

AM/KKG/

8th February, 2018

BY HAND

5259

The Secretary,
Maharashtra Electricity Regulatory Commission
Centre I, 13th Floor,
World Trade Centre,
Cuffe Parade, Colaba,
Mumbai-400 005.

Dear Sir,

Re: Before MERC
MERC Case No. of 2018
Maharashtra State Electricity Distribution
Company Limited ...Petitioner
Vs.
Global Energy Pvt.Ltd. ...Respondent

We represent our client, the Maharashtra State Electricity Distribution Company Limited, the Petitioner in the above case.

We enclose herewith Petition (Six Copies) along with Affidavit in support duly affirmed by Mrs. Kavita Gharat, Chief Engineer (PP) and notarized on 8th February 2018. We also enclosed a Demand Draft No.634404 dated 07/02/2018 for Rs.3,00,000/- drawn in favour of '**Maharashtra Electricity Regulatory Commission**' towards fees with a request to take on file the same. Kindly acknowledge receipt.

Yours faithfully,
Little & Co.

Partner
Advocates for the Petitioner

Encl: a/a/

SIM



बैंक ऑफ महाराष्ट्र
Bank of Maharashtra

D D M MD7/02/2018

00164-MUMBAI BANDRA EAST

634404

MAHARASHTRA ELECTRICITY REGULATORY COMMISSION

को या उनके आदेश पर/OR ORDER

माँग किये जाने पर प्राप्त राशि के निमित्त
ON DEMAND PAY

रुपये FUNDS ACCOUNT*****

Three Lakh only.

₹

अदा करें FOR VALUE RECEIVED

*****3,00,000.00

कृते बैंक ऑफ महाराष्ट्र FOR BANK OF MAHARASHTRA

एह दह एला फल
OT TT OL PL

20 JLS

[Signature] 26/02/18

बैंक ऑफ महाराष्ट्र BANK OF MAHARASHTRA

प्राधिकृत अधिकारी/AUTHORISED OFFICIAL/S

Please sign above

MJL-2015 -01001-MUMBAI SERVICE BRANCH

⑈634404⑈ 000014000⑈

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MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
VALID FOR THREE MONTHS FROM THE DATE OF ISSUE

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BEFORE MAHARASHTRA ELECTRICITY REGULATORY COMMISSION,
AT MUMBAI

MERC CASE NO. OF 2018

IN THE MATTER BETWEEN

MAHARASHTRA STATE ELECTRICITY
DISTRIBUTION COMPANY LIMITED ...PETITIONER

Through Chief Engineer (Power Purchase)

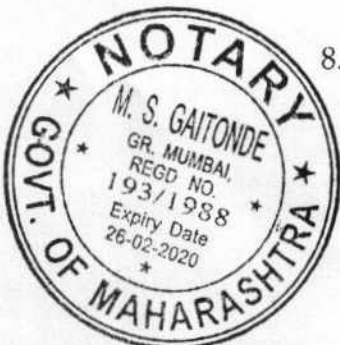
VERSUS

GLOBAL ENERGY PVT. LTD.

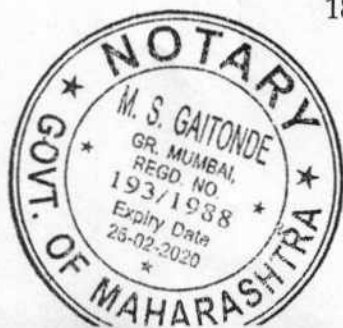
...RESPONDENT

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LITTLE & CO
ADVOCATES FOR THE PETITIONER



BEFORE MAHARASHTRA ELECTRICITY REGULATORY
COMMISSION, MUMBAI

MERC CASE NO. OF 2018

IN THE MATTER OF:

Petition under Section 86(1)(f), 86(1)(k) and other applicable provisions of the Electricity Act, 2003 and in connection with the dispute and differences arising under the standby power agreements dated 13th June 2014, 29th August 2015 and 30th June 2016 executed between GLOBAL ENERGY PVT. LTD AND MAHARASHTRA STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED

AND

IN THE MATTER OF

To direct Global Energy Pvt. Ltd. to pay to the Petitioner a sum of Rs. 9,82,60,352/- (Rupees Nine Crores Eighty Two Lakhs Sixty Thousand Three Hundred Fifty Two only) with further interest on Rs. 6,32,69,488/- (Rupees Six Crores Thirty Two Lakhs Sixty Nine Thousand Four Hundred Eighty Eight only) at the rate of 15% per annum from 31st December 2017 till payment

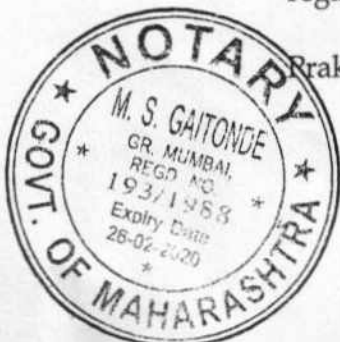
Maharashtra State Electricity)

Distribution Company Limited, through)
Chief Engineer (Lower Purchase))
a Company incorporated under the)

Companies Act, 1956 and having its)

registered office at Plot No.G-9,)

Prakashgad, Anant Kanekar Marg,)



Bandra (East), Mumbai-4000051) ...Petitioner
)
 VERSUS)
)
 Global Energy Private Limited)
)
 a Company incorporated under the)
 Companies Act, 1956 and having its)
 registered office at 207, Gera)
 Imperium II, Patto Plaza, Panjim,)
 North Goa, Goa-403001 and having)
 their office at 104, Maker Chambers)
 VI, Nariman Point, Mumbai-400021) ...Respondent

MOST RESPECTFULLY SHOWETH:

1. The Petitioner, Maharashtra State Electricity Distribution Company Limited (hereinafter referred to as 'MSEDCL' for sake of brevity) is a company established under the provisions of the Companies Act, 1956, the Petitioner carries on the business of Distribution of electricity in its area of supply i.e. State of Maharashtra. .
2. The Respondent Global Energy Private Limited (hereinafter referred to as 'GEPL' for sake of brevity) is a company engaged in trading of electricity and carrying business from the addresses mentioned in the cause title.
3. The Petitioner is filing the present ^{Petition} to recover amounts which are outstanding and payable by the Respondent in respect of the electricity supply to the Respondent



pursuant to the standby power agreements dated 13th June 2014, 29th August 2015 and 30th June 2016. This amount of outstanding has been reflected in the bills issued by Petitioner to the Respondent from time to time.

MSEDCL states that there have been various litigations between the parties in respect of issues, acts and contentions under the Electricity Act, 2003. However, the present suit is filed by the Petitioner for recovering the amount outstanding due to it in respect of the electricity provided under the Standby Power Agreement for the overdrawal quantum.

4. The brief facts relating to the present Petition are as under:

- 4.1 The Respondent M/s. Global Energy Pvt. Ltd. (GEPL) had applied on 3rd February 2014 for grant of Short Term Open Access (STOA) permission to Maharashtra State Load Dispatch Centre (hereinafter referred to as "MSLDC" for sake of brevity) for supply of power to Power Company of Karnataka Ltd. (hereinafter referred to as "PCKL" or "Karnataka Discom" for sake of brevity) through the radial mode on 220 kV Kolhapur-Chikodi D/C line, after a bidding process conducted by Power Company of Karnataka Ltd PCKL. MSLDC initially refused to grant Open Access to the Respondent . Aggrieved by this denial, the Respondent



approached the Maharashtra Electricity Regulatory Commission (hereinafter referred to as "MERC" for sake of brevity) by filing Case No. 71 of 2014. The Ld. MERC passed the Order dated 2nd June, 2014 directing MSLDC to grant Open Access permission to the Respondent subject to Respondent submitting all the required documents as per the procedure laid down. The Petitioner craves leave to refer to and rely upon the order dated 2nd June 2014 passed by the MERC in Case No. 71 of 2014.

- 4.2. Pursuant to Ld. MERC's order dated 2nd June 2014, Short Term Open Access was granted to the Respondent by MSLDC. The Respondent vide its letter dated 11th June 2014 requested for standby power from the Petitioner. On 11th June 2014 the Petitioner agreed to provide the standby arrangement to the Respondent subject to conditions inter-alia in case Global Energy draws power from the grid it will be charged at temporary tariff of MSEDCL or UI charges whichever is higher, for such overdrawal for any reason whatsoever and in case of over-injection the units will be treated as lapsed and no payment will be effected whatsoever and this arrangement is totally at the risk and cost of the Respondent i.e. Global Energy. Copies of the



letters dated 11th June 2014 addressed by both Respondent and the Petitioner are annexed hereto and marked as Annexure "A" and "B". Accordingly a Standby Power Agreement was executed between the Petitioner and the Respondent on 13th June 2014. A copy of the Standby Power Agreement dated 13th June 2014 is annexed hereto and marked as Annexure "C". The Petitioner states that as per the Standby Power Agreement, Standby Power Arrangement for power supply to Karnataka Discom against Short Term Open Access on 220 KV Kolhapur Chikodi line has been granted to the Respondent GEPL. The Petitioner states that since the supply of power from Respondent to Karnataka Discom is on radial mode, in case of tripping of generators, the Karnataka Discom will avail the Petitioner's power. As such modality of Standby Power is required to be arranged so that any over drawl of power by Karnataka Discom shall not result in a loss to the Petitioner.

The Petitioner states that said Standby Power Agreement is in line with the Distribution Open Access Regulation and mutual agreement by both the Respondent and Petitioner. The parties mutually agreed and has put the terms in agreement that in case the Karnataka Discom over draws the



power from the grid then it will be charged at temporary tariff of MSEDCL or UI (Unscheduled Interchange) charges, whichever is higher and the same is incorporated in the Agreement. In case of any over- injection the units will be treated as lapsed and no payment will be effected whatsoever.

- 4.3. The relevant paragraph of Standby Power Agreement, MERC Open Access Regulation 2014, Clause 19, Clause 8.5.6 of the National Tariff Policy and extract of precondition to avail Final Balancing and Settlement Mechanism (hereinafter referred to as "FBSM" for sake of brevity) as per ABT Order dated 11th May 2007 are reproduced hereunder:

As per Standby Power Agreement:

"Now therefore, in consideration of the mutual understanding arrived at, the parties there to have agreed the terms and conditions, as follows:

1.
2. *Incase M/s GEPL/Karnataka Discom overdraws power from the grid, it will be charged at the temporary tariff of MSEDCL or UI charges, whichever is higher, for such overdrawl for any reason whatsoever."*
3. *M/s GEPL will provide a Bank Guarantee equivalent to 2 days consumption by the Karnataka discom against the transaction, which will be invoked only if overdrawl payment, if any, is not effected in 2 days time"*
4.
5. *Incase of over-injection the units will be treated as lapsed and no payment will be effected whatsoever."*
6.



7. *If payment is not made for overdrawl, SLDC will be requested to stop the scheduling of power"*

As per MERC Open Access regulation 2014, clause 19:

"19. Standby Charges for drawal of power by Open Access Consumer from Distribution Licensee

19.1 In the event of termination of supply by the Supplier or in case of outages of generator supplying to Open Access consumer, the Distribution Licensee shall provide Standby supply to meet the requirement of load catered through Open Access until such time as alternative arrangements for supply has been arranged by the Open Access consumer.

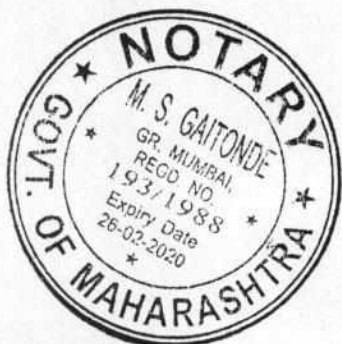
Provided that such Standby supply would continue to be provided by the Distribution Licensee at day ahead request from the Open Access consumer.

Provided further that such Standby supply once commenced shall be applicable for all 96 time blocks for the day.

Provided further that such Standby supply shall be governed by the terms and provisions of the Connection and Use of Distribution System Agreement.

Provide that the Open Access consumer shall for that supply be liable to pay energy charges either at UI charge or the System Marginal Price identified under the Intra-state ABT mechanism or the Energy charge or Variable Charge of temporary tariff category, whichever is applicable of the Distribution Licensee on which consumer is connected as provided in the Tariff schedule approved by the Commission, whichever is higher."

As per National Tariff Policy clause 8.5.6



"8.5.6 In case of outages of generator supplying to a consumer on open access, standby arrangements should be provided by the licensee on the payment of tariff for temporary connection to that consumer category as specified by the Appropriate Commission."

Relevant extract of ABT Order dated 11th May 2017 passed in Case No.42 of 2006 are as under:

3.1 Maharashtra State Power Pool Participants

- State Pool Participants

This shall refer to the Market Participants of Maharashtra Electricity Market who meet the conditions for membership of Pool, subject to fulfillment of qualification criteria or covenants for Pool participation as set out under this order. Currently, it is envisaged that the distribution licensees and the Transmission open access users (subject to fulfillment of certain qualification criteria or covenants for Pool participation) operating within electricity market of Maharashtra in accordance with the terms and conditions outlined under this Order shall be the State Pool Participants.

- 3.2 Covenants for State Pool Participants.....

(d) *The State Pool Participants shall operate their equipments/loads in a manner that is consistent with the provisions of the Indian Electricity Grid Code and the State Grid Code.*

4.4. The Petitioner vide its letter dated 19th December 2014 informed the Respondent that commercial settlement for overdrawal by Respondent will be done at the temporary tariff of Petitioner or UI



Charges whichever is higher. The mention of FBSM basis only done with reference to the quantum of overdrawing, if any which will be reflected through FBSM on MSEDCL account.

- 4.5. The Respondent on 10th October, 2014 filed a Petition before the Ld. MERC being Case No. 181 of 2014 under Sections 142 and 146 of the EA, 2003 read with Regulation 92 of the MERC (Conduct of Business) Regulations, 2004 for directions to the MSLDC for compliance with the Ld. MERC's Order dated 2nd June, 2014 passed in Case No. 71 of 2014.
- 4.6. The Respondent on 11th March, 2015 filed Petition before Ld. MERC being Case No. 38 of 2015 under Sections 86 (1) (f), 86 (1) (k) & Regulations 92 and 93 of the MERC (Conduct of Business) Regulations, 2004 seeking issuance of appropriate directions for implementation of its Stand-by Power Agreement with the MSEDCL in line with the MERC Order dated 2nd June, 2014 passed in Case No. 71 of 2014.
- 4.7. Pursuant to the Standby Power Agreement dated 13th June 2014 the Respondent requires to submit bank guarantee equivalent to two days consumption which will be invoked if overdrawing payment, if any, is not affected within two days from the date of



issuance of bill. The Respondent submitted bank guarantee amounting of Rs.5,78,18,200/-

The Standby Power Supply Arrangement commenced from July 2014 and Petitioner had raised weekly bills during the period from July 2014 to April 2015 in accordance with provisions in the agreement and injunction and drawal data made available by MSLDC. However, the Respondent instead of honoring the bills in time, kept on finding some excuses for not releasing the payment. The Petitioner has raised invoices to the Respondent amounting to Rs. 24,67,20,798/- upto 12th April 2015 for overdrawal of power. The outstanding arrears after adjusting the amount received from the Respondent were Rs. 17,18,25,393/-. As per the Standby Power Agreement, if the payment of invoices for overdrawal is not effected within two days, the Petitioner is entitled to invoke the bank guarantee provided by the Respondent. The Petitioner from time to time requested the Respondent to pay the outstanding bills amount failing which the bank guarantee will be encashed. Copies of two such letters dated 23rd March 2015 and 20th April 2015 are annexed hereto and marked as Exhibits "D" and "E". The Petitioner craves leave to refer and rely



upon various letters addressed by the Petitioner to the Respondent for payment of outstanding arrears.

4.8. The Ld. MERC on 27th April, 2015 passed Order in Case on 181 of 2014 ,whereby Ld. MERC held that:

- i. *MSLDC's action to facilitate and accommodate the unique kind of Short Term OA transaction in the existing FBSM by way of a Stand-by Agreement between GEPL and MSEDCL is justified.*
- ii. Adjustments by MSLDC are in lime with the directions given in the MERC order dated 2nd June, 2014 in Case No. 71 of 2014.
- iii. In order to become State Pool Participant (SPP) in the Maharashtra, the necessary pre conditions set in ABT order have to be fulfilled and in the present case GEPL not being a SPP cannot claim FBSM commercial settlement dispensation.

Copy of the MERC Order dated 27th April 2015 is annexed hereto and marked as Annexure "F". The Petitioner craves leave to refer to and rely upon the ABT Order dated 11th May 2007 as and when produced.



The Petitioner states that in every electricity transaction there is bound to be a deviation from the

scheduled power i.e. overdrawal/underdrawal of power and in order to commercially settle the said deviation in State of Maharashtra such deviation settlement mechanism is known as FBSM.

The MERC on 28th April, 2015 passed order in Case No.38 of 2015 confirmed the order dated 27th April 2015 passed in Case No.181 of 2014 wherein The MERC ruled as below: *"...the Commission is of the view that MSLDC's contention that a Trader cannot be treated as a SPP in the FBSM,... is in line with the Commission's ABT Order, and was also acknowledged by the Commission in its Order dated 2 June, 2014 in Case No. 71 of 2014. The Commission accepts MSLDC's submission, and rules that, from the operational point of view, the Short Term OA transaction in the present matter could not have been accommodated in the existing Balancing and Settlement Code."*

"...In order to become a SPP in the present FBSM, GEPL would have to fulfill all the necessary preconditions set out in the ABT Order. The submissions of GEPL, a Trader, do not reflect that it has fulfilled the preconditions for Market Participants to be a SPP. If GEPL is not a SPP, the FBSM commercial settlement dispensation cannot be made applicable to it..."

A copy of the order dated 28th April, 2015 is annexed hereto and marked as Annexure "G".



- 4.9. The Respondent filed Appeal Nos.111 of 2015 and 112 of 2015 challenging the said orders dated 27th April and 28th April, 2015. The Petitioner craves leave to refer and rely upon the order dated 28th April, 2015 passed by Ld. MERC in Case No. 38 of 2015 as and when produced.
- 4.10. The Hon'ble Appellate Tribunal passed interim order dated 25th May 2015 in Appeal No.112 of 2015 restraining the Petitioner from taking any coercive action and directed the Respondent to pay an ad-hoc amount as monthly installment amount of Rs.3 crores to Petitioner for invoices of overdrawal. The Petitioner craves leave to refer and rely upon the order dated 25th May, 2015 passed by Hon'ble Appellate Tribunal in Case No. 111 & 112 of 2015 as and when produced.
- 4.11. The Petitioner vide its letter dated 3rd January 2015 extended the validity of Standby Power Agreement dated 13th January 2014 till 31st March 2015 and thereafter vide its letter dated 16th March 2015 extended validity period till 30th June 2015 and vide letter dated 29th July 2015 extended the validity till 31st August 2015 with the same terms and conditions of Standby Power Agreement dated 13th June 2015.



Copies of the said letters dated 3rd January 2015, 16th March 2015 and 29th July 2015 are annexed hereto and marked as Annexure "H", "I" and "J" respectively.

4.12. The Respondent failed to pay the monthly installment of Rs.3,00,00,000/- as directed by the Hon'ble Appellate Tribunal. The outstanding arrears upto 30th June 2015 were to the tune of Rs.15,03,29,011/-. The Respondent vide its letters dated 1st August 2015 and 28th August 2015 intimated the Petitioner that due to some cash flow issues the installment amount will be paid after few days. Copies of letters dated 1st August 2015 and 28th August 2015 are annexed hereto and marked as Exhibits "K" and "L". The Petitioner vide its letter dated 2nd September 2015 again requested to make the payment of outstanding amount of Rs.15.91 crores. Copy of the letter dated 2nd September, 2015 is annexed hereto and marked as Exhibit "M".

4.13. The Respondent requested the Petitioner to sign a fresh Standby Power Agreement, accordingly the Petitioner and Respondent executed another Standby Power Agreement dated 29th August 2015 with the following terms and conditions:



"2 In case of any Deviations from the drawal schedule by M/s. GEPL or the Karnataka Discoms, overdrawal and underdrawal settlement will be settled as under:

- (a) The overdrawal upto 5MW or 12% of the Scheduled Quantum whichever is lower of the overdrawal units by GEPL shall be paid by GEPL at all be paid by GEPL at the Total System Marginal price of MSEDCL (i.e. fixed cost + total variable cost) on 15 minute block basis.
- (b) The overdrawal exceeding the limit mentioned at sub-point(a) above shall be settled and paid by GEPL at HT I (A) inclusive Continuous category tariff - Energy charges including FAC as applicable from time to time. At present HT I(A) category tariff is Rs.7.21 per Kwh.
- (c) Underdrawal quantum will be treated as lapse and no payment will be effected by MSEDCL to GEPL for underdrawal from drawal schedule.

.....

4. M/s. GEPL will provide a Bank Guarantee (BG) equivalent to 7 days of overdrawal bill at 20% of the total requirement of GEPL (i.e. 20% of 200 MW) against this transaction, at total system marginal price of August 2015 i.e. Rs.5.11 per Kwh. This BG will be valid till one month after expiry of this agreement.



5. *If bill is not paid within 7 days from the date of bill by GEPL, delayed payment charges shall be payable by GEPL at the rate of 15% per annum till the realization of dues. Further, if GEPL fails to pay the principal amount along with interest within 21 days from the date of bill then MSEDCL shall invoke the Bank Guarantee.*

11. *GEPL hereby agrees to withdraw unconditionally the Appeal No.111 and 112 of 2015 presently pending before the Hon'ble APTEL".*

Copy of the Standby Power Agreement dated 29th August 2015 is annexed hereto and marked as Annexure "N".

4.14. The Respondent vide its letter dated 12th October 2015 raised the issue of settlement of transaction under FBSM and requested not to take any coercive action as per Hon'ble Appellate Tribunal's Order. The Petitioner vide its letter dated 26th October 2015 stated factual aspect of the Standby Power Agreement conditions and MERC Order dated 27th April 2015 and intimated the Respondent that since the Respondent is not a SPP, the commercial



settlement of overdrawing cannot be settled as per FBSM and requested to pay the installment of Rs.3,00,00,000/- per month as well as submit the separate bank guarantee. A copy of the said letter dated 26th October 2015 is annexed hereto and marked as Annexure“O”. However, the Respondent failed to make payment of outstanding arrears and installments. Therefore the Petitioner has no option but to invoke the bank guarantee as per the provisions of Standby Power Agreement.

- 4.15. The Hon'ble Appellate Tribunal for Electricity passed order dated 28th October 2015 in Appeal No.112 of 2015, the relevant extract of the order is reproduced herein"*since as per the Agreement of the parties both these Appeals are to be withdrawn unconditionally and there is no dispute between the rival parties regarding execution of this document. This document is accordingly accepted and both the Appeals being Nos.111 of 2015 and 112 of 2015 are hereby ordered to be withdrawn.....*".

A copy of the order dated 28th October 2015 is annexed hereto and marked as Annexure“P”.



- 4.16. MSEDCL raised various weekly bills as per the Standby Power Agreement dated 29th August 2015. The Respondent extended the validity period of the

Bank Guarantee of Rs.5,78,18,200/- till 30th September 2016. The Petitioner and Respondent entered into a fresh Standby Power Agreement on 30th June 2016 . Copy of the said Standby Power Agreement dated 30th June, 2016 is annexed hereto and marked as Annexure"Q".

4.17. Due to failure in making the payment of invoices the outstanding arrears as per the Standby Power Agreement dated 13th June 2014 extended upto 30th June 2015 after adjusting amount recovered from the Respondent No.1 as on 31st March 2016 and outstanding arrears as per the Agreement dated 29th August 2015 were Rs. 4,4,7,36,577/- on 31st May 2016 after adjusting the amount received from the Respondent .

4.18. As per Standby Power Agreement dated 30th June 2016 GEPL were required to submit the Bank Guarantee of Rs.4,61,66,400/- however, the Respondent failed to submit the Bank Guarantee and also failed to renew the bank guarantee of Rs.5,78,18,200/- which expired on 30th September 2016.



4.19. The Respondent was not paying the outstanding amount on the so called reason of counter claim of

the Respondent on account of under drawal of power and did not pay the undisputed amount of the overdrawal power which the Petitioner never disputed. The Petitioner also did not renew the bank guarantee. The Petitioner vide its letter dated 28th September 2016 without prejudice to right to recover outstanding amount requested to release the payment of undisputed outstanding amount of Rs.5,88,92,287/- and also requested to issue fresh bank guarantee of Rs.4,61,66,400/- or renew the existing bank guarantee. Copy of said letter dated 28th September 2016 is annexed hereto and marked as Annexure "R".

4.20. The Respondent did not take steps to make payment of the outstanding bills therefore the Petitioner vide its letter dated 30th September 2016 invoked the Bank Guarantee of Rs.5,78,18,200/- A copy of the letter dated 30th September 2016 addressed to Yes Bank Ltd. in respect of demand of bank guarantee amount is annexed hereto and marked as Annexure "S".

4.21. Thereafter the Respondent had approached the Petitioner and discussed various aspects and also expressed its willingness to pay the outstanding amounts. Therefore the Petitioner vide its letter



dated 4th October 2016 requested the Yes Bank Ltd. to keep the demand notice in abeyance till further instructions. A copy of the said letter dated 4th October 2016 addressed to Yes Bank Ltd. is annexed hereto and marked as Annexure "T".

4.22. The Petitioner from time to time requested the Respondent to renew the Bank Guarantee. A copy of one of such letter dated 15th October 2016 is annexed hereto and marked as Annexure "U".

4.23. In accordance with the standby power agreement dated 29th August 2015 executed between Petitioner and Respondent and subsequent extension dated 16th June 2016 the Respondent submitted bank guarantee for a sum of Rs. 4,61,66,400/- on 31st March 2017 which was valid upto 30th June 2017. The said bank guarantee was renewed on 1st July 2017 which was valid upto 30th September 2017.

4.24. The Respondent failed to make the regular payment of invoices and also of the undisputed amount, therefore the Petitioner vide its letters dated 10th February 2017 and 3rd April 2017 requested to make the payment of undisputed amount. Copies of the letters dated 10th February 2017 and 3rd April 2017 are annexed hereto and marked as Annexure "V"



and "W" respectively. However, as the Respondent were not making the payment of the invoices and the undisputed amount, MSEDCL once again vide its letters dated 11th April 2017, 14th June 2017 and 23rd June 2017 requested the Respondent to make payment of outstanding arrears amount, failing which the bank guarantee may be encashed. Copies of the said letters dated 11th April 2017, 14th June 2017 and 23rd June 2017 are annexed hereto and marked as Exhibits "X", "Y" and "Z".

4.25. The Respondent vide its letter dated 20th April 2017 and 21st June 2017 alleged that an appeal is filed by Power Karnataka Corporation Ltd. against Hon'ble MERC Order dated 20th April 2017 passed in Case No.38 of 2015 and the same is pending and subjudice before the Hon'ble Appellate Tribunal. Further the Respondent requested the Petitioner to reconcile the accounts on the so called statement of amount wrongly charged for overdrawal quantum. Copies of the letters dated 20th April 2017 and 21st June 2017 are annexed hereto and marked as Annexure "AA" and "BB".

4.26. The Petitioner considered the request of the Respondent and reconciled the accounts of all three agreements and accordingly revised the bills.



4.27. However, the Respondent failed to make payment of outstanding arrears as per the Standby Power Agreements for supply of power. Therefore MSEDCL vide its letter dated 3rd August 2017 again requested the Respondent to pay the outstanding amount and keep the Bank Guarantee alive till the final settlement of transaction. Copy of said letter dated 3rd August 2017 is annexed hereto and marked as Annexure "CC".

4.28. As the Respondent failed to make payment of the outstanding invoices, therefore, the Petitioner had no option but to invoke the Respondent 's Bank Guarantee amount of Rs.4,61,66,400/-. The Petitioner received the said amount of Bank Guarantee on 28th September 2017.

4.29. In the meanwhile the Respondent approached the Hon'ble Bombay High Court by filing Commercial Suit (L) No.429 of 2017 along with Notice of Motion No.477 of 2017 seeking direction to restrain the Petitioner from invoking bank guarantee dated 31st March 2017. Since the bank guarantee was already invoked and encashed by the Petitioner, therefore Notice of Motion taken out by the Respondent was disposed of as infructuous by the Hon'ble High



Court on 28th September 2017 and the suit was withdrawn by Respondent on 11th October 2017. The Petitioner craves leave of this Hon'ble High Court to refer to and rely upon the said orders when produced.

5. The Petitioner states that Standby Power Agreements are in line with the Distribution Open Access Regulations and mutually agreed by both the Petitioner and Respondent . The Petitioner and Respondent mutually agreed and put the terms in agreement that in case the Discom over draws the power from the grid then it will be charged at temporary tariff of Petitioner MSEDCL or UI charges, whichever is higher is incorporated in the Agreement. In case of over injection, the units will be treated as lapse and no payment will be effected whatsoever nature. The Respondent is not SPP therefore the financial transaction of overdrawal/ underdrawal will be reflected in Petitioner's schedule/drawal. Therefore the mechanism as specified in distribution open access regulation regarding standby charges was considered to safeguard and avoid the losses to the Petitioner due to the deviation in drawal of power.

6. The Petitioner states that the Respondent is disputing the temporary tariff and seeking modification/ reconciliation in billing for which the Respondent has already mutually



agreed. The FBSM takes care of deviation whereas standby power is the support for any outage of the generator or consumption of power in excess of schedule by a non-SPP. Therefore the standby power agreement executed by the parties needs to be complied. The Petitioner further states that the billing at temporary tariff is not contradictory or violated to any Regulation, MERC Availability Based Tariff (ABT) Order make a distinction between market participant and SPPs. While SPPs are market participant not all market participant are SPPs. The Order also made a distinction between full and partial open access transaction and users in connection with their status as SPP under the ABT regime. It is clear from the ABT order that the commission has categorized the traders as market participant but not as SPPs and further that SPPs are those market participants who make the qualification criteria or covenants for the state pool participants. Thus the Respondent is liable to pay the bill raised by the Petitioner in accordance with the Standby Power Agreement Further the Petitioner states that the Respondent signed the said standby power agreement to avoid penalty from Karnataka Discom. As per provisions of short term power agreement if the Respondent unable to provide the contracted power then penalty will be attracted on the Respondent .



The Petitioner has issued various bills during the period from July 2014 to June 2017 in accordance with the

provisions of standby power agreements and as per injection and drawal data made available by SLDC. The Petitioner has raised total invoices to Respondent amounting to Rs. 48,63,22,139/- upto June 2017 through various invoices for overdrawal of power. As on date the Respondent have paid Rs.42,30,52,651/- crores which includes bank guarantee of Rs.4,61,66,400/- only and the outstanding arrears upto December 2017 are Rs. 9,82,60,352/-including interest. Annexed hereto and marked as Annexure"DD" is the tabular chart showing the outstanding amount as on 31st December 2017. The Respondent have failed and neglected to pay the amounts due under each of the bills issued by the Petitioner on their respective due dates.

8. In the circumstances, the Petitioner is entitled to claim a sum of Rs. 9,82,60,352/- (Rupees Nine Crores Eighty Two Lakhs Sixty Thousand Three Hundred Fifty Two only) including interest as per the particulars of claim at Exhibit "EE" with further interest on Rs.6,32,69,488/- (Rupees Six Crores Thirty Two Thousand Sixty Nine Thousand Four Hundred Eighty Eight only) at the rate of 15% per annum from 31st December 2017 till the payment.

9. The Petitioner states that standby power agreements dated 13th June 2014, 29th August 2015 and 30th June 2016 executed at Mumbai. Also extension was granted by the



Petitioner's Head Office. The registered office of the Petitioner is at Prakashgad, Bandra (East), Mumbai-400051. The Petitioner and Respondent carried its correspondence in Mumbai at the addresses mentioned in cause title. The payments with respect to various agreements in question were also effected in Mumbai. The Respondent carried out its business from its office at 104, Maker Chamber VI, Nariman Point, Mumbai-400021. Therefore this Hon'ble Court has jurisdiction to entertain and try the *Petition*

10. The present *Petition* is within the period of limitation as it has been continuing cause of action, the last standby power agreement was executed on 30th June 2016 and therefore the present *Petition* is within the period of limitation.

11. The Petitioner has paid fees as prescribed under the MERC (Fees and Charges) Regulation.

12. The Petitioner will rely upon the documents, a list of which is annexed hereto.

The Petitioner, therefore prays:

- (a) That the Respondent be ordered and decreed to pay to the Petitioner a sum of Rs. 9,82,60,352/- (Rupees Nine Crores Eighty Two Lakhs Sixty Thousand Three Hundred Fifty Two only) as per particulars of claim at Exhibit "EE" with further interest on Rs. 6,32,69,488/- (Rupees Six Crores Thirty Two Lakhs



Sixty Nine Thousand Four Hundred Eighty Eight only) at the rate of 15% per annum from 31st December 2017 till payment;

- (b) For cost of the petition;
- (c) For such other and further reliefs as the nature and circumstances of the case may require, '

LEAVE OF THE HON'BLE COMMISSION

The Petitioner craves leave of this Hon'ble Commission to add, alter, amend or vary this Petition as and when necessary.

JURISDICTION

The Petitioner states that standby power agreements dated 13th June 2014, 29th August 2015 and 30th June 2016 executed at Mumbai. Also extension was granted by the Petitioner's Head Office. The registered office of the Petitioner is at Prakashgad, Bandra (East), Mumbai-400051. The Petitioner and Respondent carried its correspondence in Mumbai at the addresses mentioned in cause title. The payments with respect to various agreements in question were also effected in Mumbai. The Respondent carried out its business from its office at 104, Maker Chamber VI, Nariman Point, Mumbai-400021. Therefore this Hon'ble Commission has jurisdiction to entertain and try the present Petition.



LIMITATION

The present Petition is within the period of limitation as it has been continuing cause of action, the last standby power agreement was executed on 30th June 2016 and therefore the present Petition is within the period of limitation.

Place : Mumbai

Date : 8 /2/2018

[Handwritten signature]

X *[Handwritten signature]*

For Maharashtra State Electricity
Distribution Company Limited



Identified By Me
[Handwritten signature]

P. K. DUBEY
B.A.L.L.B.
ADVOCATE HIGH COURT
Lawyer's Chamber Bhaskar Bldg.,
2nd Floor, Bandra Court,
Bandra (East), Mumbai - 400 051.

BEFORE ME

[Handwritten signature]
M. S. GAITONDE
B.A.L.L.M
NOTARY
GREATER MUMBAI
GOVT OF MAHARASHTRA
INDIA

NOTED	REGISTER
Sr. No. 359	8.2.2018



BEFORE MAHARASHTRA ELECTRICITY REGULATORY
COMMISSION, MUMBAI
MERC CASE NO. OF 2018

IN THE MATTER BETWEEN

MAHARASHTRA STATE ELECTRICITY
DISTRIBUTION COMPANY LIMITED ...PETITIONER

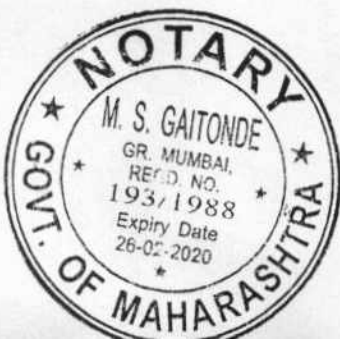
VERSUS

GLOBAL ENERGY PVT. LTD. ...RESPONDENT

AFFIDAVIT IN SUPPORT

I, Kavita Gharat of the Petitioner, having my office address at MSEDCL, Prakashgad, Prof. Anant Kanekar Marg, Bandra (East), Mumbai 400051, do solemnly affirm and state on oath as follows:

1. I am the Chief Engineer ^(P.S.) of Maharashtra State Electricity Distribution Company Limited, and also the authorized signatory of the Petitioner. I am conversant with the facts of the case and am competent to swear this affidavit.
2. I say that the accompanying Petition has been drafted under my instructions. I have read and understood the contents thereof and the same are true and correct to the knowledge, information received by me and my belief. The legal submissions are based on legal advice, which I believe to be true.



- 3. I say that there are no proceedings pending in any court of law/tribunal or arbitrator or any authority, wherein the Petitioner has filed any case on identical or similar issues arising in the matter pending before the Hon'ble Commission.
- 4. The Petitioner will file a separate compilation of documents if necessary which may be referred to and relied upon at any time of hearing of the Petition.
- 5. I solemnly affirm at Mumbai on this 8th day of February, 2018, that the contents of this affidavit are true to the best of my knowledge, no part of it is false and nothing material has been concealed therefrom.

Little & Co.

DEPONENT

[Handwritten Signature]

[Handwritten Signature]

Partner
Advocates for the Petitioner

BEFORE ME



Identified By Me

[Handwritten Signature]

P. K. DUBEY
B.A.L.L.B.

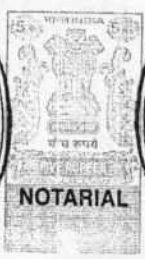
ADVOCATE HIGH COURT
Lawyer's Chamber, Bhaskar Bldg.,
2nd Floor, Bandra Court,
Bandra (East), Mumbai - 400 051.

BEFORE ME

[Handwritten Signature] 8/2/2018

M. S. GAITONDE
B.A.L.L.M
NOTARY
GREATER MUMBAI
GOVT OF MAHARASHTRA
INDIA

NOTED	REGISTER
Sr. No. 360	8-2-2018



BEFORE MAHARASHTRA ELECTRICITY REGULATORY
COMMISSION, MUMBAI
MERC CASE NO. OF 2018

IN THE MATTER BETWEEN
MAHARASHTRA STATE ELECTRICITY
DISTRIBUTION COMPANY LIMITED ...PETITIONER

VERSUS

GLOBAL ENERGY PVT. LTD. ...RESPONDENT

MEMO OF APPEARANCE

We, Maharashtra State Electricity Distribution Company Limited
the Petitioner abovenamed do hereby appoint M/s. Little & Co.,
Advocates, having their office at Central Bank Building, 3rd Floor,
Mahatma Gandhi Road, Mumbai - 400001 to act, appear and plead
for us in the above petition through any of their partners or
assistants and also authorize them to engage Counsel.

IN WITNESS WHEREOF, I, Kavita Beharal
Chief Engineer (PP) of Maharashtra State Electricity Distribution
Company Limited has affixed my signature on behalf of the
Petitioner on this day of February, 2018

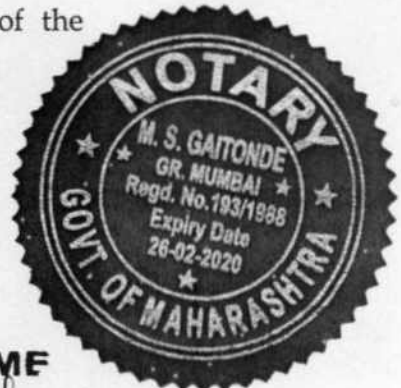
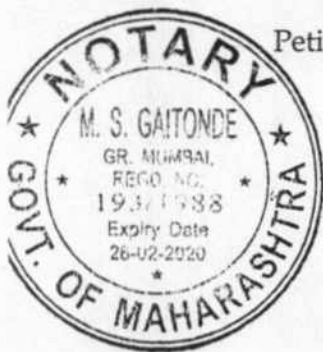
For Maharashtra State Electricity
Distribution Company Limited

Kavita Beharal
Petitioner

BEFORE ME

M.S. Gaitonde
M. S. GAITONDE
B.A.L.L.M
NOTARY
GREATER MUMBAI
GOVT OF MAHARASHTRA
INDIA

NOTED REGISTER
Sr. No. 361 | 8-2-2018



We accept:
Little & Co.

[Signature]

Identified By *[Signature]*
Partner
Advocates for the Petitioner

[Signature]
P. K. DUBEY
B.A.L.L.B.
ADVOCATE

BEFORE MAHARASHTRA ELECTRICITY REGULATORY COMMISSION,
MUMBAI

MERC CASE NO. OF 2018

IN THE MATTER BETWEEN

MAHARASHTRA STATE ELECTRICITY
DISTRIBUTION COMPANY LIMITED ...PETITIONER

VERSUS

GLOBAL ENERGY PVT. LTD. ...RESPONDENT

LIST OF DOCUMENTS ON WHICH THE PETITIONER
WILL RELY

1. ABT Order dated 11th May, 2007
2. MERC Order dated 2nd June 2014 passed in MERC Case No.71 of 2014
3. MERC Open Access Regulation, 2014
4. National Tariff Policy
5. MERC Order dated 2nd June, 2014 passed in MERC Case No.71 of 2014
6. Letter dated 11th June 2014 addressed by Respondent to the Petitioner
7. Letter dated 11th June 2014 addressed by Petitioner to the Respondent
8. Standby Power Agreement dated 13th June 2014 executed between the Petitioner and Respondent
9. Letter dated 23rd March 2015 addressed by Petitioner to the Respondent
10. Letter dated 20th April 2015 addressed by Petitioner to the Respondent
11. Order dated 27th April 2015 passed by MERC in Case No.181 of 2014
12. Order dated 28th April 2015 passed by MERC in Case No.38 of 2015



13. Letter dated 3rd January 2015 by Petitioner for extension of validity of Standby Power Agreement till 31/3/2015
14. Letter dated 16th March 2015 by Petitioner for extension of validity of Standby Power Agreement till 30/6/2015
15. Order dated 25th May 2015 passed by Hon'ble APTEL
16. Letter dated 29th July 2015 by Petitioner for extension of validity of Standby Power Agreement till 31/8/2015
17. Letter dated 1st August 2015 from Respondent to the Petitioner
18. Letter dated 28th August 2015 from Respondent to the Petitioner
19. Letter dated 2nd September 2015 from Petitioner to the Respondent requesting to make payment of outstanding amount
20. Standby Power Agreement dated 29th August 2015 executed between Petitioner and Respondent
21. Letter dated 26th October 2015 addressed by Petitioner to the Respondent requesting to pay the installment of Rs. 3 crores and submit the separate bank guarantee
22. Order dated 28th October 2015 passed by the Hon'ble Appellate Tribunal for Electricity in Appeal No.112 of 2015
21. Standby Power Agreement dated 30th June 2016
22. Letter dated 28th September 2016 from Petitioner to the Respondent requesting to release the payment of undisputed amount
23. Letter dated 30th September 2016 addressed by Petitioner to Yes Bank invoking the Bank Guarantee
24. Letter dated 4th October 2016 addressed by Petitioner to Yes Bank to keep the Demand Notice in abeyance
25. Petitioner letter dated 15th October 2016 requesting the Respondent to renew the Bank Guarantee



26. Petitioner letter dated 10th February 2017 requesting the Respondent to make the payment of undisputed amount
27. Bank Guarantee dated 31st March 2017 of Rs. 4,61,66,400/-
28. Petitioner letter dated 3rd April 2017 requesting the Respondent to make the payment of undisputed amount
29. Petitioner letter dated 11th April 2017 requesting the Respondent to make payment of outstanding arrears
30. Petitioner letter dated 14th June 2017 requesting the Respondent to make payment of outstanding arrears
30. Petitioner letter dated 23rd June 2017 requesting the Respondent to make payment of outstanding arrears
31. Letter dated 20th April 2017 addressed by Respondent to the Petitioner
32. Letter dated 21st June 2017 addressed by Respondent to the Petitioner
33. Letter dated 3rd August 2017 addressed by Petitioner to the Respondent to pay the outstanding amount and keep the Bank Guarantee alive
34. Orders dated 28th September 2017 and 11th October 2017 passed by Hon'ble High Court in Suit No.429 of 2017
35. Invoices issued by the Petitioner
36. Correspondence exchanged between the parties before filing the Petition



Little & Co
 Partner
 Advocate for the Petitioner

11, 2014

ANNEXURE "A"



Global Energy Private Limited

35

Mr. Ajoy Mehta
Managing Director
MSEDCL
Mumbai

Ref: 1. MERC Order case No.71 of 2014 dated June 2, 2014
2. Maharashtra SLDC letter no. CE/MSELDC/EA/00972, dated June 9, 2014

Sub: Request to MSEDCL for Standby Power Support in Transaction for Supply of Energy to Karnataka Discoms through the Chikodi Mudasang and Chikodi Talangane Lines

Dear Sir,

We are pleased to inform you that the Hon'ble MERC has passed an order directing the Maharashtra SLDC to grant Open Access permission to Global Energy Pvt. Ltd. (GEPL) with regard to transaction for supply of energy to Discoms in Karnataka through the Chikodi Talangade and Chikodi Mudasang lines. Pursuant to the same the Maharashtra SLDC has, vide its communication of June 9, 2014 granted us open access. However, this permission is subject to three conditions. A copy of this communication is enclosed for your ready reference.

One of the conditions required to be complied with is that we submit a standby power arrangement for the transaction from a Discom in Maharashtra. We, therefore, request the MSEDCL to kindly consent to providing this transaction with standby power support, in the event of any tripping of the generator / overdraw by the Karnataka Discoms resulting in a deviation in the schedule.

For this transaction, the Karnataka system has undertaken to ensure that in the event of tripping of the generator the load would be switched back to the Karnataka system within 1 time block (15 minutes) further to their communication of February 17, 2014 to the Maharashtra SLDC (copy of the said communication is enclosed herewith).

May we request you to kindly grant us consent for standby power for 110 MW to comply with the requirement of the Maharashtra SLDC pursuant to the Hon'ble MERC's order. We agree to provide a suitable payment security mechanism in the form of a bank guarantee in favour of MSEDCL and, further, in the unlikely event of any deviations taking place, we will be paying for those deviations within two working days of receipt of the invoice from MSEDCL.



Director (Operations)
M.S.E.D.C.L.

Rajkeshu
GLOBAL ENERGY PRIVATE LTD.
1047 10th Floor,
Maker Chambers VI
Nariman Point, Mumbai - 400 021
T: 91 22 4342 3300 F: 91 22 22040374

HEAD OFFICE:
6th Floor, Le Meridien Commercial Tower
Halsina Road, New Delhi - 110 001
T: +91 11 437 344 44
F: +91 11 437 344 66 / 77

REGD. OFFICE
207, 2nd Floor, Co-operative
Near Datta Temple, Malabar
Kalyan, Maharashtra
T: 225231 423 2

BRANCH OFFICES: BRANGALORE PUNE HYDERABAD RAIPUR CHANDIGARH BHUSNESHWAR NANAGARIE PUNE

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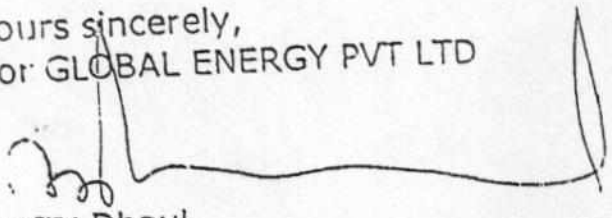
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Global Energy
Private Limited

We request you to kindly issue us a two-line consent letter so that we may proceed with the commencement of open access from the SLDC and other formalities.

Thanking you,

Yours sincerely,
For GLOBAL ENERGY PVT LTD


Harry Dhaul
Chief Knowledge Officer

cc : 1) Director (Operations) MSEDCL, Mumbai
2) Executive Director (Commercial), MSEDCL, Mumbai

Encl: SLDC Letter dated ~~February 17, 2014~~ June 9, 2014
PCKL letter dated 17.2.2014





ANNEXURE "B" -

MSEDCCL

Maharashtra State Electricity Distribution Co. Ltd.

Prakashgad, Plot No. G-9, Bandra (East), Mumbai - 400 051
(P) 26474763, (O) 26474211 / 26472131, Fax: 26472366, Website: www.mahadiscom.in

Ref no. PP /Com/

No 18790

DI. 11 JUN 2014

37

To
M/s Global Energy Pvt.Ltd
104, 10th floor,
Maker Chamber VI, Nariman Point
Mumbai-400021

Sub: Standby power support to M/s Global Energy
Ref: (i) Your letter dt. 11, June 2014
(ii) Letter no. 00972 dt. 9.6.2014 from MSETCL

Dear Sirs,

Please refer your letter at sr no.(i) above wherein you have requested for Stand - by power from MSEDCL. The Competent Authority has decided as under: MSEDCL is ready to provide the standby arrangement. However, this standby support is subject to following conditions:-

- (i) M/s Global Energy to ensure that the complete requirement of open access in normal course shall be met through its own generators without depending on MSEDCL.
- (ii) In case M/s Global Energy draws power from the grid it will be charged at temporary tariff of MSEDCL for such over-drawal, for any reason whatsoever.
- (iii) M/s Global Energy will provide a Bank Guarantee equivalent to 2 days consumption which will be invoked only if over-drawal payment (if any) is not effected in two days time
- (iv) This arrangement is totally at the risk and cost of M/s Global Energy and M/s Global Energy should ensure that the Energy injected into the grid is always equal or more than their contracted capacity of Karnataka Discom
- (v) In case of over-injection, the units will be treated as lapsed and no payment will be effected whatsoever.
- (vi) M/s Global Energy will totally indemnify MSEDCL for any reason whatsoever and undertaking to that effect shall be submitted to MSEDCL.
- (vii) If payment is not made for extra drawl, SLDC will be requested to stop the scheduling of power.

This permission is subject to the undertaking of acceptance of above conditions.
Thanking you,

Yours faithfully,

Chief Engineer (Commercial)

- Copy to:
1. Secretary, MERC, Mumbai
 2. Chief Engineer, MSLDC, Mumbai

Global Energy dt.11.06.2014.doc



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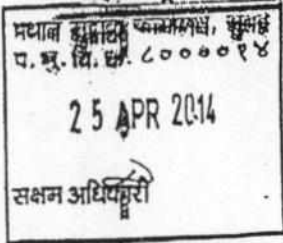
ANNEXURE "C"

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महाराष्ट्र MAHARASHTRA

KV 173835



श्री. विश्वेद नंदरकर

STANDBY POWER AGREEMENT

This agreement is made at Mumbai on this 13th day of June, 2014.

By and Between

Global Energy Pvt. Ltd., a company/ firm/ individual or any other body duly formed and registered under the Relevant Act, hereinafter called GEPL, having its registered office at Address at 207, Gera Imperium II, Pato Plaza, Panjim, North Goa, 403001

And

M/s Maharashtra State Electricity Distribution Co. Ltd., a company/ firm/ individual or any other body duly formed and registered under the Relevant Act, hereinafter called MSEDCL, having its registered office address at Prakashgad, Plot No. G-9, Bandra East, Mumbai 400051.

1



Signature

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~~257~~

WHEREAS GEPL has approached MSEDCL for standby power arrangement in respect of its transaction for supply of energy to Karnataka Discoms through Radial Mode, via the 220 KV Chikodi-Talangade and 220 KV Chikodi-Mudshingi Lines.

AND WHEREAS the MSEDCL has vide its consent letter dated June 11, 2014 Ref. PP/Com/18790 agreed to provide the standby power to GEPL.

NOW THEREFORE, in consideration of the mutual understanding arrived at, the parties there to have agreed the terms and conditions, as follows:

1. M/s. GEPL to ensure that the complete requirement of Open Access in normal course shall be met through its own generator(s) without depending upon the MSEDCL
2. Incase M/s. GEPL/Karnataka Discom overdraws power from the grid, it will be charged at the temporary tariff of MSEDCL or UI Charges, whichever is higher, for such overdrawal for any reason whatsoever.
3. M/s. GEPL will provide a Bank Guarantee equivalent to 2 days consumption, by the Karnataka Discom against this transaction, which will be invoked only if overdrawal payment, if any, is not effected in 2 days time.
4. This arrangement is totally at the risk and cost of M/s. GEPL and M/s. GEPL should ensure that the energy injected into the grid is always equal to or more than their contracted capacity of Karnataka Discom.
5. Incase of over-injection the units will be treated as lapsed and no payment will be effected whatsoever.



Devi...

- 6. M/s. GEPL will totally indemnify MSEDCL for any reason whatsoever and undertaking to that effect shall be submitted to MSEDCL.
- 7. If payment is not made for overdrawal, SLDC will be requested to stop the scheduling of power.

In WITNESS THEREOF, the parties to agreement have caused these presents to be executed as of the day and year first above written.

SIGNED for and on behalf of

By M/s. Global Energy Pvt. Ltd. By M/s. MSEDCL

Signature.....
 Title..... DIRECTOR.....
 13/1/2014

Signature.....
 Title..... Chief Engineer (PP).....
 (A.S. Chavan)

Witness.....
 NILESH SONAWANE

Witness.....
 Ravindra S. Sayle



ANNEXURE "D"

41

MAHAVITARAN
Maharashtra State Electricity Distribution Co. Ltd.

(A Government of Maharashtra Undertaking)
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO. LTD.
CIN: U40109MH200SSGC153645

5th Floor, Prakashgad, Bandra (E), Mumbai - 400051 Fax- (022) 26580645. Mail- ceppmsedcl@gmail.com

No. / CE/ PP/GEPL/ 084223

Date: 12 3 MAR 2015

To
Global Energy Pvt Ltd
104, Maker Chamber VI
Nariman Point
Mumbai 400021

Sub: Payment of overdraft as per Standby Power Agreement for supply of power to Karnataka - Global Energy Pvt. Ltd.

Ref: 1) Standby Power Agreement between M/s. Global Energy Pvt. Ltd. & MSEDCL dated 13th June'2014.
2) You letter dated 16th Mar'2015.
3) MSEDCL's letter no.07698 dated 16th Mar'2015.

In accordance with the terms & conditions of Standby Power Agreement between Maharashtra State Electricity Distribution Company Ltd. (MSEDCL) & Global Energy Pvt. Ltd. (GEPL), dated 13th June'2014, MSEDCL had requested Yes Bank for invocation of the Bank Guarantee (BG) submitted by GEPL. However, vide letter dated 16th Mar'2015 GEPL have requested to withdraw the invocation of BG.

Further, GEPL has approached MSEDCL & discussed about the complexities in the billing issues & various aspects of the transactions. GEPL has expressed the willingness to pay the outstanding amount in installments, in anticipation of MERC order in the matter.

This matter has been discussed between Competent Authority of MSEDCL & GEPL and the following decisions were taken in the meeting dated 16th Mar'2015 -

- GEPL will pay Rs.3 Crore per month with immediate effect and this amount will be adjusted against outstanding bills & delayed payment surcharge thereon.
- Henceforth, GEPL will pay weekly energy bill(s) raised by MSEDCL within 2 days as per the provisions of Standby Power Agreement.
- In view of the payment of monthly installment & anticipated MERC order in this matter, MSEDCL will withhold the encashment of BG.
- The Standby Power Agreement signed between GEPL & MSEDCL, may be extended up to 30th June'2015, as per GEPL's request.

Page 1 of 2



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Accordingly, MSEDCL has withdrawn the BG invocation on receipt of payment of Rs.3 Crore from GEPL on 16th Mar'2015. Also, vide letter dated 16th Mar'2015 MSEDCL has extended the Standby Power Agreement signed between GEPL & MSEDCL, up to 30th June'2015, as per GEPL's request.

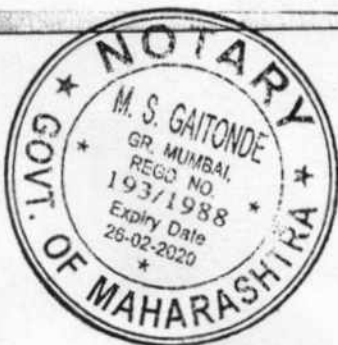
In this regard, as decided in the meeting dated 16th Mar'2015, it is requested to make timely payments of the bills issued by MSEDCL & the decided monthly installment(s), else MSEDCL will be constrained to encash the Bank Guarantee submitted by GEPL, as per the Standby Power Agreement. Details of the outstanding payments are attached herewith as Annexure-I for reference.

Encl: As above

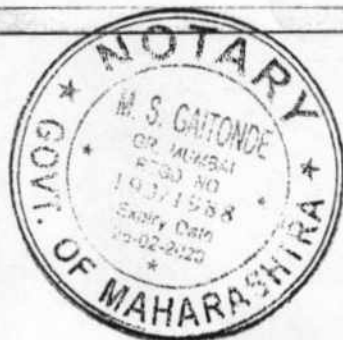
Yours faithfully

Shamsh
Chief Engineer
(Power Purchase)

Maharashtra State Electricity Distribution Company Limited
5th floor, Prakashgad, Plot No.G-9, Bandra (East), Mumbai - 400 051 ■ (P) 26478643, ■ (O) 26474211,
■ Fax- 26475012 Email: cepp@mahadiscom.in Website: www.mahadiscom.in



Global Energy Raised Bill Summary				
SR NO	PERIOD	BILL NO & Date	NET AMT	MWH
1	11 to 31 July-2014 (On Account)	25344/ 12.08.2014	4117656	805.3108
2	11 to 31 July-2014	28453/ 11.09.2014	6228586	
3	01 to 10 Aug-2014	28454/ 11.09.2014	6322141	492.74
4	11 to 17 Aug-2014	28455/ 11.09.2014	8803783	684.24
5	18 to 24 Aug-2014	28560/ 11.09.2014	770505	59.21
6	25 to 31 Aug-2014	29021/ 17.09.2014	1628328	125.98
7	01 to 07 Sep-2014	29994/ 26.09.2014	2534283	197.68
8	08 to 14 Sep-2014	30519/ 04.10.2014	2545054	198.22
9	15 to 21 Sep-2014	31018/ 10.10.2014	3277749	255.67
10	22 to 30 Sep-2014	31818/ 20.10.2014	12108673	941.77
11	01 to 05 Oct-2014	31817/ 20.10.2014	4253696	331.80
12	06 to 12 Oct-2014	37910/ 22.12.2014	7344059	572.256
13	13 to 19 Oct-2014	37911/ 22.12.2014	11500322	897.00
14	20 to 26 Oct-2014	37959/ 22.12.2014	6982493	544.856
15	27 Oct to 02 Nov-2014	38066/ 23.12.2014	2239280	174.67
16	03 to 09 Nov-2014	38065/ 23.12.2014	6749192	526.458
17	10 to 16 Nov-2014	38067/ 23.12.2014	3401550	264.02
18	17 to 23 Nov-2014	38306/ 26.12.2014	6140366	478.96
19	24 to 30 Nov-2014	38307/ 26.12.2014	6263535	488.575
20	01 to 07 Dec-2014	38306/ 26.12.2014	3953204	308.36
21	08 to 14 Dec-2014	3108/ 31.01.2015	10160421	789.79
22	15 to 21 Dec-2014	3107/ 31.01.2015	10709104	835.34
23	22 to 28 Dec-2014	3106/ 31.01.2015	9615945	749.31
24	29 Dec-2014 to 04 Jan-2015	3208/ 02.02.2015	6473698	504.12
25	05 to 11 Jan-2015	3209/ 02.02.2015	6194251	483.17
26	12 to 18 Jan-2015	3210/ 02.02.2015	6454995	503.48
27	19 to 25 Jan-2015	4493/ 11.02.2015	8174707	635.487
28	26 Jan to 01 Feb-2015	5238/ 21.02.2015	6794653	529.79
29	02 to 08 Feb-2015	5240/ 21.02.2015	7648542	596.61
30	09 to 15 Feb-2015	6512/ 05.03.2015	8935946	697.032
31	16 to 22 Feb-2015	7691/ 16.03.2015	6014841	469.18
32				
33				
Total Bills raised			194339260	15140.8648
Paid by GEPL on 14th Aug'14		4117656		
Paid by GEPL on 17th Sep'14		2500000		
Paid by GEPL on 21st Oct'14		3277749		
Paid by GEPL on 15th Jan'15		5000000		
Paid by GEPL on 15th Mar'15		30000000		
Total Payments made by GEPL			44895405	
Bills Outstanding			149443855	
Delayed Payment Surcharge up to 19.03.2015			5857627	
Total Outstanding			155301482	



ANNEXURE "E"

44

MAHAVITARAN
Maharashtra State Electricity Distribution Co. Ltd.

Maharashtra State Electricity Distribution Co. Ltd.
Prakashgad, Plot No.G-9, Bandra (East), Mumbai - 400 051
■ (P) 26474753, (O) 26474211 / 26472131, Fax- 26472366, Website: www.mahadiscom.in

Ref No. PP/Global/ **F-20333**

Dt. **20 APR 2015**

To
M/s Global Energy Pvt.Ltd
104, 10th floor,
Maker Chamber VI, Nariman Point
Mumbai-400021

Sub: Payment of instalment and weekly bills

Ref: (i) MERC order in case 71 of 2014 dated 2nd June 2014
(ii) MSEDCL letter no. CE/PP/GEPL/8422 dt. 23rd March 2015.
(iii) Your Letter dated 30th March 2015

Dear Sir,

As per your request, the Short Term Open Access on 220 KV Kolhapur-Chikodi line has been granted and agreement is signed between MSEDCL and GEPL to that effect. Accordingly, weekly bills for overdrawl of power are issued by MSEDCL. Since the bills are not paid by GEPL, the action for invoking Bank Guarantee was initiated by MSEDCL, as per provision of Agreement. Meanwhile, GEPL had approached MSEDCL and discussed about the complexities in billing issues and various aspects of transaction. During the discussion, GEPL had agreed to pay Rs. 3 crores every month and weekly energy bill in time. Accordingly, with such assurance of GEPL, MSEDCL has stopped BG invoking.

However, it is subsequently understood that GEPL had already filed petition in MERC for asking MSEDCL to stop BG invoking and not to charge as per temporary tariff. Thus, it is regretted that on one side, GEPL requested MSEDCL not to invoke BG and assured to pay outstanding amount in instalments and on other side GEPL filed petition in MERC for not invoking BG and for not charging temporary tariff, for which GEPL has agreed to.

Now, GEPL vide letter dt. 30th March 2015 has informed that the standby power agreement will continue till 30th June 2015, any outstanding matters would have to be resolved in terms of the Hon'ble MERC. Vide daily order dt. 24.3.2015, the Hon'ble Commission has directed MSEDCL not to take coercive action. However, it appears that GEPL is taking undue advantage of this order with intention of not fulfilling the assurance given by GEPL to MSEDCL.



The said daily order can not be construed as blanket approval for availing standby power without any payment to MSEDCL.

It is therefore requested to pay monthly instalment of Rs. 3 crores and the weekly bills immediately, as agreed by you, or else MSEDCL will take further necessary action as per agreement, as it deem fit.

Thanking you,

Yours faithfully,

Chief Engineer (Power Purchase)

Copy s.w.r to: Director(Operation) MSEDCL,

Copy f.w.c.s to

- 1. Chief Engineer(Commercial)MSEDCL
- 2. Chief Engineer, MSLDC, Mumbai



ANNEXURE "F"

46

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005.
Tel. 022 22163964/65/69 Fax 22163976
Email: mercindia@merc.gov.in
Website: www.merc.gov.in/www.mercindia.org.in

Case No. 181 of 2014

In the matter of

Petition of M/s. Global Energy Pvt. Ltd. seeking compliance by Maharashtra State Load Despatch Centre of the Order dated 2.6.2014 in Case No. 71 of 2014 regarding FBSM amendments and related reliefs

CORAM

Smt. Chandra Iyengar, Chairperson
Shri. Azeez M. Khan, Member
Shri. Deepak Lad, Member

M/s. Global Energy Pvt. Ltd. ... Petitioner
Maharashtra State Load Despatch Centre ... Respondent

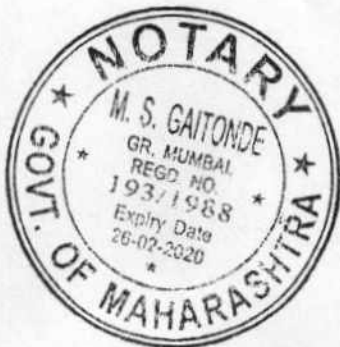
Appearance

For the Petitioner : Shri. Sanjay Sen, Sr Advocate
For the Respondent : Smt. Anjali Chandurkar, Advocate

ORDER

Date: 27 April, 2015

1. M/s Global Energy Pvt. Ltd. (GEPL), 104, Maker Chambers VI, Nariman Point, Mumbai has filed a Petition dated 10 October, 2014 under Sections 142 and 146 of the EA, 2003 read with Regulation 92 of the MERC (Conduct of Business) Regulations, 2004 for directions to the Maharashtra State Load Despatch Centre (MSLDC) for compliance with the Order dated 2 June, 2014 in Case No. 71 of 2014.



2. GEPL's prayers are as follows:

“

a) direct the Respondent to comply with the order dated 02.06.2014 by making suitable changes in the FBSM [Final Balancing and Settlement Mechanism] with immediate effect;

b) direct that pending finalization of the FBSM modification and as an ad-interim measure, all settlement of deviations and necessary adjustments, if any shall be done as per prevailing FBSM rates in the State from the date of the order;

c) direct that any variations / deviations from schedule, in the transaction envisaged in the order dated 02.06.2014, are to be strictly treated as per the FBSM/ deviation mechanism prevalent in the State of Maharashtra as the Petitioner is a member of the State Pool and no temporary or any other penal charges over and the applicable FBSM rate may be levied on the Petitioner in accordance with the settlement mechanism;...”

3. The facts as stated in the Petition are as below:

a. GEPL is engaged in trading of electricity and holds a Category-I Trading Licence issued by the Central Electricity Regulatory Commission (CERC) on 28 November, 2008. The Respondent, MSLDC, is the nodal agency which accords approval for intra-State Open Access (OA) for sale and purchase of electricity in Maharashtra.

b. GEPL applied for grant of Short Term OA permission to MSLDC for supply of power to Power Company of Karnataka Ltd. (PCKL) through the radial mode on 220 kV Kolhapur-Chikodi D/C line, after a bidding process conducted by PCKL. MSLDC initially refused to grant OA to GEPL. Aggrieved by this denial, GEPL approached the Commission in Case No 71 of 2014. In its Order dated 2 June, 2014 in that Case, the Commission ruled that:

“16.1 In the present peculiar facts of the instant case, the Commission hereby directs MSLDC to grant Open Access permission to the Petitioner [GEPL]; subject to:

a. Petitioner should submit all the required documents as per the procedure laid by and as sought by MSLDC for such Short Term Open Access transaction, in case it wants to change the Generator;

b. Clearance of all the outstanding dues should be made by the Generator i.e. M/s Gupta Energy Pvt. Ltd, in the present transaction to STU (MSETCL); in accordance with the procedure laid by MSLDC for such Short Term Open Access transaction;

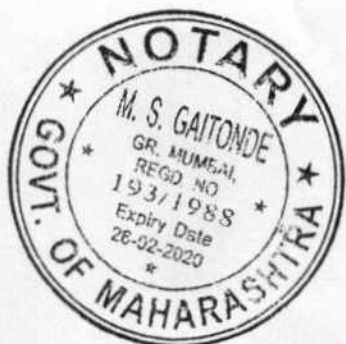


c. Suitable changes should be done by MSLDC for commercial settlements, in the existing FBSM of Maharashtra State, in order to accommodate this particular STOA transaction in the instant case."

- c. Pursuant to the above Order, GEPL applied on 7 June, 2014 to MSLDC for grant of OA. In its response dated 9 June, 2014, MSLDC put forth the requirement of Stand-by Power Agreement with the Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) (the Distribution Licensee) as a pre-condition for grant of OA; but that this was a temporary arrangement till the FBSM modifications were completed. Since MSLDC has not considered GEPL as a State Pool Participant (SPP) as per FBSM, GEPL has filed the present Petition. However, compelled by this requirement of MSLDC and left with no other option, GEPL has also entered into a Stand-by Agreement with MSEDCL dated 13 June, 2014. The OA permission granted by MSLDC is not in line with the Order dated 2 June, 2014 as it requires GEPL to furnish a Stand-by Agreement with MSEDCL.
 - d. Once MSLDC makes suitable changes in the FBSM, by making GEPL a s SPP any deviations would be dealt with as per the deviation mechanism. There is no obligation on GEPL as a SPP to arrange for stand-by power. Hence, the demand for Stand-by power Agreement circumvents the directions of the Commission in Case No 71 of 2014.
 - e. The Commission may direct MSLDC to comply with its Order dated 2 June, 2014 to consider GEPL as a SPP; to make suitable changes and update the FBSM software so as to accommodate settlement of deviations; and, in the interregnum, to settle any deviation from schedule in the OA transactions as per the prevalent FBSM.
4. In its Reply dated 15 November, 2014, MSLDC has submitted that:
- a. The Petition is misconceived and no case has been made out by GEPL for its admission.
 - b. The Petition is based on an incorrect premise and is contrary to the Order dated 2 June, 2014 in Case No 71 of 2014. In those proceedings, MSLDC had contended that the transaction on the 220 kV Kolhapur-Chikodi radial lines, wherein drawal of energy by a Distribution Licensee outside Maharashtra is involved, is not envisaged in the Availability-Based Tariff (ABT) Order dated 17 May, 2007 in Case No 42 of 2006. Relying on the ABT Order, MSLDC had contended that only a Generator, Distribution Licensee or direct consumer who is a 'Full' Transmission OA User can be a SPP since all these entities have control on their generation/load.



- c. GEPL, being a Trader, does not have control over generation and drawal, and cannot, therefore, be a SPP as per the said Order. In its Order dated 2 June, 2014 in Case No 71 of 2014, the Commission has held that both the Respondents in that Case, i.e. the Maharashtra State Electricity Transmission Co. Ltd. (MSETCL) and MSLDC, had performed their functions within the existing regulatory framework and that, as such, there was no violation of any Orders, Regulations or provisions of the EA, 2003.
- d. In its Order dated 2 June, 2014, the Commission also held that, as MSLDC had sought documents from GEPL which are required to be furnished for OA transactions, MSLDC's conduct was also supportive of that transaction and was in line with the provisions of Section 66 of the EA, 2003 regarding promotion of development of market, including trading. The Commission further ruled that MSLDC has to facilitate Short Term OA transactions within the existing statutory framework of the EA, 2003 and Regulations. Accordingly, the Commission directed [at para. 16.1 of the Order, quoted at para. 3.(b) above] MSLDC to grant OA permission to GEPL subject to certain conditions.
- e. In the Order, there is no finding anywhere that GEPL was required to be treated as a SPP as is claimed in the present Petition. On the contrary, MSLDC was required to make suitable changes for commercial settlements in the existing FBSM of the State to accommodate the particular transaction of GEPL.
- f. Subsequent to the Order, an application dated 7 June 2014 was submitted by GEPL. By letter dated 9 June, 2014, MSLDC responded by granting Short Term OA on the 220 kV Kolhapur-Chikodi line through radial mode. GEPL was also requested to submit a Stand-by power Agreement with MSEDCL, and informed that OA would start after such compliance.
- g. In reply, GEPL, vide letter dated 12 June, 2014, submitted to MSLDC a letter received from MSEDCL (dated 11 June, 2014) agreeing to grant stand-by support.
- h. GEPL made an application dated 12 June, 2014 to MSLDC for grant of OA. By this time, as its PPA with PCKL was not submitted by GEPL, MSLDC by its e-mail dated 14 June, 2014 sought a copy. MSEDCL also stated that, after providing the PPA as well as GEPL's letter regarding change of source of Generator, OA would be commenced from the next working day. GEPL



thereafter submitted a No-Objection from MSETCL as well as the stand-by power Agreement dated 13 June, 2014.

- i. Thereafter, on 27 June, 2014, GEPL applied for OA for the period from July to December, 2014. In its reply dated 1 July, 2014, MSEDCL informed GEPL that a copy of the PPA and concurrence from BESCOM or Karnataka SLDC were not attached. GEPL was requested to submit all applications along with required documents.
- j. GEPL made a revised application dated 3 July, 2014 for the period from 5 July to October, 2014 along with a copy of the PPA. Accordingly, GEPL was granted Short Term OA vide letter dated 4 July, 2014 for the period from 5 July to 31 July, 2014. MSLDC's letter stated that, since GEPL has executed a stand-by arrangement with MSEDCL, the commercial settlement towards any deviation at the drawal point, i.e. the 220 kV Kolhapur- Chikodi D/C line, would be settled between MSEDCL and GEPL. GEPL has thus availed of OA.
- k. GEPL has not brought out facts mentioned at para. 4 (h),(i) and (j) above to the notice of the Commission in its Petition. Since the FBSM does not provide for a Trader to be a SPP, it was envisaged that an arrangement be made by which a Stand-by Agreement would be entered into by GEPL with MSEDCL. In such a case, drawal end deviation is taken care of by the stand-by power from an existing Distribution Licensee which is a SPP. Accordingly, GEPL in fact entered into a stand-by arrangement; and when it was asked to submit a copy of the Agreement, GEPL did so without demur, after which it was granted Short Term OA.
- l. Thus, subsequent to the Order dated 2 June, 2014, GEPL has applied to MSLDC for grant of Short Term OA and also complied with the requirements of MSLDC. After having availed of OA from 5 July, 2014, GEPL is now wrongly contending that the Commission had directed MSLDC to treat GEPL as a SPP.
- m. The Commission has permitted the OA transaction in that Case as a unique transaction in the interest of development of the market, in the existing FBSM as per the provisions of law. MSLDC has accommodated this transaction in the existing FBSM. The ABT Order does not in any manner recognize a Trader to be a SPP. Nowhere in India is there any Order or Regulation of any Commission under which a Trader is considered or treated as a SPP. Only a Distribution Licensee or a Generator or a Transmission OA User can be a SPP. Changes were made for commercial settlement in respect of this particular transaction and GEPL was granted OA, inter alia, upon it entering into a



stand-by Agreement with MSEDCL. GEPL is not entitled to any relief whatsoever, and the Petition is liable to be dismissed with costs.

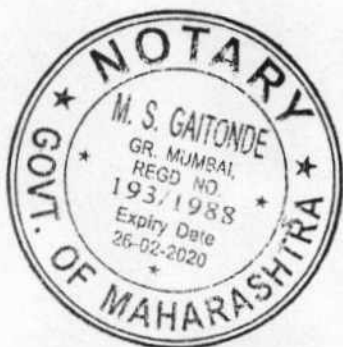
5. At the hearing on 18 November, 2014, GEPL cited the Commission's directions regarding grant of OA at paras. 15.8(a) to (c) of its Order dated 2 June, 2014 in Case No. 71 of 2014. Thereafter, MSLDC told GEPL that some software needed to be changed. In the meantime, GEPL should obtain stand-by support from MSEDCL. Hence GEPL signed the Stand-by Agreement. Conditions (2) (application of MSEDCL temporary category tariff or UI charges for overdrawal), (4) (energy injected should be more than contracted capacity of Karnataka Distribution Licensee) and (5) (in case payment is not made for over-drawal, MSLDC will be asked to stop scheduling of power) of the Agreement may be seen. The Stand-by Agreement is outside the FBSM. Para 4.11(l) (dealing with the applicability of the ABT regime to OA Users) of the ABT Order may be seen in this context. MSLDC responded by referring to paras. 15.3, 15.5, 15.6 and 15.8 of the Order dated 2 June, 2014, where the Commission has held that the OA transaction in this case is of an intra-State nature; that, in view of para. 3.2(d) of the ABT Order, GEPL being a Trader and not having control over the generation cannot become a SPP; that MSLDC has acted as per the law and in line with S. 66 of EA, 2003. The Commission then directed a via media with respect to commercial settlements. MSLDC had filed a comprehensive Reply giving the sequence of correspondence following the Order. Citing the Commission's Order, Short Term OA was given vide letter dated 4 July, 2014, with certain stipulations since two States were involved. Thus, MSLDC had no intention of violating the Commission's Order. There is no ruling that GEPL is a SPP. GEPL submitted that the ABT Order did not envisage such cases. Therefore, the Commission had directed a via media and suitable changes for commercial settlements. MSLDC responded that this was done by way of the Stand-by Agreement with MSEDCL. GEPL stated further that it had given details in tabular format of how it had been financially impacted. The imposition of the MSEDCL temporary tariff runs counter to the FBSM. Since the ABT Order of 2007, the scenario has changed and new modalities need to be found. The scope of the ABT Order itself is wide enough to accommodate such modalities, as will be seen from paras. 3.1 and 3.2 of that Order. The Commission directed GEPL to file its additional submissions, and MSLDC to submit its response, if any, thereafter.

6. Accordingly, vide its submission dated 25 November, 2014, GEPL has stated that:

a. Pursuant to the Order dated 2 June, 2014, MSLDC had to make suitable changes for commercial settlement, in the FBSM, in order to accommodate GEPL's Short Term OA transaction on the 220 kV Kolhapur- Chikodi Line. The bilateral contract for stand-by power was proposed in the letter dated 14 April, 2014, much before the Order.



- b. MSLDC's failure to make suitable changes in commercial settlement in the FBSM has not only resulted in non-compliance of the Order dated 2 June, 2014 but also kept GEPL out of the FBSM. The non-subjection of the present transaction of GEPL to the FBSM has resulted in a huge monetary loss of around Rs. 5,25,88,464/- which is ongoing and subsisting. The purpose of Short Term OA is lost if the contract is burdensome, unviable and contrary to the interest of the market participant.
- c. From paras. 3.1 and 4.11 of the ABT Order dated 17 May, 2007, it is clear that a Trader is a market participant. Further, such market participants are also envisaged as SPPs. However, the ABT Order was based on market and regulatory conditions prevalent at that time. As such, it laid the road map for inclusion of a Trader as SPP, and the Order dated 2 June, 2014 was an effort to take a principle established in the ABT Order forward.
- d. The suitable changes in the FBSM referred to above ought to be made, since it is likely that such transactions will increase in future. If the market infrastructure is put in place and there is regulatory certainty, the market will grow and the consumers will be better served.
- e. In view of the above, MSLDC may be directed to make suitable changes for commercial settlement, in the FBSM Mechanism, in order to accommodate the Short Term OA transaction.
7. In its response dated 4 December, 2014, MSLDC has stated as below:
- a. MSLDC repeats and reiterates the contents of its Reply dated 15 November, 2014. GEPL has not made out any case for exercise of the Commission's powers u/s 142 or 146 of EA, 2003.
- b. In its Order in Case No. 71 of 2014, the Commission has held that the Short Term OA transaction on 220 kV Kolhapur-Chikodi Line in radial mode is a unique bilateral transaction. Further, the Commission came to a specific finding that the Respondents had acted as per the provisions of the EA, 2003, Regulations and Orders of the Commission. The Commission further held that MSLDC had sought documents from GEPL for the transaction and that, as such, the conduct of MSLDC was also supportive for this unique bilateral transaction and was in line with the provisions of Section 66 of the EA, 2003. In this background, the Commission had directed MSLDC to make suitable changes for commercial settlement in the existing FBSM to accommodate this particular unique bilateral transaction.



- c. MSLDC has fully complied with the Commission's Order. GEPL has been granted Short Term OA on 4 July, 2014. Its letter specifically states that, since GEPL has executed a stand-by arrangement with MSEDCL, the commercial settlement towards any deviation at the drawal point, i.e. 220 kV Kolhapur-Chikodi D/C line, will be settled between MSEDCL and GEPL. It is pursuant to this letter that GEPL has availed OA for supply under the Letter of Intent (LoI) issued by PCKL, which is valid upto December, 2014.
- d. There is no finding in the Order that GEPL is to be treated as a SPP, which is the purported basis for filing the present Petition. There was no direction in the ABT Order dated 17 May 2007 that a Trader be treated as SPP.
- e. MSLDC was directed to make suitable changes for commercial settlement in the existing FBSM of Maharashtra. Accordingly, MSLDC required that a Stand-by Agreement be entered into by GEPL with MSEDCL, which was in fact done. MSLDC could not have been directed to make any other changes since they would have resulted in going beyond the ABT Order. The change was directed to be made for commercial settlement for accommodation. The only method by which GEPL could be accommodated in the existing FBSM was by executing a Stand-by Agreement, which GEPL did.
- f. It is an admitted position that, under the ABT regime, a Trader is not a SPP. Para 4.11 of the ABT Order, on which reliance has been placed by GEPL, itself shows that presently a Trader is neither a SPP nor a Transmission OA User. The issue before the Commission in Case No 71 of 2014 was whether a specific transaction, which was held to be a unique transaction, was of an intra-State or inter-State nature. There was no question of the ABT Order being reviewed or modified with respect to the issue of a Trader to be treated as a SPP.
- g. A 'Full' OA User and 'Full' OA transaction is one where such OA User, i.e. Generator/ consumer, has contracted for its requirement in entirety and is not dependent on a Distribution Licensee for providing any additional support or service. Such OA User has been held to be nothing but a Transmission or Distribution OA User, as the case may be, depending on voltage level at which the drawal/ injection point is concerned. Thus, a 'Full' OA User can be treated on par with a Distribution Licensee for the purpose of State Imbalance Pool and subjected to the same Balancing and Settlement Code.
- h. Merely because a Trader is a Market Participant, it cannot be said to be a SPP when it is not included as such in the ABT Order. Granting any such prayer in



the present Petition would result in modification of the ABT Order dated 17 May, 2007. Any such modification would require to be done after following the due regulatory process.

- i. GEPL has no control over the generation of the Generator with whom it has an agreement. Moreover, there is no control on the load of Karnataka, which is another State, connected to the radial lines. There are certain deviations by GEPL at Kolhapur bus, because of the following reasons:
 - (i) Connected load of Karnataka is not regulated as per the schedule submitted to MSLDC by GEPL;
 - (ii) Availability of power from the Generator, which is being traded by GEPL, in Maharashtra is less than the connected load of Karnataka at Chikodi bus; and
 - (iii) Power is not scheduled by GEPL commensurate with the load of PCKL.
- j. The above clearly shows that GEPL has no control over the load which is required, which is one of the preconditions for being a SPP as per para 3.2 of the ABT Order. Factually, it appears that since power is not available from Sai Wardha Power Company Ltd., GEPL is sourcing power from JSWEL, Ratnagiri. Such variation is being taken care by MSEDCL with the help of the Stand-by Agreement.
- k. The relief sought and the contentions made by GEPL are beyond the ABT Order; if they are granted, other stakeholders will be vitally affected. As such, these issues are out of the purview of the present proceedings. The contentions of GEPL with regard to Stand-by Agreements run counter to its Agreement with MSEDCL, which has honored it till date and is a part of the process of facilitating the unique transaction.
- l. Annexure A of GEPL's written submission wrongly refers to the Average Imbalance Rate of FBSM bill for the period of from 1 April to 29 June, 2014. If MSEDCL's stand-by power rates are to be compared with FBSM, then 15 minutes block-wise rates are to be considered. Further, in FBSM, the System Marginal Price (SMP) is determined by the Marginal Price of the under-drawing Utility, and the rate is determined as per the Central Electricity Regulatory Commission (CERC) (Deviation Settlement Mechanism and related matters) Regulations, 2014 at which State overdraws or under-draws with the regional Grid. Thus, any under-drawal or over-drawal in respect of GEPL's transaction impacts MSEDCL. Hence, GEPL's Petition is liable to be dismissed.



Commission's Analysis and Rulings

8. The Commission's directions in Case No. 71 of 2014 and GEPL's present Petition have to be understood in the light of the basic issue involved, i.e. whether or not a Trader can be considered as a SPP for the purposes of the FBSM in the existing ABT regime in Maharashtra.
9. In this context, paras. 3.1 and 3.2 of the intra-State ABT Order dated 17 May, 2007 in Case No 42 of 2006 (quoted by GEPL itself in Case No. 71 of 2014, and reproduced in that Order) reads as follows:

3.1 Maharashtra State Power Pool Participants

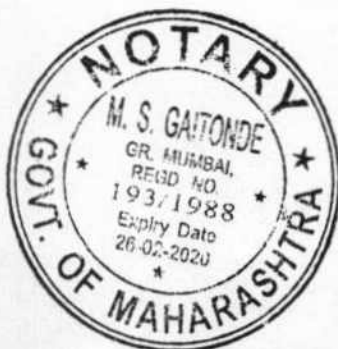
*The Maharashtra State Power Pool shall comprise tiered structure for market operations comprising various entities such as **Market Participants, State Pool Participants, Market Service Providers and Market Operator** as elaborated in the following paragraphs.*

- ***Market Participants** – The Market Participant shall mean the generating companies, power trading companies, distribution licensees and the open access users and consumers operating within electricity market within Maharashtra. (i.e. Generators, DISCOMs, Traders, OA Users)*
- ***State Pool Participants** - This shall refer to the Market Participants of Maharashtra Electricity Market who meet the conditions for membership of Pool, subject to fulfillment of qualification criteria or covenants for Pool participation as set out under this Order. Currently, it is envisaged that the distribution licensees and the Transmission, open access users (subject to fulfilment of certain qualification criteria or covenants for Pool participation) operating within electricity market of Maharashtra in accordance with the terms and conditions outlined under this Order shall be the State Pool Participants...*

3.2 Covenants for State Pool Participation

The primary objective of the Maharashtra Balancing and Settlement Code is to govern the functioning of the various State Pool Participants in a way that discipline is maintained with regard to the supply and drawal of energy by the State Pool Participants and the reliability and integrity of power system is maintained.

However, in order to fulfil such an objective, necessary preconditions need to be specified and agreed to by the State Pool Participants for an effective operationalisation of the market. The following is a list of such covenants:



(d) The State Pool Participants shall operate their equipments / loads in a manner that is consistent with the provisions of the Indian Electricity Grid Code and the State Grid Code.

(e) The State Pool Participants shall enter into BPTA (Bulk Power transmission agreement) and Connection Agreement with the concerned transmission licensee (MSETCL or TPC-T or REL-T, as case may be), which shall specify the physical and operational requirements for a reliable operation and gain physical access and connection to the intra-State transmission system (InSTS)...

(g) All State Pool Participants will have to make necessary arrangements for putting up suitable meters, capable of recording energy flows at 15-minute intervals, at the points of injection / drawal."

10. Thus, the ABT Order makes a distinction between Market Participants and SPPs. While SPPs are also Market Participants, not all Market Participants are SPPs. The Order also makes a distinction between 'Full' and 'Partial' OA transactions and users in connection with their status as SPP under the ABT regime. It is clear from the ABT Order that the Commission has categorized Traders as Market Participants but not as SPPs; and that SPPs are those Market Participants who meet the qualification criteria or covenants for Pool Participants. The Order requires that:

- SPPs have to maintain discipline with regard to supply and drawal of energy so that reliability and integrity of the power system is maintained;
- SPPs should operate their equipments / loads consistent with the provisions of the Indian Electricity Grid Code and the State Grid Code.
- SPPs have to enter into Bulk Power Transmission Agreement (BPTA) and Connection Agreement with the concerned Transmission Licensee, and make arrangements for putting up suitable meters, capable of recording energy flows at 15-minute intervals, at the points of injection / drawal.

11. The preconditions for Market Participants to be SPPs in the FBSM Pool have been defined in the ABT Order. Considering these preconditions, a Trader cannot become a SPP. Indeed, the Commission has acknowledged this factual position in its Order dated 2 June, 2014 in Case No 71 of 2014, and noted as follows:

"15.5 The Petitioner had applied for Short Term Open Access to MSLDC on 3 February, 2014 for transaction of about 110 MW over 220 kV Kolhapur –Chikkodi radial lines. MSLDC has submitted that, this kind of transaction where the drawal of energy by DISCOM outside the State is involved is not envisaged in the ABT Order dated 17 May, 2007. The condition of clause 3.2 (d) of the ABT Order dated 17 May, 2007 means that the DISCOM, Generator or direct consumer ('Full' TOAU) can be SPP, as these entities have control on their generations. The Petitioner being a Trader does not have control over the Generation. Thus, Trader cannot become SPP as per the provisions of intrastate ABT Order in Case No. 42 of 2006."



12. In its Order dated 2 June , 2014 in Case No 71 of 2014, the Commission had directed as follows:

"16.1 In the present peculiar facts of the instant case, the Commission hereby directs MSLDC to grant Open Access permission to the Petitioner; subject to:

...

c. Suitable changes should be done by MSLDC for commercial settlements, in the existing FBSM of Maharashtra State, in order to accommodate this particular STOA transaction in the instant case."

With regard to the compliance of these directions, the Commission notes MSLDC's submission dated 4 December, 2014 that there is no finding in that Order that GEPL is to be treated as a SPP, which is the basis for the present Petition u/s 142 and 146 of the EA, 2003, nor did the ABT Order dated 17 May, 2007 provide that a Trader is to be treated as a SPP. Instead, MSLDC was directed to make suitable changes for commercial settlement in the existing FBSM. Accordingly, MSLDC required that a Stand-by Agreement be entered into by GEPL with MSEDCL, which was in fact done. MSLDC could not have been directed to make any other change since that would have amounted to going beyond the ABT Order. The change was directed to be made for commercial settlement for accommodation. The only way by which GEPL could be accommodated in the existing FBSM was by entering into a Stand-by Agreement with MSEDCL, and GEPL had done so.

13. The Commission notes that, following its Order, vide letter dated 9 June, 2014, MSLDC has granted Short Term OA permission to GEPL on the 220 kV Kolhapur-Chikodi D/C line through radial mode, and asked GEPL to comply with the following:

- i. Submission of Stand-by Agreement with MSEDCL;
- ii. Clearance from the Maharashtra State Transmission Utility (STU);
- iii. Correction in the name of the injecting entity in Format-1 and acceptance letter of PCKL.

Thereafter, GEPL has entered into a Stand-by power Agreement with MSEDCL on 13 June, 2014.

14. Considering the foregoing, the Commission is of the view that MSLDC's contention that a Trader cannot be treated as a SPP in the FBSM, summarized at para. 12 above, is in line with the Commission's ABT Order, and was also acknowledged by the Commission in its Order dated 2 June, 2014 in Case No. 71 of 2014. The Commission accepts MSLDC's submission, and rules that, from the



operational point of view, the Short Term OA transaction in the present matter could not have been accommodated in the existing Balancing and Settlement Code.

15. Hence, the Commission is of the view that MSLDC's action to facilitate and accommodate this unique kind of Short Term OA transaction in the existing FBSM by way of a Stand-by Agreement between GEPL and MSEDCL was justified. Such adjustments by MSLDC, as a Market Service Provider under the ABT Order, which are appropriate for commercial settlements within the existing FBSM framework, are in line with the directions given in the Order dated 2 June, 2014 in Case No 71 of 2014. Thus, there is no case for invoking Sections 142 or 146 of the EA, 2003. GEPL's prayer set out at para. 2(a) above is addressed accordingly.
16. In order to become a SPP in the present FBSM, GEPL would have to fulfill all the necessary preconditions set out in the ABT Order. The submissions of GEPL, a Trader, do not reflect that it has fulfilled the preconditions for Market Participants to be a SPP. If GEPL is not a SPP, the FBSM commercial settlement dispensation cannot be made applicable to it. GEPL's prayers set out at para. 2(b) and (c) above are addressed accordingly.
17. In its Order dated 11 April, 2014 in Case No 56 of 2012, the Commission had ruled as follows:

"5. Summary of the Findings

5.1. The Commission, after considering the issues raised by the Petitioner, recommendations of the Committee on Zero Base Review and comments/suggestions of distribution licensees & Petitioner on the Committee Report, rules the following:

A. Implementation of de-centralized scheduling and frequency linked deviation settlement mechanism in Phase I; and

B. Implementation of State level customization in Phase II, for improving balancing and settlement mechanism after ensuring successful implementation of Phase-I.

5.2. The Commission entrusts Maharashtra State Power Committee (MSPC) the responsibility to lead the revision of balancing and settlement code in Maharashtra by carrying out the steps identified above in the present Order. The steps are to be carried out by MSPC in close coordination with the Commission and various stakeholders. MSPC should consult the Commission for designing and finalizing the envisaged mechanism from time to time."



The Commission expresses its displeasure that MSLDC has submitted its report only on 16 February, 2015, i.e. ten months after its directions. MSLDC should appreciate it that has a premier role in system development in the emerging market scenario, and must discharge it pro-actively rather than always looking for direction from the Commission.

18. The Commission notes that, since May, 2007 when the ABT Order was passed, the power market scenario has evolved considerably with operationalisation of OA for more than a decade, development of power exchanges and Maharashtra State no longer being deficit in power. Hence, there is an urgent need to review the existing dispensation in the changed context, and to make appropriate changes for promotion and development of the market (including trading) as mandated under S. 66 of the EA, 2003, after due public consultation. The Commission's Secretariat shall submit, within 3 months, a draft Discussion Paper for the purpose, which will also consider the inclusion of other Market Participants as SPPs.

The Petition of M/s Global Energy Pvt. Ltd. in Case No. 181 of 2014 stands disposed of accordingly.

Sd/-
(Deepak Lad)
Member

Sd/-
(Azeez M. Khan)
Member

Sd/-
(Chandra Iyengar)
Chairperson



ANNEXURE "g"

60

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005.
Tel. 022 22163964/65/69 Fax 22163976
Email: mercindia@merc.gov.in
Website: www.merc.gov.in/www.mercindia.org.in

Case No. 38 of 2015 & MA No. 2 of 2015

In the matter of

Petition of Global Energy Pvt. Ltd. seeking directions for implementation of its Stand-by Power Agreement with MSEDCL dated 13.6.2014 in line with Order dated 2.6.2014 in Case No. 71 of 2014

CORAM

Smt. Chandra Iyengar, Chairperson
Shri. Azeez M. Khan, Member
Shri. Deepak Lad, Member

Global Energy Pvt. Ltd.

....Petitioner

V/s

1. Maharashtra State Electricity Distribution Co. Ltd.
2. Maharashtra State Load Despatch Centre

...Respondents

Appearance

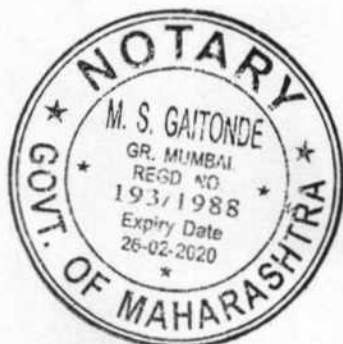
For the Petitioner
For the Respondent No. 1
For the Respondent No. 2

Shri Sanjay Sen, Sr. Advocate
Smt. Swati Vyavahare, MSEDCL
Shri. Jayant D. Weekay, MSLDC

ORDER

Date: 28 April, 2015

1. M/s Global Energy Private Limited (GEPL), 104, Maker Chambers VI, Nariman Point, Mumbai, has filed a Petition on 11 March, 2015 under Sections 86 (1) (f), 86 (1) (k) & Regulations 92 and 93 of the MERC (Conduct of Business) Regulations, 2004 seeking issuance of appropriate directions for implementation of its Stand-by Power Agreement with Maharashtra State Electricity Distribution Co. Ltd.



(MSEDCL) dated 13 June, 2014 in line with the Commission's Order dated 2 June, 2014 in Case No. 71 of 2014.

2. GEPL's prayers are as follows:

"a) Quash the letter dated 03.01.2015 (Annexure 14) thereby holding and directing that the Respondent No.1 has to provide the standby power supply till the validity of the transaction(s) of the Petitioner with the PCKL / Karnataka Discoms, which is as per the agreement dated 13.06.2014 read with letters dated 08.07.2014, 19.12.2014 and 22.12.2014;

b) hold and direct that the commercial settlement of the standby power sourced by the Petitioner has to be commercially settled based on the FBSM bill of the Respondent No.1, as acknowledged in the 20th MSPC meeting;

c) hold and direct that the Respondent No.1 cannot charge temporary tariff for the supply of standby power / overdrawl by the Petitioner since as per the FBSM mechanism the settlement by the host licensee (Respondent No.1) has to be done in a manner in which the said licensee remains revenue neutral;

d) in the alternative, direct as follows :

i) that the petitioner can draw power for any overdrawl against the concerned discom(s) and the deviation, if any, is to be worked out at the rate of the said discom through the FBSM bill;

or

ii) the Respondent No.2, as per the minutes of the 20th MSPC meeting, has to adjust any commercial settlements towards overdrawl by the Petitioner from the grid by pro-rating the same between the existing discoms under FBSM mechanism;

e) direct that the Respondent No.1 cannot invoke / encash the Bank Guarantee dated 11/7/2014 (Annexure P -15);

f) in the interim, direct as follows:

i) the Respondent No.1 has to continue with the standby power arrangement till the pendency of the present petition,; and

ii) the Respondent No.1 cannot take any coercive action / measures against the Petitioner, including encashment of the Bank Guarantee dated 11/7/2014(Annexure P -16), till the final adjudication of the present proceedings:..."

GEPL also filed a Miscellaneous Application (MA) No. 2 of 2015 on 16 March, 2015 in this Case, with the following prayers:

"a) take on record the subsequent events having occurred after the filling of the Petition bearing Case No. 38 of 2015;

b) stay the operation of the letter dated 13.03.2015 of the Respondent No 1, being demand notice for invoking Bank Guarantee, with immediate effect, till the pendency of the present petition; or in alternative, direct the Respondent No. 1 to withdraw its letter dated 13.03.2015 being demand notice for Invoking Bank Guarantee;

c) direct the Respondent No.1 not to take any coercive measures against the Petitioner, in any manner whatsoever, including to not to enchase any Bank Guarantee, till the pendency of the present petition;



d) pass an ad-interim ex parte stay of the operation of the letter dated 13.03.2015 of the Respondent No 1, being demand notice for invoking Bank Guarantee, till the pendency of the present petition;...”

3. The facts as stated in the Petition are as follows:-

a) GEPL applied for grant of Open Access (OA) permission to the Maharashtra State Load Despatch Centre (MSLDC) for supply of power to Power Company of Karnataka Ltd. (PCKL) through radial mode on the Kolhapur-Chikodi line. MSLDC initially refused to grant of OA on various grounds.

b) Aggrieved by this denial, GEPL filed a Petition in Case No. 71 of 2014, wherein the Commission directed MSLDC to allow the above transaction by granting OA and by making suitable changes in the existing software of the Final Balancing and Settlement Mechanism (FBSM) towards commercial settlements.

c) Pursuant to that Order, GEPL made an application for grant of Short Term OA to MSLDC on 7 June, 2014. On 9 June, 2014, MSLDC responded that a stand-by generator source is required as a pre-condition for grant of OA. According to GEPL, this was not as per procedure and was not even argued by MSLDC that such stand-by power is a pre-condition for grant of OA as per the Order of the Commission in Case No. 71 of 2014.

d) However, being under pressure, GEPL started the transaction, which was already delayed by 6 months, and approached MSEDCL for availing stand-by power under coercion. This was done although GEPL was of the view that the stand-by power arrangement was not as per the spirit of the Commission's Order dated 2 June, 2014 in Case No. 71 of 2014. The issue of non-compliance of that Order by MSLDC is pending final adjudication before the Commission in Case No. 181 of 2014. Since GEPL was under pressure to start the transaction and was left with no other option, GEPL sought stand-by power from MSEDCL.

e) Vide letter dated 11 June, 2014, MSEDCL agreed to supply stand-by power and executed an Agreement on 13 June, 2014 with GEPL with respect to the transaction envisaged by GEPL with PCKL. The Agreement was entered into with the intention and knowledge that it was to be in force till MSLDC implemented the FBSM qua GEPL and the agreement dated 13 June, 2014, and was also made co-terminus with agreement of GEPL with PCKL.

f) Vide its letter dated 8 July, 2014, MSEDCL also agreed that, in the event of under drawal by the Karnataka Distribution Licensees, the units remaining in the system are to be treated as per the FBSM. However, MSEDCL wanted GEPL to pay temporary charges for over-drawal in this transaction, which was against the spirit of the Commission's Order and against the Regulations, and is illegal in terms of the fact that a Licensee cannot charge temporary charges to another Licensee. The



Commission had clearly stated in its Order dated 2 June, 2014 that the deviation settlement will be carried out through FBSM only.

g) On 21 July, 2014, GEPL provided a Bank Guarantee of Rs. 5,78,18,200/- in favour of MSEDCL in terms of the Stand-by Power Agreement dated 13 June, 2014.

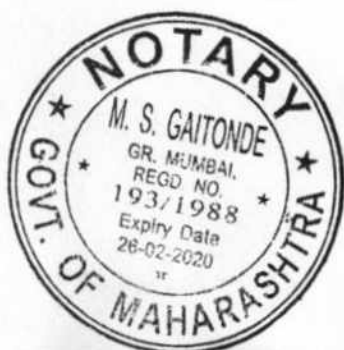
h) Vide communications dated 11 July, 22 August and 17 December, 2014, MSEDCL confirmed that the over-drawal and under-drawal will be settled under the FBSM. In the meantime, GEPL received a Letter of Intent dated 5 December, 2014 from PCKL for continuation of the power supply agreement till 30 June, 2015.

i) Vide letter dated 19 December, 2014, MSEDCL agreed to treat under-drawal / over-drawal by the Karnataka Distribution Licensee as per the deviation/FBSM mechanism, in line with the Commission's Order in Case No. 71 of 2014. However, MSEDCL thereafter imposed certain conditions. One of the conditions is that over-drawal from the grid will attract temporary tariff or Unscheduled Interchange (UI) charges, whichever is higher. This is contradictory to MSEDCL's previous stand that under-drawal and over-drawal shall be settled as per the FBSM mechanism. Further, the letter clearly acknowledges that MSEDCL is aware that the transaction with PCKL has to be settled under FBSM as per the Order in Case No. 71 of 2014. Despite this, MSEDCL raised bills for temporary charges without waiting for FBSM settlement bill from MSLDC. Therefore, these bills are illegal and erroneous.

j) Vide letter dated 22 December, 2014, MSEDCL accepted GEPL's request for availing stand-by power till the validity of the agreement with PCKL. Vide letter dated 3 January, 2015, MSEDCL stated that the stand-by power arrangement would be till 31 March, 2015, without giving any reason for this curtailment. This decision of MSEDCL directly relates to the continuation of OA to be granted by MSLDC. As such, it also vitiates the OA allowed by the Commission vide Order in Case No. 71 of 2014.

k) GEPL had made an account payment of Rs. 1.48 crore to MSEDCL against the provisional invoices. GEPL also raised provisional bills to the tune of Rs. 1,13,74,261/- on MSEDCL towards under-drawal by the Karnataka Distribution Licensees as per FBSM rates. In this regard, it also wrote to MSEDCL on 19 January, 2015.

4. In MA No. 2 of 2015 filed on 16 March, 2015, GEPL has sought a stay on the operation of MSEDCL's demand notice dated 13 March, 2015 to Yes Bank invoking the Bank Guarantee dated 11 July, 2014 for Rs. 5,78,18,200/-. GEPL has submitted that the invocation is unjustified and contrary to the terms of the Stand-by Agreement dated 13 June, 2014 read with MSEDCL's letters dated 8 July, 19 December and 22 December, 2014. The Bank Guarantee is valid until 15 December, 2015, and is hence available for encashment once the Commission decides the matters raised in Case No. 38 of 2015. GEPL contends that invocation of the Bank Guarantee at this stage would



adversely affect the grant of OA by MSLDC. GEPL's transaction with PCKL will end, leading to losses to GEPL, penalties and litigation. Karnataka consumers would be adversely affected. The encashment of the Bank Guarantee would also pre-empt the outcome of Case No. 181 of 2014, which has been reserved for Order by the Commission. MSEDCL had previously also invoked the Bank Guarantee, but withdrawn it vide letter dated 16 October, 2014 stating that the billing was under scrutiny. Reconciliation has still not been done by MSEDCL. According to GEPL, after initially agreeing to continue the stand-by arrangement till June, 2015, MSEDCL subsequently stated that it would be only till March, 2015. That action has been impugned in the Petition. In its letter dated 19 December, 2014, referring to the Commission's Order date 2 June, 2014 in Case No. 71 of 2014 and to part payments made by GEPL against the Stand-by Agreement, MSEDCL asked GEPL to immediately pay the remaining amount or, alternatively, approach the Commission "as the matter is related to SLDC and GEPL". By letter dated 16 March, 2015, GEPL sought an urgent hearing of the Case.

5. A hearing was held on 24 March, 2015. After hearing representatives of the Petitioner and Respondents, and as reflected in its Daily Order, the Commission directed MSEDCL not to take any coercive action against GEPL till the issuance of its Order in Case No.181 of 2014 or 30 April, 2015, whichever is earlier, and reserved the present Case for Order.

Commission's Analysis and Ruling

6. In its prayer set out at para. 2(a) above, GEPL seeks the continuation by MSEDCL of the stand-by power arrangement beyond March, 2015 considering the period of validity of GEPL's transactions with PCKL / Karnataka Distribution Licensees. On this issue, the Commission has noted, in its Order dated 24 April, 2015 on GEPL's MA No. 1 of 2015 in Case No. 181 of 2014, that

"MSLDC has granted OA to GEPL for April, 2015, based on the extension of stand-by support by MSEDCL till 30 June, 2015 and the PPA between Bescom and GEPL."

Hence, this issue no longer survives.

7. In its prayers, GEPL has referred to the 20th meeting of the Maharashtra State Power Committee (MSPC) held on 19 December, 2014, and sought that the Commission

b) hold and direct that the commercial settlement of the standby power sourced by the Petitioner has to be commercially settled based on the FBSM bill of the Respondent No.1, as acknowledged in the 20th MSPC meeting;...

d) [or] direct that... (ii) the Respondent No.2, as per the minutes of the 20th MSPC meeting, has to adjust any commercial settlements towards overdrawl by the



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Petitioner from the grid by pro-rating the same between the existing discoms under FBSM mechanism;"

With regard to the MSPC meeting referred to by GEPL, the Commission has noted, in its Order dated 24 April, 2015 on MA 1 of 2015 in Case No. 181 of 2014, that

"MSLDC has submitted that the Record of Proceedings of the MSPC meeting held on 19 December, 2014 is an internal document circulated only to its members and has yet to be confirmed by them. Even so, the Commission notes that the discussion cited by GEPL related to possible options for an interim arrangement only for treatment of SEZs [Special Economic Zones] as SPPs [State Pool Participants] in the FBSM. SEZ Developers are deemed Distribution Licensees under the proviso to Section 14(b) of the EA, 2003. That proviso was inserted by an amendment in 2010, i.e. subsequent to the Commission's ABT [Availability-Based Tariff] Order. The status of a Trader such as GEPL is altogether different."

8. These and the remaining prayers of GEPL are related to the issues involved and prayers made by GEPL in Case No. 181 of 2014. Indeed, while seeking a stay on the encashment of its Bank Guarantee by MSEDCL, GEPL had also submitted that such encashment would pre-empt the outcome of that Case, which was reserved for Order. The Commission had accordingly directed that no coercive action be taken until its Order in that Case or 30 April, 2015, whichever is earlier. The Order in Case No. 181 of 2014 has since been issued on 27 April, 2015, and the Commission has, inter alia, held as follows:

"14. ...the Commission is of the view that MSLDC's contention that a Trader cannot be treated as a SPP in the FBSM,... is in line with the Commission's ABT Order, and was also acknowledged by the Commission in its Order dated 2 June, 2014 in Case No. 71 of 2014. The Commission accepts MSLDC's submission, and rules that, from the operational point of view, the Short Term OA transaction in the present matter could not have been accommodated in the existing Balancing and Settlement Code.

15. Hence, the Commission is of the view that MSLDC's action to facilitate and accommodate this unique kind of Short Term OA transaction in the existing FBSM by way of a Stand-by Agreement between GEPL and MSEDCL was justified. Such adjustments by MSLDC, as a Market Service Provider under the ABT Order, which are appropriate for commercial settlements within the existing FBSM framework, are in line with the directions given in the Order dated 2 June, 2014 in Case No 71 of 2014...

16. In order to become a SPP in the present FBSM, GEPL would have to fulfill all the necessary preconditions set out in the ABT Order. The submissions of GEPL, a Trader, do not reflect that it has fulfilled the preconditions for Market Participants to be a SPP. If GEPL is not a SPP, the FBSM commercial settlement dispensation cannot be made applicable to it..."



9. The Commission's Orders, quoted above, fully address the basic issues underlying the present Petition. The Commission also notes that GEPL and MSEDCL have entered into the Agreement for stand-by power, with all its terms and conditions, by mutual consent.

The Petition of M/s Global Energy Pvt. Ltd. in Case No. 38 of 2015, along with its Miscellaneous Application No. 2 of 2015, stand disposed of accordingly.

Sd/-
(Deepak Lad)
Member

Sd/-
(Azeez M. Khan)
Member

Sd/-
(Chandra Iyengar)
Chairperson



ANNEXURE "H"

67

MAHAVITARAN

Maharashtra State Electricity Distribution Co. Ltd.

Prakashnagar, Plot No. 8-A, Bandra (East), Mumbai - 400 051
R (P) 26474733, (C) 26474211 / 26472131, Fax-26472216, Website: www.mahadiscom.in

Ref No. PP /Standby Agreement/ Validity/Global/234

Dt. 03.01.2015

To
M/s Global Energy Pvt.Ltd
104, 10th floor,
Maker Chamber VI, Nariman Point
Mumbai-400021

Subj - Validity of Standby power agreement dated 13.06.2014 with M/s Global Energy Pvt Ltd for STOA supply to BESCOM (Karnataka) through Kolhapur -Chickodi line in radial mode.

- Refi - (i) MERC order in case 71 of 2014 dated 2nd June 2014
- (ii) MSEDCL letter Ref no. PP/Com/No 18790 dt.11, June 2014
- (iii) MSEDCL Letter dated Ref no. PP/Com-22252 dated 11, July 2014
- (iv) GEPL letter dated 22, August 2014
- (v) MSEDCL Letter Ref no PP/Global/26437 dated 22, August 2014
- (vi) CE SLDC Mail dated 16.12.2014.
- (vii) GEPL Letter dated 17, December 2014.
- (viii) Letter No. PP /Standby support/Global/37635 dated 19.12.2014
- (ix) Letter No.CE/PP/GEPL/37637 dated 19.12.2014
- (x) M/s GEPL mail dated 22.12.2014
- (xi) PP /Standby Agreement/ Validity/Global/37961 Dt. 22.12.2014

Dear Sir,

MSEDCL, vide letter dated 22.12.2014 under reference (xi), had considered your request to continue supply of power to BESCOM from generator source JSW Ratnagiri plant through Kolhapur-Chickodi line in radial mode from 1st Jan 2015 to 30th June 2015 and also considered your request for standby support from MSEDCL.

Your request is further reviewed and as approved by Competent Authority, the period for supply of power through Kolhapur-Chickodi line is modified as under.

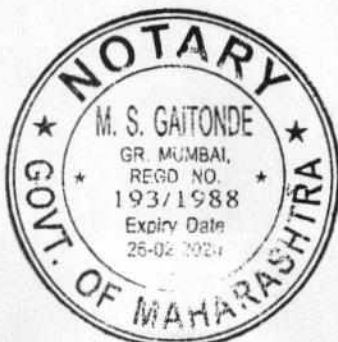
MSEDCL is hereby accepts your request to continue supply of power to BESCOM from generator source JSW Ratnagiri plant through Kolhapur-Chickodi line in radial mode from 1st Jan 2015 to 31st March 2015 and also accepts your request for standby support from MSEDCL for this period.

The terms and conditions of Standby agreement dated 13.06.2014 remains same.

Thanking you,

Yours faithfully,
D. S. Desai
Chief Engineer (Power Purchase)

- Copy to be sent to:
- 1. Director Operation, MSEDCL.
- Copy to be sent to:
- 1. Chief Engineer Commercial, MSEDCL
- 2. Chief Engineer, MSLDC, Mumbai
- Copy to be sent to:
- 1. Superintending Engineer (LM), Kalawa



PP /Standby Agreement/ Validity/Global/ 07698

Dt. 16 MAR 2015

Global Energy Pvt.Ltd
10th floor,
Chamber VI, Nariman Point
Mumbai-400021

Sub: Validity of Standby power agreement dated 13.06.2014 with M/s Global Energy Pvt Ltd for STOA supply to BESCO (Karnataka) through Kolhapur -Chickodi line in radial mode.

- Ref: (i) MERC order in case 71 of 2014 dated 2nd June 2014
(ii) MSEDCL letter Ref no .PP/Com/No 18790 dt.11, June 2014
(iii) MSEDCL Letter dated Ref no. PP/comm-22252 dated 11, July 2014
(iv) GEPL letter dated 22, August 2014
(v) MSEDCL Letter Ref no PP/Global/26437 dated 22, August 2014
(vi) CE SLDC Mail dated 16.12.2014.
(vii) GEPL Letter dated 17, December 2014.
(viii) Letter No. PP /Standby support/Global/37635 dated 19.12.2014
(ix) Letter No.CE/PP/GEPL/37637 dated 19.12.2014
(x) M/s.GEPL mail dated 22.12.2014
(xi) PP /Standby Agreement/ Validity/Global/37961 Dt. 22.12.2014
(xii) Letter No. PP /Standby support/Global/234 dated 03.01.2015
(xiii) GEPL Letter dated 24 February 2015.

As per your request, the Short Term Open Access on 220 KV Kolhapur-Chikodi line has been approved by M/S Global Energy and the power will schedule to Karnataka Discom from source JSW, Ltd.

Discom is in receipt of your letter dated 24.02.2015 under reference no.(xiii) , where in you have requested to continue supply power to BESCO through generator source JSW Ratnagiri plant through Kolhapur-Chickodi line in radial mode from 1st April 2015 to 30th June 2015 and to inform regarding validity of standby support till 30th June 2015.

The competent authority has considered your request to continue supply power to BESCO through generator source JSW Ratnagiri plant through Kolhapur-Chickodi line in radial mode from April 2015 to 30th June 2015 and also considered your request for standby support from

Terms and conditions of Standby agreement dated 13.06.2014 remains same.

Thanking you,

Yours faithfully,
[Signature]
Chief Engineer (Power Purchase)

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ANNEXURE " J "

MAHAVITARAN
Maharashtra State Electricity Distribution Co. Ltd.

Maharashtra State Electricity Distribution Co. Ltd.

Prakashgad, Plot No.G-9, Bandra (East), Mumbai - 400 061

■ (P) 26474753, (O) 26474211 / 26472131, Fax- 26472366, Website: www.mahadiscom.in

Ref. No. PP /Standby Agreement/ Validity/Global/

Dt.

To
M/s Global Energy Pvt.Ltd
104, 10th floor,
Maker Chamber VI. Nariman Point
Mumbai-400021

29734 29 JUL 2015

Sub: Extension of Standby power agreement dated 13.06.2014 with M/s Global Energy Pvt Ltd for STOA supply to BESCO (Karnataka) through Kolhapur - Chickodi line in radial mode.

Ref: (i) MERC order in case 71 of 2014 dated 2nd June 2014

(ii) CE SLDC Mail dated 16.12.2014.

(iii) Letter No. PP /Standby support/Global/37635 dated 19.12.2014

(iv) PP /Standby Agreement/ Validity/Global/37961 Dt. 22.12.2014

(v) Letter No. PP /Standby support/Global/234 dated 03.01.2015

(vi) MSEDCL's Ltr No. PP /Standby support/Validity/Global/07698 Dtd 16.03.2015.

(vii) APTEL's daily order dt. 25.05.2015 (Appeal nos. 111 & 112 of 2015)

(viii) APTEL's daily order dt. 06.07.2015 (Appeal nos. 111 & 112 of 2015)

(ix) Your letter dated 21.07.2015

Dear Sir,

As requested by you, the Short Term Open Access on 220 KV Kolhapur-Chikodi line has been granted M/S Global Energy and the power is scheduled to Karnataka Discom from source JSW, Ltd. The standby power arrangement is extended upto 31.07.2015.

This office is in receipt of your letter dated 21.07.2015 under reference no.(ix), where in you have requested to extend standby power agreement for supply power to BESCO through Kolhapur-Chikodi line in radial mode upto 31st August 2015.

The competent authority has considered your request to continue supply power to BESCO through generator source JSW Ratnagiri plant through Kolhapur-Chikodi line in radial mode from 1st August 2015 to 31st August 2015 and also considered your request for standby support from MSEDCL for this period.

You are requested to pay monthly installment of Rs. 3 Cr. immediately and pay weekly bills in time.

The terms and conditions of Standby agreement dated 13.06.2014 remains

same

Thanking you,

निर्मित

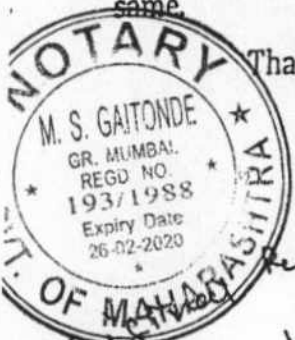
30 JUL 2015

Sawant

Yours faithfully,

Sawant

Chief Engineer (Power Purchase)



Global Energy

2015

ANNEXURE "K"



Global Energy Private Limited



7071

Date: 1/08/2015

To,
Chief Engineer (Power Purchase)
Maharashtra Electricity Distribution Company Ltd.
Prakashgad, Bandra, Mumbai-400 051

Sub: Payment of Overdrawl as per Standby Power arrangement for supply of power to Karnataka through Kolhapur-Chikodi radial Line

- Ref: 1) MERC Order in case no. 71 of 2014 dtd 2nd June 2014
- 2) APTEL order dated 25th May 2015 in Appeal No. 111&112 of 2015
- 3) Agreement dated 13th June 2014 between MSEDCL and GEPL for standby power
- 4) MSEDCL letter dated 8.7.2014 to GEPL

Dear Sir,

At the outset we thank you for continuing standby power support for our transaction regarding supply to Karnataka through Kolhapur-Chikodi radial line.

We would like to inform you that we have already made payments of Rs13,48,95405/- for overdrawl, towards the existing stand by power agreement.

Further, we have already paid installment of Rs 3 Cr each, for the month of May and June 2015 respectively, pursuant to the interim orders dated 25.05.2015 issued by the Hon'ble Appellate Tribunal for Electricity in Appeal Nos. 111 & 112, without prejudice to the rights of the parties

As you must be aware that Hon'ble APTEL did not sit on the last date of scheduled hearing fixed on 06.07.2015 and as a result the said Appeal(s) could not be taken up for hearing. The Hon'ble APTEL has now fixed the next date of hearing in the said Appeal(s) as on 27.08.2015. In this regard we have already moved applications for extension of the interim stay till the said next date of hearing and the copies of the respective applications are already been duly served to all parties concerned.

In view of the above, we state that although there are per se no directions of APTEL to pay any further amount, however keeping in view the spirit of the interim order of Hon'ble APTEL, we intend to make another payment of 3 cr to you for the month of July 2015. However, presently we are having some cash flow issues on account of which we are making a part payment of 1 cr. and seek a period of 15 days for releasing the remaining payment. Accordingly, an payment of 1 Cr. has already been remitted to your account via RTGS on 30.07.2015 and the remaining payment of 2 Cr. will be paid within 15 days. In the meantime we hope that MSEDCL will also continue to act in terms of the spirit of the interim order dated 25.05.2015 of Hon'ble APTEL.

Thanking You

For Global Energy Pvt. Ltd.

Bodalia

Authorized Signatory

Cc: Director (O) . MSEDCL

*Pl. write to
G/SD at
immediately
AD
118*

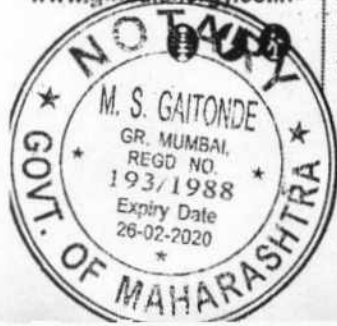
www.globalenergy.co.in

GLOBAL ENERGY PVT. LTD.
104, 10th Floor,
Maker Chambers VI
Nariman Point, Mumbai - 400 021
T: 91 22 4342 3300 F: 91 22 22040374

HEAD OFFICE:
6th Floor, Le-Meridien Commercial Tower
Raisina Road, New Delhi - 110 001
T: +91 11 437 344 44
F: +91 11 437 344 66 / 77

REGD. OFFICE
207, 2nd Floor, Gera's Imperium II
Near Kamal Towers, Potta Plaza,
Panjim, Goa - 403 001
T: 098231 06078

BRANCH OFFICES BRANGALORE PUNE HYDERABAD RAIPUR CHANDIGARH BHUBNESHWAR ITANAGARI BELGUNDI ALZAWAL



ANNEXURE 'L'



Global Energy Private Limited

August 28, 2015

72

Chief Engineer (Power Purchase)
Maharashtra State Electricity Distribution Company Ltd.
Prakashgad, Bandra,
Mumbai-400 051

Sub: Payment of Overdrawl as per Standby Power arrangement for supply of power to Karnataka through Kolhapur-Chikodi-radial Line

- Ref: 1) MERC Order in case no. 71 of 2014 dtd 2nd June 2014
2) APTEL order dated 25th May 2015 in Appeal No. 111&112 of 2015
3) Agreement dated 13th June 2014 between MSEDCL and GEPL for standby power
4) MSEDCL letter dated 8.7.2014 to GEPL

Dear Sir,

At the outset we thank you for continuing standby power support for our transaction regarding supply to Karnataka through Kolhapur-Chikodi radial line.

We would like to inform you that we have already made payments of Rs 16,48,95,405/- for overdrawl, towards the existing stand by power agreement.

This includes installment of Rs 3 Cr each, in month of May 2015, June 2015 and July 2015 respectively, pursuant to the interim orders dated 25.05.2015 issued by the Hon'ble Appellate Tribunal for Electricity in Appeal Nos. 111 & 112, without prejudice to the rights of the parties

Further to the above, for the installment due in August 2015 we propose to make the payment of 3 crores to MSEDCL. However, presently we are having some cash flow issues on account of which we propose to pay Rs. 1 crore on or before August 31, 2015 and the balance amount of Rs. 2 crores on or before September 15, 2015.

Thanking You

For Global Energy Pvt. Ltd.

Budaling
Authorised Signatory

Cc: Director Operation, MSEDCL

Table with 2 columns: Department/Category and Status. Rows include ED-Comm, ED-HR, CE-Comm, CE-Dist, CE-PP (checked), CE-IR, CGM-IT, CGM-T/E, CGM-HR, SE-TRC, SE-LW, SE-DF.

Handwritten signature and initials

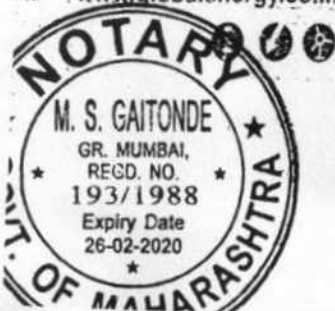
www.globalenergy.co.in

GLOBAL ENERGY PVT. LTD.
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207, 2nd Floor, Gera's Imperium II
Near Kamal Towers, Potta Plaza,
Panjim, Goa - 403 001
T: 098231 06078

BRANCH OFFCES BRANGALORE PUNE HYDERABAD RAIPUR CHANDIGARH BHUBNESHWAR ITANAGAR BELGUNDI AIZAWAL



ANNEXURE "M"



73

5th floor, Prakashgad, Plot No.G-9, Bandra (East), Mumbai – 400 051 ■ (P) 26478643, ■ (O) 26474211, ■ Fax-26580645

Email : cepp@mahadiscom.in Website : www.mahadiscom.in

No. CE/PP/GEPL/Standby/15-16/ -32783

Date:-
- 2 SEP 2015

To,

M/S Global Energy Pvt. Ltd
104, 10th Floor
Maker Chamber VI, Nariman point
Mumbai-400021

Sub: -Standby Power Support to M/S Global Energy for power supply to Karnataka Discom through Kolhapaur- Chikodi line.

Ref:- 1) Your Letter dated 11.08.2015
2) Standby Power Agreement dated 29.08.2015.

With reference to the above, Competent Authority has considered your request for standby power to GEPL for supply of power to Karnataka Discom through Kolhapur-Chikodi line in radial mode. The source of power shall be JSW Ratnagiri plant. The standby power will be for the period 01.07.2015 to 30.06.2016 as per the terms and conditions of the standby power agreement dated 29.08.2015. In case of any change in generator necessary consent should be obtained from MSEDCL. You are also requested to give fresh Bank Guarantee as per terms of Agreement dated 29.08.2015.

Also as per agreement dated 13.06.2014 GEPL is liable to pay around Rs. 15.91 Crs. against the bill raised by MSEDCL for standby transaction upto 30.06.2015.

Chief Engineer (Power Purchase)

Copy f.w.c.to,

Chief Engineer (SLDC), Kalwa



ANNEXURE "N"

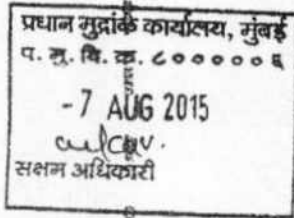
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महाराष्ट्र MAHARASHTRA

2015

NF 476486



STANDBY POWER AGREEMENT

श्रीमती जी. मो. गिरकर

This agreement is made at Mumbai on this 29th day of August, 2015

By and Between

Global Energy Pvt. Ltd., a company/ firm/ individual or any other body duly formed and registered under the Relevant Act, hereinafter called GEPL, having its registered office at **Address at 207, Gera Imperium II, Pato Plaza, Panjim, North Goa, 403001**

And

M/s Maharashtra State Electricity Distribution Co. Ltd., a company/firm/individual or any other body duly formed and registered under the Relevant Act, herein after called **MSEDCL**, having its registered office address at **Prakashgad, Plot No. G-9, Bandra East, Mumbai 400051.**

Signature



AND WHEREAS

- 1. M/S. GEPL has approached MSEDCL for standby power arrangement in respect of its transaction for supply of energy to Karnataka Discoms on Radial Mode, through the 220 KV Chikodi-Talangade and 220 KV Chikodi-Mudshingi Lines.
- 2. MSEDCL has agreed to provide the standby power to GEPL. The Standby Agreement is executed on 29th August 2015 between Ms. GEPL and MSEDCL for the period from 1.7.2015 till 30.6.2016.

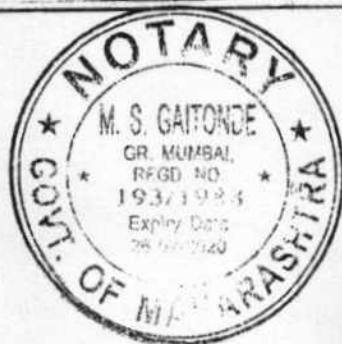
NOWHEREFORE, in consideration of the mutual understanding arrived at, the parties thereto have agreed to the terms and conditions, as follows:

- 1. M/s. GEPL to ensure that the complete requirement of power upto 200 MW in normal course shall be met through its own generator(s) without depending upon the MSEDCL
- 2. In case of any Deviations from the drawl Schedule by M/s. GEPL or the Karnataka Discoms, overdrawl and underdrawl settlement will be settled as under-
 - a) The overdrawl upto 5 MW or 12% of the Scheduled Quantum, whichever is lower, of the Overdrawl units by GEPL shall be paid by GEPL at Total System Marginal price of MSEDCL (i.e. fixed cost+ total variable cost) on 15 minutes block basis.
 - b) The overdrawl exceeding the limit mentioned at sub-point (a) above shall be settled and paid by GEPL at HT I (A) Industries Continuous category tariff - Energy charges including FAC as applicable from time to time. At present HT I (A) category tariff is Rs.7.21 per kwh
 - c) The underdrawl quantum will be treated as lapse and No payment will be effected by MSEDCL to GEPL for underdrawl from drawal schedule
 - d) The settlement calculation shall be done on 15 minutes block basis.

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P. Chate

Bhambhani



3. MSEDCL shall raise Provisional weekly bills for such overdrawl to GEPL, which shall be paid by GEPL within 7 days from the date of the bill. Final Bills shall be provided and raised by MSEDCL after receipt of required data and difference if, any will be adjusted in the next bill. Upon expiry of this arrangement, any amount due by MSEDCL to GEPL or vice a versa shall be settled by payment within 7 days from the date of final bill.
4. M/s. GEPL will provide a Bank Guarantee (BG) equivalent to 7 days of overdrawl bill at 20% of the total requirement of GEPL (i.e.20% of 200 MW) against this transaction, at total system marginal price of August-2015 i.e. Rs. 5.11 per Kwh. This BG will be valid till one month after expiry of this agreement.
5. If bill is not paid within 7 days from the date of bill by GEPL, delayed payment charges shall be payable by GEPL at the rate of 15% per annum till the realization of dues. Further, if GEPL fails to pay the principal amount along with interest within 21 days from the date of bill then MSEDCL shall invoke the Bank Guarantee.
6. If payment is not made for overdrawl by GEPL, SLDC will be requested to stop the scheduling of power.
7. This arrangement is totally at the risk and cost of M/s. GEPL and M/s. GEPL should ensure that the energy injected into the grid is always equal to or more than their contracted capacity of Karnataka Discom/ Scheduled quantum by GEPL. In case of tripping of generator unit GEPL shall revise the schedule upto zero within 4 time block period and Karnataka system shall be isolated in 4 time block period from tripping of unit.
8. M/s. GEPL will totally indemnify MSEDCL for any reason whatsoever and undertaking to that effect shall be submitted to MSEDCL.
9. The agreement can be terminated by MSEDCL if there is a default by GEPL as per this agreement. In the event of a default, 7 days notice shall be given to GEPL and the agreement will be terminated from 1st day of the next month.
10. The agreement can be extended with mutual consent.

Shankar

3

Shankar



11. GEPL hereby agrees to withdraw unconditionally the Appeal no. 111 and 112 of 2015 presently pending before the Hon'ble ATE.

In WITNESSTHEREOF, the parties to agreement have caused these presents to be executed as of the day and year first above written.

SIGNED for and on behalf of

By M/s. Global Energy Pvt. Ltd.

By M/s. MSEDCL

Signature *Prashant*.....

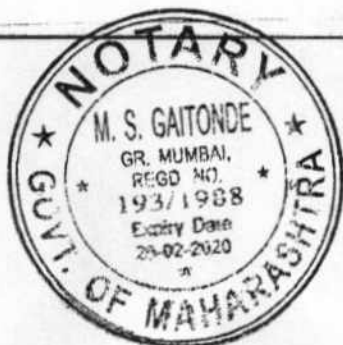
Signature *A.S. Chavan*.....

Title PRASHANT KHANKHOJE
President - Business
Development

Title A. S. CHAVAN
Chief Engineer (Power Purchase)
M. S. E. D. C. L.

Witness *Nikhil Ved Prakash*
(NIKHIL VED PRAKASH)

Witness *Sharadha*
(MRS SWATI P VYAVAHARE)



ANNEXURE "O"

78

MAHAVITARAN
Maharashtra State Electricity Distribution Co. Ltd.
Maharashtra State Electricity Distribution Co. Ltd.
Prakashgad, Plot No.G-9, Bandra (East), Mumbai - 400 051
■ (P) 26474753, (O) 26474211 / 26472131, Fax- 26472366, Website: www.mahadiscom.in

No.CE/PP/GEPL/

537594

Date :

26 OCT 2015

To,

M/s Global Energy Pvt. Ltd.,
104, 10th Floor, Maker Chamber VI,
Nariman Point,
Mumbai - 400 021.

Subject: - Standby Power to Global Energy Pvt. Ltd. (GEPL) for supply to Karnataka Discom through Kolhapur - Chikodi line.

Reference: - 1. MSEDCL Letter No. PP/Com/18790 dtd. 11-06-2014
2. Standby Power Agreement dated 13.06.2014
3. Standby Agreement dtd. 29-08-2015
4. Your Ltr. Dtd. 26-09-2015.
5. T.O.Ltr.No.36264 dtd. 12-10-2015.
6. Yr.Ltr.dated 12-10-2015.

Sir,

With reference to above, it is to inform that, SLDC vide letter dtd. 5-3-2014 has not considered GEPL for grant of open access since neither Karnataka Discom nor the trader (GEPL) can be treated as State Pool Participants in FBSM mechanism.

As requested by you MSEDCL has provided standby power arrangement to M/s GEPL for the power supply to Karnataka Discom through Kolhapur Chikodi line on Radial Mode.

Aggrieved by this denial, GEPL has filed a petition in the MERC (Case No 71 of 2014). The Commission gave its Order dated 2nd June, 2014 as under:-

The Commission hereby directs MSLDC to grant Open Access permission to the Petitioner; subject to;

(a) Petitioner should submit all the required documents as per the procedure laid by and as sought by MSLDC for such Short Term Open Access transaction, in case it wants to change the Generator;

....

(c) Suitable changes should be done by MSLDC for commercial settlements, in the existing FBSM of Maharashtra State, in order to accommodate this particular STOA transaction in the instant case.



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Pursuant to the Commission order in Case No 71 of 2014, GEPL applied on 7th June, 2014 to MSLDC for grant of OA. In its response SLDC vide letter dated 9th June, 2014, put forth the requirement of Stand-by Power Agreement with the MSEDCL as a pre-condition for grant of OA.

GEPL has entered into a Standby Agreement with MSEDCL dated 13th June, 2014 with the condition that payment at temporary tariff or UI charges whichever is higher on overdrawl quantum and underdrawal quantum is treated as lapsed. The standby power is provided w.e.f. 11.07.2014. MSEDCL had extended its standby support to M/s GEPL till 30th June, 2015.

GEPL has filed the petition in case no. 181 of 2014 in MERC with the prayer that direct MSLDC to comply with order dated 02.06.2014(case no.71 of 2014) by making changes in FBSM with immediate effect and pending finalization of the FBSM modification and an interim measure all settlement of the deviation and necessary adjustment if any shall be done as per prevailing FBSM.

MERC has analyzed the petition (case no. 181) and stated that SLDC could not have been directed to make any other changes, since that would have accounted to going beyond the ABT order. The changes were directed to be made for commercial settlement for accommodation. MERC passed an Order dated 27.04.2015 in case no. 181 of 2014, with their views that in para 14 & 16, which is reproduced as under.

Para 14} ----- The Commission accepts MSLDC's submission, and rules that, from the operational point of view, the Short Term OA transaction in the present matter could not have been accommodated in the existing Balancing and Settlement Code.

Para 16} In order to become a SPP in the present FBSM, GEPL would have to fulfill all the necessary preconditions set out in the ABT Order. The submissions of GEPL, a Trader, do not reflect that it has fulfilled the preconditions for Market Participants to be a SPP. If GEPL is not a SPP, the FBSM commercial settlement dispensation cannot be made applicable to it. GEPL's prayers set out at para. 2(b) and (c) above are addressed accordingly.

GEPL had filed a separate petition in case no. 38 of 2015 in MERC for providing the standby power arrangement of supply and its settlement based on FBSM. MERC has passed the Order dated 28.04.2015 (case no 38), and interalia held as per para 14,15 and 16 as per order dated 27.04.2015 (case no. 181 of 2014) and states as under.

Para 08 "The submission of GEPL a trader, do not reflect that it has fulfilled the pre-conditions for market participants to be a SPP. If GEPL is not a SPP, the FBSM commercial settlement dispensation cannot be made applicable to it"

Para 09 "The commissions Orders, quoted above, address the basic issues underlying the present petition. The Commission also notes that GEPL and MSEDCL have entered into the Agreement for stand-by power, with all its terms and conditions, by mutual consent"

It is to inform you that any transaction of power will be as per the regulation and Commission's order time to time. SLDC has not made GEPL as SPP. You have contested that MSEDCL vide letter



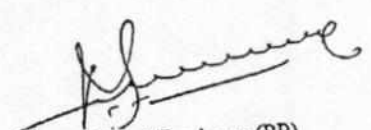
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dtd. 8-7-2014 has agreed for settlement of under drawal as per FBSM. In the present case MERC has passed the order that since the GEPL is not SPP, the commercial settlement of over drawal cannot be settled as per FBSM. Hence, prevailing order of MERC, the question of settlement of transaction under FBSM by MSEDCL does not arise. Further, treating any market participant as SPP and their transaction under FBSM as per provision is a subject concern with SLDC and MSEDCL cannot interfere in it. Meanwhile, GEPL has requested for change in source of power from Sai Wardha to JSW. While sanctioning this change of source, it has been indicated that, the terms and condition of standby arrangement on 13.06.2014 remains same.

GEPL has filed the appeal no. 112 of 2015 against the MERC Order in case no. 38 of 2015 in the APTEL. APTEL vide daily Order dated 25.05.2015 (interim order), has directed that MSEDCL and MSLDC not to take any coercive action against appellatant i.e. GEPL till the next date of hearing. Also, directed GEPL to pay weekly installments of Rs. 3.00 Crs.

In this connection, it is to inform you that the standby power agreement dtd.13-6-2014 was made valid upto 30-06-2015. For transaction from 1-7-2015 to 30-6-2016 the separate standby agreement dt-29.08.2015 has been signed between GEPL and MSEDCL with the specific conditions. As such, not to take coercive action as directed by APTEL is limited to the agreement dated 13-06-2014 for which you are bound to pay the balance payment as per agreement in the installment of Rs.3.00 Crs per month. However, it is to inform you that you have not obeyed the order of APTEL by not paying the regular installment of Rs. 3.00 Crs.

In view of this, it is requested to pay the balance amount of over drawl quantum as per standby power agreement. As per agreement dt- 29.08.2015 you have to pay the separate Bank Guarantee, however you have not submitted the said BG so far. Further it is to inform you that as agreed by you and as per standby power agreement signed between GEPL and MSEDCL, the under drawl quantum will be treated as lapsed and no payment will be effected by MSEDCL to GEPL for under drawl quantum which may please be noted.


Chief Engineer (PP)
MSEDCL

Copy SWRs To :

1. Director (Operations), MSEDCL, Prakashgad, Mumbai.
2. Executive Director (Comm), MSEDCL, Prakashgad, Mumbai.
3. OSD to MD, MSEDCL, Prakashgad, Mumbai.



ANNEXURE "P"

81

Court-II

**Before the Appellate Tribunal for Electricity
(Appellate Jurisdiction)**

Appeal Nos. 111 of 2015 & 112 of 2015

Dated: 28th October, 2015

**Present: Hon'ble Mr. Justice Surendra Kumar, Judicial Member
Hon'ble Mr. I.J. Kapoor, Technical Member**

In the matter of:-

**Global Energy Pvt. Ltd. ...Appellant(s)
Versus
Maharashtra Electricity Regulatory Commission & Ors. ...Respondent(s)**

In Appeal No. 111 of 2015

Counsel for the Appellant(s) : Mr. Hemant Singh,
Mr. Tushar Nagar,
Ms. Meghna Agarwa

Counsel for the Respondent(s) : Mr. Aman Lekhi, Sr. Adv. &
Mr. D.L. Chidnanda for PCKL
Mr. M.Y. Deshmukh for MSETCL

In Appeal No. 112 of 2015

Counsel for the Appellant(s) : Mr. Hemant Singh,
Mr. Tushar Nagar,
Ms. Meghna Agarwal

Counsel for the Respondent(s) : Mr. Aman Lekhi, Sr. Adv. &
Mr. D.L. Chidnanda for PCKL
Mr. M.Y. Deshmukh for R-3
Mr. M.G. Ramachandran,
Mr. Udit Gupta &
Mr. Nirav Shah for R-2.



ORDER

These two Appeals being Nos. 111 of 2015 & 112 of 2015 are today fixed for hearing.

Mr. M.G. Ramachandran, learned counsel appearing for respondent no.2 in Appeal No. 112 of 2015 has today filed a document captioned as "Standby Power Agreement" and at paragraph 11 thereof, the parties have agreed as under:-

"11. GEPL hereby agrees to withdraw unconditionally the Appeal Nos. 111 and 112 of 2015 presently pending before the Hon'ble ATE."

Since as per the Agreement of the parties, both these Appeals are to be withdrawn unconditionally and there is no dispute between the rival parties regarding execution of this document. This document is accordingly accepted and both the Appeals being Nos. 111 of 2015 & 112 of 2015 are hereby ordered to be withdrawn. However, there is no order as to costs.

So far as I.A. No. 400 of 2015 in Appeal No. 111 of 2015 and I.A. No. 399 of 2015 in Appeal No. 112 of 2015 seeking impleadment on behalf of Power Company of Karnataka Ltd. and Bangalore Electricity Supply Company Ltd. as respondents in these Appeals is concerned, the same are already on record of these Appeals. Since the main Appeals have been ordered to be withdrawn and there remains no substance now in allowing the aforesaid Impleadment Applications. In view of above, the aforementioned interim applications (IAs) are hereby disposed of as being infructuous.

(I.J. Kapoor)
Technical Member
rkt/vg

(Justice Surendra Kumar)
Judicial Member





महाराष्ट्र MAHARASHTRA

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PT 922634

प्रधान मुद्रांक कार्यालय, मुंबई
 प. नं. वि. क्र. ६०००००६
 - 9 JUN 2016
 सक्षम अधिकारी

STANDBY POWER AGREEMENT

This agreement is made at Mumbai on this 30/06/2016

By and Between

M/s.Global Energy Pvt. Ltd., a company/ firm/ individual or any other body duly formed and registered under the Relevant Act, hereinafter called M/s. GEPL, having its registered office at Address at 207, Gera Imperium II, Pato Plaza, Panjim, North Goa, 403001

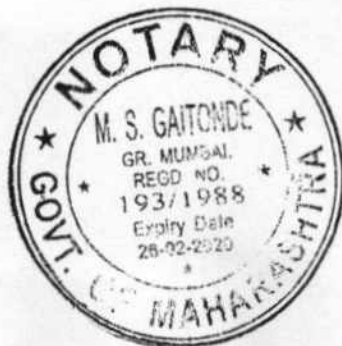
And

M/s Maharashtra State Electricity Distribution Co. Ltd., a company/firm/ individual or any other body duly formed and registered under the Relevant Act, hereinafter called MSEDCL, having its registered office address at Prakashgad, Plot No. G-9, Bandra East, Mumbai 400051.

[Signature]
30/6



[Signature]



AND WHEREAS

1. M/s.GEPL has approached MSEDCL for standby power arrangement in respect of its transaction for supply of energy to Karnataka Discom on Radial Mode, through the 220 kV S/C Kolhapur-Chikkodi ckt-I line and 220 kV S/C Kolhapur-Chikkodi ckt-II line.
2. MSEDCL has agreed to provide the standby power to M/s.GEPL. The Standby Agreement is executed on 30/06/2016 between M/s. GEPL and MSEDCL for the period from 00.00 hrs of 01/07/2016 till 24.00 hrs of 30/06/2017.

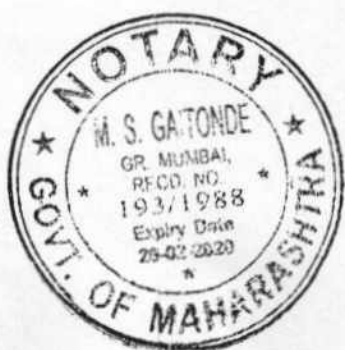
NOWHEREFORE, in consideration of the mutual understanding arrived at, the parties there to have agreed to the terms and conditions, as follows:

1. M/s.GEPL to ensure that the complete requirement of power upto 300MW in normal course shall be met through its own generator(s) without depending upon the MSEDCL.
2. In case of any Deviations from the drawl Schedule by M/s. GEPL or the Karnataka Discom, overdrawl & underdrawal settlement will be settled as under-
 - a) The overdrawl upto 5MW or 12% of the Scheduled Quantum, whichever is lower, of the overdrawl units by M/s. GEPL shall be paid by M/s.GEPL at Total System Marginal price of MSEDCL (i.e. fixed cost + variable cost) on 15 minutes block basis.
 - b) The overdrawl exceeding the limit mentioned at sub point(a) above shall be settled and paid by M/s.GEPL at HT I (A) Industries Continuous category tariff- Energy charges(amendment thereof or equivalent tariff as specified by commission from time to time) including FAC as applicable from time to time. At present the HT I (A) Industries Continuous category tariff Energy charges is Rs.7.21/- per unit.
 - c) The underdrawl quantum will be treated as lapse and No payment will be made in this effect by MSEDCL to M/s. GEPL for underdrawl from drawl schedule.
 - d) The settlement calculation shall be done on 15 minutes block basis.
3. MSEDCL shall raise provisional weekly bills for such overdrawl to M/s.GEPL, which shall be paid by M/s. GEPL within 7 days from the date of bill. Final bills shall be provided and raised by MSEDCL after receipt of required data and difference if any will be adjusted in next bill. Upon expiry of this arrangement any amount due by MSEDCL to M/s GEPL or vice versa shall be settled by payment within seven days from the date of final bill.
4. M/s. GEPL will provide a Bank Guarantee (BG) equivalent to 7 days of overdrawl bill at 20% of the total requirement of M/s. GEPL (i.e.20% of 300 MW) against this transaction, at total system marginal price of MSEDCL for the month of June 2016 . This BG will be Valid till one month after expiry of this agreement.
5. if bill is not paid within 7 days from the date of bill by M/s. GEPL, delayed payment charges shall be payable by M/s. GEPL at the rate of 15% per annum on the amount

Handwritten signature



Handwritten signature



of outstanding payment calculated on day to day basis (and compounded with monthly rest) for each day of the delay. Further, MSEDCL shall have right to encash the Bank Guarantee in case of default in payment of bill within due date by M/s. GEPL.

- 6. If payment is not made for overdrawl by M/s. GEPL , SLDC will be requested to stop the scheduling of power.
- 7. This arrangement is totally at the risk and cost of M/s. GEPL and M/s. GEPL should ensure that the energy injected into the grid is always equal to or more than their contracted capacity of Karnataka Discom / scheduled quantum by M/s. GEPL. In case of tripping of generator unit M/s. GEPL shall revise the schedule upto zero within 4 time block period and Karnataka system shall be isolated in 4 time block period from tripping of unit.
- 8. M/s. GEPL will totally indemnify MSEDCL for any reason whatsoever and undertaking to that effect shall be submitted to MSEDCL.
- 9. This agreement is valid till revenue or procedural neutrality of MSEDCL is maintained. In case of any change in rules/regulation/orders/laws issued by any authority which will affect revenue or procedural neutrality of MSEDCL, this agreement shall stand cancel/change/modification.
- 10. M/s GEPL shall be responsible towards the payment of transmission and such other applicable charges payable towards transmission of power through 220 kV S/C Kolhapur-Chikkodi ckt-I line and 220 kV S/C Kolhapur-Chikkodi ckt-II line as per the prevailing regulations of Appropriate Commission or such other orders of the Appropriate Commission.
- 11. The agreement may be terminated by MSEDCL at its sole discretion in the event of default by M/s. GEPL as per this agreement by giving 7 days notice regarding termination of Agreement from 1st day of the next month.
- 12. The agreement can be extended with mutual consent.

In WITNESS THEREOF, the parties to agreement have caused the represents to be executed as of the day and year first above written.

SIGNED for and on behalf of

By M/s. Global Energy Pvt. Ltd.

Signature.....*[Signature]*.....
 Title Prashant Khankhoje
Executive Director (Business development)
 Witness Ramath Bhandari
Bhandari

By M/s. MSEDCL

Signature.....*[Signature]*.....
 Title Superior Engineer (PP)
Parech Bhagwat
 Witness [Signature]
(A. N. Kalekar)



ANNEXURE 'K'
MAHAVITARAN
Maharashtra State Electricity Distribution Co. Ltd.

(A Government of Maharashtra Undertaking)
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO. LTD.
CIN: U40109MH200SSGC153645

5th Floor, Prakashgad, Bandra (E), Mumbai - 400051 Fax- (022) 26580645. Mail- ceppmsedcl@gmail.com

Date: 28.09.2016

To
Global Energy Pvt Ltd.
104, Maker Chamber VI
Nariman Point
Mumbai 400021.

Sub: Payment of overdrawl as per Standby Power Agreement for supply of power to Karnataka - Global Energy Pvt. Ltd.

Ref: Standby Power Agreement between M/s. Global Energy Pvt. Ltd. & MSEDCL dtd. 13th June 2014 and 29th August 2015.

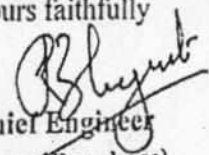
With reference to above, it is to intimate that the total outstanding payable by GEPL to MSEDCL is amounting to Rs.17.89 crs on account of invoices raised by MSEDCL from time to time for the power supplied upto 21.06.2016 including interest upto 26.09.2016 as envisaged in the Agreement dt. 29.08.2015. (The principle amount outstanding being Rs.16.55 crs and interest being Rs.1.34crs).

The counter claims raised by GEPL on account of underdrawl are not acceptable to MSEDCL and the same will be settled separately. Considering the approximate amount on account of such claims, the undisputed outstanding amount remains Rs.5.89 crs.

Without prejudice to the right of MSEDCL to recover full outstanding amount, it is requested to release the payment for undisputed outstanding amount of Rs.5.89 crs. immediately Also, the payment of the bills raised / to be raised for the standby power supplied upto 30th June, 2016 is to be paid regularly as per the terms and conditions of the agreement.

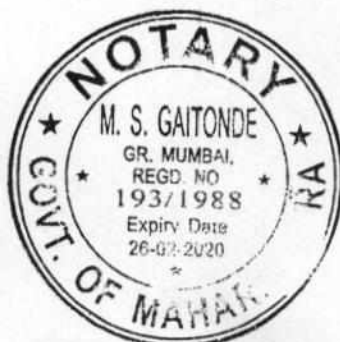
Further, it is requested either to issue forthwith fresh Bank Guarantee of Rs.4,61,66,400/- as intimated earlier or the existing Bank Guarantee valid upto 30.09.2016 shall be extended for further period upto 30.06.2017. The said BG shall be submitted to MSEDCL in original on or before 30.09.2016.

Yours faithfully


Chief Engineer
(Power Purchase)

Page 1 of 1

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ANNEXURE "S"



87

(A Government of Maharashtra Undertaking)
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO. LTD.
CIN: U40109MH200SSGC153645

5th Floor, Prakashgad, Bandra (E), Mumbai - 400051 Fax- (022) 26580645. Mail- ceppmsedcl@gmail.com

No. / CE/ PP/GEPL/ 30147

Date: 30/9/2016

To,
The Branch Manager
Yes Bank Limited, Chanakyapuri Branch
Plot No. 11/48, Shopping Centre,
Diplomatic Enclave, Malcha market,
Chanakyapuri, New Delhi - 110021.
Tel. No 011 30259000. Fax No.011 41680311

Sub: Demand notice for Invoking of Bank Guarantee bearing No. 003GM03141920001 dated 11th July'2014 having valid extention upto 30th Sept., 2016.

Sir,

M/s. Global Energy Private Limited (GEPL), having its Head Office at 6th Floor, Le Meridien Commercial Tower, Raisina Road New Delhi - 110 001, agreed to undertake under the provisions of Standby Power Agreement dated 13th June'2014 for power supply to Karnataka Discom against short term open access on 220kv Kolhapur Chikodi line.

GEPL has agreed to provide a Bank Guarantee to MSEDCL for an amount equivalent to two days consumption which will be invoked by MSEDCL only if over-drawl payment (if any) is not effected by GEPL in two days time.

In this connection the Bank Guarantee of Rs 5,78,18,200/- (Rs. Five Crore Seventy Eight Lakh Eighteen Thousand Two Hundred only) bearing No.003GM03141920001 is issued on 11th July'2014 by your bank in favour of Maharashtra State Electricity Distribution Company Ltd. (MSEDCL) (Original Bank Guarantee is enclosed herewith) which has been subsequently extended upto 30th Sept., 2016 vide your letter of extention dtd. 22.06.2016.

The Bank Guarantee issued by you contemplates;

"The Guarantor bank hereby agrees and acknowledges that MSEDCL shall have right to invoke this bank guarantee in part or full, as it may deem fit".

In view of the above it is your obligation under the agreement to honor the request for invocation of Bank Guarantee.

MSEDCL has issued invoices to GEPL for over-drawl & GEPL has undisputed outstanding amount payable to us of Rs.5,88,92,287/- which is overdue beyond its due date.

Therefore you are requested to transfer full amount of Bank Guarantee of Rs.5,78,18,200/- (Rs. Five Crore Seventy Eight Lakh Eighteen Thousand Two Hundred Only), in respect of the proceeds of the Bank Guarantee to MSEDCL, through RTGS to MSEDCL's Bank of India A/c No.016020110000033, at Bank of India Building, 4th Floor, 70-80 M.G. Road, Fort, Mumbai - 400 051 (IFSC Code: BKID0000160), by treating this as a Demand notice.

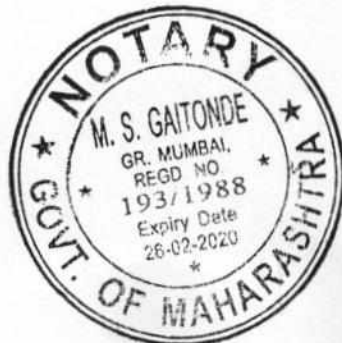
Thanking you,

Yours faithfully

Executive Director (Comm)

... Company Limited

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ANNEXURE "T"



(A Government of Maharashtra Undertaking)
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO. LTD.

CIN: U40109MH200SSGC153645

5th Floor, Prakashgad, Bandra (E), Mumbai - 400051 Fax- (022) 26580645. Mail- ceppmsedcl@gmail.com

No / CE/ PP/GEPL/ 30639

Date: 04-10-2016

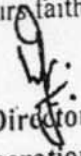
To
The Branch Manager,
Yes Bank Ltd., Chanakyapuri Branch,
Plot No.11/48, Shopping Center,
Diplomattaic Enclave, Malcha market,
Chanakyapuri, New Delhi-110021.
Tel. No. 011 30259000. Fax No. 011 41680311.

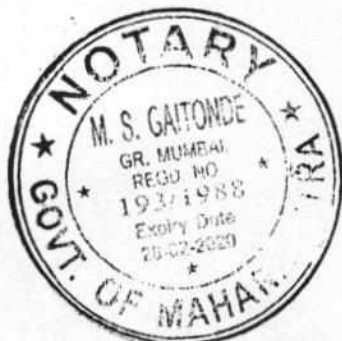
Sub: With drawl of demand notice Dt. 30.09.2016 in R/O M/s. Global Energy Pvt. Ltd.

Ref: Our Letter No. CE/PP/GEPL/30147DT.30.09.2016

With reference to above, our demand notice Dt. 30.09.2016 in R/O M/s. Global Energy Pvt. Ltd. B.G. No. 003GM03141920001 may be held in abeyance till further instruction.

Yours faithfully


Director
(Operations)



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HINNEXURE "U"

MAHA
Maharashtra State Electricity Distribution Co. Ltd.

By Regd A/D
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO. LTD., POWER PURCHASE CELL
5th Floor, Prakashgad, Bandra (E), Mumbai - 400051 Fax: (022) 26580645. Mail: cepp@mahadiscom.in

89

No. / CE/ PP/GEPL/31393

Date: 15-10-16

To,
Global Energy Pvt. Ltd.
104, 10th Floor,
Maker Chamber VI
Nariman Point
Mumbai 400021.

REMINDER NO. 4

Sub: Bank Guarantee as per Standby Power Agreement dated 30th June 2016.

- Ref: i) Standby Power Agreement Dated 30th June 2016.
ii) MSEDCL letter Dated 08.07.2016
iii) MSEDCL letter Dated 16.08.2016
iv) MSEDCL letter Dated 22.09.2016

Dear Sir,

We refer to Standby Power Agreement between us dated 30th June 2016.

As per Terms & Conditions of Standby Power Agreement, M/s. GEPL will provide a Bank Guarantee equivalent to 7 days of over drawl bill at 20% of the total requirement of M/s. GEPL (i.e.20% of 300MW) against this transaction, at total system marginal price of MSEDCL for the month of June 2016.

Accordingly, it has been intimated to submit Bank Guarantee of Rs.4,61,66,400/- Immediately.

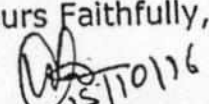
Even after our repetitive request, we have not received the said B.G. against the Agreement under reference. Further the B.G. for Rs 5,78,18,200/- No. 003GM03141920001 DT. 11/07/2014 extended up to 30.09.2016, which is already **expired on 30.09.2016**.

Hence, it is once again requested to submit the New B.G. as per terms and condition of the Agreement immediately.

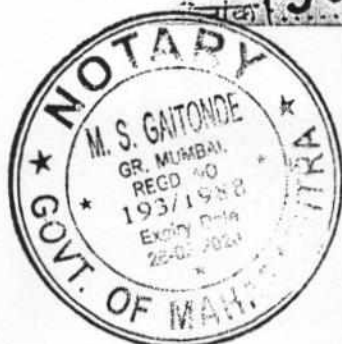
It may please be noted that in case of failure to submit the B.G. the same may amount to breach of terms & conditions of the Agreement on your part.

Thanking You,

Yours Faithfully,


15/10/16
General Manager
Power Purchase
MSEDCL

15 OCT 2016



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ANNEXURE "V"

90

(A Government of Maharashtra Undertaking)
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO. LTD.
CIN: U40109MH200SSGC153645

5th Floor, Prakashgad, Bandra (E), Mumbai - 400051 Fax- (022) 26580645. E-Mail- ceppmsedcl@gmail.com

No./CE/PP/GEPL/- 03157

Date: 10 FEB 2017

To
Global Energy Pvt Ltd
104, Maker Chamber VI
Nariman Point
Mumbai 400021

Sub: Payment of over drawl as per Standby Power Agreement for supply of power to
Karnataka - Global Energy Pvt. Ltd.

- Ref: 1) 1st Standby Power Agreement Dated 13th Jun'2014.
2) 2nd Standby Power Agreement Dated 29th Aug'2015.
3) 3rd Standby Power Agreement Dated 30th June'2016.

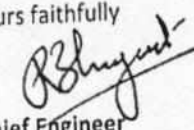
In accordance with the terms & conditions of Standby Power Agreement between
MSEDCL & GEPL dated 13th Jun'2014 (for period 01.07.2014 to 30.06.2015), 2nd agreement
for 29th Aug'2015 (for period 01.07.2015 to 30.06.2016), 3rd agreement 30th June'2016 (for
period 01.07.2016 to 30.06.2017) , MSEDCL has raised the weekly bills. However, it is
observed that the bills have not been paid on due date.

The total outstanding as on 09.02.2017 works out to Rs. 15.47 Crores. However,
since the matter of underdrawl is subjudice, the undisputed outstanding amount
considering underdrawl works out to Rs. 2.35 Crores. The statement of the bills outstanding
is enclosed herewith in Annexure 1.

Subject to the right of MSEDCL to recover full outstanding amount, it is requested to
release the payment of Rs. 2,35,83,572/- immediately.

Encl: As above

Yours faithfully


Chief Engineer
(Power Purchase)

o/c
10/2/17

Copy s.w.r.to :

Executive Director (Comm.), MSEDCL



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ANNEXURE-1 (as on 31.01.2017)
(Provisional Subject to final audit)

91

Table A : - Summary of Outstanding without considering disputed claim

Sr. No.	Agreement date	Period of transaction	Total billed amount	Total payment received	(Amount in Rs.) Outstanding	
					Invoice amount	Interest
1	13.06.2014	11.07.2014 to 30.06.2015	332,030,724	332,030,724		
2	29.08.2015	01.07.2015 to 30.06.2016	137,589,851	12,864,681	124,725,170	1,98,25,684
3	30.06.2016	01.07.2016 to 30.06.2017	9,281,489	Nil	9,281,489	3,93,286
Total						
Total outstanding						
					134,006,659	2,02,18,970
					15,42,25,529	

Say Rs.15.42 crs.

Table B : - Summary of Outstanding considering disputed claim

(Amount in Rs.)

Sr. No.	Agreement date	Period of transaction	Total billed amount	Total payment received	Outstanding	
					Invoice amount	Interest
1	13.06.2014	11.07.2014 to 30.06.2015	332,030,724	215,978,995		
Underdrawl Bill Amount				116,051,729	Nil	Nil
2	29.08.2015	01.07.2015 to 30.06.2016	137,589,851	128,916,410	8,673,441	51,68,947
3	30.06.2016	01.07.2016 to 30.06.2017	9,281,489	Nil	9,281,489	3,93,286
Total						
Total outstanding						
					17,954,930	55,62,233
					2,35,17,163	

Say Rs.2.35 crs.



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No./CE/PP/GEPL/7687

Date: 03/04/2017

To,
Global Energy Pvt Ltd
104, Maker Chamber VI
Nariman Point
Mumbai 400021.

Sub: Payment of over drawl as per Standby Power Agreement for supply of power to
Karnataka - Global Energy Pvt. Ltd.

- Ref: 1) 1ST Standby Power Agreement Dated 13th Jun'2014.
2) 2nd Standby Power Agreement Dated 29th Aug'2015.
3) 3rd Standby Power Agreement Dated 30th June'2016.

MSEDCL has received Bank Guarantee against the terms and conditions of Agreement dtd 30.06.2016 for Rs.4.61 crs.

MSEDCL has raised the weekly bills in accordance with the terms & conditions of Standby Power Agreements referred above. However, it is observed that the bills have not been paid on due date. The total outstanding as on 27.03.2017 works out to Rs. 15.47 Crores. However, since the matter of underdrawl is subjudice, the undisputed outstanding amount considering underdrawl works out to Rs. 2.14 Crores. The statement showing summary of the outstanding amount is enclosed herewith in Annexure 1.

Subject to the right of MSEDCL to recover full outstanding amount, it is requested to release the payment of Rs. 2,13,71,250/- immediately. In the absence of non-payment of this amount, the implementation of Clause 6 of the standby agreement dtd 30.06.2016 will be operated by MSEDCL.

Encl: As above

Yours faithfully

Chief Engineer
(Power Purchase)

Copy s.w.r.to :

Executive Director (Comm.), MSEDCL

OK.
31/4/17
P-M (PP)

CE (PP)

ED (Comm)
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ANNEXURE-1 (as on 27.03.2017)

(Provisional Subject to final audit)

93

Table A : - Summary of Outstanding without considering disputed claim of GEPL

Summary of Outstanding without considering disputed claim							(Amount in Rs.)
Sr. No.	Agreement date	Period of transaction	Total billed amount	Total payment received	Outstanding		Amt in Rs
					Invoice amount	Interest	
1	13.06.2014	11.07.2014 to 30.06.2015	332,030,724	332,030,724	-	-	
2	29.08.2015	01.07.2015 to 30.06.2016	137,589,851	15,364,681	122,225,170	22,607,828	
3	30.06.2016	01.07.2016 to 30.06.2017	9,281,489	Nil	9,281,489	603,073	
Total							
Total outstanding							
					131,506,659	23,210,901	
					154,717,560		

Say Rs.15.47 crs.

Table B : - Summary of Outstanding considering disputed claim of GEPL

(Amount in Rs.)

Summary of Outstanding considering disputed claim							Amt in Rs
Sr. No.	Agreement date	Period of transaction	Total billed amount	Total payment received	Outstanding		
					Invoice amount	Interest	
1	13.06.2014	11.07.2014 to 30.06.2015	332,030,724	215,978,995	Nil	Nil	
Underdrawal Bill Amount				116,051,729			
2	29.08.2015	01.07.2015 to 30.06.2016	137,589,851	131,416,410	6,173,441	5,313,247	
3	30.06.2016	01.07.2016 to 30.06.2017	9,281,489	Nil	9,281,489	603,073	
Total							
Total outstanding							
					15,454,930	5,916,320	
					21,371,250		

Say Rs.2.14 crs.



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11.05.16 TO 17.05.16	27478/06.09.2016	326.76	1890472	13.09.2016
18.05.16 TO 24.05.16	27479/06.09.2016	311.11	1779820	13.09.2016
25.05.16 TO 31.05.16	27480/06.09.2016	270.248	1518793	13.09.2016
01.06.16 TO 07.06.16	27481/06.09.2016	91.54	453951	13.09.2016
08.06.16 TO 14.06.16	27483/06.09.2016	121.51	640279	13.09.2016
15.06.16 TO 21.06.16	27481/06.09.2016	137.17	692586	13.09.2016
22.06.16 TO 28.06.16	30143/30.09.2016	278.05	1568250	07.10.2016
29.06.16 TO 30.06.16	30142/30.09.2016	58.69	327422	07.10.2016
01.07.16 TO 05.07.16	30142/30.09.2016	67.29	354149	07.10.2016
06.07.16 TO 12.07.16	30144/30.09.2016	234.43	1312591	07.10.2016
13.07.16 TO 19.07.16	30145/30.09.2016	248.5	1399216	07.10.2016
20.07.16 TO 26.07.16	30146/30.09.2016	161.01	888276	07.10.2016
27.07.16 TO 02.08.16	30571/03.10.2016	165.11	877572	10.10.2016
03.08.16 TO 09.08.16	31177/13.10.2016	211.57	1077576	20.10.2016
10.08.16 TO 16.08.16	30570/03.10.2016	216.97	1112153	10.10.2016
17.08.16 TO 23.08.16	33829/10.11.2016	274.28	1410104	17.11.2016
24.08.16 TO 31.08.16	33830/10.11.2016	173.39	849852	17.11.2016
	TOTAL		146871339.9	
	Interest		23210901	
	Payment made during the period		15364681	
	Total Outstanding Amount With Interest		154717560	

Total Outstanding Amount With Interest as on 27.03.2017 OF NEW PPA	154717560
Total Outstanding Amount UP TO 31.10.16 OF OLD PPA	0
OUT STANDING UP TO 27.03.2017	154717560



ANNEXURE "X"

96

R PAD

MAHAVITARAN
Maharashtra State Electricity Distribution Co. Ltd.

(A Government of Maharashtra Undertaking)
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO. LTD.
CIN: U40109MH200SSGC153645

5th Floor, Prakashgad, Bandra (E), Mumbai - 400051 Fax- (022) 26580645. E-Mail- ceppmsedcl@gmail.com

No./CE/PP/GEPL/ 8138

Date: 11.04.2017

To,
Global Energy Pvt Ltd
104, Maker Chamber VI
Nariman Point
Mumbai 400021.

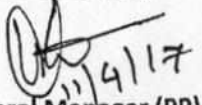
REMINDER -1

Sub: Payment of over drawl as per Standby Power Agreement for supply of power to
Karnataka - Global Energy Pvt. Ltd.

- Ref: 1) 1ST Standby Power Agreement Dated 13th Jun'2014.
2) 2nd Standby Power Agreement Dated 29th Aug'2015.
3) 3rd Standby Power Agreement Dated 30th June'2016.
4) Our letter No. CE/PP/GEPL/7687 Dated 03.04.2017.

With reference to letter at 4 above, it is gentle reminder for **immediate** payment of
balance outstanding amount. A copy of the said letter along with its Annexure is enclosed
herewith.

Yours faithfully


General Manager (PP)

Copy s.w.r.to :

Executive Director (Comm.), MSEDCL

Chief Eng. (PP)

6/1
SH
11/4/17



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ANNEXURE "Y"



97

(A Government of Maharashtra Undertaking)
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO. LTD.
CIN: U40109MH2005SGC153645

5th Floor, Prakashgad, Bandra (E), Mumbai - 400051 Fax- (022) 26580645. Mail- ceppmsedcl@gmail.com

No. SE/LM/123

Date: 14/06/2017

To
Global Energy Pvt Ltd
104, Maker Chamber VI
Nariman Point
Mumbai 400021

Sub: Compliance of condition and payment of Standby Power Agreement.

- Ref: 1) 1st Standby Power Agreement Dated 13th Jun'2014.
2) 2nd Standby Power Agreement Dated 29th Aug'2015.
3) 3rd Standby Power Agreement Dated 30th June'2016.
4) CE (PP)/GEPL/ 7687 dtd. 03.04.2017.
5) CE (PP)/GEPL/ 8138 dt. 11.04.2017.

MSEDCL has raised the weekly bills in accordance with the terms and conditions of the standby power agreements as referred above. however M/s. GEPL has not paid the said bills on due date. The total outstanding as on 14.06.2017 works out to be Rs. 15,96,78,274/- (Rs. Fifteen crores ninety six lakhs seventy eight thousand two hundred seventy four only). The statement showing the summary of the outstanding amount is given below,-

Summary of Outstanding amount of M/s. GEPL as on 14.06.2017

(Amount in Rs.)

Summary of Outstanding without considering disputed claim						
Sr. No.	Agreement date	Period of transaction	Total billed amount	Total payment received	Outstanding	
					Invoice amount	Interest
1	13.06.2014	11.07.2014 to 30.06.2015	332,030,724	332,030,724	-	-
2	29.08.2015	01.07.2015 to 30.06.2016	137,589,851	20,364,681	117,225,170	26,348,104
3	30.06.2016	01.07.2016 to 30.06.2017	15,208,255	Nil	15,208,225	896,775
Total					132,433,395	27,244,879
Total outstanding					159,678,274	

Further, several reminders have been given for payment of outstanding dues from time to time. However, the payment has not come out clearing the outstanding dues.

Hence, it is hereby requested to release the payment of entire outstanding dues within 7 (seven) days from the date of this letter otherwise MSEDCL will be compelled to invoke the bank guarantee available with us.

yours faithfully

K. Karat
14.6.17
Chief Engineer
(Power Purchase)

Copy s.w.r.to :
E.D.(Comm.) MSEDCL, HO.

निर्गमित
दिनांक 16 JUN 2017

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ANNEXURE "2"

(A Government of Maharashtra Undertaking)
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO. LTD.
CIN: U40109MH200SSGC153645

5th Floor, Prakashgad, Bandra (E), Mumbai - 400051 Fax- (022) 26580645. E-Mail- ceppmsedcl@gmail.com

98

No./CE/PP/GEPL/15547

Date: 23/06/17

To
Global Energy Pvt Ltd
104, Maker Chamber VI
Nariman Point
Mumbai 400021

Sub: Payment of over drawl as per Standby Power Agreement for supply of power.

- Ref: 1) 1st Standby Power Agreement Dated 13th Jun'2014.
2) 2nd Standby Power Agreement Dated 29th Aug'2015.
3) 3rd Standby Power Agreement Dated 30th June'2016.
4) CE(PP)/GEPL/7687 dtd 03.04.17
5) CE(PP)/GEPL/8138 dtd 11.04.17
6) CE(PP)/GEPL/123 dtd 14.06.17
7) GEPL letter dtd 21.06.2017

In response to your letter dtd. 21.06.2017 it is to mention that the petition filed by PCKL in APTEL has no relevance in the settlement of the quantum of payment and extent of liabilities to make payments by GEPL in these transactions under the agreements between MSEDCL and GEPL.


MSEDCL has made financial reconciliation of transactions related to all the three agreements referred above and accordingly intimated for payment of balance outstanding amount. As per agreed terms, MSEDCL has arranged for supply of standby power and GEPL has to make regular payments for the invoices raised. However, GEPL not been regular in payments and the payments made so far are made on ad hoc lump sum basis.

MSEDCL has raised the weekly bills in accordance with the terms & conditions of Standby Power Agreement between MSEDCL & GEPL referred above. However, it is observed that the bills have not been paid on due date. The total outstanding as on 20.06.2017 works out to Rs. 16.19 crs.

Further, the matter of underdrawl quantum pertaining to agreement dtd. 13.06.2014 only is under dispute which will be settled separately. The treatment of underdrawl quantum in respect of agreements referred at 2 and 3 above is clearly defined to be lapsed. Hence the claim for underdrawl is totally unwarranted and invalid. Regarding your request under Point(3), MSEDCL will communicate separately.

Nevertheless, several reminders have been sent for release of outstanding payment. A notice of encashment of Bank Guarantee was also intimated vide our letter no. 6 under reference. However, no amount has been received yet. Hence MSEDCL is now compelled to encash the Bank Guarantee which may please be noted.

Encl: As above


Chief Engineer(PP)

Copy s.w.r.to :
Executive Director (Comm.), MSEDCL

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ANNEXURE-1 (as on 20.06.17)

(Provisional Subject to final audit)

Table A : - Summary of Outstanding without considering disputed claim

Sr. No.	Agreement date	Period of transaction	Total billed amount	Total payment received	Amt in Rs	
					Invoice amount	Interest
1	13.06.2014	11.07.2014 to 30.06.2015	332,030,724	332,030,724	-	-
2	29.08.2015	01.07.2015 to 30.06.2016	137,589,851	20,364,681	117,225,170	26,733,502
3	30.06.2016	01.07.2016 to 30.06.2017	16,992,020	Nil	16,992,020	929,725
Total					134,217,190.00	27,663,227.00
Total outstanding					161,880,417	

Say Rs.16.19 crs



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ANNEXURE "AA"



Global Energy Private Limited

100

20th April, 2017

To,

Chief Engineer-Power Purchase
Maharashtra State Electricity Distribution Company Ltd.(MSEDCL)
Prakashgad, Bandra East
Mumbai 400051

"Without Prejudice"

Sub: Payment of Overdrawl as per standby power agreement for supply of power of Karnataka

- Ref:
1. MSEDCL letter dated 28.09.2016 to GEPL
 2. GEPL Letters to Chief Engineer, Power Purchase, dated 07.07.2016, 28.09.2016 and 29.09.2016
 3. Standby Agreement dated 13.06.2014 along with the amended to the agreement by MSEDCL vide letter dated 08.07.2014
 4. Standby agreement dated 30.06.2016
 5. Letter dated 21.09.2016 from SLDC regarding Overdrawl summary
 6. MERC Order in Case No 71 of 2014 dated 02.06.2014
 7. GEPL letter to MSEDCL dated 24 October 2016
 8. MSEDCL letter for CEPP dated 10 February 2017
 9. GEPL letter dated 15.02.2016
 10. GEPL letter dated 30.3.2017
 11. MSDCL letter to GEPL dated 03.04.2017
 12. MSDCL letter to GEPL dated 11.04.2017

M.S.E.D.C.L.	
CE PP	
GM (FIA)	Power Dept
SE (PP)	replied
SE (CP)	25.4.17
E.E. (Adn/HR Section)	

ST. MGR (PP)
26.4.17

Dear Sir,

At the outset, we are thankful to you for continuing the standby arrangement for our transaction regarding supply to Karnataka through Kolhapur Chikodi line in radial mode.

We are in receipt of your letter under Ref.(11& 12) dated 03.04.2017 and 11.4 2017 with regards to payments of overdrawl for Rs.2.14 core including interest.

We are enclosing herewith our earlier correspondence regarding request for reconciliation due to various issues like non-consideration of additional units purchased on exchange, wrong line loss, discrepancies in meter at Kolhapur And Chikodi Substation, real time error, wrong schedule considered while overdrawl calculation, etc. please confirm that all these issues are reconciled. Please note that your office is adjusting the payments made by us against an old matter, which is sub judice in Aptel, instead of current dues as per standby agreement dated 29th August 2015. Considering the above, you will appreciate that there is no scope for imposition of interest.

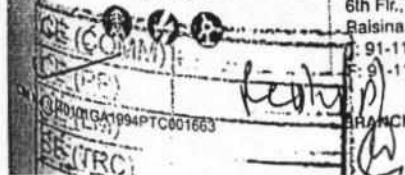
www.globalenergy.co.in

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F: 91-11-4373 4466/77

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T: +91 832 6515045

MUMBAI
104, 10th Flr., Maker Chambers VI
Nariman Point, Mumbai - 400 021.
T: 91 22 4342 3300
F: 91 22 2204 0374

BRANCH OFFICE : Pune, Bangalore, Chennai, Hyderabad, Bhubneshwar, Lucknow, Belgundi



Global file

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101

Please appreciate that despite the subject matter being sub-judice, we are making regular on account payments to MSEDCL as a gesture of goodwill in consideration of our excellent relationship with, and the support extended to us by MSEDCL.
This is to inform you that we have made an on account payment in the recent past as referred in the below table

Sr.no	Date	Amount	UTR
1	20-02-2017	2500000	REF:127865516
2	04-04-2017	2500000	ICICR42017040400554479
3	20-04-2017	2500000	ICICR42017042000581769

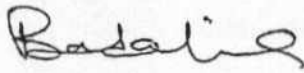
We seek your kind cooperation and continued support.

Assuring you of our best services always,

Thanking You,

Yours Sincerely

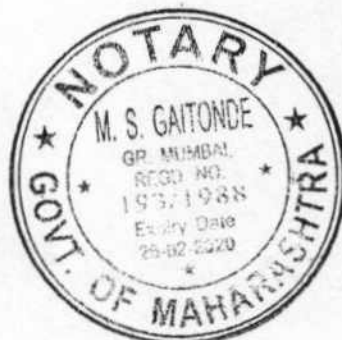
For Global Energy Private Limited



Authorised signatory

Copy to :

1. Managing Director, MSEDCL
2. Director – Operations, MSEDCL
- ✓ 3. Executive Director – Commercial, MSEDCL



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ANNEXURE "BB"



102
Global Energy Private Limited

21th June, 2017

To,
The Chief Engineer-Power Purchase
Maharashtra State Electricity Distribution Company Ltd.(MSEDCL)
Prakashgad, Bandra East
Mumbai 400051

Sub: Compliance of condition and payment of Standby Power Agreement

- Ref:
1. MSEDCL letter dated 28.09.2016 to GEPL
 2. GEPL Letters to Chief Engineer, Power Purchase, dated 07.07.2016, 28.09.2016 and 29.09.2016
 3. Standby Agreement dated 13.06.2014 along with the amended to the agreement by MSEDCL vide letter dated 08.07.2014
 4. Standby agreement dated 30.06.2016
 5. Letter dated 21.09.2016 from SLDC regarding Overdrawl summary
 6. MERC Order in Case No 71 of 2014 dated 02.06.2014
 7. GEPL letter to MSEDCL dated 24 October 2016
 8. MSEDCL letter for CEPP dated 10 February 2017

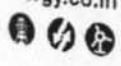
ED-I	
ED-II	
ED-III	
ED-IV	
ED-HR	
RD-NAG	
RD-Pune	
RD-Adad	
RD-KAL	Dear Sir,
CE-Comm	
CE	
REF:	
CE-AM	
CE-SD	
COM IT	
SE-TIE	
SE-TRC	
SE-LM	
SE-CP	
FOR NECC	

This is with reference to your letter no. SE/LM/123 dated 14-06-2017 regarding compliance of condition and payment of standby power agreement. In this regard, we would like to draw your kind attention on following facts:

1) As you are aware, our relationship is governed by MERC order in Case No. 71 of 2014 which has become final. Implications regarding the implementation of the said order are pending before the APTEL, in an appeal by PCKL, where GEPL is also a party respondent along with MSEDCL. We fail to understand the haste shown by MSEDCL when the issue regarding quantum of payments, and extent of liability to make payments, is squarely pending as an issue sub judice before APTEL. We therefore request you to await the outcome of the judicial proceedings before demanding any payments. We call upon you to appreciate that the ultimate payment for overdrawls, would, as per our understanding have to be borne by the PCKL / BESCOM which are public sector undertakings, and which had agreed to be bound by the FBSM

As conveyed in our letter dated 15-02-2017 & 20-04-2017, this is again to update you that, it was clearly agreed that the amount payable on account of the overdrawls till 30th June 2015 would be kept in abeyance pending the APTEL order since it was sub-judice. We find that the payments for overdrawls post 30th June 2015 have been adjusted against old dues which are sub-judice. We once again request you to kindly instruct the concerned to keep this matter on hold as matter is sub-judice.

www.globalenergy.co.in



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T: 91 22 4342 3300
F: 91 22 4342 3374

BRANCH OFFICE : Pune, Bangalore, Chennai, Hyderabad, Bhubneshwar, Lucknow, Belgaum

M.S.E.D.C.L.
CE PP
GM (F/A)
SE (PP)
SE (CP)

Put up reply

SM (PP)

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2) Even otherwise, in terms of your letter dated 08 July 2014, underdrawls are contractually payable to us as per FBSM. The total underdrawls which are payable to us for the period 11th July 2014 to 31st May 2017 is a sum of Rs. 302252019/-, an invoice for the period 11th July 2014 to 30th June 2015 was already submitted to your office & an invoice for the period 01st July 2015 to 31st May 2017 is attached herewith. If you were to consider these sums which are payable to us, there would be a net total payable by you to us, rather than by us to you. You are therefore called upon to pay these Underdrawal amounts to us in accordance with the attached invoice.

S.No.	Period	UD Quantum (In MWh)	UD amount (In Rs.)
1	UD billed (11-07-2014 to 30-06-2015)	50,169	116,051,728
2	UD amount calculated based on determined FBSM rate Rs. 2.31/KWh (01.07.2015 to 31.05.2017)	80,606	186,200,291
	Total UD amount (In Rs.)	130,776	302,252,019

3. With regards to details of Provisional bills for overdrawl quantum received from MSEDCL on 12-06-2017 and 15-06-2017 for the period 01-04-2017 to 31-05-2017. We have found following discrepancies in overdrawl bills calculation:

i) Scheduled quantum was wrongly considered for following dates. The power scheduled by GEPL as available on MSLDC website from JSWEL to BESCOM are enclosed for your reference. The details of scheduled quantum as given below:

S.No.	Scheduled Date	GEPL Scheduled Quantum as available on MSLDC website (In MWh) (A)	Scheduled Quantum considered in details of OD quantum (In MWh) (B)	Excess (+) /Short (-) (A-B)
1	12-04-17	5778680	5979050	-200370
2	27-04-17	0	660000	-660000
3	06-05-17	5722005	5794510	-72505
4	07-05-17	5205040	5392030	-186990
5	14-05-17	1768365	1800000	-31635
6	29-05-17	3097080	3387500	-290420
7	30-05-17	3251000	3324000	-73000

ii) MSEDCL has wrongly charged for overdrawl quantum by BESCOM for the period from 10-05-2017 to 18-05-2017 where the scheduled quantum was zero. Since the schedule of power has been revised due to outage of transmission lines and ICT's overloading at Maharashtra end as per MSLDC Scheduling and Dispatch Code. Hence, MSEDCL should not levy any overdrawl charges these time blocks as this comes under force majeure.



As per MSLDC Scheduling and Dispatch Code (Pursuant to section 33 of the State Grid Code), and clause 10(9) therein reproduced below:

"MSLDC shall permit the revision of generation schedule by InSGS and drawal schedule of the Distribution Licensees for the remaining period of the day/block with advance notice of 6 time blocks. Revised generation schedules / drawal schedule in such cases shall become effective from the 6th time block, counting the time block in which the request for revision has been received by MSLDC to be the first one."

We request you to kindly correct the scheduled quantum and overdrawl charged quantum for above mentioned dates and provide revised details of Overdrawl quantum by BESCO at the earliest.

Considering this we request you to keep the payment request dated 14.6.2017 in abeyance till the matter is fully resolved. Needless to mentioned that since the matter is sub-judice, GEPL's contentions raised above are without prejudice to its rights and redressal.

We seek your kind cooperation and continued support.

Assuring you of our best services always,

Thanking You,
Yours Sincerely

For Global Energy Private Limited



Authorised signatory

Copy to:

- ✓ 1. Director – Operations, MSEDCL
2. Executive Director – Commercial, MSEDCL



ANNEXURE "CC"

MAHAVITARAN
Maharashtra State Electricity Distribution Co. Ltd.

(A Government of Maharashtra Undertaking)
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO. LTD.
CIN: U40109MH2005SGC153645
5th Floor, Prakashgad, Bandra (E), Mumbai - 400051 Fax- (022) 26580645. Mail-
ceppmisedcl@gmail.com

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No./CE/PP/GEPL/

Date: 03.08.2017.

To
Global Energy Pvt Ltd
104, Maker Chamber VI
Nariman Point
Mumbai 400021

Sub: Payment of outstanding as per Standby Power Agreement for supply of power to Karnataka - Global Energy Pvt. Ltd.

- Ref: 1) 1st Standby Power Agreement Dated 13th Jun'2014.
2) 2nd Standby Power Agreement Dated 29th Aug'2015.
3) 3rd Standby Power Agreement Dated 30th June'2016.
4) GEPL email dtd 01.08.2017

In accordance with the terms & conditions of Standby Power Agreement between MSEDCL & GEPL dated 13th Jun'2014 (for period 01.07.2014 to 30.06.2015), 2nd agreement for 29th Aug'2015 (for period 01.07.2015 to 30.06.2016), 3rd agreement 30th June'2016 (for 01.07.2016 to 30.06.2017) MSEDCL has raised the weekly bills. However, GEPL have not paid the bills on due date.

We refer to your e-mail dtd. 01.08.2017 and would like to intimate that the payment by GEPL amounting to Rs. 2.19 crs on 01.08.2017 is towards the undisputed outstanding balance as per your understanding and the same is adjusted against total outstanding amount receivable from GEPL for the overdrawal quantum. The balance outstanding amount of Rs.13.94 crs (including interest of Rs.2.34 crs) is still receivable from GEPL as on date. Hence, you are required to keep in force the Bank Guarantee till the final settlement of this transaction. In case of any issue, it is requested to confirm the same to this office within 7 days.

K. Karat
Chief Engineer (Power Purchase)

Copy s.w.r.to:

The Executive Director, (Comm.), MSEDCL.



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ANNEXURE "DD" GLOBAL- Bills status of old PPA

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Billing Period	Bill No. & Date	Units	Amount	Due Date
11 to 31 July-2014 (On Account)	25344/ 12.08.2014	805.31	4117656	14-Aug-14
11 to 31 July-2014	28453/ 11.09.2014		6226586	14-Sep-14
01 to 10 Aug-2014	28454/ 11.09.2014	492.74	6322141	14-Sep-14
11 to 17 Aug-2014	28455/ 11.09.2014	684.24	8039406	14-Sep-14
18 to 24 Aug-2014	28560/ 11.09.2014	59.21	770505	14-Sep-14
25 to 31 Aug-2014	29021/ 17.09.2014	125.96	1628328	20-Sep-14
01 to 07 Sep-2014	29994/ 26.09.2014	197.68	2534283	29-Sep-14
08 to 14 Sep-2014	30519/ 04.10.2014	198.22	2545064	7-Oct-14
15 to 21 Sep-2014	31018/ 10.10.2014	255.67	3277749	13-Oct-14
22 to 30 Sep-2014	31818/ 20.10.2014	941.77	12108673	23-Oct-14
01 to 05 Oct-2014	31817/ 20.10.2014	331.80	4253696	23-Oct-14
06 to 12 Oct-2014	37910/ 22.12.2014	572.26	7344059	25-Dec-14
13 to 19 Oct-2014	37911/ 22.12.2014	897.00	11500322	25-Dec-14
20 to 26 Oct-2014	37959/ 22.12.2014	544.66	6982493	25-Dec-14
27 Oct to 02 Nov-2014	38066/ 23.12.2014	174.67	2239280	26-Dec-14
03 to 09 Nov-2014	38065/ 23.12.2014	526.46	6749192	26-Dec-14
10 to 16 Nov-2014	38067/ 23.12.2014	264.02	3401550	26-Dec-14
17 to 23 Nov-2014	38308/ 26.12.2014	478.97	6140366	29-Dec-14
24 to 30 Nov-2014	38307/ 26.12.2014	488.58	6263535	29-Dec-14
01 to 07 Dec-2014	38306/ 26.12.2014	308.36	3953204	29-Dec-14
08 to 14 Dec-2014	3108/ 31.01.2015	789.79	10160421	3-Feb-15
15 to 21 Dec-2014	3107/ 31.01.2015	835.34	10709104	3-Feb-15
22 to 28 Dec-2014	3106/ 31.01.2015	749.31	9615945	3-Feb-15
29 Dec-2014 to 04 Jan-2015	3208/ 02.02.2015	504.12	6473698	5-Feb-15
05 to 11 Jan-2015	3209/ 02.02.2015	483.17	6194251	5-Feb-15
12 to 18 Jan-2015	3210/ 02.02.2015	503.48	6454596	5-Feb-15
19 to 25 Jan-2015	4493/ 11.02.2015	635.49	8174797	14-Feb-15
26 Jan to 01 Feb-2015	5239/ 21.02.2015	529.79	6794653	24-Feb-15
02 to 08 Feb-2015	5240/ 21.02.2015	596.61	7648542	24-Feb-15
09 to 15 Feb-2015	6512/ 05.03.2015	697.03	8935946	8-Mar-15
16 to 22 Feb-2015	7691/ 16.03.2015	469.18	6014841	19-Mar-15
23 Feb to 01 Mar-2015	8423/ 23.03.2015	573.19	7348337	26-Mar-15
02 to 08 Mar-2015	8425/ 23.03.2015	431.59	5541489	26-Mar-15
09 to 15 Mar-2015	9824/ 01.04.2015	589.79	7561076	4-Apr-15
16 to 22 Mar-2015	10367/ 08.04.2015	568.98	7294328	11-Apr-15
23 to 29 Mar-2015	20064/ 17.04.2015	630.26	8080947	20-Apr-15
30 Mar to 05 Apr-2015	20740/ 24.04.2015	646.70	8290714	27-Apr-15
06 to 12 Apr-2015	21517/ 07.05.2015	702.09	9029024	10-May-15
13 to 19 Apr-2015	22058/ 14.05.2015	449.13	5757801	17-May-15
20 to 26 Apr-2015	25226/ 06.06.2015	359.61	4610262	9-Jun-15
27 April to 03 May-2015	25225/ 06.06.2015	370.52	4750013	9-Jun-15
04 to 10 May-2015	26838/ 25.06.2015	572.97	7356882	28-Jun-15
11 to 17 May-2015	26837/ 25.06.2015	501.03	6423251	28-Jun-15
18 to 24 May-2015	26839/ 25.06.2015	1067.13	9605409	28-Jun-15
25 to 31 May-2015	27820/ 06.07.2015	649.06	8341094	9-Jul-15
01 to 07 June-2015	27875/ 06.07.2015	606.49	7787000	9-Jul-15
08 to 14 June-2015	28062/ 08.07.2015	648.75	8317039	11-Jul-15
15 to 21 June-2015	28316/ 10.07.2015	711.68	9123768	13-Jul-15
22 to 26 June-2015	30150/ 04.08.2015	811.57	10407248	7-Aug-15
29 to 30 June-2015	34014/14.09.2015	220.76	2830159	17-Sep-15
Total of bills		26252.18	332030724	
Payment made			332030724	
Balance Amount			0	



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GLOBAL -Bills details as per New PPA (06.10.2015)From 01.07.2015 to 30.06.2016

Billing Period	Bill No. & Date	Total overdrawl by BESCOM in MWH (as per billing period)	Amount	Due Date	
01.07.15 TO 07.07.15	JUL 15 REV1/ 34018/14.09.15	821.66	5106103	21.09.2015	
08.07.15 TO 14.07.15	JUL 15/REV-1 34017/14.09.15	684.52	4281684	21.09.2015	
15.07.15 TO 21.07.15	JUL 15/REV-1 34015/14.09.15	316.47	1912947	21.09.2015	
22.07.15 TO 28.07.15	JUL 15/REV-1 34016/14.09.15	291.86	1745399	21.09.2015	
29.07.15 to 04.08.15	JUL-AUG 15/rev 1/ 35618/30.09.15	323.28	1892578	07.10.2015	
05.08.15 to 11.08.15	Aug 15/ 34944/24.09.15	311.27	1844859	01.10.2015	
12.08.15 to 18.08.15	Aug 15/34943/24.09.15	845.23	5456229	01.10.2015	
19.08.15 to 25.08.15	Aug 15/34941/24.09.15	738.437	4967578	01.10.2015	
26.08.15 to 01.09.15	SEP15/35973/07.10.2015	201.48	1143341	14.10.2015	
02.09.15 to 08.09.15	SEP15/35975/07.10.2015	606.94	3700955	14.10.2015	
09.09.15 to 15.09.15	SEP15/35974/07.10.2015	367.75	2228023	14.10.2015	
16.09.15 to 22.09.15	SEP15/39376/17.11.2015	171.26	931442	24.11.2015	
23.09.15 to 29.09.15	SEP15/39378/17.11.2015	598.52	3656586	24.11.2015	
30.09.15 to 06.10.15	SEP15/39377/17.11.2015	309.48	1905894	24.11.2015	
07.10.15 to 13.10.15	SEP15/39379/17.11.2015	543.48	3474017	24.11.2015	
14.10.15 to 20.10.15	SEP15/39380/17.11.2015	853.79	3961243	24.11.2015	
21.10.15 to 27.10.15	SEP15/39388/23.11.2015	751.45	4895642	30.11.2015	
28.10.15 to 03.11.15	SEP15/41435/11.12.2015	918.97	5991888	16.12.2015	
04.11.15 TO 10.11.15	SEP15/41433/11.12.2015	427.19	2676597	16.12.2015	
11.11.15 TO 17.11.15	SEP15/41434/11.12.2015	483.78	3118329	16.12.2015	
18.11.15 TO 24.11.15	42643/23.12.2015	514.65	3324273	30.12.2015	
25.11.15 TO 01.12.15	42702/23.12.15	488.82	3178713	30.12.2015	
02.12.15 TO 08.12.15	4109/04.02.2016	533.96	3496187	11.02.2016	
09.12.15 TO 15.12.15	4107/04.02.2016	696.65	4573359	11.02.2016	
16.12.15 TO 22.12.15	4106/04.02.2016	405.96	2570372	11.02.2016	
23.12.15 TO 29.12.15	4108/04.02.2016	482.59	3162690	11.02.2016	
30.12.15 TO 05.01.16	6380/24.02.2016	490.19	3112207	02.03.2016	
06.01.16 TO 12.01.16	6379/24.02.2016	592.91	3774209	02.03.2016	
13.01.16 TO 19.01.16	6378/24.02.2016	310.32	1903549	02.03.2016	
* 20.01.16 TO 26.01.16	6377/24.02.2016	187.28	1304826	02.03.2016	
27.01.16 TO 02.02.16	9446/29.03.2016	336.64	2097618	04.05.2016	
03.02.16 TO 09.02.16	9448/29.03.2016	434.71	2631002	04.05.2016	
10.02.16 TO 16.02.16	9447/29.03.2016	412.36	2456172	04.05.2016	
17.02.16 TO 23.02.16	9449/29.03.2016	364.26	2114217	04.05.2016	
07.05.2016	24.02.16 TO 01.03.16	13447/11.05.2016	432.37	2604619	18.05.2016
07.05.2016	02.03.16 TO 08.03.16	13449/11.05.2016	324.5	1876754	18.05.2016
07.05.2016	09.03.16 TO 15.03.16	13448/11.05.2016	421.84	2621428	18.05.2016
07.05.2016	16.03.16 TO 22.03.16	13445/11.05.2016	279.89	1602488	18.05.2016
07.05.2016	23.03.16 TO 29.03.16	13446/11.05.2016	268.61	1565139	18.05.2016
07.05.2016	30.03.16 TO 05.04.16	13444/11.05.2016	349.51	2098156	18.05.2016
07.05.2016	06.04.16 TO 12.04.16	13450/11.05.2016	286.47	1693675	18.05.2016
07.06.2016	13.04.16 TO 19.04.16	18690/10.06.2016	467.85	2860302	17.06.2016
07.06.2016	20.04.16 TO 26.04.16	18689/10.06.2016	460.60	2811572	17.06.2016
03.09.2016	27.04.16 TO 03.05.16	27476/06.09.2016	367.11	2170838	13.09.2016
03.09.2016	04.05.16 TO 10.05.16	27477/06.09.2016	376.92	2222578	13.09.2016



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03.09.2016	18.05.16 TO 24.05.16	27479/06.09.2016	311.11	1779820	13.09.2016
03.09.2016	25.05.16 TO 31.05.16	27480/06.09.2016	270.248	1518793	13.09.2016
03.09.2016	01.06.16 TO 07.06.16	27481/06.09.2016	91.54	453951	13.09.2016
03.09.2016	08.06.16 TO 14.06.16	27483/06.09.2016	121.51	640279	13.09.2016
03.09.2016	15.06.16 TO 21.06.16	27481/06.09.2016	137.17	692586	13.09.2016
26.10.2016	22.06.16 TO 28.06.16	32853/27.10.2016	278.05	1568250	07.10.2016
29.09.2016	29.06.16 TO 30.06.	30142/30.09.2016	58.69	327422	07.10.2016
		TOTAL		137,589,851	
		Interest		32,730,944	
		Payment made during the period		91,021,927	
		Total Outstanding Amount With Interest		79,298,868	

Total Outstanding Amount With Interest as on 31.12.2017 OF
2ND PPA

79298868



PARTICULARS OF CLAIM

As on 31.12.17

Summary of Outstanding						
Sr. No.	Agreement date	Period of transaction	Total billed amount	Total payment received	Amt in Rs	
					Outstanding	
					Invoice amount	Interest
1	13.06.2014	11.07.2014 to 30.06.2015	332,030,724	332,030,724	-	-
2	29.08.2015	01.07.2015 to 30.06.2016	137,589,851	91,021,927	46,567,924	32,730,944
3	30.06.2016	01.07.2016 to 30.06.2017	16,701,564	Nil	16,701,564	2,259,920
Total					63,269,488	34,990,864
Total outstanding					98,260,352	

Rs in crores

Total Bills	48.63
Total Payments	42.30
Outstanding	6.32
Interest	3.50
Total Outstanding	9.82

Claim for Rs.9,82,60,352/-**With further Interest on Rs.6,32 Crores @ % per annum****From the 31st December 2017 till payment and realization**

BEFORE MAHARASHTRA
ELECTRICITY REGULATORY
COMMISSION, MUMBAI
MERC CASE NO. OF 2018

In the matter of:

Maharashtra State Electricity
Distribution Company
Limited ..Petitioner

Versus

Global Energy
Pvt. Ltd. ..Respondent

PETITION

DATED THIS DAY OF FEBRUARY, 2018



LITTLE & CO.
Advocates for the Petitioner
Mumbai-400001