

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 242/MP/2019

Subject : Petition filed under Section 79 of the Electricity Act, 2003 read with Regulations 3(4) and 14 of the Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 and Regulation 111 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999.

Petitioner : Techno Electric and Engineering Company Limited (TEECL)

Respondent : National Load Despatch Centre (NLDC)

Date of Hearing : 19.11.2019

Coram : Shri P. K. Pujari, Chairperson
Dr. M. K. Iyer, Member
Shri I. S. Jha, Member

Parties Present : Shri Amit Kapur, Advocate, TEECL
Shri Saunak Rajguru, Advocate, TEECL
Shri Dinesh Parakh, TEECL
Shri Ashok Krishnan, Advocate, NLDC
Shri Ankur Singh, Advocate, NLDC
Shri Shailendra Verma, Advocate, POSOCO
Shri Ashok Rajan, NLDC, POSOCO
Shri Shourya Bari, Advocate, POSOCO

Record of Proceedings

Learned counsel for the Petitioner, Techno Electric and Engineering Company Limited ('Techno Electric') submitted that the present Petition has been filed inter alia seeking direction to the Respondent, NLDC to consider Techno Electric as the 'Eligible Entity' for issuance of Renewable Energy Certificates in terms of the Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 ('REC Regulations'). Learned counsel argued at length and mainly submitted as under:

(a) Erstwhile Techno Electric was merged into Simran Wind Project Limited ('Simran') pursuant to the Scheme of Amalgamation approved by the National Company Law Tribunal vide its Order dated 20.7.2018 in Petition No. 168/ALD of 2018.

(b) In terms of Clauses 4 to 8 and 13 of the Scheme of Amalgamation, all rights, obligations and legal status of Erstwhile Techno Electric was continued in the hands of Simran with its name changed to Techno Electric from the effective date i.e. 6.9.2018.

(c) Subsequent to the Scheme of Amalgamation, the 'Eligible Entity' status of Simran with respect to its entitlement to receive RECs does not cease to



operate. Therefore, the change in name of Simran to Techno Electric ought to be construed as deemed 'Eligible Entity' status being conferred on Techno Electric to use the pre-existing RECs.

(d) The shareholders were allotted shares in Simran (now Techno Electric) in the same ratio in which they were holding shares in erstwhile Techno Electric without any consideration. Further, Promoter's shareholdings and the Management control is the same pre and post-merger. There has been no change in ownership as shareholders holding shares indirectly prior to the merger became direct shareholders in Simran.

(e) Tamil Nadu Generation and Distribution Company Ltd. vide its letters dated 4.9.2019 and 7.11.2019 has acknowledged the name change as per the Scheme of Amalgamation and accepted the amended Power Purchase Agreements.

2. Learned counsel for the Respondent, National Load Despatch Centre submitted as under:

(a) Neither the REC Regulations nor the 'Procedure for Registration of Renewable Energy Generator or Distribution Licensee' vests any discretionary power on the Respondent to relax or to exempt compliance with any of the provisions contained therein.

(b) Clause 4.1 (h) of the REC Registration Procedure prescribes for mandatory intimation on the part of the eligible entity to the State Agency as well as to the Central Agency immediately along with request for re-accreditation/fresh accreditation and re-registration/fresh accreditation, in case the legal status thereof has changed.

(c) Since there has been change in legal status and equity pattern of the Petitioner, contention of the Petitioner that it is merely a case of change in name from 'Simran Wind Project Limited' to 'Techno Electric and Engineering Company Limited' is misconceived.

(d) The Petitioner changed its structure from the Private Limited Company to Public Limited Company on 14.6.2013. However, the Petitioner informed the Respondent of this change, which amounts to change in legal status, on 30.8.2014, i.e. 14 months later.

3. Based on the request of the learned counsel for the Petitioner, the Commission directed the Petitioner and the Respondent to file their respective written submissions, with copy to each other, on or before, 29.11.2019.

4. Subject to the above, the Commission reserved order in the Petition.

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

