

SEC-1/187(2)/2018/ 2821

Dated: June 27, 2018

Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, BandraKurla Complex,
Bandra (East),
Mumbai – 400 051.
Scrip Code-- RECLTD

Sub: Clarification on announcement relating to completion of Sale and transfer of Ghatampur Transmission Limited to Adani Transmission Limited.

Ref. Our letter no.SEC-1/187(2)/2018/2810 dated June 20, 2018.

Dear Sir,

This is with reference to your e-mail dated June 25, 2018 seeking certain clarifications on the sale and transfer of Ghatampur Transmission Limited to Adani Transmission Limited.

At the outset, it is informed that REC Transmission Projects Company Limited (RECTPCL) acts as the "Bid Process Coordinator" for selection of Transmission Service Provider(s), through Tariff Based Competitive Bidding (TBCB) process for independent inter-state and intra-state transmission projects allocated by the Ministry of Power, Government of India and State Governments from time to time. In order to initiate development of each of such independent transmission project allocated to it, RECTPCL incorporates project-specific Special Purpose Vehicle (SPV) as its wholly-owned subsidiary, which is also a wholly-owned subsidiary of REC. Further, such SPVs are subsequently transferred along with all assets and liabilities to the successful bidder(s) selected through TBCB process.

Further, the point-wise reply to your queries, are given below:-

Sl. No.	Query	Reply
1.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length".	The sale and transfer of Ghatampur Transmission Limited, a wholly owned subsidiary of RECTPCL and also of REC (in terms of Section 2(87) of the Companies Act, 2013) was done in favour of Adani Transmission Limited, which emerged as the successful bidder through Tariff Based Competitive Bidding (TBCB) process, to establish Transmission System for evacuation of power from 3 x 660 MW Ghatampur Thermal Project. Further, the transaction does not fall within the purview of related party transaction.
2.	Brief details of buyers and whether any of the buyers belong to the promoter/promoter	Ghatampur Transmission Limited was transferred to Adani Transmission Limited, which was emerged as the successful bidder through Tariff Based Competitive Bidding (TBCB) process to establish Transmission System for evacuation of power from 3 x 660 MW Ghatampur Thermal Project.

Regional Offices: Bangalore, Bhopal, Bhubaneswar, Chennai, Guwahati, Hyderabad, Imphal, Jaipur, Jammu, Kolkata, Lucknow, Mumbai, Panchkula, Patna, Raipur, Ranchi, Thiruvananthapuram & Vijayawada

State Offices : Dehradun, Itanagar, Shillong, Shimla & Vadodara

Training Centre : REC Institute of Power Management & Training (RECIPMT), Hyderabad

	group/group companies. If yes, details thereof.	Further, Adani Transmission Limited is a private-sector power transmission company listed on National Stock Exchange of India Limited and BSE Limited and it does not belong to the promoter/promoter group/group companies.
3.	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year;	Negligible.

We request you to take the above clarification on record. Kindly let us know in case any further clarification is required in this regard.

Thanking you,

Yours faithfully,


(J.S. Amitabh)
General Manager & Company Secretary