

APPROACH AND METHODOLOGY

PCM Group of Industries is a well-established business house in West Bengal with its corporate office at Siliguri, and regional office at Kolkata. The business activities cover different segments of industry starting from Agro-based industries to development of Infrastructures. Out of the same one of its constitute company, namely PCM Cement Concrete Pvt ltd has drawn International attention with regard to manufacture of Railway sleepers. This group has also ventured in power generation and another constitute of the group namely, PCM Hydel Power Corporation limited has been allocated the project site for launching two mini Hydel projects in North Bengal.

This group has formed a new company namely PCM Power Trading Corporation limited for undertaking power trading. The company though formed last year only has a strong financial back up and a team of professionals has been engaged to promote power trading. Experience retired person from power sector; well conversant with the power market and power system economics are providing valuable advice to promote power trading by the company.

As of date the country as a whole experience a peak deficit of 13.8% and energy deficit of 11.3 %. The growth of power sector is about 9% and in spite of sufficient capacity addition in the 11th and the 12th plan, Northern and the Western region will be experiencing short fall of power. Eastern and North Eastern region having considerable Coal reserve and Hydel potential will provide surplus power which may be utilized successful to bridge the gap in the demand of the deficit region by way of rational trading. Apart from mega projects and super thermal power projects, surplus power may be available from the small captive thermal power plants and from mini Hydel plants. In fact in the Sub-Himalayan region of West Bengal, Sikkim and Northeast many small Hydel power plants are being developed. More over as stated earlier its sister company that is PCM Hydel is developing two mini Hydel projects of a total of 9 MW capacity in North Bengal. As such it will not be difficult for the company to procure 100 million units per annum for trading purpose.

The trading business will be operated from the corporate office at Siliguri, which is closely connected with East, Northeast, Sikkim, and Bihar.

PCM Power Trading Corporation Ltd.

Nishant Singh

Director.

The company has planned to constitute four departments to conduct the business smoothly and in professional manner.

1. **Market study and Planning department:** This department will be attached with the regional office at Kolkata. It will make a study of the requirement of power in different season and time of the day and will try to identify the sources to be tapped for procurement of power. It will maintain close liaison with the different generators including captive generators and distribution companies in both deficit and surplus region for framing a business plan every year to promote sale of power on the bilateral PPA both on short term and medium term basis. A competent officer conversant with power market will head this department.
2. **Contracting and Legal department:** This department will be functioning from the corporate office, based on the input from the Market study and planning department. It will negotiate with the parties and frame PPA for both purchase and sale of power on short term and medium term basis. Apart from this department will keep a watch on MCP and MCV in different power exchange and when required it may bid in the power exchange platform.
3. **Control department:** For proper coordination with SLDC and RLDC this department, which is basically the control room, will be functioning from the regional office, Kolkata. It will prepare the schedules, as per IEGC/ State Grid Code. Efficient operators will man the control room around the clock.
4. **Commercial department:** This department will be located in the corporate office at Siliguri. It will raise the invoice, bills etc for collection of revenue and also for settlement of claims for purchase of electricity. It will be also responsible for implementation of the financial part of the PPA such as submission of bank guarantee, opening of LC etc. Apart from this, it will send the periodical returns to the Hon'ble commission as per regulations and make payment of license fee to the commission.

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