



SOLAR POWER DEVELOPERS ASSOCIATION

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SPDA/DG/2021/281

March 10, 2021

Sub: Request for MNRE's intervention to resolve the issues of overdue payment of monthly energy bills to be paid to Solar Power Developers by DISCOMS since March 2020 in the State of Telangana.

Greetings from Solar Power Developers Association.

On behalf of the industry members, we bring to your kind attention to resolve the issue of overdue payment faced in State of Telangana. Industry members and investors trusted in the State Government policies and backed the State's ambitious plan to boost the growth of solar sector.

The solar power developers have continued to supply power to the State Discoms as an essential service since the outbreak of the COVID-19 pandemic. As per the Power Purchase Agreements (PPAs) signed between Telangana Discoms i.e., TSNPDCL, TSSPDCL, etc. with various SPDs, the State Discoms are obligated to pay for the monthly energy supplied to them by the SPDs. Nonetheless, the same is not being adhered to and monthly energy bill payments are overdue from March 2020 onwards (11 months of overdue). Kindly see the relevant clauses 5.3, 5.4 and 5.5 mentioned under Billing and payment as per Article 5 of the attached PPA agreement with Telangana Discoms. Additionally, also refer the details of overdue payments furnished disclosed by some of the members for your perusal.

As you are already aware, that these Solar Projects are funded by lenders for which SPDs are facing tremendously difficult situation to repay their debt on account of non-payment of monthly tariff. This has given rise to major liquidity issues to maintain working capital, difficult in giving salaries to their employees and due to non-payments, these companies are on verge of becoming Non-performing assets.

Hence, we request your kind office to kindly intervene and expedite the release of outstanding payments from State Discoms.

Thanking you.



Yours Sincerely,

Encl As Stated:

To,
Shri Indu Shekhar Chaturvedi
Secretary
Ministry of New and Renewable Energy
Government of India
CGO Complex, New Delhi

May kindly see and
take action.

Copy to:

- ✓ 1. **Shri Amitesh Kumar Sinha**
Joint Secretary
Ministry of New & Renewable Energy
CGO Complex
New Delhi



Shekhar Dutt