

F.O.
24/7/2022



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

Reg. Office: Vydyuthi Bhavanam, Pattom, Thiruvananthapuram-695004, Kerala, India.

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Abstract

Consent of KSEBL for internal restructuring of M/s TP Saurya Limited – Sanctioned - Orders issued.

CORPORATE OFFICE (Commercial and Tariff)

B.O. (FTD) No.640/2022 (CE(C&T)/ Solar/200MW Bid/2022-23) dated Tvp, 21.07.2022

Read: 1. B.O. (FTD) No 887/2021 (CE(C&P)/solar/200MW Bid/2021-22) dated 24.11.2021.

2. FTD Decision dated 27.04.2022 on Note no. CE (C&T)/Solar/200 MW Bid/2022-23 dated 23.04.2022 of the Chief Engineer (Commercial and Tariff).

3. KSERC order dated 23.06.2022 in OP No.30/2022.

4. Note No. CE(C&T)/ Solar/200MW Bid/2022-23/423 dated 06.07.2022 of the Chief Engineer (Commercial and Tariff) submitted to the Full Time Directors (Agenda No.33/7/22).

ORDER

KSEBL had invited tender on 18.09.2020 for procurement of 200 MW ISTS Solar power through tariff based competitive bidding on All India basis. Only two bidders, M/s NTPC Ltd and M/s The TATA Power Company Limited (TPCL) participated in the tender. Power Purchase Agreement was executed by KSEBL with M/s TP Saurya Ltd (100% subsidiary of the successful bidder M/s TPCL) on 08.12.2021 for procurement of 110MW power at a reduced tariff of Rs 2.44 per unit and KSERC approval was obtained as per order dated 28.01.2022.

The Chief Engineer (Commercial and Tariff) as per note read as 4th above, reported that as per letter dated 09.12.2021, M/s TP Saurya Limited requested the consent of KSEBL for their internal restructuring and intimated that M/s TPCL intends to transfer its entire stake in M/s TP Saurya Ltd to M/s Tata Power Renewable Energy Limited (TPREL), which is also a wholly owned subsidiary of M/s TPCL.

As per Clause 3.1.(b) of the RfS of the Solar bid, "The bidder, if being a single company, shall ensure that its shareholding in the SPV/Project company executing the PPA shall not fall below 51% (fifty-one per cent) at any time prior to 1 (one) year from the COD except with the prior approval of KSEBL". After the proposed restructuring as the ultimate parent company M/s TPCL (bidder) continues to hold more than 51% share in M/s TP Saurya Ltd indirectly through TPREL, separate consent of KSEBL is not required for the proposed restructuring.

Hence based on the orders of Full Time Directors dated 27.04.2022, permissive sanction of KSERC was sought to intimate M/s T P Saurya Ltd, that separate consent of KSEBL is not required

for transferring the entire stake of M/s The Tata Power Company Ltd (Successful bidder) in M/s T P Saurya Ltd to M/s Tata Power Renewable Energy Ltd (TPREL) which is also a wholly owned subsidiary of M/s Tata power Ltd, without any change in parties executed PPA.

KSERC as per the order read as 3rd above, ordered that the Commission has no objection in KSEB Ltd intimating the respondent that no separate consent is required for transferring the entire stake of M/s Tata Power Ltd (Successful bidder) in M/s T P Saurya Ltd to M/s Tata Power Renewable Energy Ltd (TPREL) which is also a wholly owned subsidiary of M/s Tata Power Ltd as the parties of the PPA remains the same and there is no novation of the present power purchase agreement. The Commission also directed both the parties to adhere to the clauses in the approved Power Purchase Agreement.

The matter was placed before Full Time Directors as per note read as 4th above.

Having considered the matter in detail, the Full Time Directors in its meeting held on 07.07.2022 resolved to intimate M/s TP Saurya Ltd that, no separate consent is required for transferring the entire stake of M/s Tata Power Ltd (Successful bidder) in M/s T P Saurya Ltd to M/s Tata Power Renewable Energy Ltd (TPREL) which is also a wholly owned subsidiary of M/s Tata Power Ltd as the parties of the PPA remains the same and there is no novation of the present Power Purchase Agreement. Also the Clauses of the Power Purchase Agreement shall be adhered to.

Orders are issued accordingly

By Order of the Full Time Directors,
Sd/-
LEKHA.G
Company Secretary in-charge

To

1. The Chief Engineer (Commercial & Tariff)
2. The Deputy Chief Engineer, TRAC

Copy to

1. The Financial Advisor/Chief Internal Auditor/LA & DEO
2. TA to CMD / Director (T, SO, Ptg & S)/ (Gen-E)/ (D & SCM)/ Gen (Civil)/ (REES, Soura, Nilaavu, Sports & Welfare)
3. PA to Director (F, IT and HRM))
4. Senior CA to Secretary (Admin)/Company Secretary i/c/The Fair Copy Superintendent
5. Library / Stock File.

Forwarded by order

Assistant Executive Engineer