CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 226/MP/2021

Subject : Petition under Section 79 of the Electricity Act, 2003 for approval of Change in Law and seeking an appropriate mechanism for grant of an appropriate adjustment/compensation to offset financial/ commercial impact of Change in Law event on account of rescission of Notification No. 1/2011 – Customs dated 6.1.2011 vide Notification No. 7/2021- Customs dated 1.2.2021, which has resulted in increase in rate of Basic Custom Duty on Solar Inverters imported to India, in terms of Article 12 of the Power Purchase Agreement dated 17.9.2019 executed between Azure Power Forty One Private Limited and Solar Energy Corporation of India Limited.

Petitioner : Azure Power Forty One Private Limited (APFOPL) and Anr.

Respondents : Solar Energy Corporation of India Limited (SECI) and 2 Ors.

Petition No. 227/MP/2021

Subject : Petition under Section 79 of the Electricity Act, 2003 for approval of Change in Law and seeking an appropriate mechanism for grant of an appropriate adjustment/compensation to offset financial/ commercial impact of Change in Law event on account of rescission of Notification No. 1/2011 – Customs dated 6.1.2011 vide Notification No. 7/2021- Customs dated 1.2.2021, which has resulted in increase in rate of Basic Custom Duty on Solar Inverters imported to India, in terms of Article 12 of the Power Purchase Agreement dated 27.11.2019 executed between Azure Power Maple Private Limited and Solar Energy Corporation of India Limited.

Petitioner : Azure Power Maple Private Limited (APMPL) and Anr.

Respondents : Solar Energy Corporation of India Limited (SECI) and 2 Ors.

Date of Hearing : 2.12.2021

- Coram : Shri P. K. Pujari, Chairperson Shri I. S. Jha, Member Shri Arun Goyal, Member Shri P. K. Singh, Member
- Parties Present : Shri Buddy Ranganadhan, Advocate, APMPL Shri Shashwat Kumar, Advocate, APFOPL and APMPL Shri Rahul Chouhan, Advocate, APFOPL and APMPL Ms. Tanya Sareen, Advocate, SECI Ms. Poorva Saigal, Advocate, SECI Shri Ravi Nair, Advocate, SECI

Record of Proceedings

Cases were called out for virtual hearing.

2. The learned counsel for the Petitioner, APMPL submitted that the Petition No. 227/MP/2021 has been filed, *inter alia*, seeking approval of the Change in Law event that has resulted in increase in rate of Basic Custom Duty on solar inverters being imported into India, on account of the recession of Notification No. 1/2011- Customs dated 6.1.2011 vide Notification No.7/2021-Customs dated 1.2.2021 issued by the Department of Revenue, Ministry of Finance, Government of India. The Petitioner has also prayed for evolving a suitable mechanism for grant of an appropriate adjustment/ compensation to offset financial/ commercial impact of the aforesaid Change in Law event. The learned counsel for the Petitioner, APFOPL (in Petition No. 226/MP/2021) submitted that the Petition No. 226/MP/2021 involves an identical issue and, therefore, would be covered by the submission made by the learned counsel for APMPL in Petition No. 227/MP/2021.

3. In response to the Commission's observation regarding Ministry of Power, Government of India having now notified the Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021 (hereinafter referred to as 'the Change in Law Rules') and the Petitioners, therefore, being required to follow the process specified thereunder, the learned counsel submitted that the Petitioners were in fact already in the process of filing of present Petitions prior to the notification of the Change in Law Rules. The learned counsel for the Petitioners submitted that if the Commission disposes of the Petitions in line with the observation made in order dated 2.12.2021 in Petition No. 188/MP/2021, the filing fees paid in the Petitions be adjusted against the Petitions to be filed in future.

4. After hearing the learned counsel for the Petitioners, the Commission reserved the order on the 'admissibility' of the Petitions.

By order of the Commission

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