

SESSION 7

LEGAL DIVISION



**NISHANT
PARASHAR**



**SUYASH
GAUR**



पी एन जी आर बी
PNGRB

**PRESENTATION
BY
LEGAL DIVISION,
PNGRB**

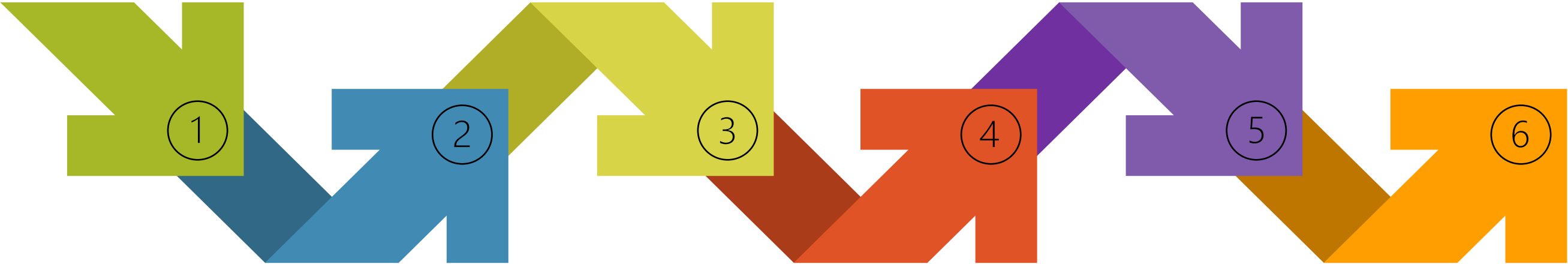
REGULATION, INTERPRETATION AND ENFORCEMENT: THE LEGAL BACKBONE

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Need of PNGRB

Categories of functions

Reference judgments
of Hon'ble SC and HCs



Functions of PNGRB

Key orders of Board

Future roadmap

Bridging the need for PNGRB.

The Catalyst: Marketing and pricing of all petroleum products were decontrolled in 2002, excluding Public Distribution System (PDS), Kerosene and Domestic LPG.

Supply and Access

Facilitate uninterrupted supply at fair prices across the country.

Market Growth

Promote competitive markets and ensure non-discriminatory access to monopolistic common carrier infrastructure.

Oversight

Regulate entire downstream chain, i.e., refining, processing, storage, transport, distribution and marketing.

Consumer Protection

Protect consumer interest and resolve disputes in a deregulated market.

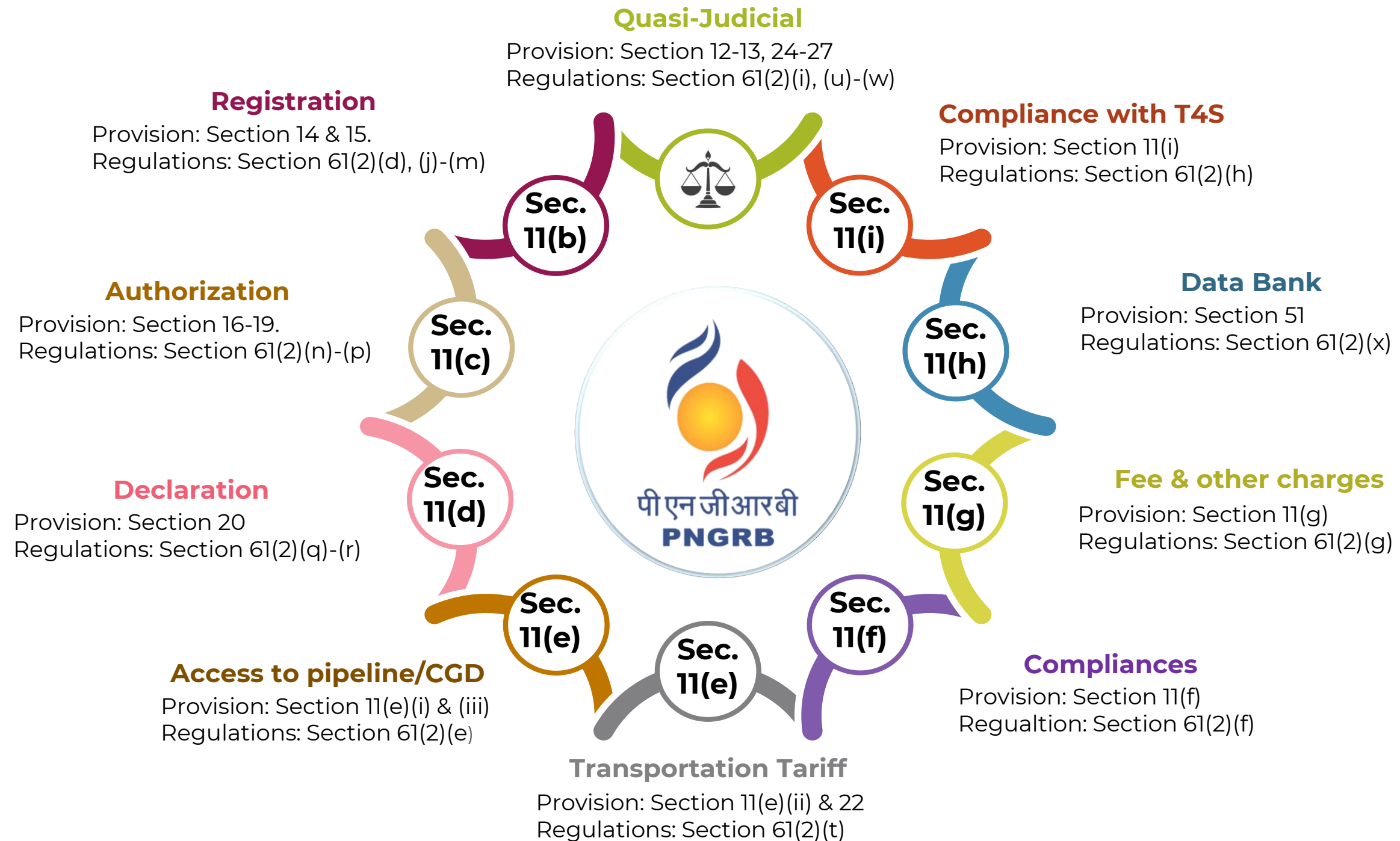
Independence

The Board operates at arm's length from the Central Government.

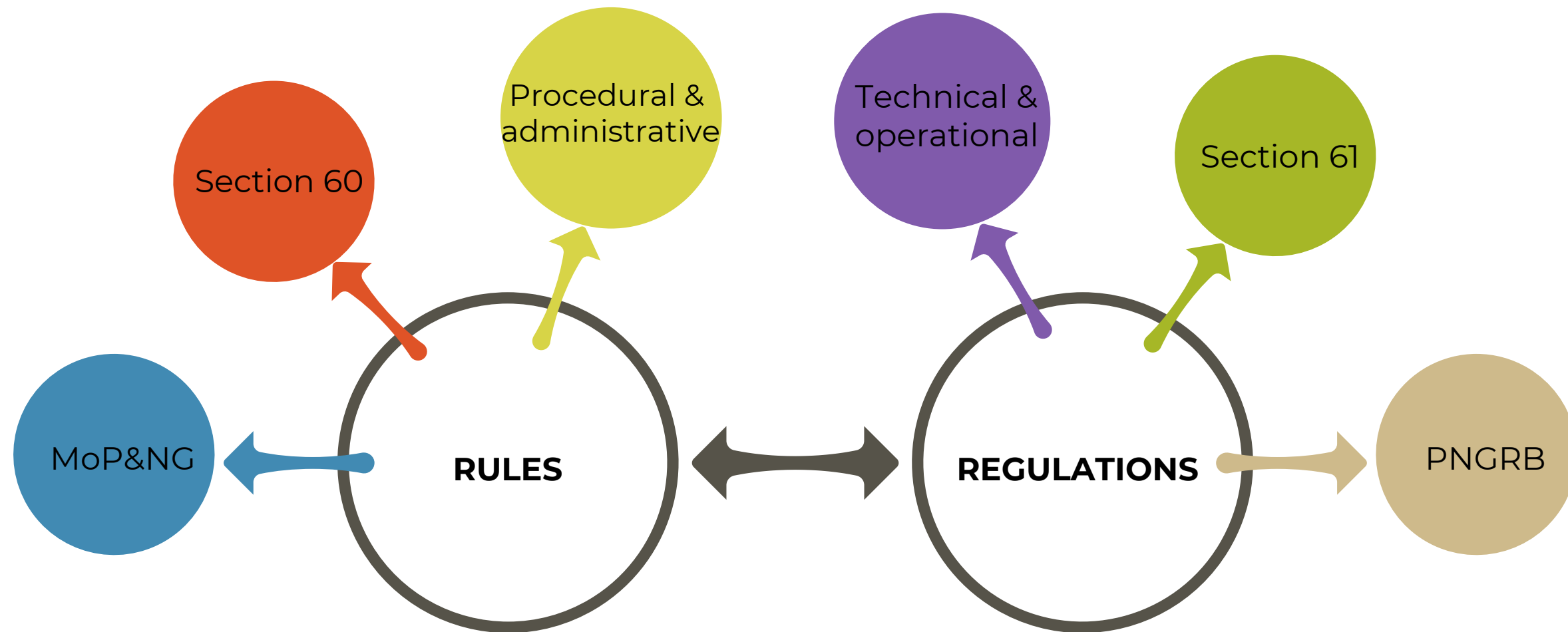
Powers vested in PNGRB

Legislative: Framing regulations;
Adjudicatory: Dispute resolution;
Regulatory: Monitoring of MWP targets, service obligations, T4S compliances.

Functions of PNGRB.

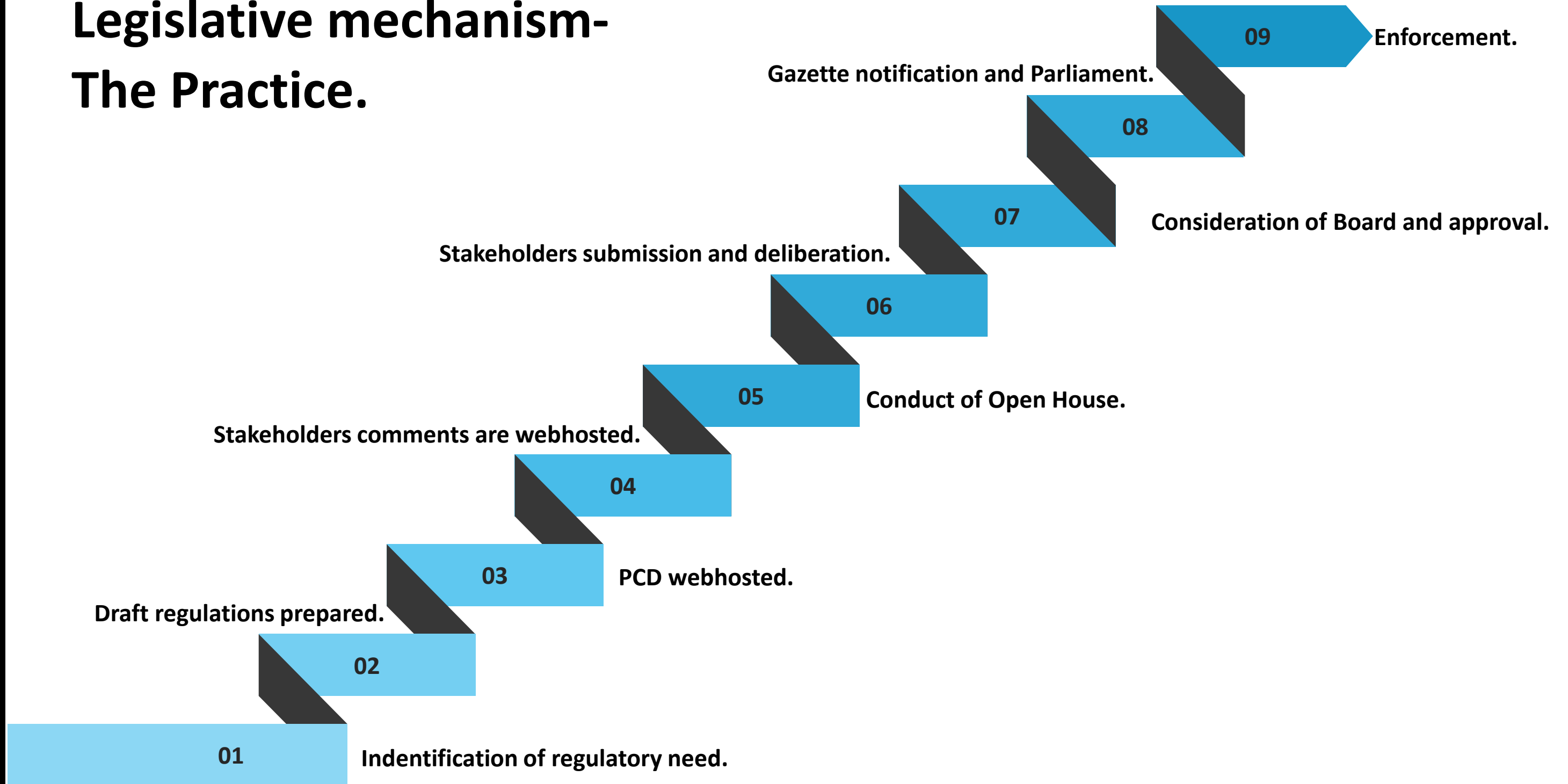


Delegated legislation.



Insight: In *Re Delhi Laws Act, 1951*, Hon'ble Supreme Court recognized the necessity of delegated legislation in modern governance, noting that legislature cannot enact exhaustive laws on all subjects.

Legislative mechanism- The Practice.



Regulatory enforcement mechanism.

01- Ensure timely compliances

PNGRB ensures compliances with MPW targets, service obligations, T4S, and other regulations.

03 – Remedial Time

Remedial time is given to entity, wherever applicable.

05 - Order

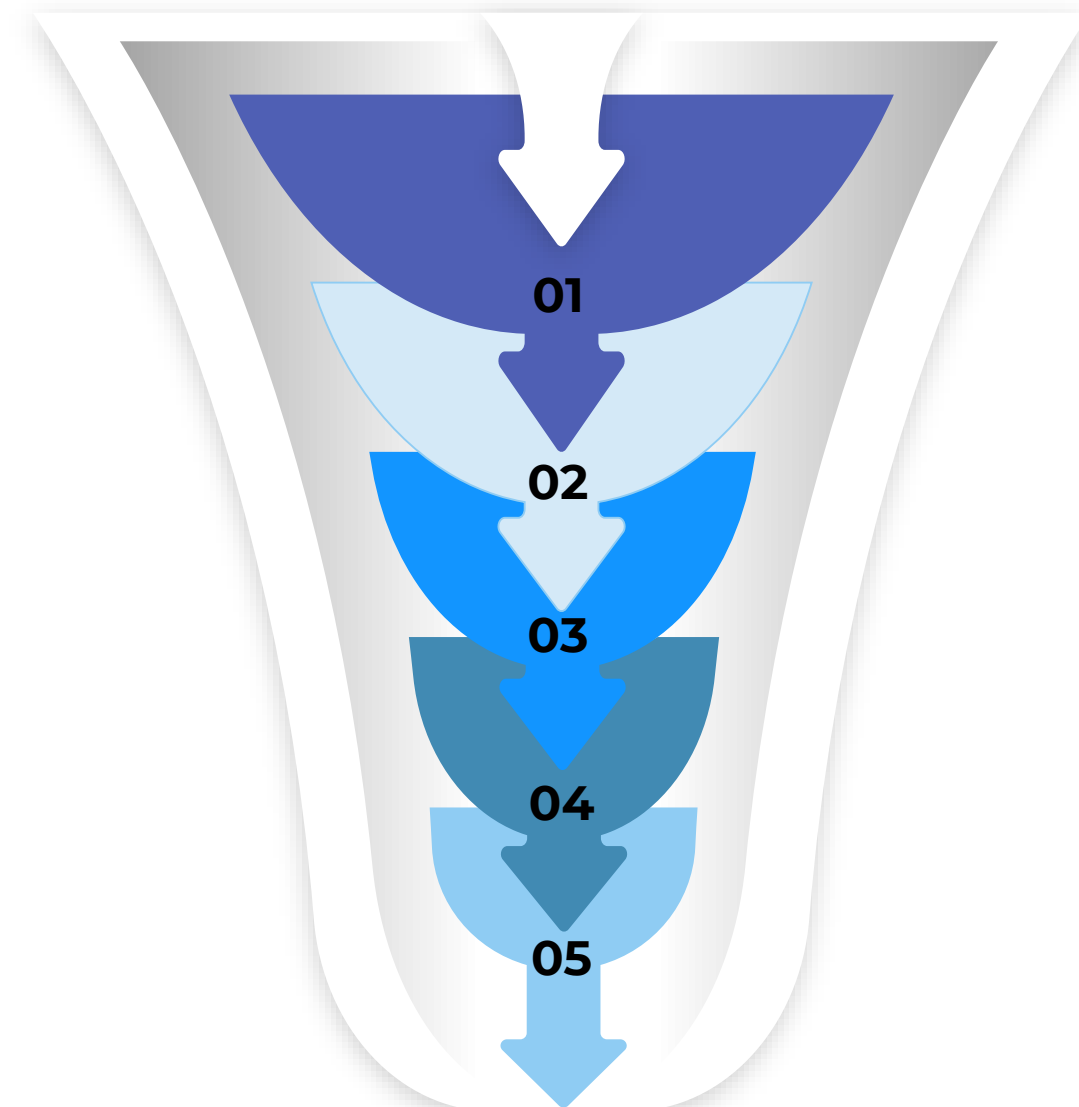
Detailed regulatory order imposing penalty and/or cease and desist of operations.

02 – REVIEW

PNGRB conducts periodical reviews and seek explanation for delay/defaults.

04 –SCN issued

SCN is issued where entity fails to take remedial action or the default subsists.



REGULATORY DECISION OF THE BOARD

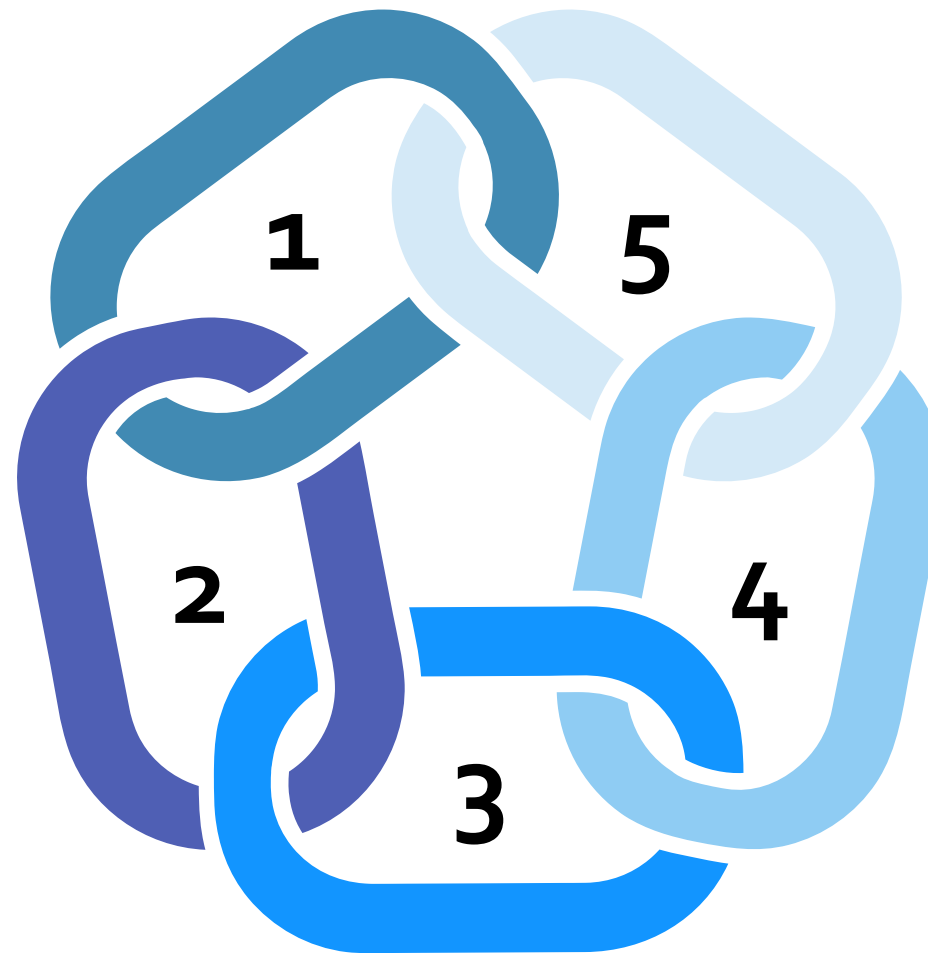
Quasi-Judicial provisions under Act.

SECTION 12

Powers regarding complaints and resolution of disputes by the Board, unless parties have agreed for arbitration.

SECTION 13

Powers of the civil court and autonomy of procedure vested in the Board, with adherence to principles of natural justice.



SECTION 25

Filing and adjudication of complaints, excluding those maintainable before consumer forums.
Nature: Regulatory Court.

SECTION 24

Board to settle disputes between entities or entity or any other person.
Nature: Civil Court.

SECTION 56

Jurisdiction of civil courts barred.

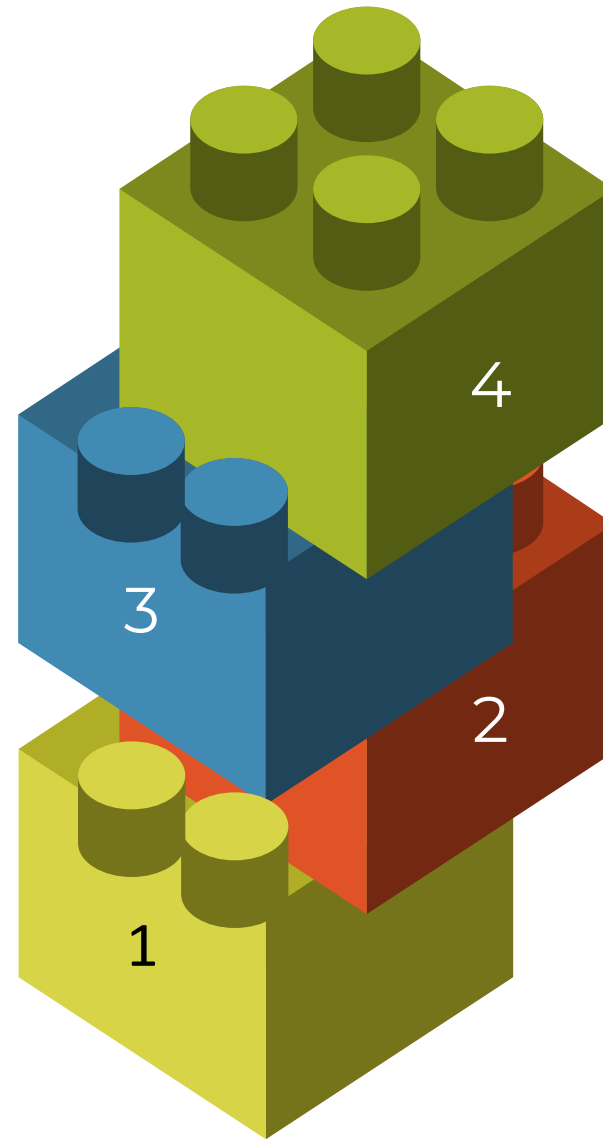
Quasi-Judicial mechanism.

3- Adjudication

Parties file their pleadings, documents and put forth their submissions.

1. Filing before PNGRB

An entity or any person may file a petition u/s 24 or complaint before u/s 25, seeking adjudication of dispute and enforcement of regulation.



4-Final Order

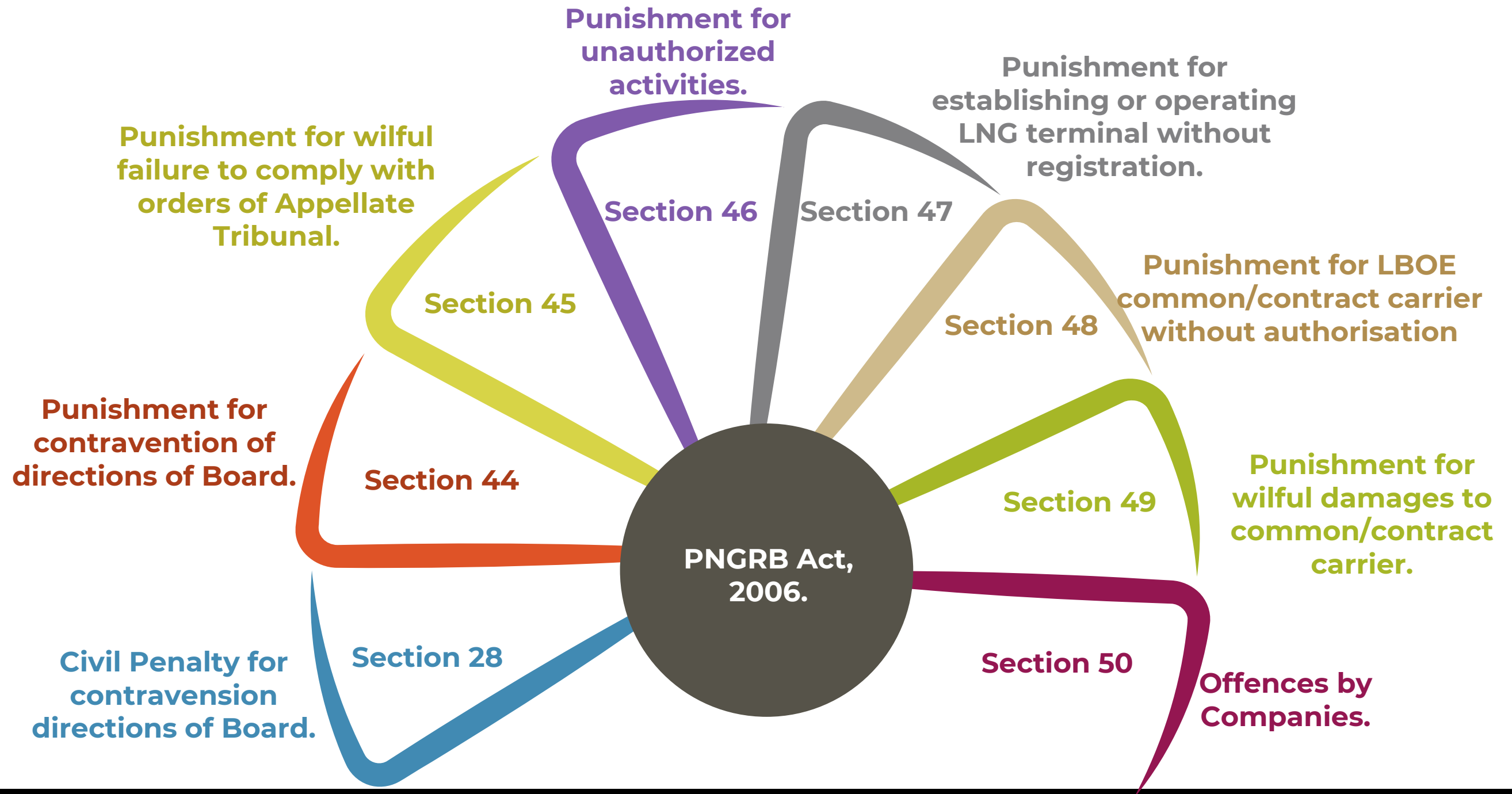
The Board after hearing the parties and documents placed on record, passes a final order.

Sec. 29- Orders passed by the Board deemed to be decrees.

2. Maintainability

The Board ensures that the petition/complaint is maintainable w.r.t. limitation, cause of action, and locus standi.

Punitive provisions under Act.



Key orders of PNGRB.

Utilization of public infrastructure:

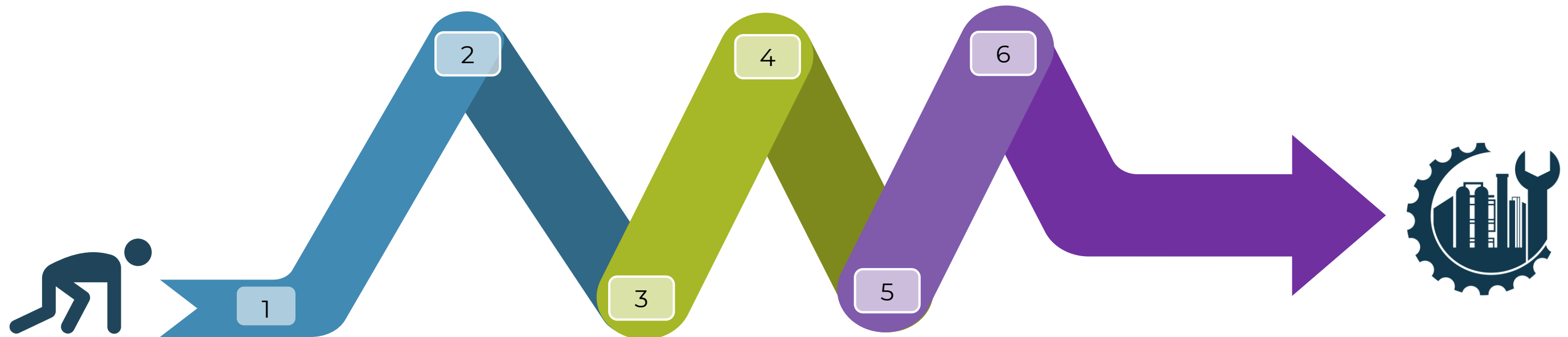
GMR Energy Ltd. V. Reliance Gas Transportation Infra Ltd.- Direction was issued to provide access.

Balancing interests:

Naveriya Gas V. GAIL- Determination of customers connected with NGPL, prior to authorization of CGD entity.

Promoting public infrastructure:

EICL V. AGP City Gas- Readiness of CGD network is through pipeline infra, not supply by alternative modes.



Protecting entities interest:

Reliance Industries Ltd. & Ors. V. IOCL & Ors.- PNGRB has power to adjudicate RTP disputes.

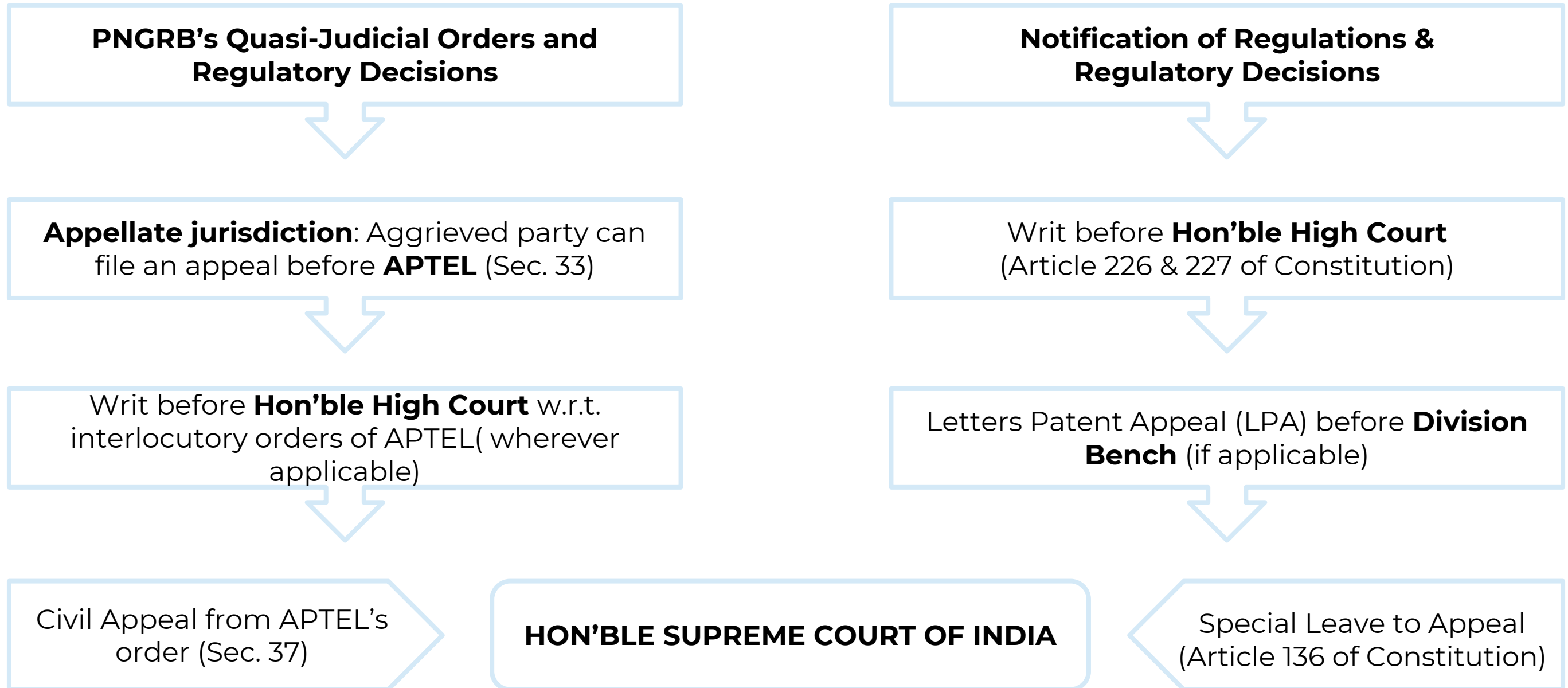
Consumer autonomy:

SGL V. Crystal Ceramics & Ors.- Consumers can lay dedicated pipeline.

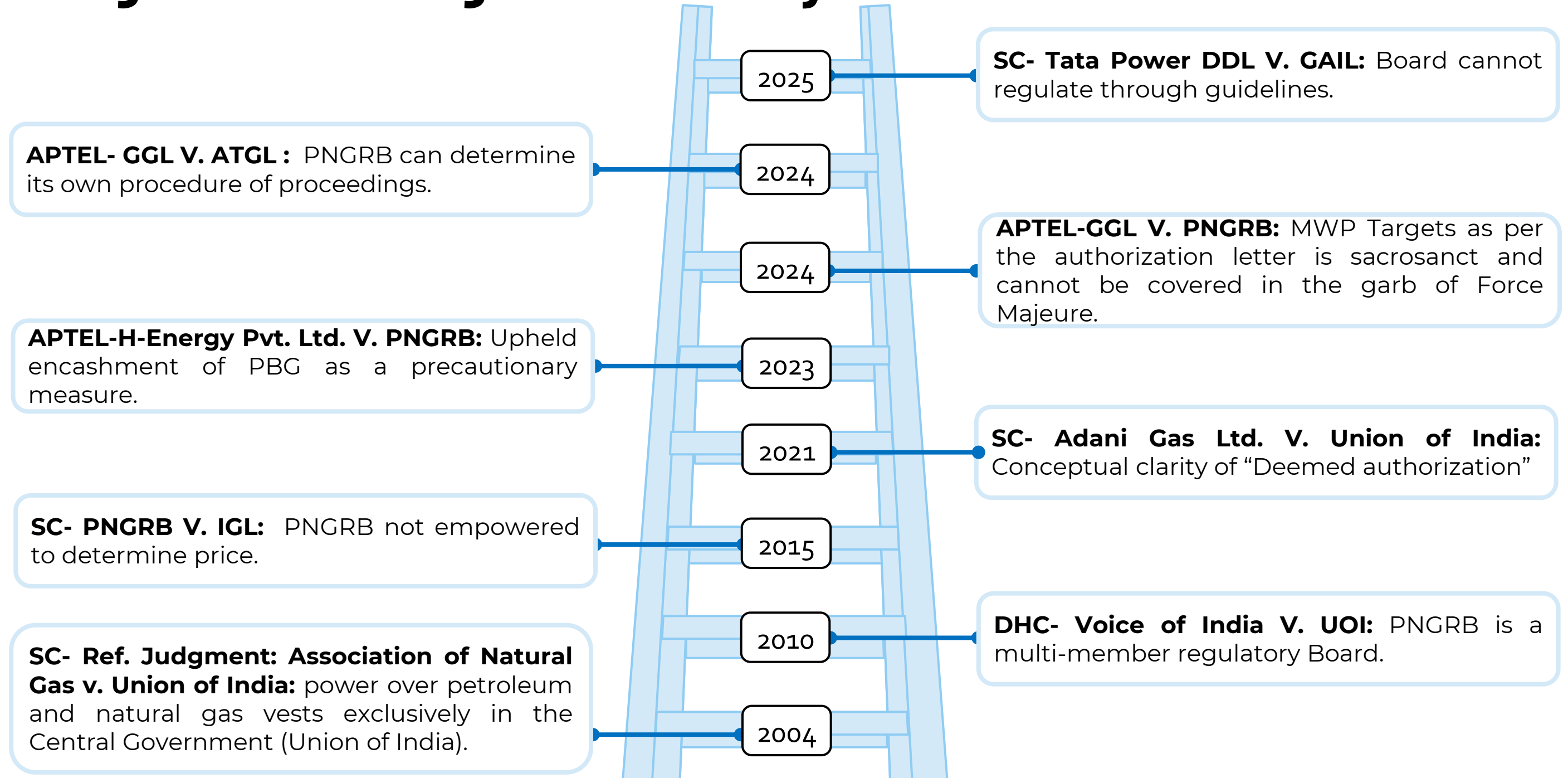
Protection of consumers:

G.H.Gediya V. Sabarmati Gas Ltd.-Direction to refund excess security deposit.

Appellate/vires mechanism.



Judgments throughout Journey.



Importance of Regulator-SCI .

Sahara India Real Estate V. SEBI

SEBI has authority to regulate market, enforce compliance among participants and safeguard investor interest against malpractices and ensuring fair trade practices..

Vishal Tiwari V. Union of India

1. Courts shall refrain from substituting its own wisdom.
2. SEBI powers/expertise and information gathering mechanism, lend a high level of credibility to decisions.



PTC India Ltd. V. CERC

1. Regulatory Commissions are expert bodies with legislative and adjudicatory powers.
2. Functions distinct from executive control.

CCI V. Bharti Airtel Ltd.

1. Primacy lies with the sector regulator (TRAI), with CCI acting subsequently.
2. Sectoral and competition regulator must co-exist harmoniously

Other Judgments.

1

SCI- BSES Rajdhani Power Ltd. V. Union of India

Tariff determination requires regulatory expertise to balance cost recovery and consumer protection.

2

SCI- Pannalal Bhansali V. Bharati Telecom Ltd. & Ors.

NCLT order isn't invalid merely because technical members from the majority, as the law imposes no such requirement.

3

OHC- Nanda Infra Construction V. State of Odisha & Ors.

No right to be heard before tender cancellation; no vested right arises prior to contract award.

4

CHC: Metsil Exports V. West Bengal Electricity Regulatory Commission.

The state law permitting electricity companies to penalize consumers for consuming beyond permissible limits, was struck down.

5

GHC- Executive Engineer G.E.B. V. Mulraj Ice Factory

No theft charges can be raised by a company on mere assumption of meter tampering.

6

BHC- Asian Paints V. CCI

No inherent right of hearing in a prima facie opinion, having the nature of administrative order.

Future Roadmap.

3- Amendments

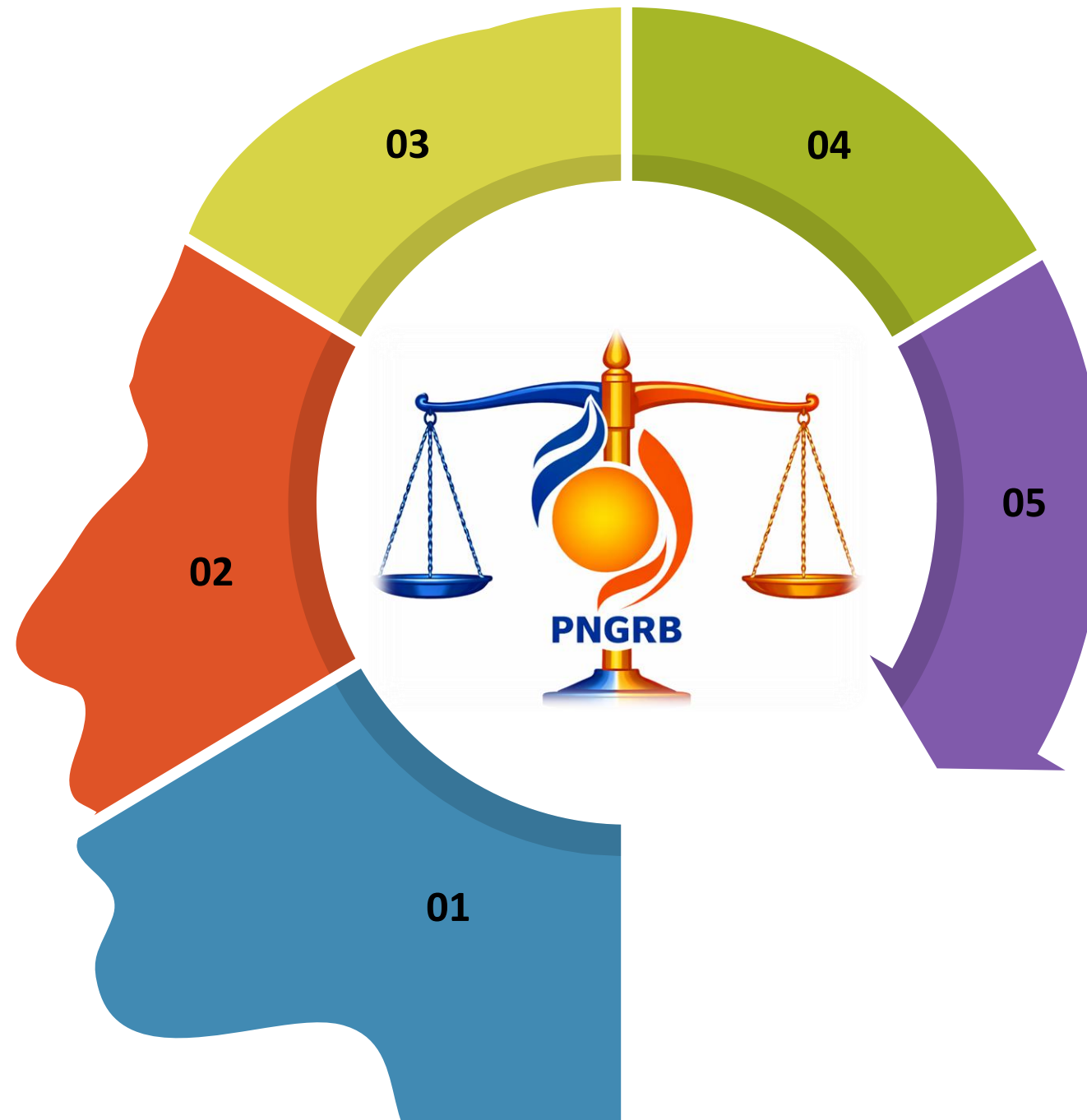
Propose requisite amendments in COB Regulations and SOP, for facilitating ease of filing.

2- Interpretational concerns in the PNGRB Act

Follow up with MoP&NG on proposed amendments requisite and identified through cases.

1- Judicial accessibility

Nationwide remote cases filing enabled through the E-Legal Module.



4- Litigation Management

Reduce pendency through time bound assessment and prioritise matters having sector wide impact.

5- Strengthening regulatory framework

Enforcement and compliance with terms and conditions of registration and authorization, and notified regulations.

THANK YOU!