

SPL / 2016 / 2056

**Email / Courier / Post
06.07.2016**

To,

**Shri Satyavir Singh Rathore
Managing Director
Dakshinanchal Vidyut Vitran Nigam Limited,
220 kV Vidyut Sub-Station, Mathura Agra Bypass Road,
Sikandra Agra - 282007, Uttar Pradesh**

Subject: Failure to Pay Invoices by Due Dates

- Notice under Article 11.5 of the Power Purchase Agreement dated 07.08.2007 (PPA) and Regulation 4 of Central Electricity Regulatory Commission (Regulation of Power Supply) Regulations, 2010

- Ref:**
- (1) Power Purchase Agreement (PPA) dated 07.08.2007 signed between Sasan Power Limited (SPL) and Procurers
 - (2) Sasan Power Limited (SPL)'s letter no. SPL/2016/1840 dated 01.04.2016
 - (3) SPL's notices dated 10.05.2016, 16.05.2016 and 31.05.2016
 - (4) Hon'ble CERC's orders dated 03.06.2016 and 10.06.2016 in Petition 83/MP/2016 and order dated 16.06.2016 in Petition 93/MP/2016
 - (5) UPPCL's letter no. 335/SPATC dated 08.06.2016
 - (6) SPL's letter no. SPL/2016/2033 dated 18.06.2016
 - (7) SPL's letter no. SPL/2016/2038 dated 28.06.2016
 - (8) Proceedings before Hon'ble Supreme Court of India dated 29.06.2016
 - (9) SPL's letter no. SPL/2016/2044 dated 02.07.2016

Dear Sir,

1. Please refer to our notices mentioned at no. (3) above and the Orders dated 03.06.2016, 10.06.2016 and 16.06.2016 passed by Hon'ble Central Electricity Regulatory Commission (CERC) in Petition No. 83/MP/2016 and 93/MP/2016.
2. We also refer to your letter dated 08.06.2016 (under reference no. 5 above) and discussions of officials had on this matter on 17.06.2016 subsequent to which SPL had issued the letters dated 18.06.2016 and 28.06.2016 (under reference no. 6 & 7 above). Kindly note that UPPCL had assured to make payment of first installment by 05.07.2016.
3. We also highlight the proceedings before Hon'ble Supreme Court of India in Civil Appeal No. 18287 of 2016 and other related matters on 29.06.2016 wherein appellants prayed the

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Hon'ble Supreme Court to grant stay on the operation of the Order dated 31.03.2016 passed by Hon'ble APTEL in Appeal No. 233 of 2014. However, the Hon'ble Supreme Court after considering the submissions made by the parties did not grant such prayer on 29.06.2016.

4. SPL, vide its letter dated 02.07.2016 also called upon Dakshinanchal Vidyut Vitran Nigam Limited (DVVNL) to pay the dues in accordance with the directions passed by Hon'ble CERC and made it clear that it shall not disconnect supply of electricity to the defaulting procures on account of dues relating to COD matter, subject to the procurers making payment of their respective amounts on the dates as directed by Hon'ble CERC.
5. In the light of the above, DVVNL was required to pay first installment of the principal amount relating to COD dues on or before 05.07.2016. However, DVVNL has still not paid the same within the period permitted by CERC.
6. In these circumstances and pursuant to the liberty granted by Hon'ble CERC we are constrained to issue this notice under Regulation 4 of Central Electricity Regulatory Commission (Regulation of Power Supply) Regulations, 2010, for regulation of 25% of your Contracted Capacity. The electricity available consequent to the regulation of your supply is proposed to be sold in accordance with the terms of the PPA.
7. The details of monthly principal amount in default is given vide **Annexure 1**.
8. Details in relation to the regulation of your power supply are as follows:
 - 8.1. Amount of total outstanding principal dues: Rs 22.40 Cr of which amount payable as per CERC order by 05.07.2016 is Rs 7.47 Cr.¹ (Ref: **Annexure 1**)
 - 8.2. Quantum of reduction in drawl schedule: 23.27 MW
 - 8.3. Initial duration of reduction: 30 days from 11.07.2016 to 09.08.2016 i.e. As per terms of Article 11.5 of the PPA
 - 8.4. Price of the Power: As per terms of Article 11.5 of the PPA
 - 8.5. Default trigger date: 31.05.2016
 - 8.6. Source of Power: Sasan Ultra Mega Power Project (UMPP), at Singrauli Tehsil in District Sidhi of Madhya Pradesh
9. Please note that this communication is without prejudice to any of the other rights, remedies, entitlements of SPL under the PPA and the law to recover the dues and nothing herein amounts to waiver of any of the rights and entitlements, under PPA and the law, all of which are specifically reserved by SPL.

¹ Late Payment Surcharge (LPS) is being dealt with separately as per Hon'ble CERC's order



Thanking you.
Yours faithfully,

For Sasan Power Limited



Mayank Gupta
General Manager

Copy to:

1. Shri Sanjay Singh
Director (Commercial) & Director (Finance)
Uttar Pradesh Power Corporation Ltd.
6th Floor, Shakti Bhavan,
14 Ashok Marg, Hazratganj, Lucknow – 226 001
2. Shri A K Singh
Superintending Engineer, SPAT Circle
Uttar Pradesh Power Corporation Ltd.
10th Floor Shakti Bhavan Extension,
14 Ashok Marg, Hazratganj, Lucknow – 226 001

Details of Principal amount in default (##)

(Amount in Rs. Crore)

S.No.	Bill for the month	Principal**
1.	Mar-13	0.00
2.	Apr-13	0.01
3.	May-13	0.00
4.	Jun-13	0.08
5.	Jul-13	0.13
6.	Aug-13	0.05
7.	Sep-13	0.00
8.	Oct-13	0.00
9.	Nov-13	0.00
10.	Dec-13	0.00
11.	Jan-14	0.00
12.	Feb-14	0.01
13.	Mar-14	0.01
14.	Apr-14	0.09
15.	May-14	1.36
16.	Jun-14	1.85
17.	Jul-14	2.18
18.	Aug-14	2.21
19.	Sep-14	1.96
20.	Oct-14	1.58
21.	Nov-14	2.18
22.	Dec-14	2.25
23.	Jan-15	1.53
24.	Feb-15	2.35
25.	Mar-15	2.04
26.	Apr-15	0.04
27.	May-15	0.04
28.	Jun-15	0.05
29.	Jul-15	0.04
30.	Aug-15	0.04
31.	Sep-15	0.04
32.	Oct-15	0.04
33.	Nov-15	0.04
34.	Dec-15	0.04
35.	Jan-16	0.04
36.	Feb-16	0.04
37.	Mar-16	0.04
	Total	22.40

Schedule of COD dues payment as per CERC order (##)

S.No.	On or before	Amount (in Rs Crs)
1	05.07.2016	7.47
2	05.08.2016	7.47
3	05.09.2016	7.47

(**) Due to rounding off to 2 decimal places of amounts in Rs Crores, smaller values are appearing as nil
(##) Revised REA for the period 31.03.2013 to 31.03.2014 has been recently issued by WRPC taking into account the applicable changes between 31.03.2013 to 15.08.2013. Applicable credit based on this works out to be a negligible amount as compared to total COD dues. The same will be passed on shortly. There is no change for the REA for the period starting 01.04.2014.

