

**GOVERNMENT OF ARUNACHAL PRADESH
DEPARTMENT OF POWER**

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Office of the Chief Engineer (Power)
Western Electrical Zone, Vidyut Bhawan
Itanagar: 791 111 (A.P.)

No. CE(P)/WEZ/COM-28/P-SALE2018-19/

Dated, Itanagar the 24th December 2018

MINUTES OF MEETING

A meeting was convened at the office chamber of the Chief Engineer (Power), Western Electrical Zone with concerned officers of the Department of Power, Arunachal Pradesh (DoP;AP) and the representative of M/s Platinum Alloys Private Limited, Tippi (M/s PAPL) to discuss regarding on the following points:-

- (a) Progress of the work "Construction of 132 kV Single Circuit Loop-in Loop-out arrangement & construction of 2x20 MVA, 132/33 kV Sub-Station at Tippi, near Bhalukpong" and its handing over to the DoP;AP.
- (b) Adjustment of 50% of technically sanctioned construction cost as per approved Detailed Project Report as per Power Purchase Agreement (PPA) and huge outstanding electricity energy consumption (EEC) bill of M/s PAPL.

The list of members present in the meeting is enclosed as **Annexure I**.

While initiating the meeting, the Chief Engineer (Power), WEZ informed the necessity of convening the meeting due to **non-completion/construction of 132 KV SC LILO with Sub Station at Tippi** as per approved DPR even after adjusting 50% of the construction cost of technically sanctioned project fully as per PPA Clauses No. 2.9.1 (i) and 2.9.2 (i) & (ii) and having very huge electricity revenue outstanding against M/s PAPL. On deliberation from the members the following points have been observed:-

- I. That M/s PAPL have not adhered to the 'Power Purchase Agreement for Bulk Industrial Consumers' dated 09.10.2006, signed with the Department of Power, in letter and spirit.
- II. That M/s PAPL have not constructed the 132 KV LILO line and LILO Bay for the Tippi Sub-Station as per the provision given under the scope of the approved DPR.
- III. That the Tippi 132 KV Sub-Station was not constructed as per the approved DPR and found to be constructed with severe deviation from the scope of the approved DPR like no 132KV LILO line, change of transformation ratio of the Transformer – 132/11KV instead of 132/33KV, change of number & capacity of Transformer – 1x25MVA instead of 2x20MVA transformer, etc.

IV: That 50% Of the sanctioned project cost to a tune of Rs. 456.50 lakh, being the DoP, AP's contribution, had already been adjusted in the ECC bills of M/s PAPL without completion of the project, taken up under 'Build, Operate and Transfer' basis as per agreement of 09.10.2006.

After detail deliberations from all concerns on the aforesaid observations, the following decisions have been taken to accomplish the terms of reference of the Power Purchase Agreement of 09.10.2006, which is enforce now:-

1. That M/s PAPL shall inform in writing to the Chief Engineer (Power), Western Electrical Zone, Department of Power, Itanagar **on or before 04/01/2019**, whether-
 - i) They shall complete the project as per scope of original approved DPR. In that case, the project has to be completed in full shape within a stipulated period of 12 (twelve) months counted from the date of the confirmation; or
 - ii) They will complete the project as per the construction (deviated) already done by them. In that case, the project cost shall be re-assessed by the department at the rate of original approved DPR. Accordingly, corrigendum shall be issued by the competent authority and the cost difference evaluated on the part of already adjusted project cost shall be deposited to the DoP;AP with 18% per annum penalty as per the Clause No. 8.1 of the PPA; or
 - iii) They shall execute the project by themselves or allow the department to take-over it for execution. If the department is allowed to execute the project, then Transmission wing of the Department shall take over it and execute the project at the cost of M/s PAPL as Deposit Work.
2. The representative of M/s PAPL informed that the construction of LILLO line and LILLO bay was delayed because of pending forests clearance. However, he did not produce any documentary evidence, however assured the house to make available to substantiate his claim. It was clarified in the meeting that the agreement did not stipulate or entrust any responsibility for obtaining such statutory clearances by DoP;AP and therefore, in the interest of the project, it was decided that M/s PAPL shall pursue the pending issue of forests clearance with the concerned department and the DoP;AP shall extend every possible support to M/s PAPL in obtaining forests clearance.
3. That the huge outstanding energy bill of M/s PAPL is pending for payment to the tune of more than Rs. 27 00 Crore, which was undertaken to be cleared by April

2019, for which a Bank Guarantee of Rs. 4.50 Crore with validity upto 23/04/2019 has been submitted. It was reiterated in the meeting to clear the outstanding by hook or by crook on or before 23/04/2019, failing which, the service connection to the M/s PAPL shall be disconnected without further notice.

4. That the transformation losses shall be added to the electricity bills as the meter reading is being taken at 11KV voltage level instead of 132KV side and accordingly bill shall be raised henceforth.
5. Henceforth, the project shall be supervise by the Transmission wing of Department of Power.

(Gumdo Doji)

Chief Engineer (Power)
Western Electrical Zone
Itanagar

No. CE(P)/WEZ/COM-28/P-SALE/2018-19/3664-41 Dated, Itanagar the 24th December 2018
Copy to:

1. The Commissioner (Power), Government of Arunachal Pradesh, AP Civil Secretariat, Block No. – 2, 3rd Floor, Itanagar for information please.
2. The Chief Engineer (Power), Transmission, Planning and Monitoring Zone, Department of Power, Vidyut Bhawan, Itanagar, for kind information please.
3. The Superintending Engineer (E), APEC-VIII, Department of Power, Subu, for kind information please.
4. The Superintending Engineer (E), Electrical Transmission Circle, Department of Power, 132/33 kV Sub-Station at Chimpu, Itanagar, for kind information please.
5. The Executive Engineer (E), Rupa Electrical Division, Department of Power, Rupa, for kind information and necessary action please.
6. The Executive Engineer (E), Transmission Division No. I, Department of Power, Dirang, for kind information and necessary action please.
7. The Senior Finance and Accounts Officer, Western Electrical Zone, for kind information please.
8. The Director, M/s Platinum Alloys Pvt. Limited, Tippi, West Kameng District, Arunachal Pradesh, for information and necessary action.
9. Office Copy.

Chief Engineer (Power)
Western Electrical Zone
Itanagar

ANNEXURE-I

LIST OF MEMBERS PRESENT IN THE MEETING HELD ON 21.12.2018

1. Shri Gumdo Doji, Chief Engineer (Power), Western Electrical Zone,
2. Shri Henkar Rokom Bado, Superintending Engineer (E), Planning, WEZ
3. Shri Tasso Hinda, Superintending Engineer (E), APEC-VIII, Subu
4. Shri Zomba Nasho, Executive Engineer (E), Commercial, WEZ
5. Shri Tapi Tai, Executive Engineer (E), Rupa Electrical Division
6. Shri T. T. Dirhipa , Executive Engineer (E), Transmission Division No. 1
7. Shri Moli Kamki, Assistant Engineer (E), Grid Station Sub-Division, Itanagar
8. Shri Hage Habung, Assistant Engineer (E), Grid Station Sub-Division, Khuppi
9. Shri Rajesh Sharma, Junior Engineer (E), Commercial, WEZ
10. Shri Manash Bose, **Representative of M/s Platinum Alloys Private Limited**