

## TATA POWER'S JV - RESURGENT GRANTED APPROVAL BY UPERC TO ACQUIRE SEUPPTCL WHICH WAS REVIVED THROUGH IBC



The Uttar Pradesh Electricity Regulatory Commission (UPERC) has recently approved the change in shareholding of the financially-stressed South East U.P. power Transmission Company Ltd. (SEUPPTCL) in favour of the Singapore based Resurgent Power Ventures Ltd. (Resurgent).

SEUPPTCL was incorporated to implement and operate a transmission system for 765 kV SC Mainpuri Bara Line with 765/400 kV at Mainpuri and Associated Schemes. Isolux Corsan Concession S.A (Isolux) was selected as the successful bidder for executing the said scheme and it accordingly acquired 100% equity share capital of SEUPPTCL.

Due to various reasons, the project was delayed followed by multiple financial defaults. As a result, Power Finance Corporation (PFC) being the lead lender initiated insolvency proceedings before National Company Law Tribunal, Allahabad (NCLT). Following the transparent corporate insolvency resolution process envisaged under the Insolvency and Bankruptcy Code (IBC), the Resolution Plan submitted by Resurgent was approved by an Order dated 15.06.2022 passed by the NCLT.

Subsequent to the approval by NCLT, SEUPPTCL approached the UPERC seeking approval of the change in shareholding in favour of Resurgent. The UPERC after considering the credentials of SEUPPTCL has granted its approval for the change in shareholding by its Order dated 29.07.2022.

Resurgent and its affiliate have considerable experience over the years in developing and operating infrastructure projects including all segments of power sector and have shown significant expertise in investing in stressed assets with track record of turnaround. Tata Power holds 26 percent stake in Resurgent, and the balance 74 percent in the joint venture is held by other investors including financial services giant ICICI, Kuwait Investment Authority and Oman Investment Authority.

This is the first project in India where an Electricity Regulatory Commission, under the provisions of the Electricity Act, 2003 (Electricity Act), has approved the transfer of shareholding following the Insolvency proceedings under the IBC. The Corporate Insolvency Resolution Process under the IBC governs the issues related to financial resolution of the issues, however, SEUPPTCL being a licensee under the Electricity Act is also mandated to seek a prior approval of the State Regulator i.e. UPERC before it can transfer its shareholding to Resurgent.

Access [Here](#)

*Mr. Shri Venkatesh (Managing Partner), Mr. Ashutosh K. Srivastava (Senior Associate) and Mr. Siddharth Joshi (Senior Associate) of SKV Law Offices represented and advised Resurgent before the UPERC.*