Shimla,
Shimla, Himachal Pradesh-171009
6. Adani Power Ltd, Mundra
3rd Floor, Achalraj Building,
Opp. Mayor Bungalow, Law Garden,
Ahmedabad-380006
7. Rajasthan Urja Vikas Nigam Limited
Vidyut Bhawan, Janpath, Jyoti Nagar
Jaipur-302005.

On behalf of following Discoms :

- Jaipur Vidyut Vitran Nigam Ltd.
- Ajmer Vidyut Vitran Nigam Ltd.
- Jodhpur Vidyut Vitran Nigam Ltd.

8. Lanco Anpara Power Ltd.
Lanco House, Plot No.397,
Udyog Vihar, Phase-3, Gurgaon-122016.
9. Lanco Budhil Hydro Power Pvt. Ltd.
Plot No.397, Udyog Vihar, Phase-3,
Gurgaon-122016.
10. Power Development Deptt., Govt. of J&K
Govt. of Jammu & Kashmir, SLDC Building,
220 kV Grid Station Premises, Gladni,
Narwal-Bala, Jammu-180006.
11. North Central Railways
Head Quarter's Office, Subedarganj,
Allahabad-211033.
12. Jaiprakash Power Ventures Ltd.
Sector-128, Noida-201304.

13. BSES Yamuna Power Ltd.
2nd Floor, Shakti Kiran Building,
Karkardooma, New Delhi-110092.
14. BSES Rajdhani Power Ltd.
BSES Bhawan, Nehru Place,
New Delhi-110019.
15. Tata Power Delhi Distribution Ltd.
NDPL House, Hudson Lines,
Kingsway Camp, New Delhi-110009.
16. New Delhi Municipal Council
NDMC, Palika Kendra, Parliament Street,
New Delhi-110001.
17. Electricity Wing of Engineering Dept., Union Territory of Chandigarh
Electricity OP Circle, 5th Floor, New Deluxe Building,
Sector-9, Chandigarh-160009.
18. Power Grid Corporation of India Ltd.
HVDC Dadri & HVDC Rihand, "Saudamini",
Plot No.2, Sector-29, Near IFFCO Chowk,
Gurgaon-122001
19. PTC (Budhil), PTC India Ltd.
2nd Floor, NBCC Tower, 15,
Bhikaji Cama Place, New Delhi-110066.
20. PTC (Everest), PTC India Ltd.
2nd Floor, NBCC Tower, 15,
Bhikaji Cama Place, New Delhi-110066.
21. Uttarakhand Power Corporation Ltd.
Victoria Cross Vijeyta Gabar Singh Bhawan,
Kanwali Road, Balliwala Chowk,
Dehradun-248001, Uttarakhand.
22. Himachal Pradesh State Electricity Board Ltd.
HPSEB Ltd., Vidyut Bhawan,
Shimla-171004

...Respondents

Parties Present:

Shri M.G. Ramachandran, Advocate, NRSSXXXI (B)

Ms. Ranjitha Ramachandran, Advocate, NRSSXXXI (B)
Shri Shubham Arya, Advocate, NRSSXXXI (B)
Shri Niraj Kumar, NRSSXXXI (B)

ORDER

The First Petitioner, NRSS XXXI (B) Transmission Limited, has been granted transmission licence under Section 14 of the Electricity Act, 2003 (hereinafter referred to as "the Act") to transmit electricity as a transmission licensee and for that purpose to undertake the business of establishing of the transmission system for 'Northern Region System Strengthening Scheme NRSS-XXXI (Part B)' (hereinafter referred to as "Transmission System") on Build, Own, Operate and Maintain (BOOM) basis, the details of which are specified in the schedule attached to the licence issued vide order dated 25.8.2014.

2. NRSS XXXI (B) Transmission Limited and Axis Trustee Services Limited have filed the present petition for creation of security in favour of Axis Trustee Services Limited as Debenture Trustee pursuant to the Debenture Trust Deed and other relevant financing documents by way of mortgage/hypothecation/assignment of mortgaged properties and on project assets for benefit of the lenders to the project. The Petitioners have made the following prayers:

“(a) This Hon’ble Commission be pleased to take on record the new project lenders i.e. the Debenture Holders and the appointment of Axis Trustee Services Limited as the Debenture Trustee acting on behalf of Debenture Holders.

(b) Approve creation and/or perfection of Security Interest over the TSA, the Project documents, its assets including in relation to the Project and on its transmission license and such other assets as mentioned in the Debenture Trust Deed in favour of Debenture Trustee, acting on behalf of and for the benefit of the Debenture Holders; and

(c) Approve the Security Documents, and execution thereof, for creation and/or perfection of aforesaid Security Interest in favour of Petitioner No.2, the Debenture Trustee for the benefit of Debenture Holders.”

3. The First Petitioner has submitted that for the purposes of raising finances for the Project during construction period, the First Petitioner requested the consortium led by ICICI Bank Limited to sanction financial assistance for an amount not exceeding Rs. 472.50 crore and the consortium led by ICICI Bank Limited granted the approval to the First Petitioner vide sanction letter dated 13.6.2014. The First Petitioner, thereafter approached the Commission vide Petition No. 79/MP/2015 for approval under Section 17 (3) and (4) of the Act to create security in favour of IDBI Trusteeship Services Limited acting as the security trustee for the benefit of the consortium led by ICICI Bank Limited, for execution of indenture of mortgage. The Commission through its order dated 15.4.2015 had accorded the approval for creation of security in favour of IDBI Trusteeship Services Limited.

4. The First Petitioner requested Axis Bank Limited to sanction financial assistances, inter-alia, for refinancing of the existing loans for the Project. Pursuant, to the request of the First Petitioner, Axis Bank Limited, agreed to provide financial assistance as requested for an amount not exceeding in aggregate Rs.600 crore by way of rupee term loan and Rs.3.21 crore (hereinafter collectively referred to as the “Facilities”) as non fund based limits in the sanction letter Nos. AXISB/CO/CCG/GS/2017-18/150 and AXISB /CO/CCG/GS/2017-18/297 dated 30.5.2017 and 28.7.2017 respectively on such terms and conditions as specified therein. Axis Bank Limited has assigned/novated its part financial assistance exposure

to the extent of Rs. 200 crore to Aditya Birla Finance Ltd. by way of Deed of Assignment dated 28.7.2017 amongst Axis Bank Limited and Aditya Birla Finance Ltd. and related documents.

5. The First Petitioner has issued senior, listed, unsecured, redeemable, non-convertible debentures in the form of STRPPs of face value of Rs.10 lakh each aggregating to Rs. 680 crore (hereinafter referred to as the “Debentures”) on a private placement basis for refinancing the existing loans of consortium led by Axis Bank, as set out in Schedule VI of the Debenture Trust Deed entered into between NRSS XXXI (B) Transmission Limited and Axis Trustee Services Limited dated 19.9.2017 (hereinafter referred to as the “Debenture Trust Deed”).

6. Pursuant to the terms of the Debenture Trustee Agreement, Second Petitioner, Axis Trustee Services Limited agreed to act as Debenture Trustee for the debenture holders and enter into all relevant debenture documents pursuant thereto. On 19.9.2017, the First Petitioner and Second Petitioner executed Debenture Trust Deed.

7. First Petitioner has submitted that the outstanding loan of Rs. 600 crore of the consortium of lenders led by ICICI Bank Limited has been paid on 1.6.2017. The First Petitioner has submitted that pursuant to the terms of the Debenture Trust Deed, the First Petitioner is required to, amongst others (i) create security interest on all its immovable and movable assets by mortgage and/or hypothecation and/or assignment and/or substitution and/or charge as the case may be, (ii) assign by way of security the

NRSS XXXI (B) Transmission Limited's, rights, benefits, interest under the Transmission License and the TSA all other project documents, cash flows, receivables, bank accounts, clearance, notification, Government approvals, orders, including but not limited to any amendments, supplements to the existing project documents etc., in relation to Northern Region System Strengthening Scheme NRSS-XXXI (Part B), (iii) shares held by Essel Infraprojects Limited in the NRSS XXXI (B) Transmission Limited, to the extent of 51% (fifty one) percent of the issued and paid up equity share capital of the NRSS XXXI (B) Transmission Limited, in favour of the Debenture Trustee for holding the beneficial interest of the Debenture Holders and other security as mentioned in the Debenture Trust Deed.

8. The First Petitioner has submitted that Article 15.2.2 of the TSA entered into between the First Petitioner and the beneficiaries of the project provide that the First Petitioner is free to create any encumbrance over all or part of the receivables, Letter of Credit or other assets of the project in favour of the lenders or the representative of the lenders as security for amount payable under the Financing Agreements and any other amounts agreed by the parties. Provided that:

(i) The lenders or the representatives of the lenders on their behalf shall have entered into the Financing Agreements and agreed in writing to the provisions of this Agreement; and

(ii) Any encumbrance granted by the First Petitioner in accordance with Article 15.2.2 shall contain provisions pursuant to which the lenders or the representative

of the lenders on their behalf agrees unconditionally with the First Petitioner to release such encumbrances upon payment by the First Petitioner to the lenders, of all amounts due under the Financing Agreements.

9. The First Petitioner has submitted that in terms of Article 15.2.4 of the TSA, the Petitioner is required to take permission from this Commission prior to assignment of its rights, benefits, interests and obligations in the TSA. The First Petitioner has stated that in view of the provisions of sub-sections (3) and (4) of Section 17 of the Act, the First Petitioner, as a licensee cannot create security interest over all the movable and immovable assets of the First Petitioner in favour of Debenture Trustee/Debenture Holders and for any subsequent transferees, assigns, novates thereof and any refinancing lenders to the project, acting on behalf of and for the benefit of the Debenture Holders and their assigns, transferees and novatees pursuant to Indenture of Mortgage, declaration and memorandum of entry and other security creating documents/Financial Agreements and for future refinancing transactions also, by way of mortgage/hypothecation/assignment of mortgaged properties and projects assets through execution of Security Trustee Agreement and other financing documents for the project.

10. The petition was heard after notice to the Petitioners and the Respondents on 21.8.2018. None was present on behalf of the Respondents. UPPCL has filed reply to the Petition and the First Petitioner has filed rejoinder to UPPCL reply vide its affidavit dated 31.8.2018.

11. UPPCL in its reply dated 9.8.2018 has submitted that before approving the First Petitioner's request, the security agent nominated by the group of lenders is required to affirm its consent to the proposal in writing. UPPCL has raised the issues, namely : (i) Has the Commission withdrawn in-principle approval dated 15.4.2015 allowing the First Petitioner to create Security in favour of IDBI Trusteeship Services as Security Trustee? (ii) Has the Security Trustee Agreement with IDBI Trusteeship Services been executed? (iii) Has the earlier Security Trustee returned the documents of mortgaged property to the First Petitioner? (iv) Have the financial institutions concerned given its consent to substitute Axis Trustee Services Limited as a new Security Trustee pursuant to the New Security Trustee Agreement dated 9.9.2017? (v) Has Axis Trustee Services Limited agreed to act as Security Trustee for the lenders to accept the trust created and to hold the Security to be created pursuant to the Security Documents? (vi) Why the re-payment amount to ICICI Bank has increased by Rs. 130.71 crore (Rs. 603.21 crore - Rs. 472.50 crore), and (vii) The First Petitioner may be directed to submit the approval of the Board of Directors for obtaining Rs. 680 crore through Debentures and returning Rs. 603.21 crore to ICICI Bank. UPPCL has submitted that the Commission may take on record the new project lenders i.e debenture holders and Security Trustee and may approve the security documents subject to satisfaction of the above points. The issues raised by UPPCL have been dealt with in succeeding paragraphs.

12. According to the First Petitioner, the financial institution concerned has already agreed to make Axis Trustee Services Limited as new Security Trustee for which Security Trustee Agreement dated 19.9.2017 has been executed. With regard to UPPCL's contention that why the re-payment amount to ICICI Bank has increased by

Rs. 130.71 crore (Rs. 603.21 crore to Rs. 472.50 crore), the First Petitioner has submitted that the outstanding loan of ICICI Bank was Rs. 472.50 crore which has already been repaid and has placed on record the No Due certificates from ICICI Bank in this regard. With regard to UPPCL`s contention pertaining to approval of Board of Directors of the First Petitioner company for obtaining Rs. 680 crore through Debentures, the First Petitioner has placed on record the copy of the approval of Board of Directors for obtaining Rs. 680 crore through Debentures. The First Petitioner has submitted that it will continue to maintain the books of accounts as per the accounting standards.

13. The First Petitioner, vide Record of Proceedings for the hearing dated 21.8.2018, was directed to file the following information:

- (a) Auditor certificate for the project cost and its source of finance along with the flow of outstanding balances starting from the initial approval granted in Petition No. 79/MP/2015 till the issue of debenture in the instant petition and corresponding Debt-equity ratio; and
- (b) No Dues certificate from existing lender, namely Aditya Birla Finance Limited.

14. The First Petitioner has submitted the information called for which has been discussed in succeeding paragraphs

Analysis and Decision:

15. After grant of licence, the First Petitioner approached the Commission by way of Petition No.79/MP/2015 for creation of security interest for an amount of Rs. 472.50 crore in favour of Security Trustee, IDBI Trusteeship Services Limited acting as Security Trustee for the benefit of ICICI Bank Ltd. consortium. Approval was accorded vide order dated 15.4.2015. COD of the project was achieved in March, 2017.

16. After the COD, the First Petitioner approached other lenders to refinance the loan to reduce the interest rate from 12% and for funding the working capital requirement of the project. The First Petitioner got the term rupee loan of Rs. 600 crore from Axis Bank and Rs. 3.21 crore as non-fund based limits vide Axis Bank letters dated 30.5.2017 and 28.7.2018. Axis Bank also assigned part of its financial exposure to the extent of Rs. 200 crore to Aditya Birla Finance Ltd. by way of Deed of Assignment dated 28.7.2017. After drawing loan from Axis Bank, the First Petitioner paid the outstanding loan on 1.7.2017 to ICICI Bank. Axis Bank Trustee Services Limited also agreed to act as Security Trustee for the Axis Bank and entered into all financial documents. The First Petitioner also entered into the Security Trustee Agreement on 31.5.2017 with Axis Bank Trustee Services Ltd. for Rs. 600 crore and non-fund based facility of Rs. 3.21 crore. However, it is noted that the First Petitioner while changing the lenders from ICICI Bank Ltd. to Axis Bank and the Security Trustee for IDBI Trusteeship Services Ltd. did not seek the permission of the Commission under Section 17 (3) and 17 (4) of the Act even though the encumbrances was created in favour of new lenders and new Security Trustee. The First Petitioner has not explained the reason for not seeking the

prior approval. We take a serious view of the matter and warn the First Petitioner to invariably seek prior approval of the Commission before changing the lenders or Security Trustee as in such cases new charge is created on the transmission assets and the transmission licence.

17. The First Petitioner further issued senior, listed, unsecured, redeemable, non-convertible debentures in the form of STRPPs of face value of Rs. ten lakh, on each, aggregating to Rs. 680 crore on a private placement basis for refinancing the existing loans of consortium led by Axis Bank and Axis Trustee Services Ltd. The First Petitioner entered into a Debenture Trustee Agreement dated 19.9.2017 for raising of Rs. 680 crore as debenture and thereafter approached the Commission in Petition No.184/MP/2017 for creation of security interest in favour of Axis Bank Trustee Services Ltd. as Debenture Trustee. In the absence of the certain required information, the Petition No. 184/MP/2017 was disposed of vide order dated 27.2.2018 with liberty to the First Petitioner to approach the Commission with all relevant information/documents.

18. The First Petitioner and Axis Trustee Service Limited filed the present petition seeking approval for raising Rs. 680 crore through debenture to refinance the loan taken from Axis Bank. It has been submitted that in terms of Debenture Trusteeship Agreement dated 19.7.2017, Axis Trustee Service Ltd. has agreed to act as the Debenture Trustee on behalf of the debenture holders and entered into all relevant debenture documents pursuant thereto. The First Petitioner has paid the outstanding loan of Rs. 600 core of the consortium of lenders led by Axis Bank Ltd. and no dues certificate has been placed on record.

19. The First Petitioner was directed to submit the Auditor certificate for the project cost and its source of finance along with the flow of outstanding balances starting from the initial approval granted in Petition No. 79/MP/2015 till the issue of debenture in the instant petition and corresponding Debt-equity ratio. The First Petitioner vide its affidavit dated 31.8.2018 has submitted the Auditor Certificate detailing of flow of term loan, flow of share capital and debt equity ratio starting from approval granted by the Commission in Petition No. 79/MP/2015 to substitution of lenders by issuing of debentures as under:

Capital Structure at each stage of Financing

Particulars	Initial Term Loan (crore)	Refinancing through Term Loan of Rs. 600 crore	Refinancing through issue of NCD of Rs. 680 crore
Term Loan/NCD	472.5	600	680
Sub-ordinate debt	72.83	Nil	Nil
Share Capital & Share Premium	132.68	137	137
Total	678.01	737	817
Debt Equity ratio	80:20	81:19	83:17

Note: Debt Equity ratio has been calculated with Share Capital and Share Premium.

Capital Structure for respective Financial Year

Particulars	31-Mar-15	31-Mar-16	31-Mar-17	31-Mar-18
Equity Share capital	4.45	9.83	9.83	9.83
Share premium reserve	57.27	127.17	127.17	127.17
Total equity	61.72	137.00	137.00	137.00
Sub-ordinate debt	2.28	13.34	72.83	Nil

Term Loan/NCD	85.0	338.0	472.5	0.00
Non-Convertible Debentures	0.00	0.00	0.00	680.00
Total debt	87.28	351.34	545.33	680.00
Total source of funds	149.0	488.34	682.33	817.00
Debt Equity ratio	59:41	72:28	80:20	83:17

20. Perusal of the above table reveals that the Debt Equity ratio of 80:20 at the time of approval granted by the Commission in Petition No. 79/MP/2015 has been changed to 83:17 at present. However, the amount of equity share capital is constant and further Essel Infraprojects Ltd. still holds 100% of equity in NRSS XXXI (B) Transmission Limited. This 100% equity holding of Essel Infraprojects Ltd., which was at the time of acquisition of the project, has remained same till date. The First Petitioner has placed on record the Auditor's Certificate dated 28.9.2018 certifying the total project cost and other application of funds.

21. Further, as defined under TSA, the equity share capital of Essel Infraprojects Limited in the issued and paid up equity share capital of NRSS XXXI (B) Transmission Limited will not be less than 51% upto a period of 2 years after COD of the project and 26% for a period of 3 years thereafter. It is confirmed by the Petitioner that the proposed financing does not deviate from the equity lock-in commitment as provided in Article 18.2.4 of the TSA.

22. With regard to the direction of the Commission regarding submission of No Dues certificate from existing lender, namely Aditya Birla Finance Limited. The First Petitioner has placed on record the No Dues Certificate from Aditya Birla Finance Limited.

23. Perusal of the Debenture Trustee Agreement and Debenture Trust Deed dated 19.9.2017 reveals that the First Petitioner proposes to issue senior, secured, redeemable, rated, listed non-convertible debentures of face value of Rs. 10 lakh each aggregating upto to Rs. 680 crore in terms of the Information Memorandum to be issued by the First Petitioner to Debenture Holders and the First Petitioner had approached Axis Trustee Services Limited to act as the Debenture Trustee for the benefit of the Debenture Holders. Axis Trustee Services Limited had agreed to act as the Debenture Trustee for the Debenture Holders on the terms and conditions agreed in the Debenture Trustee Agreement. The First Petitioner has sought approval of the Commission under Section 17 (3) and (4) of the Act for creation of security interest in favour of Debenture Trustee for making available proposed finance through issue of senior, secured, redeemable, non-convertible debentures of face value of Rs. 10 lakh each.

24. The transmission projects are capital intensive projects requiring huge capital investment. These projects are financed through equity of the project developer and loans by the financial institutions and issuance of debentures which is a form of loan. It is a normal practice followed by financial institution/banking industry to ask for sufficient security from the borrower to back the loan in order to mitigate the credit risk of the lenders. In the instant case, the First Petitioner and lenders have appointed the second petitioner viz, Axis Trustee Services Limited as Debenture Trustee for creation of security over all the movable and immovable assets of the project. Accordingly, Debenture Trustee Appointment Agreement and Debenture Trust Deed dated 19.9.2017 have been executed for loan of Rs. 680 crore and the First Petitioner has

issued 6800 non-convertible debentures of a face value of Rs.10 lakh each. In accordance with Article 15.2 of the TSA, the Transmission Service Provider has been allowed to create encumbrance over all or part of the receivables, Letter of Credit or other assets of the project in favour of the lenders or the lender`s representatives, as security for amounts payable under the Financing Agreements and any other amounts agreed by the parties.

25. Section 17 (3) and (4) of the Act provides as under:

“17(3). No licensee shall be 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 Appropriate Commission.

(4) Any agreement relating to any transaction specified in sub-section (1) or sub-section (3), unless made with the prior approval of the Appropriate Commission, shall be void.”

As per the above provision, a licensee is required to obtain prior approval of the Commission for assigning his licence or transfer its utility or any part thereof by way of sale, lease, exchange or otherwise and to enter into an agreement relating to any of these transactions.

26. The First Petitioner has approached for approval to creation of security interest in favour of Axis Trustee Service Ltd. as Debenture Trustee. In our view, Axis Trustee Services Limited as Debenture Trustee needs to be given comfort for creation of security for the benefit of the debenture holders/banks/financial institutions/non-banking financial companies as security for the financial assistance provided by the lenders. We, therefore, accord approval allowing the First Petitioner to create security in favour of Axis Trustee Services Limited, presently acting as Debenture Trustee pursuant to

Debenture Trust Deed by way of mortgage on project assets by execution of Debenture Trust Deed and other debenture and refinancing documents for the project.

27. It is, however, made clear that the transmission licence granted by the Commission to the First Petitioner and the underlying assets cannot be assigned in favour of the nominee of the Debenture Trustee unless prior approval of the Commission is obtained at the time of creating rights in favour of such nominee. Before agreeing to assignment of licence and the assets of the First Petitioner to the nominee of Debenture Trustee, the Commission shall evaluate such nominee's experience in development, design, construction, operation and maintenance of the transmission lines, and ability to execute the project and undertake transmission of electricity. The licensee, lenders, debenture trustee or its nominee, accordingly, shall be jointly required to approach the Commission for seeking approval. This will give an opportunity to the Commission to satisfy itself about the circumstances necessitating such transfer. This decision of ours is in accordance with Regulation 12 of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2009 which reads as under:

“12. Assignment of Licence In case of default by the licensee in debt repayment, the Commission may, on an application made by the lenders, assign the licence to a nominee of the lenders.”

Accordingly, in case of default by the licensee in debt repayment, the Commission may, on a joint application made by the licensee, lender, Debenture Trustee or its nominee, approve the assignment of the licence to a nominee of the lender subject to proper due diligence of the process. Therefore, specific prior approval of the Commission shall be

necessary for assigning the licence to the Debenture Trustee or its nominee and transfer of any assets to them. Lastly, finance documents and statements shall be filed by the Petitioner as and when required by the Commission for any specific purpose.

28. This approval is issued in supersession of all earlier approvals including approval dated 15.4.2015 in Petition No. 79/MP/2015 under Section 17 (3) and (4) of the Act to the First Petitioner.

29. Petition No. 217/MP/2018 is disposed of in terms of the above.

Sd/-
(Dr. M. K. Iyer)
Member

sd/-
(P.K.Pujari)
Chairperson