

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 384/MP/2019

- Subject : Petition for approval for creation of security interest under Section 17(3) and 17(4) of the Electricity Act, 2003 over the Petitioner No.1's Assets in favour of Catalyst Trusteeship Limited for the benefit of Lenders and their assignees, transferees, novatees for the purpose of Petitioner No.1's Transmission Project.
- Petitioners : 1. NER II Transmission Limited (NER- II TL)
2. Piramal Trusteeship Services Private Limited (PTSPL)
- Respondents : Assam Electricity Grid Corporation Limited & Ors.
- Date of Hearing : 12.12.2019
- Coram : Shri P. K. Pujari, Chairperson
Dr. M. K. Iyer, Member
Shri I.S. Jha, Member
- Parties present : Shri Dinesh Pardasani, Advocate, NER-II TL and PTSPL
Shri Shantanu Singh, Advocate, NER-II TL and PTSPL
Shri Ashray Chopra, Advocate, NER-II TL and PTSPL
Ms. Anisha Chopra Batra, NER-II TL

Record of Proceedings

Learned counsel for the Petitioner, NER II Transmission Limited submitted that the present Petition has been filed by the Petitioner under Section 17(3) and 17(4) of the Electricity Act, 2003, inter-alia, seeking approval for creation of security interest over Petitioner No.1's assets, including all movable and immovable assets, in favour of Catalyst Trusteeship Limited, the Security Trustee for the benefit of the New Lenders for Rs. 2200 crore.

2. None was present on behalf of the Respondents despite the notice.
3. After hearing the learned counsel for the Petitioner, the Commission directed the Petitioner to implead Security Trustee, namely Catalyst Trusteeship Limited as party to the Petition and to file revised memo of parties on or before 20.12.2019. Catalyst Trusteeship Limited is directed to file its reply, on or before 20.12.2019 with an advance copy to the Petitioner who may file rejoinder, if any, by 30.12.2019.
4. The Commission further directed the Petitioner to submit the following details/clarification on the affidavit by, 30.12.2019:
 - (a) Date of financial closure, indicative cost of the project as communicated by CEA, status of actual loan/project cost and equity shareholding pattern as on the date of filing of the Petition along with auditors certificate with regard to the actual means of finance as on COD and as on application date as per prescribed format.



(b) Clarification regarding the reason for the difference in the rate of interest as per 'Deed of adherence to facility agreement' with IIFCL dated 11.6.2019 i.e. 11.20%; and rate of interest as per Schedule XIII of 'Novation and Transfer notice' dated 20.6.2019 executed with L&T Finance/L&T Infra Finance Limited i.e. 16.7%.

(c) Piramal Capital and Housing Finance Limited has assigned and novated its entire commitment in the facility of Rs. 1045 crore to L&T Finance Limited and L&T Infrastructure finance Limited. Submit statement showing interest rate of both the lenders (existing and new i.e., Piramal Finance Ltd. and L&T Finance Limited, L&T Infrastructure finance limited) as on date of assignment and novation of the loan and if the interest rate is increased due to novation of loan, the reason of changing the lender with higher interest rate and not taking the approval of the Commission in this regard.

(d) There is difference in the particulars of the lenders and facility in the Schedule-I of the draft 'Memorandum recording change of trusteeship' and the submission made in the instant petition, the same may be clarified.

5. The Petition shall be listed for hearing, if required.

By order of the Commission

**Sd/-
(T.D. Pant)
Deputy Chief (Legal)**

