

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.759/MP/2025

Subject : Petition under Section 79 of the Electricity Act, 2003 read with Articles 12 and 16 of the Power Purchase Agreements dated 31.12.2019 executed between Adani Solar Energy Jaisalmer One Private Limited and Solar Energy Corporation of India Limited.

Petitioner : Adani Solar Energy Jaisalmer One Private Limited

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

Petition No.933/MP/2025

Subject : Petition under Section 79 of the Electricity Act, 2003 read with Articles 12 & 16 of the Power Purchase Agreement dated 21.01.2020 between Adani Hybrid Energy Jaisalmer Two Ltd. and Solar Energy Corporation of India Ltd.

Petitioner : Adani Hybrid Energy Jaisalmer Two Limited

Respondents : Solar Energy Corporation of India Limited (SECI) and Anr.

Petition No. 952/MP/2025

Subject : Petition under Section 79 of the Electricity Act, 2003, read with Articles 12 & 16 of the Power Purchase Agreement dated 21.01.2020 between Adani Hybrid Energy Jaisalmer Three Ltd. and Solar Energy Corporation of India Ltd.

Petitioner : Adani Solar Energy Jaisalmer One Private Limited

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

Date of Hearing : **18.8.2026**

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

Parties Present : Shri Amit Kapur, Advocate, Adani Solar/Hybrid
Ms. Sakshi Kapoor, Advocate, Adani Solar/Hybrid
Ms. Gayatri Aryan, Advocate, Adani Solar/Hybrid
Shri Shubham Bhut, Advocate, Adani Solar/Hybrid
Shri Adamya Ojha, Advocate, Adani Solar/Hybrid
Ms. Mahima Singh Kanwar, Advocate, CSPDCL
Shri Akhil Hasija, Advocate, CSPDCL

Shri Anand K, Ganesan, Advocate, PSPCL
Shri Amal Nair, Advocate, PSPCL
Ms. Devyani Prasad, Advocate, PSPCL
Ms. Anusha Nagarajan, Advocate, SECI
Ms. Aakanksha Bhola, Advocate, SECI
Shri Shubam Arya, Advocate, HPPC
Ms. Pallavi Saigal, Advocate, HPPC
Shri Rishab Saxena, Advocate, HPPC
Ms. Kaavya Madaan, Advocate, HPPC
Shri Anik Majumder, Advocate, HPPC
Ms. Ritu Apurva, Advocate, PSPCL

Record of Proceedings

At the outset, the learned counsel for the Petitioner submitted that these Petitions have been filed *inter alia* seeking direction towards payment of Change in Law compensation withheld by the Respondent, SECI, pursuant to the reconciliation process as directed by the Commission in its order dated 1.5.2024 in Petition No. 109/MP/2023 (Petition No.759/MP/2025), and order dated 19.5.2024 in Petition Nos. 31/MP/2024 & 40/MP/2023 (Petition Nos. 933/MP/2025 & 952/MP/2025) ("Change in Law Orders"), as such withholding is not only against the terms of the PPAs but also against the aforesaid Orders. He submitted that the issues arising in the three Petitions are substantially common and, accordingly, relied upon the consolidated note of arguments circulated in Petition No. 759/MP/2023 and mainly submitted as under:

- a) The Commission, by the Change in Law Orders, had allowed Change in Law relief to the Petitioners in respect of: (i) Increase in GST on renewable energy devices from 5% to 12%; (ii) Installation of bird diverters pursuant to the Hon'ble Supreme Court's order in the Great Indian Bustard (GIB) case; and (iii) Increase in Basic Customs Duty (BCD) on solar inverters (allowed only in Petition No. 759/MP/2025). The said orders also directed reconciliation of Change in Law claims in accordance with Article 12 of the respective PPAs.
- b) Despite the above orders, SECI disallowed substantial portions of the claims during reconciliation by insisting on "second-layer" transaction documents (e.g., e-way bills, sub-vendor invoices between the Petitioner's suppliers and their upstream vendors). In Petition No. 759/MP/2025, out of a total claim of Rs. 174.90 crore, Rs. 17.92 crore was disallowed, in Petition No. 933/MP/2025, out of Rs. 51.15 Crore, Rs. 19.35 crore (approx. 38%) was disallowed and in Petition No. 952/MP/2025, out of Rs. 74.59 crore, Rs. 13.38 crore (approx. 18%) was disallowed.
- c) The Petitioners have furnished documents establishing the actual additional expenditure incurred on account of the Change in Law events, including invoices, bank statements, auditor's certificates, GST returns, electrical inspectorate certificates and commissioning certificates, thereby establishing a one-to-one correlation between the additional expenditure and the project.
- d) However, instead of reconciling the actual expenditure incurred by the Petitioners in terms of the Commission's directions, SECI has sought to examine the accounts and procurement documents of the Petitioners' suppliers and their

upstream suppliers. According to the Petitioners, this exercise amounts to going beyond the scope of the reconciliation directed by the Commission. SECI has failed to appropriately undertake the reconciliation in accordance with the methodology directed by the Commission.

e) The disallowances made by SECI in respect of GST and bird diverters, as well as other components under consideration, are contrary to the Commission's earlier findings and the applicable legal position. The Petitioner has acknowledged an inadvertent duplication in the GST claim amounting to approximately Rs. 80 lakh and submitted that the same is not being contested here.

f) Despite submission of the requisite documents and the Commission's directions, SECI commenced the annuity payment only after a substantial delay. Thus, LPS is payable on the admitted amount, as expressly contemplated under the Commission's order and the applicable provisions of the PPAs. The delay in completing the reconciliation and commencing annuity payments was attributable to SECI; therefore, the financial consequences arising from such delay could not be imposed upon the Petitioners.

g) The commercial decisions of the developer, including procurement strategy, vendor selection and contractual structuring, could not be subjected to post-facto scrutiny during reconciliation, particularly when the actual expenditure incurred had been duly substantiated through statutory and financial records.

h) Thus, the Respondents be directed to implement the Commission's Change in Law Orders, release the disputed Change in Law amounts after giving effect to the admitted GST duplication, and pay LPS on the amounts payable, including the amounts withheld during the reconciliation process.

2. The learned counsels appearing for the Respondents, PSPCL and SECI, requested that a copy of the note of arguments, as relied upon by the Petitioners, may also be provided to them and sought liberty to make their submissions on the next date.

3. The learned counsel appearing for the Respondent, HPPC, in Petition No. 759/MP/2023, submitted that it is only supporting SECI in the matter and that the payments had been made by HPPC to SECI as and when sought by SECI.

4. After hearing the learned counsel for the parties, the Commission directed the Petitioners to provide their consolidated note of arguments to the Respondents within a week. The Respondents were also granted two weeks to file their respective notes of arguments, with a copy to the Petitioners.

5. The matters will be listed for hearing on **6.10.2026**.

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