



पावर ग्रिड कारपोरेशन ऑफ इंडिया लिमिटेड

(भारत सरकार का उद्यम)

POWER GRID CORPORATION OF INDIA LIMITED

(A Government of India Enterprise)



पावरग्रिड

केन्द्रीय कार्यालय: 'सौदामिनी' प्लॉट सं. 2, सैक्टर-29, गुडगाँव-122 001, (हरियाणा) दूरभाष: 0124-2571700-719, फ़ैक्स : 0124-2571762,
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SPEED POST

CC/ Comml./NoR-J&K/2015

Dt.: 17.08.2015

To,
Chief Engineer (Commercial),
M/s Power Development Department, J&K,
SLDC Building, 1st Floor,
Glandni Power House, Narwal,
Jammu, J&K

(WITHOUT PREJUDICE)

Dear Sir,

Sub: Default of PDD, J&K in making payment of outstanding dues – Notice regarding

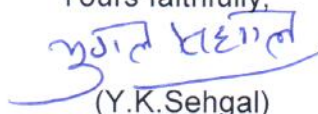
- Ref : 1. Secretary(Power), Gol's Letter no. D.O.No.3/18/2011-Trans dtd 13.04.2015
2. Our Letter no. CC:Comml:J&K dtd 08.06.2015
3. Our Letter no. CC:Comml:J&K dtd 19.06.2015
4. Our Letter no. CC:Comml:J&K dtd 01.07.2015
5. Our Letter no. CC:Comml:J&K dtd 13.07.2015
6. Our Letter no. CC:Comml:J&K dtd 30.07.2015

1. You are aware that around 80% power requirement of the State of J&K is met by PDD, J&K by drawing power from National Grid. Accordingly, PDD, J&K is under obligation to make timely payment of monthly Inter-State Transmission System (ISTS) tariff for the same so that ISTS services are continued uninterruptedly.
2. It may, however, be mentioned that despite regular follow-up, visits and correspondence by POWERGRID, payment by PDD, J&K against the monthly bills is quite irregular and is a matter of serious concern for POWERGRID(CTU). As a consequence of delayed payment/non-payment, total dues of PDD, J&K have accumulated to a huge amount of **Rs 323 Crore** as on 17.08.2015, as may be seen from the copies of bills available with PDD, J&K. Out of above, an amount of **Rs 243 Crore** is outstanding for more than 60 days and attracting late payment charges.
3. In addition to above outstanding dues, PDD, J&K have also not established the LC for **Rs 36 Crore** towards payment security mechanism till date despite our repeated requests in this regard.

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4. We regret to point out that, such huge outstanding dues, which are kept on increasing month over month, are seriously affecting our cash flow and causing adverse impact on our abilities to carry out normal business activities besides affecting our abilities to fulfill our loan repayment liabilities towards lenders. Other ISTS Licensees, whose transmission system is part of National Grid, are also facing similar cash flow problem to meet their obligations.
5. In view of the situation explained above, PDD, J&K is requested to liquidate all the dues exceeding 60 days (Rs 243 Crore) latest by **3rd Sept, 2015**. In case of non- payment of outstanding dues as per above, we would be left with no other option but to restrict the access of PDD, J&K to the National Grid for drawl of power by Regulation of their Power Supply from the grid. Consequently, regulation of power supply of PDD, J&K shall be carried out from the Northern Region Transmission Corridor, as per the following:-
- Quantum of power to be regulated : **20%** of Power allocation of PDD, J&K from the power plants of NTPC, NHPC, SJVNL etc.
 - Commencement of Regulation of Power supply : From 00.00 Hrs of **10.09.2015**
 - Period of Regulation of Power supply : **6 months** or till clearing of the outstanding dues.
 - PDD, J&K shall be responsible for all the financial and operational consequences that may arise due to implementation of regulation of their power supply.
6. In view of above, it is requested through this 'Notice' to make payment of **Rs 243 Crore** towards outstanding dues as per above by **3rd Sept, 2015** so as to enable us to continue to provide PDD, J&K the full access to the National Grid for drawl of power.

Thanking You,

Yours faithfully,

(Y.K. Sehgal)
ED(Commercial & RC)

CC :

1. General Manager,
Northern Regional Load Dispatch
Centre,
18A, SJSS Marg, Katwaria Sarai,
New Delhi - 110016
(FAX- 011 26852747)

With a request to prepare implementation plan for Regulation of power supply of PDD, J&K and implement the same as per CERC Regulation, 2010. We would like to inform that the Indemnity Agreement submitted to NRLDC holds good for the subject Regulation of Power supply of PDD, J&K.
2. Executive Director (Comml.),
NTPC Ltd,
Core 7, Scope Complex,
Lodhi Road
New Delhi - 110016
(FAX-011-24360328)

With a request to take necessary action for implementation of Regulation of power supply of PDD, J&K from NTPC Plants, as per CERC Regulation, 2010.
3. Executive Director (Comml.),
NHPC Ltd,
NHPC Office Complex,
Sector 33,
Faridabad -121003
(FAX-0129-2277941)

With a request to take necessary action for implementation of Regulation of power supply of PDD, J&K from NHPC HEP Projects, as per CERC Regulation, 2010.
4. General Manager (Comml&SO) ,
SJVNL Ltd.
Himfed Building ,
New Shimla,
Shimla (HP).
(FAX – 0177-2670542).

With a request to take necessary action for implementation of Regulation of power supply of PDD, J&K from SJVNL HEP Projects, as per CERC Regulation, 2010.

Copy forwarded for kind information of :

1. Secretary (Power), MoP, GOI, Shram Shakti Bhawan, Rafi Marg, New Delhi-110 001. Fax: 011-23721487
2. Chief Secretary, Govt. Of Jammu & Kashmir, Civil Secretariat, Srinagar-190 001, J&K. Fax: 0194-2473664
3. Principal Secretary (Energy), Govt. Of Jammu & Kashmir, Civil Secretariat, Srinagar-190 001, J&K. Fax: 0194-2452352
4. Secretary, CERC , 3rd & 4th Floor, Chanderlok Building, 36, Janpath New Delhi, 110 001, Fax: 011-23753923
5. Chairman, J&K SERC,
Ambedkar (Panama) Chowk, Railway Road, Jammu – 180006, J&K
Fax No: 0191-2470163
6. Member Secretary, Northern Regional Power Committee, 18-A, Shaheed Jeet singh Marg, Katwaria Sarai, New Delhi -110016.
Fax No: 011-26865206 / 26524525
7. CEO, POSOCO, B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi - 110016. Fax No: 011 – 26524525
8. Chief Accounts Officer & Financial Advisor, J&K PDD, SLDC Building, 1st Floor, Gladni Power House, Narwal, Jammu.