CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 181/MP/2020

Subject : Petition under Section 79 of the Electricity Act, 2003 read

with Article 23 of the PPAs dated 27.4.2018 and Clause 5.7 of the Bidding Guidelines seeking relief under 'Change in Law' provision viz. the introduction of Safeguard Duty on the import of solar modules after the Bid Deadline i.e. 5.12.2017 resulting in substantial increase in the cost of project to be borne by the Petitioner and seeking an appropriate mechanism for grant of suitable adjustment/compensation to offset commercial impact of such Change in Law event.

Petitioner : Clean Solar Power (Bhadla) Private Limited (CSPBPL)

Respondents : Solar Energy Corporation of India Limited (SECI) and Anr.

Date of Hearing : 4.6.2020

Coram : Shri P. K. Pujari, Chairperson

Shri I. S. Jha, Member Shri Arun Goyal, Member

Parties present : Shri Aniket Prasoon, Advocate, CSPBPL

Ms. Vardhikaa Sharma, Advocate, CSPBPL Shri M. G. Ramachandran, Sr. Advocate, SECI

Ms. Tanya Sareen, Advocate, SECI

Record of Proceedings

The matter was listed for hearing through video conferencing.

- 2. Learned counsel for the Petitioner submitted that the instant Petition has been filed, *inter-alia*, seeking declaration that levy of Safeguard Duty vide Notification No. 1/2018- Customs (SG) dated 30.7.2018 issued by Department of Revenue, Ministry of Finance, is a Change in Law event and seeking the consequential compensation for additional expenditure incurred by the Petitioner thereon along with carrying cost.
- 3. Learned counsel further submitted that Ministry of New and Renewable Energy (MNRE) vide its letter dated 12.3.2020 read with letter dated 23.3.2020, has clarified that since the Commission has already laid down the principles to be followed with regard to 'Change in Law' compensation on account of imposition/enhancement of effective rates of GST and levy of Safeguard Duty on import of Solar PV cells and modules in earlier cases, there is no need to ask every developer to approach the Commission for seeking order individually in similar cases. In terms of the said letters, the Petitioner is already engaged in discussion with the Respondent, SECI in respect of its claims. Accordingly, the Commission



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may adjourn the matter and may take up the same after the outcome of the discussions between the Petitioner and the Respondent.

- 4. Learned senior counsel for the Respondent, SECI submitted that the issue involved in the Petition stands covered by the Commission's earlier orders relating to Change in Law arising out of imposition of Safeguard Duty. Learned senior counsel submitted that in terms of MNRE letters, the Petitioners are required to submit computations of their claims and the parties will carry out reconciliation of such claims in accordance with the Commission's earlier orders on the subject matter.
- 5. After hearing the learned counsel for the Petitioner and learned senior counsel for the Respondent, SECI, the Commission admitted the Petition.
- 6. The Commission observed that the Petitioner and SECI are already in discussion for reconciliation of the Petitioner's claims arising out of Change in Law event, namely, imposition of Safeguard Duty, as per the MNRE's letters dated 12.3.2020 and 23.3.2020. Accordingly, the Commission adjourned the matter sine die. The Petitioner may get the Petition revived based on the outcome of the discussions or settlement reached, if any, amongst the parties.

By order of the Commission

Sd/-(T.D. Pant) Deputy Chief (Law)