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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **W.P.(C) 1368/2025**

**AVAADA ENERGY PRIVATE LIMITED
& ANR.**

.....Petitioners

Through: Mr. Dayan Krishnan, Senior
Advocate with Mr. Shankh Sengupta,
Mr. Abhishek Kumar, Mr. Shubham Mudgil and
Mr. Abhinav Kapoor, Advocates.

versus

**CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED &
ANR.**

.....Respondents

Through: None.

**CORAM:
HON'BLE MS. JUSTICE JYOTI SINGH**

ORDER
03.02.2025

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CM APPL. 6673/2025

1. Allowed, subject to all just exceptions.
2. Application stands disposed of.

W.P.(C) 1368/2025 & CM APPL. 6672/2025

3. This writ petition is preferred on behalf of the Petitioners under Article 226 of the Constitution of India for a limited direction to Central Transmission Utility of India Limited ('CTUIL') to not take any coercive measures/precipitative steps in furtherance of the communication dated 29.01.2025, which has been challenged by the Petitioners before Central Electricity Regulatory Commission ('CERC') in a Connectivity Petition bearing Diary No. 70/2025. The reason for approaching this Court, as



averred in the writ petition, is that as per the advance hearing schedule for February, 2025, CERC is not holding Court any time before 06.02.2025 and Petitioners have a genuine apprehension that coercive action may be taken by Respondent No. 1 post the issuance of communication dated 29.01.2025.

4. Petitioner No. 1 i.e. Avaada Energy Private Limited ('AEPL') applied with CTUIL on 29.06.2023 for grant of connectivity for 50 MW at 400/220 kV Jam Khambhaliya pooling SS under Clause 5.8(xi)(c) of GNA Regulations, 2022. On 17.11.2023, CTUIL issued in-principle grant of connectivity and requested AEPL to submit the Connectivity Bank Guarantee ('BG') within one month from 17.11.2023. AEPL submitted Connectivity BG 1 (Rs. 50,00,000/-) followed by Connectivity BG 2 (Rs. 3,00,00,000/-) and Connectivity BG 3 (Rs. 1,00,00,000/-). A land BG was furnished for a sum of Rs.5,00,00,000/- on 21.06.2023. Pursuant to a letter issued by CTUIL on 17.11.2023, AEPL submitted amended Connectivity BG 1 dated 16.12.2023 and CTUIL issued final grant of connectivity for 50 MW on 01.02.2024, whereafter Connectivity Agreement was executed on 09.04.2024 between AEPL and CTUIL.

5. As the chronology goes in the writ petition, CERC issued Draft Third Amendment on 31.07.2024, whereby additional Clause 5 under Regulation 11 has been proposed allowing fulfilment of conditions subsequent to grant of connectivity by the subsidiary company implementing the project, where connectivity has been granted to parent company and vice-versa. Power Purchase Agreement was executed between Petitioner No. 2/AGPL, an SPV and DVC Limited. On 16.01.2025, CTUIL requested AEPL to submit land documents in order to fulfil conditions subsequently stipulated under Regulation 11A(1) of GNA Regulations, 2022.



6. It is stated that vide communication dated 24.01.2025, AEPL submitted the land documents and requested CTUIL to verify the same and return the land BG furnished on 21.06.2023, however, without any justified reason, CTUIL issued the impugned communication dated 29.01.2025, highlighting certain deficiencies in the documents and requesting to share the same by 01.02.2025, failing which action will be taken in terms of Regulation 11B of GNA Regulations, 2022.

7. Mr. Dayan Krishnan, learned Senior Counsel for the Petitioners submits that the impugned communication is without any legal basis and challenging the same, Petitioners have already approached CERC by filing a Connectivity Petition, however, as per February, 2025 schedule, CERC is not holding Court anytime before 06.02.2025 and in the interim, if CTUIL is not restrained from taking coercive action against the Petitioners, Petitioner No. 1's connectivity may be revoked and the BGs may be encashed, causing huge financial loss to the Petitioners and the investments and progress made towards construction of the project will come to a standstill. This would be against the spirit of the Electricity Act, 2003, which is to provide promotion of renewable energy and non-discriminatory open access to the consumers. It is also submitted that in similar circumstances, this Court has in the past granted interim orders of this nature and copies of various such orders are handed over during the course of hearing.

8. Petitioners have approached this Court since the Statutory Adjudicatory Forum i.e. CERC is not scheduled to hold Court anytime before 06.02.2025 and therefore, the Connectivity Petition filed by the Petitioners challenging the impugned communication dated 29.01.2025 will not be heard before the said date. Petitioners apprehend that in furtherance



of the impugned communication, CTUIL may take coercive action in the form of revocation of connectivity and encashment of BGs, which will cause grave prejudice and irreparable harm to the Petitioners.

9. Having heard learned Senior Counsel for the Petitioners, I am of the view, that Petitioners cannot be left remediless. It is, therefore, directed that till the Connectivity Petition filed by the Petitioners laying a challenge to communication dated 29.01.2025 is taken up for first hearing by CERC, no coercive steps will be taken by CTUIL in the form of revoking the connectivity and encashing the BGs furnished, which Mr. Dayan Krishnan, learned Senior Counsel submits are not expiring before the end of this year and will be kept alive.

10. This writ petition is disposed of with the aforesaid limited direction. It will be open to CERC to continue or vacate or vary or modify the order passed today, in accordance with law. It is made clear that this Court has not expressed any opinion on the merits of the case.

11. Pending application also stands disposed of.

JYOTI SINGH, J

FEBRUARY 03, 2025/shivam