

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.315/MP/2023

Subject : Petition under Sections 79 (1) (b) and (f) of the Electricity Act, 2003 read with Article 13.2(b) of the Power Purchase Agreement dated 07.08.2007 executed between Sasan Power Limited and its Long- Term Customers (Procurers) for compensation due to Change in Law events.

Petitioner : Sasan Power Limited (SPL).

Respondent : Madhya Pradesh Power Management Co. Ltd. (MPPMCL) and Ors.

Date of Hearing : **13.5.2025**

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, SPL
Shri Venkatesh, Advocate, SPL
Ms. Priya Dhankar, Advocate, SPL
Shri Anant Ubeja, Advocate, SPL
Ms. Surbhi Kapoor, Advocate, SPL
Ms. Komal, Advocate, SPL
Shri Nitin Kala, Advocate, TPDDL
Shri Kunal Singh, Advocate, TPDDL
Shri Tanmay Jain, Advocate, TPDDL
Ms. Shefali Sobati, TPDDL
Ms. Sarika Jerath, TPDDL
Shri Ravi Sharma, Advocate, MPPMCL
Shri Aryan Chandra, Advocate, MPPMCL
Shri Anand K. Ganeshan, Advocate, Rajasthan Discoms
Ms. Shivani Verma, Advocate, Rajasthan Discoms
Shri Amal Nair, Advocate, Rajasthan Discoms
Shri Hasan Murtaza, Advocate, BRPL & BYPL
Shri Sameer Sharma, Advocate, BRPL & BYPL
Shri Ankit Sinha, Advocate, BRPL & BYPL
Shri Shubham Arya, Advocate, HPPC & PSPCL
Shri Rishabh Saxena, Advocate, HPPC & PSPCL
Ms. Reeha Singh, Advocate, HPPC & PSPCL

Record of Proceedings

During the course of the hearing, the learned counsel for the Petitioner referred to his note of arguments and made detailed submissions on the 'Change in Law' claims made in the present case, namely, (i) 19 notifications of changes in rate of



Basic Excise Duty levied on HSD notified by the Ministry of Finance, Govt. of India, (ii) 6 notifications of changes in the rate of Additional Duty of Excise (including imposition of Road and Infrastructure Cess) levied on HSD by Govt. of India, (iii) 6 notification imposing and changes to the rate of Special Additional Excise Duty and Agricultural and Development Cess notified by Gol, (iv) 5 notifications of changes to the rate of VAT payable on HSD under Schedule II of Madhya Pradesh VAT Act, 2002 notified by the Govt. of Madhya Pradesh, (v) 6 notifications imposing and amending the rate of additional tax levied on HSD under Section 9AA and Section 71 of the MP VAT Act, 2002 by the Govt. of MP, (vi) notification imposing cess on HSD dealers issued by GoMP, and (viii) 2 notification changing the rate of VAT payable on HSD under Schedule 4 of the Uttar Pradesh Value Added Tax, 2008 issued by the Govt. of UP. Learned counsel *inter alia* submitted that the Change in Law events are of a continuous and recurring nature, and accordingly, the Petitioner is claiming the Change in Law compensation from 2012 to the present date. Learned counsel added that the total impact of these Change in Law events till 28.2.2025 is Rs. 360.35 crores, excluding the carrying cost, which works out to approximately Rs. 509.14 crores.

2. In response to the specific queries of the Commission regarding any stipulation requiring the Petitioner to use the electrical mining equipment instead of diesel-based equipment and whether the Change in Law impact in respect of such equipment has been computed based on their efficiency parameters/norms, the learned counsel for the Petitioner sought liberty to seek necessary instructions in this regard. Learned counsel for the Respondent, MPPMCL, submitted that the Petitioner may be directed to furnish detailed information regarding the storage of HSD, both prior to and following the occurrence of the Change in Law events. Whereas, the learned counsel for the Respondents, PSPCL & HPPC, submitted that since the fuel mining agreements, etc., are the relevant documents for the adjudication of the present claims, the Petitioner may be directed to furnish the said fuel mining agreement/project document on record.

3. After hearing the learned counsels for the parties, the Commission directed the Petitioner to file the following details/information within four weeks:

- (a) A working sheet providing detailed calculation of Change in Law compensation and head-wise and year-wise breakup of Change in Law compensation.
- (b) Year-wise Change in Law (CIL) claims along with corresponding LC amount up to 28.2.2025 to demonstrate compliance with the threshold specified under the PPA; and
- (c) A copy of the agreement executed with MDO for the integrated coal mine.

4. The matter remained part-heard and will be listed for the hearing on **17.7.2025 at 2.30 P.M.**

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