

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 214/MP/2021**

- Subject : Petition under Section 79 of the Electricity Act, 2003 for (i) approval of "Change in Law" and (ii) 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 customs duty on import of solar inverters, increase in quantum of social welfare surcharge and IGST in terms of Article 12 of the Power Purchase Agreement dated 10.8.2020 between ReNew Solar Urja Private Limited and Solar Energy Corporation of India Limited.
- Date of Hearing : 11.4.2023
- Coram : Shri Jishnu Barua, Chairperson  
Shri I. S. Jha, Member  
Shri Arun Goyal, Member  
Shri P. K. Singh, Member
- Petitioner : ReNew Solar Urja Private Limited (RSUPL)
- Respondents : Solar Energy Corporation of India Limited (SECI) and 3 Ors.
- Parties Present : Ms. Mannat Waraich, Advocate, RSUPL  
Shri Mridul Gupta, Advocate, RSUPL  
Ms. Tanya Sareen, Advocate, SECI  
Ms. Aneesh Bajaj, Advocate, SECI  
Ms. Anusha Nagarajan, Advocate, TANGEDCO  
Shri Rahul Ranjan, Advocate, TANGEDCO

**Record of Proceedings**

Learned counsel for the Petitioner submitted that the present Petition has been filed for (i) approval of Change in Law, and (ii) seeking appropriate mechanism for grant of an appropriate adjustment/ compensation to offset financial/ commercial impact of Change in Law events on account of recession of Notification No. 1/2021- 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 import of solar inverters, increase in quantum of social welfare surcharge and consequently increase in rate of IGST and issuance of Notification No.8/2021-Central Tax (Rate) dated 30.9.2021 by which the rate of GST applicable on renewable energy devices and parts for their manufacture has been increase from 5% to 12%. Learned counsel submitted that the total impact on the expenditure on account of all Change in Law events has been to the tune of Rs. 56.37 crore and the Solar Power Project of the Petitioner already achieved the commercial operation way back in December, 2021.



2. Learned counsel for the Respondent, TANGEDCO submitted that the TANGEDCO had been mapped as Respondent on the e-filing portal of the Commission recently and thus, received the notice on 9.4.2023. Accordingly, the learned counsel prayed for additional time to file the reply in the matter.

3. Learned counsel for the Respondent, SECI submitted that SECI has already filed its reply covering the various aspects viz. Customs Duty on solar inverters, GST Notification dated 30.9.2021, carrying cost, cut-off date for payment of compensation on account of Change in Law, methodology for payment of compensation, direction to Discoms to make payment to SECI towards reconciled Change in Law claims, etc. which may be considered. Learned counsel submitted that the Commission may consider providing an option for making Change in Law compensation on lumpsum basis in case any of the Discoms intends to make payment towards such compensation on lumpsum basis instead of on annuity basis. Learned counsel further submitted that while the Petitioner has also claimed the relief in respect of increase in the quantum of Social Welfare Surcharge, no supporting documents has been placed on record in this regard.

4. Learned counsel for the Petitioner submitted that the Change in Law events as claimed by the Petitioner in the instant petition have been allowed by the Commission in its recent orders of the Commission in the similar cases and thus, the matter may be reserved for order and the parties may be permitted to file their submissions, if any, by way of written submissions. Learned counsel sought liberty to file its response placing the necessary details in respect of its claim towards increase in quantum of Social Welfare Surcharge.

5. After hearing the learned counsel for the parties, the Commission permitted the Respondents, namely distribution licensees, including TANGEDCO, to file their reply, if any, within two weeks with copy to the Petitioner who may file its rejoinder, if any, within two weeks thereafter. The Commission further permitted the to file the necessary details in respect of its claim towards Social Welfare Surcharge supported with affidavit and rejoinder, if any.

6. Subject to the above, the Commission reserved the matter for order.

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