

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 103/MP/2026 along with IA No. 28/2026

Subject : Petition under Section 142 of the Electricity Act, 2003, *inter alia* seeking appropriate directions against the Respondent No. 1, Solar Energy Corporation of India Limited, for complying with Orders dated 23.08.2022 in Petition 52/MP/2019 and order dated 24.03.2025 in Petition No. 377/MP/2023 passed by this Commission.

Petitioner : Solitaire Powertech Private Limited (SPPL).

Respondent : Solar Energy Corporation of India Limited (SECI) and Ors.

Date of Hearing : **18.3.2026 & 19.3.2026**

Coram : Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member
Shri Ravinder Singh Dhillon, Member

Parties Present : Shri Nitish Gupta, Advocate, SPPL
Ms. Aastha Bansal, Advocate, SPPL
Ms. Shikha Ohri, Advocate, SECI
Shri Kartik Sharma, Advocate, SECI

Record of Proceedings

Learned counsel for the Petitioner, SPPL, submitted that the present Petition has been filed *inter alia* seeking directions against the Respondent, SECI, on its failure to comply with the Commission's directions issued vide orders dated 23.8.2022 and 24.3.2025 passed in Petition Nos. 52/MP/2019 and 377/MP/2023, respectively, and also for the refund of the wrongful deductions made by SECI in the annuity payment to the Petitioner. The learned counsel, while pressing IA filed for a stay of operation of SECI's letter dated 17.2.2026, mainly submitted as under:

(a) After the filing of the present Petition, SECI has issued a letter dated 17.2.2026, whereby it has called upon the Petitioner to refund an amount of Rs. 2.66 crore within 30 days, failing which SECI shall recover the said amount from the power sale proceeds under the PPA, along with interest at the rate of 10.41%. However, the said demand of SECI is based on an erroneous, arbitrary and misconceived interpretation of the Commission's order dated 24.3.2025 passed in Petition No. 377/MP/2023.

(b) Initially, the Petitioner had filed Petition No.52/MP/2019 seeking approval of the Change in Law and the consequential relief of compensation due to the introduction of GST Laws in terms of Article 12 of the PPA dated 2.8.2016. The Commission, by orders dated 23.8.2022 and 25.11.2022, held that the introduction of GST Laws as a

Change in Law event under the PPA and directed SECI to release the reconciled claims at the earliest. The Commission also observed that SECI *vide* letter dated 7.2.2022 had proposed to pay a lump sum amount of Rs. 2,09,96,818/- and the remaining amount in the form of a monthly annuity of Rs. 6,92,552/- spread through the remaining period of 13 years from the COD of the Project that was accepted by the Petitioner, *vide* its letter dated 23.2.2022. The Commission also took note of the findings in its order dated 20.8.2021 in Petition No. 536/MP/2020 and directed the parties to follow the directions therein.

(c) *Vide* order dated 20.8.2021 in Petition No.536/MP/2020, the Commission had held that payment *qua* the additional expenditure incurred on account of GST is required to be paid through a monthly annuity payment of 13 years at a discounting factor of 10.41% per annum. Accordingly, the Petitioner became entitled to a discounting factor on the entire principal amount of Rs. 6,96,91,565/- for a period of 13 years commencing from the COD of the Project, i.e., 7.4.2018. However, SECI, on 29.8.2022, made a lump sum payment of Rs. 2,36,77,262/- purportedly covering the principal portion of Change in Law compensation for the period from Project COD till the date of Order in Petition No. 52/MP/2019, but without applying the discounting factor of 10.41%.

(d) Accordingly, Petition No. 377/MP/2023 was filed by the Petitioner seeking directions that the discounting factor of 10.41% be applied on the entire Change in Law compensation (as allowed by Order dated 23.8.2022 in Petition No.52/MP/2019) on the principal amount of Rs. 6,96,91,565/-, starting from the Project COD, and not merely on the residual amount of Rs. 4,60,14,303/- left after the lump sum payment made by SECI without factoring in the discount factor.

(e) *Vide* order dated 24.3.2025, the Commission held that the Petitioner is entitled to receive the carrying cost/ interest/ discounting factor at the rate of 10.41% for the entire tenure of annuity payment starting from the COD of the Project. However, not only did SECI fail to adjust the lump sum amount with the discounting factor of 10.41%, but it also sought to recover the lump sum payment made to the Petitioner for the period from the COD of the Project to the date of the order passed in Petition No.52/MP/2019 based on the wrongful interpretation of the aforesaid order.

(f) SECI is misreading the findings of the Commission in the order dated 24.3.2025 by considering the date specified by the Commission, viz. 22.10.2022 (60th day from the order dated 23.8.2022), as the start date of SECI's payment obligations towards Change in Law compensation. However, the said view is contrary to the understanding recorded in the letter dated 7.2.2022, as well as the order dated 20.8.2021, passed in Petition No.536/MP/2020. A plain reading of the said order, particularly paragraph 48, makes it evident that the Commission only fixed the date of commencement of SECI's obligation and did not alter or displace the settled methodology of monthly annuity computation from the COD of the Project. SECI's attempt to read the specific date mentioned there in isolation is a case of selective and distorted reading of a binding judicial order.

(g) The Petitioner is only a 30 MW Solar Project, and its monthly billing towards the supply of power is approximately Rs. 2.15 crore. Thus, if SECI is allowed to recover the amount of Rs. 2.66 crore along with interest from its power sale

proceedings/monthly bill, which is due today itself, the Petitioner's financial stability, case flows, and operational viability would be severely affected.

2. In response, the learned counsel for the Respondent, SECI, submitted that the Commission, in its order dated 24.3.2025 in Petition No.377/MP/2023, has held that the annuity in the entire expenditure incurred, i.e. Rs. 6,96,91,565/-, is to be calculated based on the discounting factor of 10.41% for 13 years and once the annuity is so calculated, the liability of SECI/Discoms for monthly annuity payment, as decided in Petition No. 52/MP/2019 on 23.8.2022, starts from the 60th day (22.10.2022) of the order, i.e., 23.08.2022, for a period of 13 years. The learned counsel submitted that SECI has acted in strict compliance with the Commission's direction(s). Since the lump sum payment of Rs. 2,36,77,262/- and a monthly annuity payment of Rs. 6,77,462/- were made by SECI prior to the commencement of its liability to pay the monthly annuity, i.e. 22.10.2022, SECI has correctly sought the adjustment/reimbursement of these excess payments made on 29.8.2022 and 30.9.2022. The learned counsel submitted that the plain reading of paragraphs 67 and 68 of the Commission's order dated 20.8.2021 in Petition No. 536/MP/2022 also makes it clear that the Commission has consistently held that the liability of SECI to commence monthly annuity payment starts from 60th day from the date of orders in respective Change in Law Petitions or from the date of submission of claims by the developers, whichever is later. The learned counsel further added that the assertion of the Petitioner that this Commission held that annuity payment should commence from the Project COD is without any basis and, in fact, contrary to the express findings recorded in the order dated 24.3.2025.

3. After hearing the learned counsel for the parties and keeping in view the issue involved was short, the Commission found it appropriate to hear the matter on merits and accordingly, directed SECI not to proceed with any recovery/ adjustment from the power sale proceeds in terms of its letter dated 17.2.2026 till the next date of hearing.

4. The Petition will be listed for hearing on **30.4.2026**.

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