BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION GANDHINAGAR

Petition No. 2601 of 2026.

In the Matter of:

Petition seeking for approval of adoption of tariff discovered through transparent reverse bidding process under Section 63 of the Electricity Act, 2003, with Rs. 2.95 per unit as ceiling tariff in continuation to the Commission's Order dated 06.05.2025 in Petition No. 2247 of 2023, filed under Section 86 and other applicable provisions of the Electricity Act, 2003 for approval of prefixed levelized tariff for purchase of power from Decentralize Ground / Stilt Mounted Grid Connected Solar / other RE based power plants under Component-A of the PM-KUSUM scheme as per Government of Gujarat GR No. SLR/11 /2020/mini-185/BI dated 11.12.2020 and GR No. SLR/e-file/20/2022/BI dated 30.01.2023.

Petitioner : Paschim Gujarat Vij Company Limited
Off. Nana Mava Main Road
Near Bhaktinagar Railway Station
Laxminagar, Rajkot- 360004.

Represented by : Mr. K.J. Patel, Mr. D.V. Gojiya and Mr. B. J. Bavaliya

CORAM:

Pankaj Joshi, Chairman
Hiren Shah, Member

Date: 08/07/2026.

ORDER

1. The present Petition has been filed by the Petitioner Paschim Gujarat Vij Company Limited seeking for approval of adoption of tariff discovered through transparent reverse bidding process under Section 63 of the Electricity Act, 2003, with Rs. 2.95 per unit as ceiling tariff in continuation to the Commission's Order dated 06.05.2025 in Petition No. 2247 of 2023, filed under Section 86 and other applicable provisions of the Electricity Act, 2003 for approval of prefixed levelized tariff for purchase of power from Decentralize Ground / Stilt Mounted Grid Connected Solar / other RE based power plants under Component - A of the PM-KUSUM scheme as per

Government of Gujarat GR No. SLR/11/2020/mini-185/BI dated 11.12.2020 and GR No. SLR/e-file/20/2022/BI dated 30.01.2023.

2. The Petitioner has *inter-alia* sought the following reliefs in Petition No. 2601 of 2026:

   a) *Approve the tariffs discovered through transparent competitive bidding (e-Reverse Auction) for the five (5) substations identified in Table - A in the Petition, in accordance with Clause 5.26 of the Order dated 06.05.2025 and Section 63 of the Electricity Act, 2003;*

   b) *Permit PGVCL to issue Letters of Award (LoAs) to successful bidders at the discovered tariffs up to the notified capacity of each substation as per Table A, considering ranking and rate after the e-reverse auction;*

   c) *Permit execution of PPAs with successful bidders at the discovered tariffs on or before 31st December 2025, in order to ensure eligibility for MNRE's Performance Based incentive (PBI) timeline;*

   d) *Pass any other order (s) that this Commission may deem fit.*

3. The present matter were listed for hearing on 30.06.2026 through Hybrid Virtual mode. During the hearing, the representative appearing on behalf of the Petitioner, submitted that in compliance with the Daily Order dated 11.05.2026 passed by the Commission in the present matter, the Petitioner filed additional submissions vide affidavit dated 19.05.2026 placing on record the subsequent developments with regard to the allocation capacity by MNRE under Component-A of the PM-KUSUM Scheme.

3.1. It is submitted that during the course of the present Petition, the allocation under Component – A of PM-KUSUM Scheme for the State of Gujarat had been revised by MNRE from 500 MW to 300 MW and qualified bids received for the State of Gujarat was 226.130 MW and 76.43 for PGVCL. Subsequently, MNRE vide OM dated 03.02.2026 revised

the sanctioned allocation for the State of Gujarat from 500 MW to 175 MW under Component – A of PM – KUSUM Scheme. Accordingly, due the revised allocation by MNRE from 500 to 300 MW (MNRE OM 23.12.2025) and then from 300 to 175 MW (MNRE Om 03.02.2026) for the State of Gujarat, Capacity allocation of PGVCL was revised from 307 MW to 58.50 MW vide GUVNL letter dated 09.03.2026. The Petitioner vide its letter dated 23.02.2026 approached GUVNL and GUVNL vide its letter dated 17.03.2026 requested the MNRE to revise the allocation from 175 MW to 230 MW for the Gujarat State and permit execution of PPAs after approval of the Commission, and consider such projects for eligibility under the Performance Based Incentive (PBI).

3.2. In response to the letter dated 17.03.2026 of GUVNL, Ministry of New and Renewable Energy (MNRE), vide e-mail dated 18.04.2026 has clarified that the last date for execution of PPAs under Component-A of the PM-KUSUM Scheme was 31.12.2025 and that no fresh PPAs could be executed thereafter. It is submitted that MNRE had also indicated that no additional allocation under Component-A was likely to be granted in view of the formulation of a new scheme and advised the State to focus on implementation of the already allocated capacity. Therefore, the revised allocation available to the Petitioner had already been substantially utilized and no operationally usable allocation remained available for the capacity covered under the present Petition. Consequently, the power procurement process under the existing framework of Component-A of the PM-KUSUM Scheme had become incapable of implementation.

3.3. The Petitioner submitted that it had collected application processing fees along with applicable GST and EMD amount from the participating applicants. It was further submitted that the Petitioner had incurred expenditure towards e-reverse auction portal charges and petition filing fees before the Commission, which cumulatively exceeded the application processing fee collected. The Petitioner further submitted

that no Letter of Award had been issued to any successful bidder and that the bidding process was being withdrawn solely on account of subsequent policy and scheme-level developments beyond the control of the Petitioner and the bidders. In the circumstances, the Petitioner submitted that the Earnest Money Deposit (EMD) alongwith application fees is liable to be refunded in full to all the applicants.

3.4. It is submitted that in the aforesaid circumstances, the Petitioner wants to withdraw the instant Petition unconditionally, as the Petitioner is not willing to pursue with the present Petition as having become infructuous and incapable of implementation under Component -A of PM-KUSUM Scheme due to subsequent Scheme level and Policy developments which is beyond the control of the Petitioner. It is submitted that the affidavit for withdrawal of the Petition is already filed by the Petitioner in the present Petition. Accordingly, he requested the Commission to allow the Petitioner to withdraw the present Petition unconditionally.

4. We have considered the submissions made by the Petitioner. We note that the present Petition has been filed by the Petitioner PGVCL seeking approval of adoption of tariff discovered through transparent reverse bidding process under Section 63 of the Electricity Act, 2003, with a ceiling tariff of Rs. 2.95 per unit in terms of the Commission's Order dated 06.05.2025 in Petition No. 2247 of 2023, filed under Section 86 and other applicable provisions of the Electricity Act, 2003 for approval of prefixed levelized tariff for purchase of power from Decentralize Ground / Stilt Mounted Grid Connected Solar / other RE based power plants under Component-A of the PM-KUSUM Scheme as per Government of Gujarat GR No. SLR/11 /2020/mini-185/B1 dated 11.12.2020 and GR No. SLR/e-file/20/2022/B1 dated 30.01.2023.

4.1. We note the submissions of the Petitioner PGVCL that during the pendency of the present Petition, significant developments have taken

place with regard to the implementation of Component-A of the PM-KUSUM Scheme. We further note the submissions of the Petitioner that MNRE has clarified that the last date for execution of Power Purchase Agreements under Component-A of the PM-KUSUM Scheme was 31.12.2025 and that no fresh PPAs can be executed thereafter. MNRE has also indicated that further allocation under Component-A is unlikely in view of the formulation of a new scheme. Therefore, in the absence of sanctioned allocation and Performance Based Incentive (PBI), it is submitted by the Petitioner that the power procurement process approved under the Scheme has become incapable of implementation as the tariff discovered through the Competitive Bidding Process was intrinsically linked to the Scheme framework and timelines. Accordingly, the Petitioner requested the Commission to allow withdrawal of the present Petition unconditionally. In view of the above and recording the statements made by the Petitioner, we allow unconditional withdrawal of the present Petition filed by the Petitioner. So far as the refund of Earnest Money Deposit (EMD) and application processing fees recovered from the applicants are concerned, the Commission is of the view that this matter of EMD and application proceeding fees is not subject matter of the present Petition. We do not find it appropriate to intervene on this aspects. Accordingly, the Petitioner is at liberty to take the administrative decision in this regard.

5. With this Order, the present Petition stand disposed off.

6. Order accordingly.

Sd/-
[Hiren Shah]
Member

Sd/-
[Pankaj Joshi]
Chairman

Place: Gandhinagar.
Date: 08/07/2026.