



याचिका संख्या/Petition No. 643/AT/2025

कोरम/ Coram:

श्री जिशु बरुआ, अध्यक्ष / Shri Jishnu Barua, Chairperson
श्री रमेश बाबू व., सदस्य / Shri Ramesh Babu V., Member
श्री हरीश दुदानी, सदस्य / Shri Harish Dudani, Member
श्री रविन्द्र सिंह ढिल्लो, सदस्य / Shri Ravinder Singh Dhillon, Member

आदेश दिनांक/ Date of Order 22nd of March, 2026

IN THE MATTER OF:

Petition under Section 63 of the Electricity Act 2003 for Adoption of Tariff for the ISTS Grid connected Solar Power projects of 1200 MW and with additional capacity upto 1200 MW with "Greenshoe Option" selected through Competitive Bidding Process under Tariff Based Competitive Bidding Guidelines issued by Ministry of Power, Govt. of India on 28.07.2023 and its amendments thereof. (NHPC Tranche-IX, Tender ID: 2024_NHPC_825552_1)

And

In the matter of:

NHPC Limited,

NHPC Office Complex, Sector-33,
Faridabad (Haryana) - 121003.

..... **Petitioner**



VERSUS

- 1 Teerth Gopicon Limited**
105, Amar Metro Nr. Balniketan Sangh,
Pagnis Paga, Indore-452007 (Madhya Pradesh)
- 2 Hanur Solar Power Private Limited**
65, Sardar Patel Marg, C Scheme
Ashok Nagar, Jaipur -302001 (Rajasthan)
- 3 ReNew Solar Power Private Limited**
Renew Hub Commercial Block-1,
Zone-6, Golf Course Road, DLF City, Phase V,
Gurgram -122009(Haryana)
- 4 Avaada Energy Private Limited**
C-11, Sector -65, Noida,
Uttar Pradesh -201301.
- 5 Bharat Petroleum Corporation Limited**
Bharat Bhawan-III, Shanti Building,
13, Walchand Hirachand Marg,
Ballard Estate , Fort Mumbai -400001(Maharashtra)

...Respondents

Parties Present:

Shri Rajiv Shankar Dvivedi, Advocate, NHPC
Shri Sushant Sarkar, Advocate, NHPC

ORDER

The Petitioner, NHPC Limited, has filed the present Petition under Section 63 of the Electricity Act, 2003 (hereinafter referred to as the 'Act') for the adoption of tariff for ISTS Grid connected Solar Power projects of 1200 MW along with the additional capacity of 1200 MW under “Greenshoe Option” selected through the competitive bidding process as per the “Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects” (hereinafter referred to as ‘the Guidelines’) issued by the Ministry of Power, Government of India



vide Resolution No. 27/01/2023-RCM dated 28.07.2023 and its amendments thereof. The Petitioner has made the following prayers:

- 1) Admit the present Petition.
- 2) Adopt the Tariff discovered in the Competitive Bidding Process for individual Power Projects as listed in Table-1 at paragraph 11 on terms and conditions contained in the PPA to be signed with Solar Power Generators being Respondent Nos 1 to 5 and a Trading Margin of Rs. 0.07/kWh in addition to above Tariff is to be recovered from buying Utilities/ Distribution Licensee/ DISCOM(s) in terms of the PSA to be signed between NHPC & Utilities/ Distribution Licensee.
- 3) Pass such other and further order/orders as are deemed fit and proper in the facts and circumstances of the case.

Submissions of the Petitioner

2. The Petitioner, NHPC, has been designated as a Renewable Energy Implementing Agency (hereinafter referred to as 'REIA') by the Ministry of New and Renewable Energy (hereinafter referred to as 'MNRE'), vide Office Memorandum, No. F. No. 283/33/2020-GRID SOLAR, for enabling procurement from solar PV power plants, by Distribution Licensees. In order to promote competitive procurement of electricity and to facilitate Solar PV capacity addition and fulfilment of Renewable Purchase Obligation (RPO)/ Energy Storage Obligations (ESO) requirement of DISCOMs.

3. In line with the REIA – wise bidding calendar issued by MNRE, the Petitioner NHPC, invited bids for selection of Solar Power Setting up of 1200 MW (1.2 GW) ISTS (Inter State Transmission System) Connected Solar Power Projects on anywhere in India basis under Tariff Based Competitive Bidding with Green Shoe Option and entering into Power Purchase Agreements (**PPA**) at the tariff discovered in the competitive bid process with the selected Solar Power Generator (hereinafter referred to as 'SPGs') and entering into Power Sale Agreement (hereinafter referred to as 'PSA') with the Distribution Licensees/Buying Utilities on a back to back basis to enable them

to fulfil the Renewable Purchase Obligations (RPO) under Section 86(1)(e) of the Electricity Act 2003 with NHPC acting as an intermediary Procurer.

4. The Petitioner submitted that it issued a Request for Selection (RfS) for the selection of Solar Power Generators (SPGs) "Selection of Solar Power Generators for setting up of 1200 MW ISTS Connected Solar Power Projects anywhere in India " on a basis under Tariff Based Competitive Bidding with Green Shoe Option. NIT for the said RfS was issued vide Tender ID: 024_NHPC_825552_1 dated 08.10.2024. The bids were invited on an International Competitive Bidding basis in a Single-Stage Two-Envelope Bidding process, followed by a Reverse Auction among the shortlisted Bidders.

5. In response to the said RfS, eight (08) bidders were found technically successful, and seven (07) bidders were shortlisted for the e-RA stage after the removal of the H1 bidder. The NIT & Tender Document was uploaded to the Central Public Procurement (CPP) e-procurement portal on 08.10.2024 and 18.10.2024, respectively, with the last date for online submission as 04.11.2024. NIT was also uploaded to NHPC's website and published in an international newspaper, as per the extant policy guidelines of NHPC. The online bid submission and opening dates were extended up to 02.12.2024 and 06.12.2024, respectively. Up to the last submission date for online bids, i.e., eight (08) online bids were received on the CPP Portal. The online and offline bids (Part I: Techno-Commercial) were opened by a duly constituted TOC on 06.12.2024. The evaluation of submitted bids was done by Tender Evaluation Committee (TEC) constituted by NHPC Management, and eight (08) bidders were found technically successful. The Financial bids were opened on 15.01.2025. Letters of Award (LOA) are to be issued to successful SPGs for 1200 MW and additional Capacity under the "Green shoe option" as per the provisions of RfS. NHPC would approach States/Discom(s) for providing "In-Principle" consent for the procurement of 1200 MW of Solar power through NHPC as REIA in the above scheme after issuance of LOAs. Upon receiving consent from DISCOMs/States, NHPC would sign a PSA with DISCOMs, and a back-to-back Power Purchase Agreement (PPA) would be signed with the above SPGs. As per the RfS and PPAs to be signed with RE Power Generators (RE-PGs), the commissioning

of Projects is likely to be completed in 2027-28 (24 months from the date of signing of the PPA).

6. NHPC is filing the present Petition seeking the adoption of the tariff discovered by NHPC in the transparent competitive bidding process in terms of the aforementioned Guidelines notified by the MOP, Government of India, as detailed hereinabove, in terms of Section 63 of the Electricity Act 2003. It is submitted that NHPC shall charge Trading Margin of Rs 0.07/kWh from DISCOM(s) in addition to the discovered tariff from DISCOM(s)/ Buying Utility upon commissioning of Projects. It is submitted that the Price Discovered for procurement of power from the Solar Power Generators under the competitive bidding process and shall be beneficial to the Buying Utilities/DISCOM(s) as well as the consumers of the Buying Utilities/ DISCOM(s).

7. As per clause 10.4 of Guidelines dated 28.07.2023, NHPC was required to file the Tariff Adoption petition within 15 days of the E-Reverse Auction. Accordingly, NHPC approached this Commission to adopt the tariff at this stage. It is respectfully submitted that the adoption of the above-mentioned Tariff by this Commission will be consistent with the scheme and provisions of the Electricity Act 2003, as provided in Section 61(h) and 79 of the Electricity Act 2003, the National Electricity Policy and the National Tariff Policy notified by the Central Government under section-3 of the Electricity Act 2003. It is respectfully submitted that under section 63 of the Electricity Act 2003, the Tariff for Generation for the sale of Electricity by SPGs as per Table-1 herein to NHPC and further resale of the procured power by NHPC to the buying Utilities at the tariff plus Trading Margin of Rs 0.07/kWh has to be individually adopted for each of the RE-PGs as listed in Table-1. It is submitted that Tariff of Rs 2.43/kWh for 70 MW and Tariff of Rs 2.46/kWh for 200 MW and Tariff of Rs 2.47/kWh for 930 MW discovered through Competitive Bidding process and the above tariff, even with Trading Margin of Rs 0.07/kWh is less than the procurement cost of conventional power of Discom (s) and as such, it shall be beneficial for the Distribution Licensee / Buying Utilities and the consumer at large. Also, no preferential Tariff will be sought under section 86(1) of the Electricity Act 2003. The Reverse Auction bidding was conducted on 21.01.2025, and the following five (5) bidders were successful along with the capacity allotted & quoted Tariff.

Table-1



S.No	Name of SPG	Allocated Capacity (MW)	Tariff (Rs/kWh)
1	Teerth Gopicon Limited	70	2.43
2	Hanur solar Power Private Limited	200	2.46
3	ReNew Solar Power Private Limited	300	2.47
4	Avaada Energy Private Limited	600	2.47
5	Bharat Petroleum Corporation Limited	30	2.47
	Total	1200	

Table-2 (Greenshoe Capacity)

Sl. No.	Name of RE-PG	Capacity allocated (MW) under "Green shoe option"	Tariff (Rs/kWh)
1	Hanur Solar Power Private Limited	400	2.43
2	ReNew Solar Power Private Limited	600	2.43
	Total	1000	

Hearing dated 24.06.2025

8. The Petition was admitted, and the notices were issued to the Respondent on 24.06.2025. The Petitioner was asked to file the information/clarification regarding i) the Certificate issued by the BEC to the effect that the price of the selected offer is reasonable and consistent with the requirement in terms of Clause 10.2 of the Solar Guidelines, ii) the Copies of the LoA issued to the successful bidders, including for the capacity allocated under the Greenshoe option and iii) on what basis, is the green shoe option being included in the RfS, as there is no provision for the green shoe option in the Guidelines.

9. In compliance with the directions contained in the ROP, the Petitioner submitted the information called for vide affidavit dated 18.07.2025. The Petitioner submitted the Certificate issued by the BEC to the effect that the price of the selected offer is reasonable and consistent with the requirements under Clause 10.2 of the Solar Guidelines, and copies of the LOAs issued to the successful bidders, including the capacity under the Greenshoe option.

10. The Petitioner submitted that NHPC, as REIA, invited bids for the selection of Solar Power Generators for the setting up of ISTS Grid Connected Solar Power Projects of 1200 MW with additional capacity up to 1200 MW with Greenshoe Option selected through Competitive Bidding Process under Tariff Based Competitive Bidding. After the e-RA and Greenshoe option, the final allocated capacity is as follows:

Sl. No.	Name of RE-PG	Allocated Capacity (MW)	Tariff (Rs./kWh)	Capacity allocated (MW) under "Green shoe option"	Tariff (Rs/kWh)
1	M/s Teerth Gopicon Limited	70	2.43	--	---
2	M/s Hanur Solar Power Private Limited	200	2.46	400	2.43
3	M/s ReNew Solar Power Private Limited	300	2.47	600	2.43
4	M/s Avaada Energy Private Limited,	600	2.47	-	
	Total	1170		1000	

11. The Petitioner submitted that the initial base capacity of 1200 MW was reduced to 1170 MW following the disqualification of M/s Bharat Petroleum Corporation Limited, which quoted for only 30 MW, falling below the required 50 MW threshold.

12. On the issue of including the Greenshoe option in the RfS, the Petitioner submitted that in the Guidelines for Tariff Based Competitive Bidding issued by the Ministry of Power, Govt of India, on 28.07.2023 and its amendments, the provision of Bid Structure in power terms is prescribed as below:



“5.1 Bids in Power Terms: The Procurer shall invite the bids in Power Capacity (MW) terms, specifying the total quantum to be contracted by the procurer. Procurer may specify minimum off-take in terms of annual energy in the RfS.”

13. According to the Petitioner, the above provision for Bid Structure in the bidding guidelines prescribes only about the invitation of bids in power capacity (MW) terms and does not specify or limit any quantum in MW terms. Hence, according to the Petitioner, the procurer is free to choose the quantum of power capacity in MW terms for the invitation of bids.

14. Further, the Petitioner submitted that the Ministry of New and Renewable Energy (MNRE) has issued the bidding trajectory for the REIAs for the year 2023-24 and 2024-25 and regularly monitors the progress in this regard through time-to-time review meetings with REIAs. The Petitioner submitted that, as per the Minutes of the Meeting taken by the Secretary, MNRE with REIAs and Grid India on 18.07.2024, the REIAs have been given flexibility to decide the bid size while keeping the overall target for the year. The relevant excerpt of the meeting is reproduced below :

“REIAs to have flexibility to decide the bid size in accordance with standard bidding guidelines. REIAs may coordinate among themselves to decide upon the size of bid and time of issuance of such bids based on stakeholder participation, market dynamics, site consideration, etc. However, the overall target for the year for each REIA must be kept in view while taking such decision”.

15. Therefore, according to the Petitioner, in order to achieve the overall target as per MNRE’s bidding calendar, to avoid the concurrent bids by different REIAs at same time and repetitive bidding for same technology, the provision of green shoe option was kept in the RfS with the intent that in case competitive tariff is discovered after e-RA, additional capacity may be allocated to successful bidders, who are willing to execute PPAs **at the lowest tariff (L1 rate) discovered** in the bidding process. The Petitioner as a reference, also submitted that this Commission in Petition No. 224/AT/2023, vide Order dated 05.11.2023 adopted the discovered tariffs in respect of solar power projects discovered pursuant to the competitive bid by SECI for 334 MW Solar Power Plants connected with inter-State Transmission System (‘ISTS’) linked with setting-up of a

Solar Manufacturing Plant, selected through the competitive bidding process as per the “Guidelines for Tariff Based Competitive Bidding Process for Procurement of Grid Connected Solar PV Power Projects” wherein **Green shoe option** was also exercised. It may be seen that the prior provision of the greenshoe option kept in the tender document and award of additional capacity at L1 tariff brings efficiency, economy, and transparency in tender finalisation with fair and equitable treatment of developers and promotion of competition in public procurement, as being the fundamental principles of public procurement, in terms of GFR Rule.

16. In view of the above, the petitioner argued that the entire capacity under the Greenshoe Option of 1200 MW has been allotted to the successful bidders in a transparent manner, as per their eligibility and after their consent for additional capacity in accordance with clause 3.1 of the RfS document.

Hearing dated 05.08.2025

17. During the course of the hearing, the Petitioner reiterated its submission in compliance with the Commission’s direction vide ROP dated 24.06.2025. In response to the specific query of the Commission regarding no specific provisions in the Guidelines for the additional capacity under the “Greenshoe Option”, the learned counsel for the Petitioner submitted that although the Guidelines do not explicitly refer to a green shoe option, they do not prohibit it either. He further submitted that the Guidelines prescribe only the minimum offtake requirement and do not place any cap on the maximum offtake, thereby allowing implicit flexibility. He also placed reliance on the minutes of a meeting held with the Secretary, MNRE, on 18.7.2024, wherein it was noted that the REIA has the flexibility to determine the bid size in accordance with the Standard Bidding Guidelines and may coordinate among themselves for this purpose. He further added that the Commission has also considered and allowed the Greenshoe Option in bidding conducted by SECI. As regards the manner of allocation of the additional capacity under the Greenshoe Option, he added that all the successful bidders were initially offered the additional capacity equal to the capacity originally allocated/a warded to them and only when certain bidders did not accept this additional capacity under the Greenshoe Option, such capacity was offered to the other successful bidders at the L1 rates. After hearing the learned counsel for the Petitioner, the

Petitioner was directed to submit the rate reasonability certificate on an affidavit within two weeks, and, subject to the above, the order in the matter was reserved.

18. In compliance with the direction in the ROP dated 05.08.2025, the Petitioner, on 22.08.2025, submitted that the discovered tariffs in the instant vanilla solar bid are in the range of Rs 2.43/kWh to Rs 2.47/kWh. In order to establish the rate reasonability in the instant petition, the petitioner submitted details of similar Petitions for which this Commission has adopted the tariff as below:

Sl. No.	REIA / Petitioner	Petition No.	CERC Order Date	Tariff (Rs./kWh)	Range
1	SECI Limited	387/AT/2024	31.01.2025	2.60 – 2.61	
2	NTPC Limited	223/AT/2024	18.03.2025	2.59 – 2.60	
3	SJVN Limited	404/AT/2024	20.03.2025	2.52 – 2.53	
4	NHPC Limited	366/AT/2024	20.03.2025	2.52 – 2.53	
5	SECI Limited	243/AT/2025	30.05.2025	3.04 – 3.05	

19. The Petitioner submitted that by comparing the tariffs adopted by this Commission as mentioned above with the tariff discovered through competitive bidding in the instant petition, it is revealed that the tariff in the instant petition is more competitive and is on the lower side. Accordingly, the Petitioner certified that the rates/tariffs discovered through competitive bidding submitted for adoption in the instant petition are reasonable and on the lower side.

Analysis and Decision:

20. In view of the above, we now proceed to consider the prayer of the Petitioner regarding the adoption of a tariff under Section 63 of the Act in respect of the solar power projects discovered pursuant to the competitive bid process carried out in terms of the Guidelines issued by the Government of India.

21. Section 63 of the Act provides as under:

“Section 63. Determination of tariff by bidding process: Notwithstanding anything contained in Section 62, the Appropriate Commission shall adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government.”

22. Thus, in terms of Section 63 of the Act, the Commission is required to adopt the tariff on being satisfied that the transparent process of bidding in accordance with the Guidelines issued by the Government of India under Section 63 of the Act has been followed in the determination of such tariff.

23. The Ministry of Power, Government of India, has notified the Solar Guidelines under Section 63 of the Act vide Resolution No.27/01/2023-RCM on 28.7.2023. The salient features of the Solar Guidelines are as under:

- (a) The Guidelines are applicable for the procurement of power from grid connected solar PV power projects, with or without Energy Storage, through tariff based competitive bidding to be conducted by ‘Procurer’, which includes distribution licensees, or the Authorized Representative(s), or Intermediary procurers.
- (b) The procurer shall prepare the bid documents in accordance with the Guidelines. The principles outlined in the Guidelines may be suitable expanded and made exhaustive in the Standard Bid Documents. In case of any deviation from the provisions of the Guidelines and/or Standard Bid Documents, approval of the Appropriate Government would be necessary prior to initiation of the bid process.
- (c) Bids shall be invited in Power Capacity (MW) terms specifying the total quantum to be contracted by procurer. The minimum quantum of power that can be offered by the bidder should be 50 MW for projects connected of inter State transmission systems. The bidder can quote for a part of the total quantum to be procured by the procurer. A maximum of 50 percent of total capacity as specified in the RfS can be allocated to a single bidder. The bid evaluation parameter shall be the tariff per unit supply of solar power fixed for the entire term of the PPA.

- (d) The procurement of power - shall be in power (MW) terms. The range of the Capacity Utilisation Factor (CUF) will be indicated in the bidding documents. Calculation of the CUF will be on a yearly basis.
- (e) The Draft PPA proposed to be entered into with the successful bidder, and the draft PSA, if applicable, shall be issued along with the RfS. Standard provisions to be incorporated as part of the PPA shall include inter-alia, the PPA period, Power Procurement, Payment Security Mechanism (PSM), Force Majeure, Generation Compensation for off-take Constraints, Event of default and consequences thereof, and Change in Law and shall be provided for, on back-to-back basis, in the PSA.
- (f) The adequate payment security shall be provided as per the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 including amendments and clarification, if any, thereof, issued from time to time. In addition, the Intermediary Procurer may maintain a payment security fund. To be eligible for the coverage from the fund, the developer will undertake to pay the PSM charges at the rate of 2 paise per unit.
- (g) The Procurer/ intermediate procurer shall call for the bids adopting a single stage, two-part (Technical Bid & Financial Bid), bidding process to be conducted through electronic mode (e-bidding). The technical bid shall be opened first. The financial bids of only those bidders who qualify in the technical bid shall be opened. E-procurement platforms with a successful track record and with adequate safety, security, and confidentiality features will be used.
- (h) The RfS notice shall be issued in at least two national newspapers and on the websites of the procurer to provide wide publicity. Standard provisions to be provided by the Procurer in the RfS document shall include Bid Responsiveness, Technical Criteria, Financial Criteria, Quantum of the Earnest Money Deposit (EMD), and Compliance of FDI Laws by foreign bidders, etc.
- (i) The bidders shall be required to submit the separate technical and price bids. The bidders shall also be required to furnish the necessary bid-guarantee in the

form of an Earnest Money Deposit (EMD) along with the bids. The technical bids shall be evaluated to ensure that the bids submitted meet the eligibility criteria set out in the RfS document on all evaluation parameters. Only the bids that meet the evaluation criteria set out in the RfS document shall be considered for further evaluation on the price bids. To ensure competitiveness, the minimum number of qualified bidders should be two. If the number of qualified bidders is less than two, even after three attempts of the bidding, and the Procurer still wants to continue with the bidding process, the same may be done with the consent of the Appropriate Commission.

- (j) The procurer shall constitute a committee for evaluation of the bids (Evaluation Committee), with at least three members, including at least one member with expertise in financial matters/bid evaluation. After the conclusion of bidding process, the Evaluation Committee constituted for evaluation of the RfS bids shall critically evaluate the bids and certify as appropriate that the bidding process and the evaluation has been conducted in conformity with the provisions of the RfS document. The Evaluation Authority should also satisfy itself that the price of the selected offer is reasonable and consistent with the requirement.
- (k) The PPA shall be signed with the successful bidder/ project company or an SPV formed by the successful bidder.
- (l) After the execution of the PPA, publicly disclose the name(s) of the successful bidder(s) and the tariff quoted by them together with the breakup into components, if any. The public disclosure shall be made by posting the requisite details on the website of the Procurer for at least 30 (thirty) days.
- (m) The distribution licensee or the Intermediary Procurer, as the case may be, shall approach the Appropriate Commission for the adoption of the tariff discovered, in terms of Section 63 of the Act, within 15 (fifteen) days of the discovery of the tariffs through e-reverse auction or otherwise, in the transparent competitive bidding process conducted in accordance with these Guidelines. In case the Appropriate Commission does not decide upon the same within 60 (sixty) days of such submission or within 120 (one hundred and twenty) days from the date

of the PSA, whichever is more, the procurer shall grant the appropriate extension of time in Scheduled Commencement of Supply Date (SCSD) to the generators corresponding to the delay (beyond 60 days of submission or 120 days of PSA, whichever is more) in the adoption/ approval by the Appropriate Commission till the date of the adoption/ approval by the Appropriate Commission.

24. In terms of the provisions of Section 63 of the Act, we have to examine whether the process as per the provisions of the Guidelines has been followed in the present case for arriving at the lowest tariff and for the selection of the successful bidder(s).

25. The Solar Guidelines provide for the procurement of solar power at a tariff to be determined through a transparent process of bidding by the procurer(s) from the grid-connected solar power projects with or without energy storage. As per the Solar Guidelines, NHPC, in its capacity as an intermediary procurer, invited proposals to select Solar Power Developers for setting up 1200 MW of ISTS-connected solar power projects. As per the arrangements, NHPC is to procure power by entering into PPAs with the successful bidder, with back-to-back PSAs for the sale of power to the distribution licensees.

26. The Petitioner, NHPC has been designated as the nodal agency for the implementation of the MNRE Schemes for setting up the inter-State solar power projects under tariff based competitive bidding process to enter into PPAs with the developers at the tariff discovered in the competitive bid process; and to enter into the PSAs with the distribution licensees to enable them to fulfil their Renewable Purchase Obligations under Section 86(1)(e) of the Act. NHPC acts as an intermediary in the purchase and sale of power under PPAs and PSAs on a back-to-back basis.

27. NIT and Tender Document were uploaded on the Central Public Procurement (CPP) e-procurement portal on 08.10.2024, with the last date of online submission initially as 04.11.2024. NIT was also uploaded to NHPC's website and published in International Newspapers as per the extant policy guidelines of NHPC.

28. The key milestones in the bidding process were as under:



Sr. No.	Milestone	Date	Remarks
1	NIT issued.	08.10.2024	NIT issued on 08.10.2024 by mentioning the last date of online bid submission and opening of technical bid as 04.11.2024 & 08.11.2024, respectively.
2	Pre-Bid Meeting	21.10.2024	Pre-bid meeting held on 21.10.2024.
3	Corrigendum No. 1	04.11.2024	Extension of critical dates as the last date of online bid submission and opening of technical bid as 18.11.2024 & 22.11.2024 respectively.
4	Corrigendum No. 2	07.11.2024	Technical Corrigendum
5	Corrigendum No. 3	14.11.2024	Extension of critical dates as the last date of online bid submission and the opening of technical bid as 02.12.2024 & 06.12.2024 respectively.
6	Technical Bid Opening	06.12.2024	A total 08 nos. bids were received [online as well as offline).
7	Price Bid Opening	15.01.2025	Price bid of all 08 nos. bids were opened.
8	e-RA	21.01.2025	07 Nos. bidders participated in e-RA (except H1).

29. The online bid submission and opening dates were extended through Corrigenda to 02.12.2024 and 06.12.2024, respectively. Up to the last date of submission of bids, Eight (08) online bids were received on the CPP Portal. The technical bids (Part-I: Techno-Commercial) were opened by the duly constituted Tender Opening Committee (TOC) on 06.12.2024. The evaluation of submitted bids was done by the Tender Evaluation Committee (TEC) constituted by NHPC Management, and Eight (08) bidders were found technically successful. The Tender Opening and Evaluation Committee (TEC), comprising designated officers from the Commercial, Contract (Civil), RE & GH, and Finance Divisions, was constituted for the opening and evaluation of bids under RfS No. Tender ID: 2024_NHPC_825552_1 dated 08.10.2024.

Member of Tender Opening Committee:

Sr. No.	Name of the Officers	Designation
1	Sh. Sanat Kumar	GM (Civil) - Contract (Civil) Division
2.	Sh. Shiv Shanker Sharma	GM(Civil) – Contract (Civil) Division
3.	Smt. Savita Biji	SM (Finance) - Finance Division
4.	Sh. Vishal Pachnanda	SM (Finance) - Finance Division

Member of Tender Evaluation Committee:

Sr. No.	Name of the Officers	Designation
1	Sh. Onkar Yadav,	GM (Elect.) - Commercial Division
2	Sh. Sanat Kumar,	GM (Civil) - Contract (Civil) Division
3	Sh. Choudhary Pankaj Kumar Roy	GM(Civil) - RE & GH Division
4	Sh. Manish Dhawan	DGM(F) - Finance Division

30. The Reverse Auction of bidding was conducted on 21.01.2025 and the following bidders remained successful bidders along with the Capacity allotted & quoted Tariff.

S. No	Name of SPG	Allocated Capacity (MW)	Tariff (Rs/kW h)
1	Teerth Gopicon Limited	70	2.43
2	Hanur solar Power Private Limited	200	2.46
3	ReNew Solar Power Private Limited	300	2.47
4	Avaada Energy Private Limited	600	2.47
5	Bharat Petroleum Corporation Limited	30	2.47
	Total	1200	

31. As per Clause 3.1 of the RfS, all the above successful bidders were requested to submit their willingness for allocation of additional capacity under the Greenshoe Option (at L1) and to submit the eligibility criteria for this additional capacity. The Petitioner has submitted that all the successful bidders, except Teerth Gopicon Limited and Avaada Energy Private Limited, submitted their willingness to be allocated capacity under the Greenshoe Option in the first round. Of the maximum 1200 MW capacity available for allocation under the Greenshoe Option, 700 MW capacity allocation was sought by the successful bidders in the first round under the Greenshoe Option. Further, in the second

round of queries, bidders ReNew Solar Power Private Limited and Avaada Energy Private Limited were asked to again submit their willingness to take on additional capacity as per the eligibility documents specified in the RfS and to submit the break-up of Greenshoe capacity.

32. However, on scrutiny of the eligible financial criteria of Bharat Petroleum Corporation Limited, it was found that it quoted for a capacity of 30 MW only after e-RA and accordingly, as per Clause 3.12.4.1 of the RfS, it was disqualified and not considered for any additional capacity under the Greenshoe Option. Whereas, M/s Hanur Solar Power Private Limited confirmed its willingness to take on 400 MW, and accordingly, the said bidder was allocated 400 MW of additional capacity under the Greenshoe Option because its evaluated qualified capacity of approximately 601 MW met the criteria for an overall capacity of 600 MW. On the other hand, M/s ReNew Solar Power Private Limited asked for an additional 300 MW capacity in the second round under the Greenshoe Option. Since it fulfilled the eligibility criteria for an overall capacity of 900 MW, it was allocated a total of 600 MW (300 MW from the first round and 300 MW from the second round) under the Greenshoe Option. M/s Avaada Energy Private Limited, in the 2nd round, submitted its No-Consent for the allocation of additional capacity under the Greenshoe Option. Thus, the total additional capacity allocated to the successful bidders under the Greenshoe Option in accordance with Clause 3.1 of the RfS is as below:

Sl. No.	Name of RE-PG	Capacity allocated (MW) under "Green shoe option"	Tariff (Rs/kWh)
1	Hanur Solar Power Private Limited	400	2.43
2	ReNew Solar Power Private Limited	600	2.43
	Total	1000	

33. Thus, at the end of the exercise of the Greenshoe Option, total allocated capacity under the RfS stood at 2170 MW (i.e., 1170 MW under base allocation + 1000 MW under Greenshoe Option allocation) as under:

Sl. No.	Name of RE-PG	Allocated Capacity (MW)	Tariff (Rs./kWh)	Capacity allocated (MW) under "Green shoe option"	Tariff (Rs/kWh)
1	M/s Teerth Gopicon Limited	70	2.43	--	---
2	M/s Hanur Solar Power Private Limited	200	2.46	400	2.43
3	M/s ReNew Solar Power Private Limited	300	2.47	600	2.43
4	M/s Avaada Energy Private Limited	600	2.47	-	
	Total	1170		1000	

34. The Petitioner issued the Letter of Award to the Successful Bidders on 21.02.2025, and the relevant portion of the Letter of Award issued to one of the successful bidders, namely, Teerth Gopicon Limited, is as under:

"Sub: Letter of Award for Selection of Solar Power Generators for Setting up of 1200 MW (1.2 GW) ISTS (Inter State Transmission System) Connected Solar Power Projects on anywhere in India basis under Tariff Based Competitive Bidding with Green Shoe Option (NHPC-Tranche-IX-Solar (2024-25))

.....

1.0 This has reference to the following:

- A. The "Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects" vide Gazette Resolution dated 28.07.2023 including its subsequent amendments and clarifications issued by Ministry of Power (MoP) (hereinafter referred to as "Guidelines").*
- B. The Request for Selection (RfS) document vide RfS no. NH/CCW/CC-I/CO-337/PR16924/18 including draft Power Purchase Agreement (PPA), draft*

Power Sale Agreement (PSA) and subsequent amendments/clarifications/revisions/notifications issued by NHPC Limited and uploaded during the process of RfS on CPP Portal.

- C. Your response to the RfS document submitted on CPP Portal vide Bid No. 3129390 dated 02.12.2024 against RfS for Setting up of 1200 MW ISTS Connected Solar Power Projects.*
- D. Your Bank Guarantee towards Earnest Money Deposit (EMD) submitted along with RfS vide No. 00301/BG/008320/2024-25 dated 05.11.2024 issued by Punjab National Bank for an amount of Rs.6,59,40,000/- with validity up to 30.06.2026.*
- E. Your Final tariff at the end of the e-Reverse Auction conducted on 21.01.2025 for the referred RfS for selection for ISTS Connected Solar Power Projects.*
- F. Your confirmation of tariff against allocation of capacity under Greenshoe Option*

With reference to above and subject to the provisions of RfS Document, we confirm having accepted your final offer concluded as a result of e-RA and issue this letter of award as per the following details:

Allocated Capacity (70 MW)	Projects	Project Location	Inter – Connection Points Details	Declared Capacity Utilization Factor (CUF)	Applicable Tariff (Rs. Per kWh) in figures and words
70 MW (Base Allocation)	Solar PV Project: 70 MW	Amardi, Bhachau, Bhuj, Gujarat	400/220kV Bhachau GSS (Power Grid)	CUF: 25 %	2.43 (Rupees Two and Forty Three paise only)

NHPC shall purchase the power generated from the proposed ISTS-Connected Solar Power Project under the above scheme subject to the following terms and conditions as stated in various documents referred above and briefly brought out hereinafter.

2.0 The applicable tariff as mentioned above for power generated from the proposed Solar Power Project Power Project for the term of Power Purchase Agreement (PPA) to be entered into between Solar Power Generator (SPG) /

Project Company and NHPC Limited, for the project, shall be firmed for the entire term of the PPA. The Capacity Utilization Factor (CUF) shall be governed in terms of Clause 3.10.

3.0 The award of the above Project is subject to the Guidelines including amendments/clarifications issued by Government of India and terms and conditions of the RfS Document including its clarifications/amendments issued by NHPC.

4.0 In terms of Clause 3.26 of RfS Document, the shareholding in the Project Company/SPV executing the Power Purchase Agreement (PPA), shall not fall below 51% at any time prior to 1 (One) year from the SCSD, except with the prior approval of NHPC.

5.0 Bidders selected by NHPC based on this RfS shall submit Performance Bank Guarantee (PBG) for a value of Rs. 23.55 Lakh/MW for each project as per Format 6.3B/6.3B(I)/6.3B(II) before signing of PPA, in line with Clause-3.24(ii), Section-3 of the RfS Document. For online confirmation of Bank Guarantee against Performance Security, the bank details of NHPC to be communicated to the issuing Bank is as under:

<i>Name of the beneficiary:</i>	<i>NHPC Ltd.</i>
<i>Account No .:</i>	<i>10813608692</i>
<i>IFSC Code:</i>	<i>SBIN0017313</i>
<i>Branch Code:</i>	<i>17313</i>

Address of the Bank: State Bank of India, 5th Floor, Red Fort Capital, Parsvnath Towers, Bhai Veer Singh Marg, Gole Market, New Delhi - 110 001

6.0 Success charges @ INR 1.00 Lakh/MW + GST@18% shall deposited by SPG corresponding to contracts capacity awarded vide this letter of award in terms of RfS clause 3.13.

7.0 PPA will be executed between NHPC and the selected bidder as per the breakup of the cumulative Project capacity awarded to the Bidder. The LoA is being issued in line with the Project capacity quoted in the Covering Letter (Format 6.1) as part of your response to RfS and subsequently allotted capacity during e-RA and your confirmation to the same, as applicable. However, the



successful bidder shall have option to change the Project location before the Financial Closure as per Clause 3.27 of RfS Document. Any change in State location of the Project(s) awarded shall not be permitted subsequent to the above deadline.

8.0 Power Purchase Agreement shall be signed between NHPC and successful bidders. The PPA shall be executed within 90 (Ninety) days of the date of issue of Letter of Award, if not extended by NHPC. Separate PPA will be executed between NHPC and SPG for each project. The installed Capacity break-up, as submitted as part of the Bidder's response to RfS shall remain unchanged until issuance of LOA. The above configuration can be changed subsequent to issuance of LOAs until the date as on achievement of Financial Closure for the project subject to minimum contracted capacity of each Project shall not be less than 50 MW (30 MW in case of Projects located in North-Eastern States and Special Category). Delays in meeting the project execution timeline on account of changes in the project parameters from the data as submitted in the Covering Letter (Format 6.1), shall be at the risk and cost of the Successful Bidder. The PPA shall be for a period of 25 years from the Scheduled Commissioning Date of the project. The PPA(s) will be signed after signing the PPA (s) for the respective Project(s). The SPD/SPG shall meet financial closure requirements for the Project in line with clause-3.27, Section-3 of the RfS document. Accordingly, the SPD/SPG shall furnish the documents pertaining to compliance of financial closure as per the above provisions.

9.0 The SPD/SPG/Project Company shall achieve commissioning of full capacity of the Project within 24 months or 30 months as the case may be from the Effective Date of the PPA as per the conditions stipulated in Clause 3.28, Section-3 of the RfS and relevant articles of PPA. In case of failure to achieve the milestone, the SPD/SPG/Project Company shall pay the liquidated damage, which shall be levied on the SPD/SPG as per above provisions.

10.0 All disputes arising out of and/or in connection with the selection of Solar Power Projects under the said RfS and execution of PPA thereto shall be governed by laws of India and shall be subject to the jurisdiction of Courts of Faridabad.

11.0 PPA shall be signed only after signing of Power Sale Agreement (PSA) with the end procurer and NHPC shall not be liable on any account for any delay / inability in signing of PSA and PPA.

12.0 You are requested to report Executive Director (Renewable Energy & Green Hydrogen), NHPC Limited, (email: re-co@nhpc.nic.in) for further direction and action in the matter.

This Letter of Award (LOA) is being issued in duplicate and you are requested to kindly acknowledge receipt and acceptance of this LOA by sending the duly stamped and signed duplicate copy of LOA to NHPC within 07 day from the date of this LOA.”

35. As per Clause 11.4 of the Bidding Guidelines, 2023, the Intermediary Procurer, such as the Petitioner herein, is required to approach the Commission for the adoption of the tariff discovered, in terms of Section 63 of the Act, within 15 days of the discovery of the tariff in the transparent competitive bidding process conducted in accordance with the Guidelines. In the present case, the e-RA was conducted on 21.01.2025, and the LoAs to the Successful Bidders were also issued on 21.02.2025. However, the present Petition was belatedly filed by the Petitioner only on 18.07.2025 (Diary generation date). In this context, the Petitioner has also prayed for condonation of the aforesaid delay. The Petitioner has inter alia submitted that it was unable to tie up the entire 2170 MW (1170 MW base allocation + 1000 MW Greenshoe Option allocation) of power under the RfS within 15 days of the e-RA, and accordingly, there has been a delay in approaching the Commission for the adoption of the tariff. We have considered the Petitioner's submissions. The Commission, in its order dated 1.6.2024 in Petition No. 68/AT/2024, has addressed the specific issue of delay by the Intermediary Procurer in approaching the Commission for the adoption of a tariff, while instructing the Intermediary Procurer to strictly adhere to the said timeline in the future. In the Petitioner's case, the Commission has already issued a similar instruction, vide order dated 20.03.2025 in Petition No. 366/AT/2024; accordingly, the Commission condoned the delay in the present case. The Petitioner is expected to strictly adhere to the timelines specified in the Guidelines in future cases.

36. The Petitioner has also filed conformity certificates indicating that the bidding process and the evaluation have been conducted in conformity with the provisions of the RfS document. It is specifically certified by the Bid Evaluation Committee (BEC) and the Contracts Civil Division that the price of the selected offer is reasonable and consistent with the requirements as per Clause 10.2 of the Solar Guidelines (issued by the Ministry of Power on 28.07.2023 and its amendments). Furthermore, the Petitioner has certified that the rates and tariffs discovered through the competitive bidding process are reasonable and on the lower end compared with other recent solar projects adopted by the Commission. The relevant extract of the said conformity certificates is as under:

“

CONTRACTS CIVIL DIVISION

Name of Work: Selection of Solar Power Generators for Setting up of 1200 MW (1.2 GW) ISTS (Inter State Transmission System) Connected Solar Power Projects on anywhere in India basis under Tariff Based Competitive Bidding with Green Shoe Option (NH PC-Tranche-IX-Solar (2024-25))

Tender ID:2024_NHPC_825552_1

NIT Date: 08.10.2024

e-RA Date: 21.01.2025

This is to certify that the price of the selected offered is reasonable and consistent with the requirement in terms of Clause 10.2 of Solar Guidelines.

...

11.0 OTHER DECLARATIONS BY TEC

The bidding process and the evaluation has been conducted in conformity to the provisions of the RfS document. The price of the selected offer is reasonable and consistent with the requirement.”

37. Pursuant to the direction vide Record of Proceedings for the hearing dated 05.08.2025, the Petitioner has also furnished a brief comparison of the tariff adopted by this Commission in similar vanilla solar bids and reiterated that the tariffs discovered in the present case are competitive and on the lower side when compared to the prevailing market tenders. A brief comparison of tariffs adopted in other similar tenders, as furnished by the Petitioner, is as under:

SI. No.	REIA / Petitioner	Petition No.	CERC Order Date	Tariff Range (Rs./kWh)



1	SECI Limited	387/AT/2024	31.01.2025	2.60 – 2.61
2	NTPC Limited	223/AT/2024	18.03.2025	2.59 – 2.60
3	SJVN Limited	404/AT/2024	20.03.2025	2.52 – 2.53
4	NHPC Limited	366/AT/2024	20.03.2025	2.52 – 2.53
5	SECI Limited	243/AT/2025	30.05.2025	3.04 – 3.05

38. As pointed out by the Petitioner, the Commission has adopted these tariffs for similar projects via orders in Petition No. 387/AT/2024 (SECI Limited), Petition No. 223/AT/2024 (NTPC Limited), Petition No. 404/AT/2024 (SVVN Limited), Petition No. 366/AT/2024 (NHPC Limited), and Petition No. 243/AT/2025 (SECI Limited). The tariffs discovered in these cases ranged from Rs. 2.52/kWh to Rs. 3.05/kWh (with order dates from January 2025 to May 2025). We have perused the comparison provided by the Petitioner and find that the discovered tariffs in the present case, ranging from Rs. 2.43/kWh to Rs. 2.47/kWh, fall below the range of tariffs previously adopted by the Commission. In Petition No 243/AT/2025, the higher rate was discovered subject to the condition that very limited time provided for commissioning of the capacity. In view of the fact that the tariff discovered in the present case is competitive and on the lower side, we are satisfied with the explanation and certification provided by the Petitioner regarding the reasonability of the tariff discovered in the present case.

39. In response to another query of the Commission regarding the enabling provisions in the Bidding Guidelines, 2023, if any, for offering additional capacity under the Greenshoe Option, the Petitioner has stated that although the Guidelines do not explicitly refer to a green shoe option, they do not prohibit it either. The Petitioner submitted that the Guidelines prescribe only the minimum offtake requirement and do not place any cap on the maximum offtake, thereby allowing implicit flexibility. It is also submitted that the process for allotting additional capacity under the Greenshoe Option is set out in Clause 3.1 of the RfS, and the Petitioner cited a meeting with the Secretary, MNRE, on 18.07.2024, at which it was noted that REIAs have the flexibility to determine bid size in accordance with standard bidding guidelines. The Commission observes that in the bidding process conducted by NHPC for an additional 1000 MW under the

Greenshoe Option, M/s ReNew Solar Power Private Limited was allocated 600 MW (300 MW in the first round and 300 MW in the second round), while M/s Hanur Solar Power Private Limited was allocated 400 MW. On the other hand, M/s Bharat Petroleum Corporation Limited was disqualified from any capacity allocation because it quoted for only 30 MW after e-RA, which fell below the 50 MW threshold required by Clause 3.12.4.1 of the RfS. Additionally, M/s Avaada Energy Private Limited and M/s Teerth Gopicon Limited were not allocated additional capacity because they submitted their unwillingness or "No-Consent" to the Greenshoe Option. While the implementing agency may have included enabling provisions in the RfS to facilitate such allocation, the Commission is of the view that the enhanced allotment beyond the originally allotted capacity might raise concerns regarding transparency, consistency, and equal treatment of bidders under the Green Shoe allocation, particularly in light of the requirement to ensure a level playing field and maintain fairness in the competitive bidding framework.

40. The Commission notes that Section 63 of the Electricity Act, 2003 mandates that the procurement of electricity by the distribution licensees shall be undertaken through a transparent process of competitive bidding in accordance with the guidelines issued by the Central Government. These Guidelines provide for the enhancement of tendered capacity under the same bidding framework, subject to the condition that such enhancement is of a similar nature and governed by identical terms and conditions as those of the original Request for Selection (RfS). It is, however, observed that the term "Greenshoe Option" is not defined or specifically provided for in the said Guidelines issued by the Ministry of Power. The mechanism adopted by NHPC under the "Greenshoe Option" appears to mirror the technical specifications, commercial terms, and bidding parameters of the original capacity; however, the Commission feels it would be desirable to have an explicit provision in the Guidelines for such a mechanism.

41. In this regard, a reference is invited to Order No. 79/AT/2024 dated 01.08.2024 in the matter of M/s SJVN Limited, wherein this Commission, upon a detailed examination of the bidding process, had observed that the selection of successful bidders and the discovery of tariffs were undertaken through a transparent process of competitive bidding in consonance with the "Guidelines for Tariff Based Competitive

Bidding Process for Procurement of Firm and Dispatchable Power from Grid Connected Renewable Energy Power Projects with Energy Storage Systems” dated 09.06.2023, issued by the Ministry of Power under Section 63 of the Electricity Act, 2003. In the said case, the Commission, *ex abundanti cautela*, permitted the allocation of additional capacity to certain developers after considering the purported “Greenshoe Option” proposed by the implementing agency. It has now come to the notice of the Commission that NHPC has been applying and operationalising the “Greenshoe Option” in subsequent bidding exercises as a matter of routine administrative practice, *de hors* any explicit provision or prior sanction under the Guidelines issued by the Ministry of Power. Such continued invocation of a mechanism not expressly recognised in the extant Guidelines may *prima facie* be viewed as inconsistent with the *ratio legis* of Section 63 of the Act, which underpins transparency and fair competition in tariff-based procurement.

42. While the approach adopted by NHPC under the purported Greenshoe Option may have been intended to enable procurement of additional capacity of a similar nature within the same bidding process and to ensure tariff efficiency, the absence of a clear basis of guidelines or prior approval for such a mechanism leaves its consistency with the statutory framework open to interpretation.

43. Therefore, in terms of Section 63 of the Act, the Commission adopts the individual tariffs for the Renewable Energy Power Developers, as discovered and agreed to by the successful bidder(s), for the final allocated capacity of 1670 MW (comprising 1170 MW under base allocation and 500 MW under the Greenshoe Option). The Commission notes that the initial base capacity of 1200 MW was reduced to 1170 MW following the disqualification of M/s Bharat Petroleum Corporation Limited, which quoted for only 30 MW, falling below the required 50 MW threshold. Furthermore, the Commission restricts the allocation of additional capacity under the Greenshoe Option for M/s Hanur Solar Power Private Limited and M/s ReNew Solar Power Private Limited to 200 MW and 300 MW, respectively, to align with the originally envisaged base allocations and ensure consistency in the bidding process. Accordingly, the tariffs adopted for the individual projects by the Commission are as follows:

Sl. No.	Name of RE-PG	Base Capacity		Green Shoe Capacity	
		Capacity (MW)	Tariff (Rs/kWh)	Capacity (MW)	Tariff (Rs/kWh)
1	M/s.Teerth Gopicon Limited	70	2.43	-	-
2	M/s Hanur Solar Power Private Limited	200	2.46	200	2.43
3	M/s ReNew Solar Power Private Limited	300	2.47	300	2.43
4	M/s Avaada Energy Private Limited	600	2.47	-	-
	Total	1170		500	

44. In view of the foregoing, and keeping in mind the principles of transparency, fairness, and equal opportunity, the Commission directs all REIAs including NHPC to approach the Ministry of Power, Government of India, for a clarification on the Greenshoe option, including the manner/ specificity of allocation of additional capacity under the Greenshoe Option including limiting the allocation under Greenshoe option up to 50% of the originally allocated capacity, particularly where excess capacity arises due to non-acceptance by other bidders. Such clarification from the Ministry will ensure uniform incorporation of Greenshoe Option provisions across schemes, safeguard competitive neutrality, and provide regulatory certainty to all stakeholders in future bidding processes.

45. Prayer (2) of the Petitioner is answered in terms of the paragraph above. Moreover, as soon as the awarded capacity is tied up under the PPAs and PSAs, the Petitioner shall place on record the copies of such PPAs and PSAs. Also, if the awarded capacity does not fructify into the PPAs and PSAs, the Petitioner shall also place on record such development(s) in the file of the present case.

46. The Petitioner, NHPC Limited, has also prayed for approval of the trading margin of Rs. 0.07/kWh to be charged in addition to the above Tariff, which is to be recovered from buying Utilities/Distribution Licensee/DISCOM(s) in terms of the PSA to be signed between NHPC & Utilities/ Distribution Licensee.

47. In this regard, Clause (1)(d) of Regulation 8 of the Trading Licence Regulations provides as under:

“For transaction under long term contracts, the trading margin shall be decided mutually between the Trading Licensee and the seller.”

48. The above provision gives a choice to the contracting parties to mutually agree on a trading margin for long-term transactions. However, proviso to Regulation 8(1)(d) of the Trading Licence Regulations provides as under:

“8(1) (d) * * * * *

Provided that in contracts where escrow arrangement or irrevocable, unconditional and revolving letter of credit as specified in clause (10) of Regulation 9 is not provided by the Trading Licensee in favour of the seller, the Trading Licensee shall not charge trading margin exceeding two (2.0) paise/kWh.”

49. Regulation 8(1)(f) of the Trading Licence Regulations provides as under:

“For transactions under Back to Back contracts, where escrow arrangement or irrevocable, unconditional and revolving letter of credit as specified in clause (10) of Regulation 9 is not provided by the Trading Licensee in favour of the seller, the Trading Licensee shall not charge trading margin exceeding two (2.0) paise/kWh.”

50. The above two provisions are exceptions to the general stipulation regarding trading margin. In the present case, PSAs have not yet been signed. Once the PSAs are executed with the distribution licensees, the trading margin shall be as per the provisions of such PSAs, which would be in consonance with Regulation 8(1)(d) of the Trading Licence Regulations, 2020. However, in the event of failure by the Petitioner to provide an escrow arrangement or an irrevocable, unconditional and revolving letter of credit in favour of the RE power generators, the trading margin shall stand limited to Rs. 0.02/kWh, in terms of Regulation 8(1) (d) and Regulation 8(1)(f) of the Trading Licence Regulations, 2020.

51. Petition No. 643/AT/2025 is disposed of in terms of the above

Sd/-
(श्री रविन्द्र सिंह ढिल्लो)
सदस्य

Sd/-
(श्री हरीश दुदानी)
सदस्य

Sd/-
(श्री रमेश बाबू व.)
सदस्य

Sd/-
(श्री जिशु बरुआ)
अध्यक्ष

