BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION GANDHINAGAR

Petition No. 2143 of 2022.

In the Matter of:

Petition under Section 86(1) (f) of the Electricity Act, 2003 read with Article 10 of the PPA dated 30.04.2010 and amended PPA dated 07.08.2010 for adjudication of dispute between the Petitioner and the Respondent regarding Solar power generation at its fullest installed capacity of 11.5 MW as per the terms of the PPA by repairing solar power plant to achieve full potential utilization.

Along with

IA No. 16 of 2025 in Petition No. 2143 of 2022.

In the Matter of:

Application seeking interim directions in Petition No. 2143 of 2022.

Applicant/Petitioner	:	Kundan Solar (Astronfield) Pvt. Limited (Formerly Known as Astronfield (Gujarat) Pvt. Limited)
Represented by	:	Ld. Sr. Counsel Mr. Saurabh Soparkar alongwith Advocates Mr. Shalin Jani and Ms. Aaksha Karla
		Vs.
Respondent	:	Gujarat Urja Vikas Nigam Limited
Represented By	:	Ld. Adv. Mr. Aneesh Bajaj along with Ms. M.N. Gajjar.
Objector	:	Mr. Gopal Lakhani
Represented By	:	Nobody was present.

CORAM:
Pankaj Joshi, Chairman
Hiren Shah, Member
Jatin N. Thakkar, Member

Date: 24/08/2026.

DAILY ORDER

1. The present matter was kept for hearing on 20.08.2026 through Hybrid Mode.

2. At the outset, Ld. Sr. Counsel Mr. Saurabh Soparkar, appearing on behalf of the Applicant/Petitioner submitted that present Petition has been filed by the Applicant/Petitioner under Section 86(1) (f) of the Electricity Act, 2003 read with Article 10 of the PPA dated 30.04.2010 and amended PPA dated 07.08.2010 for adjudication of dispute between the Applicant/Petitioner and the Respondent regarding Solar power generation at its fullest installed capacity of 11.5 MW as per the terms of the PPA by repairing solar power plant to achieve full potential utilization. He submitted that subsequent to the filing of the present Petition, the Applicant/Petitioner had filed Interim Application No. 07 of 2023 to amend the Petition which was allowed by the Commission vide its Order dated 30.10.2024, subsequent to which the Applicant/Petitioner has filed amended Memo of Petition.

2.1. He referred to the amended Memo of Petition inter-alia seeking following reliefs:

(a) Set aside/quash or in the alternate direct the Respondent to withdraw the stand adopted by it in letter dated 31.03.2022 based on its so called internal/common guidelines in so far as it

restricts the Petitioner's right to change the solar panels, modules, etc. of the plant.

(b) Restrain the Respondent from obstructing or in any manner causing any hindrance in the change of solar panels, modules etc. of the plant by the Petitioner.

(c) Pending final disposal of the Petition, pass an interim Order permitting the Petitioner to install damaged / degraded solar PV modules in context with the contracted capacity of 11.5 MW considering the permissible CUF as per the GERC Tariff order and carry out other necessary repair works in the Solar Power Plant so as to enable the Petitioner to operate the Solar Power Plant at installed capacity 11.5 MW in terms of the PPA between the parties;

(d) Pass an order extending the first time block of 12 years contained in article 5.2 of the PPA till the date modules are replaced and the plant is fully operational with 11.5 MW capacity from the effective date of 31 July 2015 to till the date of replacement of solar modules alternatively exclude the same period i.e. 31 July 2015 to till date of replacement of solar modules;

(e) Direct the Respondent to comply with the terms and conditions stipulated in the PPA dated 30.04.2010 with the amended PPA of 07.08.2010 and to fulfil its obligations in letter and spirit.

2.2. He submitted that in terms of the PPA dated 30.4.2010, the Applicant/Petitioner had set up a Solar Power Generation Plant of 11.5 MW capacity near village- Loria, Taluka - Bhuj, Dist - Kutchh. Further, the Applicant/Petitioner achieved the Commercial Operation Date on 11.12.2012 by installing 97,440 solar modules.

2.3. He submitted that due to repeated natural calamities and flooding, a substantial number of solar modules/panels of the project were damaged, resulting in a substantial reduction in generation and CUF of the plant. He submitted that the CUF, which was originally around 18%, had substantially reduced to 3.7% on account of the damage to the plant. He submitted that the Applicant/Petitioner had approached the Respondent GUVNL seeking permission to replace the damaged/defective solar modules. However, the Respondent had objected to such replacement. The Applicant/Petitioner has, therefore, approached the Commission by filing the present Petition seeking appropriate relief.

2.4. He submitted that the Commission vide its interim order dated 19.01.2023, allowed one of the prayers, i.e. to replace the defective/damaged solar modules, as an interim relief subject to the conditions stipulated in the said order. He submitted that the Applicant/Petitioner had undertaken the replacement of solar modules strictly in accordance with the interim order dated 19.01.2023 passed by the Commission and as such the Respondent GUVNL has not raised any objections or pointed out any issues in relation to replacement of solar modules undertaken by the Applicant/Petitioner in pursuant to the Commission's interim Order dated 19.01.2023 as no contrary communication has been addressed to the Applicant/Petitioner by the Respondent in this regard. It is submitted that the Applicant/Petitioner has replaced the solar modules by ensuring that the contracted capacity of the solar project should not exceed 11.5 MW and that the generation eligible for tariff payment would remain subject to the permissible CUF, including annual degradation of 1%, as applicable under the relevant GERC' Tariff Orders, as stipulated in the interim order dated 19.01.2023. The

Applicant/Petitioner had also been raising bills for the electricity generated and supplied to the Respondent, and the Respondent had been making payment against such bills.

2.5. He submitted that the issue regarding the Applicant/Petitioner's right to replace damaged/defective solar modules is already settled by various orders of the Commission, wherein the Commission had permitted replacement of damaged/defective solar modules, which are as under:

(a) Order dated 03.11.2022 in Petition No. 1985 of 2021 between M/s Adani Power Limited Vs. GUVNL.

(b) Order dated 17.07.2023 in Petition No. 1948 of 2021 between M/s Jai Hind Projects Limited Vs. GUVNL.

(c) Order dated 25.09.2024 in Petition No. 2018 of 2021 between M/s Konark Gujarat PV Pvt. Ltd. Vs. GUVNL.

(d) Order dated 06.12.2023 in Petition No. 2138 of 2022 between M/s Integrated Coal Mining Limited Vs. GUVNL.

2.6. He submitted that now the Respondent cannot be permitted to raise the very same issue of preventing the Applicant/Petitioner from replacing damaged/defective modules. He further contended that the only legitimate concern of the Respondent could be with respect to the contracted capacity and the permissible generation/CUF and not with the numbers or technology of the replacement modules. He further submitted that the Applicant/Petitioner had not claimed and would not claim tariff for generation beyond the permissible CUF applicable to the project.

2.7. He submitted that in view of the above, the issue regarding replacement of the damaged/defective modules as such remain to be regularised in the final decision of the Commission in the matter. He

submitted that the next substantial issue which remains to be considered in the present Petition is concerning extension of the first block of 12 years under Article 5.2 of the PPA. He submitted that the Applicant/Petitioner could not operate the plant at the contracted capacity for a considerable period due to circumstances beyond its control, including repeated flooding and consequential damage to the solar modules and therefore such period from 31st July 2015 till the date of replacement of solar modules be excluded from the first block of 12 years for applicability of tariff of Rs. 9.98 per unit.

3. Ld. Adv. Mr. Aneesh Bajaj, appearing for the Respondent GUVNL, submitted that so far as the legal issue regarding the right of the Applicant/Petitioner to replace damaged/defective modules is concerned, the Respondent does not dispute the position laid down in the orders of the Commission. However, it is submitted that the Respondent in its pleading has raised the specific objections with regard to the manner in which the replacement of modules has been carried out by the Applicant/Petitioner, which is not in accordance with the stipulation contained in the interim order dated 19.01.2023.

3.1. While referring to the para 11 of the interim order dated 19.01.2023, he submitted that the Applicant/Petitioner was permitted to carry out replacement of defective/damaged solar modules at its own cost and risk subject to conditions stipulated therein. Referring to the Affidavit dated 21.07.2025 filed by the Applicant/Petitioner, he submitted that the original project comprised approximately 91,000 modules corresponding to the 11.5 MW project, whereas after replacement the number of modules was stated to be approximately 97,400 and the aggregate module capacity was stated to be approximately 12.27 MW, thereby the Applicant/Petitioner has

exceeded the installed capacity of the project beyond the original capacity and also replaced all the modules irrespective of whether such modules were actually damaged/defective or not. He further submitted that while it does not dispute the Applicant/Petitioner's right to replace damaged/defective modules, it disputes whether the replacement has been carried out strictly within the scope of the interim order. He further submitted that the document placed on record by the Applicant/Petitioner itself suggests that the Applicant/Petitioner has exceeded the scope of interim relief granted by the Commission vide its Order dated 19.01.2023. He further submitted that the Respondent had raised the aforesaid objections in its affidavit and written submissions and that it was not necessary for the Respondent to issue the letter to the Applicant/Petitioner separately, raising such objections specifically when the matter is pending before the Commission and the interim relief was granted subject to certain stipulations.

4. In response to the query of the Commission as to whether Applicant/Petitioner has replaced only damaged/defective solar modules, Ld. Sr. Adv. for the Applicant/Petitioner has confirmed that only defective/ damaged solar modules were replaced by the Applicant/Petitioner and the Respondent is at liberty to undertake site verification to confirm the same.

5. In response to the query of the Commission as to whether the Respondent GUVNL had carried out any independent inspection/verification exercise of the solar plant after replacement of the modules and the basis on which the Respondent is contending that the Applicant/Petitioner has exceeded the scope of interim order dated 19.01.2023 of the Commission while replacing the Solar

modules, Ld. Adv. appearing for the Respondent submitted that the document placed on record by the Applicant/Petitioner itself indicate that the Applicant/Petitioner has replaced all the solar modules and also exceeded the installed capacity of the plant i.e. 12.27 MW capacity instead of 11.5 MW capacity contracted under the PPA, which is contrary to the stipulation contained in the Order dated 19.01.2023 and the same has also been specifically contended in the consolidated written submission as well as reply filed by the Respondent. However, he requested the Commission to grant four weeks to the Respondent to make additional submission on this issue and to carry out site verification, if so required.

6. Heard the Parties. We note the submission of Ld. Sr. Counsel appearing on behalf of the Applicant/Petitioner that the Commission vide its interim order dated 19.01.2023 has permitted the Applicant/ to replace the defective/damaged solar modules subject to the conditions stipulated therein and therefore, the issue of replacement of the damaged/defective modules as such remains to be regularised in the final decision of the Commission in the matter. We note the submission of the Respondent that so far as the right of the Applicant/Petitioner to replace damaged/defective modules is concerned, the same is not objected by the Respondent, however it is submitted that objection of the Respondent is with regard to the manner in which the replacement of modules has been carried out by the Applicant/Petitioner exceeding the scope of the interim order dated 19.01.2023. We further note that while seeking adjournment in the matter, the Respondent has sought liberty of the Commission to file additional submission including carrying out site verification/inspection of the solar plant of the Applicant/Petitioner,

which is not objected by the Applicant/ Petitioner. Hence, the matter stands adjourned.

6.1. Considering the above, we direct the Respondent GUVNL to file additional submissions on affidavit including site verification/inspection of the solar project, if so desired, on or before 10.09.2026. The Applicant/Petitioner is at liberty to file its response to the Respondent's additional submission and/or inspection report, if any, on or before 17.09.2026**.**

7. Next date of hearing will be intimated separately.

8. Order accordingly.

Sd/-	**Sd/-**	**Sd/-**
[Jatin N. Thakkar]	**[Hiren Shah]**	**[Pankaj Joshi]**
Member	**Member**	**Chairman**

Place: Gandhinagar.

Date: 24/08/2026.