

(WITHOUT PREJUDICE)

Ref: CC/Comml./ROP-Adhunik /2020/1

Dt.: 08.10.2020

To,
Adhunik Power and Natural Resources Ltd (APNRL),
7th Floor, World Trade Tower, 12, Barakhamba Lane,
New Delhi, 110001

Dear Sir,

Sub: "Notice for Regulation of Power Supply" for default of M/s Adhunik Power and Natural Resources Ltd (APNRL) in making payment of outstanding dues.

Ref : Our letter dtd.22.07.2020 on liquidation of dues

1. M/s Adhunik Power and Natural Resources Ltd (APNRL) is a Designated Inter-State Transmission System Customer (DIC) which is availing Inter-state Transmission System (ISTS) network for transfer of power from its generating plant in Jharkhand to different parts of country and is under obligation to make timely payment of transmission tariff and to open requisite Letter of Credit (LC) towards Payment Security Mechanism (PSM) in line with CERC Regulations.
2. It is a matter of serious concern that APNRL is failing to make timely payment against the monthly bills raised on it towards transmission tariff despite regular follow-up by CTU. As a consequence, the total dues of APNRL have accumulated to Rs 9.88 Crs as on date, which includes an amount of Rs. 6.05 Crs. > 45 days (the same amount has even crossed 60 days and an amount of Rs. 4.14 Crs is pending for >90 days) based on the bills already raised by CTU.
3. CTU has been mandated with the responsibility of Billing, Collection and Disbursement of transmission charges collected from all the DICs to respective ISTS licences in the country. Such huge outstanding dues as brought out above are seriously affecting the cash flows of all the ISTS Licensees and causing adverse impact on the ability to carry on as a business enterprise and to fulfil loan repayment liabilities towards creation of transmission assets.
4. Regulation 4 of CERC (Regulation of Power Supply), 2010 reads as under:-
"In case of outstanding dues or in case the letter of credit or any other agreed Payment Security Mechanism is not maintained as per the Agreement, the generating Company or the transmission licensee, as the case may be, may serve a notice for regulation of power supply, on the Defaulting Entity, for reducing the drawl schedule in the case of the generating company or withdrawal of open access / access to Inter-State Transmission System in the case of the transmission licensee."
5. Further, it may be informed that as per CERC order dtd 02.09.2015 under Pet. No. 142/MP/2012, during the period of Regulation of Power Supply, the STOA to the defaulter shall also be curtailed. The relevant portion of the CERC Order dtd 02.09.2015 is reproduced below:-
"During the period of regulation of power supply, for defaults in payment of transmission charges, STOA to the regulated entity shall be denied by NLDC/RLDCs under Regulation 25A of Open Access Regulations from the date of commencement of regulation of power supply..."



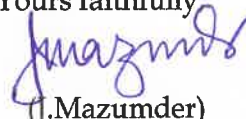
6. As per the provisions of Regulation 4 of CERC (Regulation of Power Supply) Regulation 2010, provisions of BCD procedure approved by CERC and terms of TSA, CTU is constrained to issue this "Notice for Regulation of Power Supply" in view of default of APNRL in liquidating the dues.
7. Accordingly, in case of failure of APNRL to clear the outstanding dues (>60 days) latest by 20.10.2020, the regulation of power supply of APNRL through their Long Term Access shall be effected as follows:-

• Quantum of power to be regulated	:	20 MW of power injected by APNRL to ISTS network
• Commencement of Regulation of supply	:	From 00.00 Hrs of 27.10.2020.
• Period of Regulation of Power supply	:	Initially for 2 months or till clearing of the entire dues outstanding for more than 60 days.
• Source of regulation of Power Supply	:	The generation plant of APNRL located in Jharkhand.
• The regulation of power supply shall be carried out through Eastern Region Transmission Corridor to Southern Region Transmission Corridor (20 MW to TANGEDCO).		
• All other liabilities of APNRL shall be as per the provisions of CERC Regulations		

8. Through a copy of this Notice, ERLDC is being requested to prepare an implementation plan for Regulation of Power Supply of APNRL & implement the same w.e.f. 00:00 Hrs. of 27.10.2020 upon confirmation by us on 21.10.2020.
9. In view of above, it is advised to liquidate the outstanding dues greater than 60 days latest by 20.10.2020 failing which regulation of power supply shall be enforced as stipulated above. Further, as given at Sl. No. 5 above the STOA is also curtailed during the implementation of regulation of power supply.

Thanking You,

Yours faithfully



(J. Mazumder)

Chief General Manager (Commercial)-CTU

CC:

1.	Executive Director Eastern Regional Load Despatch Centre, POSOCO 14, golf Club Road, Tollygunge, Kolkata, West Bengal 700033.	With a request to prepare the implementation plan for Regulation of power supply of APNRL from its generation plant in Jharkhand and implement the same as per CERC (Regulation of Power Supply) Regulations, 2010. Indemnification bond furnished earlier holds good for subject Regulation of power of M/s Adhunik Power and Natural Resources Ltd.
2.	Executive Director, National Load Despatch Centre, POSOCO, 18A, SJSS Marg, Katwaria Sarai, New Delhi -110016	With a request to take necessary action to advise the Power Exchanges for implementation of Regulation of power supply of Adhunik Power and Natural Resources Ltd (Generator) as per CERC (Regulation of Power Supply) Regulations, 2010 and CERC Order dtd 02.09.2015 under Pet no. 142/MP/2012.

Copy of Notice dtd 08.10.20 for Regulation of Power supply issued to **M/s Adhunik Power and Natural Resources Ltd** is enclosed for kind information of:

1. Member Secretary, Eastern Regional Power Committee, 14, Golf Club Road, Tollygunge, Kolkata, West Bengal 700033.
2. CMD, POSOCO, 61, IFCI Tower, 9th floor, Nehru Place, New Delhi - 110019
3. ED, POWERGRID -SR-II.