

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition (Diary) No.461/2024 along with IA (Diary) Nos. 462/2024 and 464/2024**

- Subject : Petition under Section 79, including Section 79(1)(c) of the Electricity Act, 2003 read with Regulation 41 and 42 of the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022, seeking directions upon the Central Transmission Utility of India Limited to grant/issue GNA to the petitioner by deferring the furnishing of Conn-BG till 30.06.2025.
- Petitioner : Lanco Kondapalli Power Limited (LKPL)
- Respondent : Central Transmission Utility of India Limited (CTUIL)
- Date of Hearing : **8.8.2024**
- Coram : Shri Jishnu Barua, Chairperson  
Shri Ramesh Babu V., Member  
Shri Harish Dudani, Member
- Parties Present : Shri Sitesh Mukherjee, Sr. Advocate, LKPL  
Shri Hemant Singh, Advocate, LKPL  
Shri Harshit Singh, Advocate, LKPL  
Shri Ramesh Kumar Dwivedi, Advocate, LKPL  
Shri Rohit Raj, Advocate, LKPL  
Shri Nilesh Tripathi, Advocate, LKPL  
Shri Sandeep Kumar, Advocate, LKPL  
Shri Shailendra Singh, Advocate, LKPL

**Record of Proceedings**

The matter was mentioned by the learned senior counsel for the Petitioner citing the urgency therein. Learned senior counsel submitted that the present Petition has been filed *inter alia* seeking directions upon the Respondent, CTUIL, to grant/issue the General Network Access (GNA) to the Petitioner by postponing the furnishing of the Conn-BGs (Conn BG-1 and Conn BG-3) by the Petitioner till 30.6.2025. Learned senior counsel mainly submitted as under:

(a) The Petitioner has set-up a gas-based independent power project, divided into three phases, with a cumulative installed capacity of 1470 MW at Kondapalli Industrial Development Area, Vijayawada, Andhra Pradesh. Moreover, for the purpose of supply of power, the Petitioner had also executed a Bulk Power Transmission Agreement dated 6.7.2009 with the CTUIL and was granted a Long-Term Access (LTA). The Petitioner also executed a Connection Agreement dated 29.3.2012 with CTUIL. Later on, while the Petitioner had relinquished the LTA, the connectivity with CTUIL's system continued.

(b) Subsequently, the erstwhile company underwent a Corporate Insolvency Resolution Process (CIRP) under the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC, 2016) before the National Company Law Tribunal (NCLT),

Hyderabad. *Vide* order dated 23.6.2023, NCLT approved the sale of the company as a going concern under liquidation to Radha Vasai Assets LLP, and by the said order dated 23.6.2023, NCLT also granted a period of 24 months for making good all prior non-compliance(s) without any penalty/ levy to be imposed.

(c) During the pendency of the above CIRP *qua* erstwhile company, the Commission notified the Central Electricity Regulatory Commission (Connectivity and General Network Access to inter-State Transmission System) Regulations, 2022 ('GNA Regulations'), which *inter alia* required the transition from the earlier regime of LTA, MTOA and STOA to GNA and T-GNA.

(d) Accordingly, post the completion of the CIRP and after the revival of the Petitioner, the Petitioner applied for fresh connectivity for the 366 MW at Vijaywada Pooling Station with CTUIL by an application dated 27.3.2024 and in response, CTUIL *vide* its letter dated 9.7.2024 granted in-principle connectivity to the Petitioner while requiring the Petitioner to furnish the Bank Guarantees (BGs) to the tune of Rs. 7.82 crores (being Conn BG-1 of Rs. 50 lakhs and Conn BG-3 of Rs. 7.32 crores) within a month, i.e., by 9.8.2024.

(e) Since the Petitioner has recently assumed the business after taking over the company from the erstwhile management through the CIRP/Liquidation under the IBC, 2016, and it is a revived company with its entire creditworthiness having been eroded, it is facing serious hardships to arrange funds from the banks and other financial institutions. At this stage, the Petitioner is not at all in a position to furnish the above BGs to the tune of Rs. 7.82 crores, and as re-establishing its creditworthiness to avail necessary benefits from the financial institutions would take some time, the Petitioner is urging this Commission to invoke its regulatory power thereby relaxing the provisions of the GNA Regulations and consequently, issue directions upon the CTUIL to grant/issue the GNA to the Petitioner by deferring the requirement for furnishing the Conn BGs.

(f) Presently, in terms of the directions issued by the Ministry of Power, Govt. of India on 12.4.2024 under Section 11 of the Electricity Act, 2003 mandating the gas-based plants to mandatorily supply power, the Petitioner has commenced the export of power from 18.5.2024 in accordance with instructions of NLDC by utilising the T-GNA issued by CTUIL from time to time. Pertinently, the Petitioner is yet to receive an outstanding amount of approximately Rs 54.89 crores from SRLDC towards such supply under the aforesaid directions of the Ministry of Power, Govt. of India.

(g) The Petitioner has also moved IAs (Diary) Nos. 462/2024 and 464/2024 seeking the urgent listing and for grant of interim reliefs respectively. The Petitioner is also pressing for an interim relief that CTUIL be directed not to take any coercive action against the Petitioner in any manner whatsoever, including the closure of its application dated 27.3.2024 for the grant of the GNA and/or cancelling the in-principle connectivity granted to the Petitioner *vide* letter dated 9.7.2024 till the pendency of the present case. In the event its aforesaid application is closed by CTUIL, the present Petition would be rendered infructuous.

2. In response to the Commission's specific observation of whether the Petitioner would be in a position to provide the Conn BGs upon the availability of funds, including the release of its outstanding payment for supply of power under Section 11 Directions, the learned counsel for the Petitioner fairly submitted that

should such funds be made available, it will be first utilised towards providing the Conn BGs as required by CTUIL for the grant of the GNA.

3. Considering the submissions made by the learned senior counsel for the Petitioner and keeping in view the overall facts & circumstances involved, the Commission directed to issue notice to the Respondent. The Commission further directed CTUIL not to take coercive action(s) in respect of the Petitioner's application dated 27.3.2024, including its closure, till the next date of hearing. However, in the meantime, if the Petitioner is able to arrange the necessary funds including by virtue of disbursal of its outstanding payment towards supply under Section 11 of the Electricity Act, 2003 directions, the Petitioner shall be bound to utilise such funds towards furnishing the requisite Conn BGs, failing which protection as extended above shall stand withdrawn. Accordingly, IA (Diary) No. 462/2024, having served its purpose, stands disposed of.

4. The Commission directed the parties to provide the following information on an affidavit before the next date of the hearing:

(a) The Petitioner to clarify why it had approached the CTUIL under Regulation 4.1 of the GNA Regulations 2022 for the grant of connectivity instead of approaching the CTUIL for transition into the GNA Regulations in terms of Regulation 37.6 by seeking the GNA for the capacity/ part capacity of the Lanco Kondapali Gas based Power Plant.

(b) The Petitioner is to submit a copy of the T-GNA grant.

(c) The Respondent CTUIL to clarify why the present case is not covered under Regulation 37.6 of the GNA Regulations and how the in-principle connectivity has been granted to the Petitioner for a generating station whose connectivity has already been granted and was effective under the Connectivity Regulations, 2009.

(d) The Respondent, CTUIL, as well as SRLDC to clarify under which provision of the GNA Regulations the Petitioner has been granted the T-GNA since 18.5.2024.

5. The Petition along with IA (Diary) No. 464/2024 will be listed for hearing on 13.8.2024. The Registry is directed to register the Petition and IAs after the completion of all formalities.

**By order of the Commission**  
**Sd/-**  
**(T.D. Pant)**  
**Joint Chief (Law)**