

केन्द्रीय विद्युत विनियामक आयोग Central Electricity Regulatory Commission



नई दिल्ली NEW DELHI

याचिका संख्या./ Petition No. 26/MP/2022

कोरम/ Coram:

श्री आई. एस. झा, सदस्य/ Shri I. S. Jha, Member श्री अरुण गोयल, सदस्य/ Shri Arun Goyal, Member श्री पी. के. सिंह, सदस्य / Shri P. K. Singh, Member

आदेश दिनांक/ Date of Order: 01st of January, 2024

IN THE MATTER OF:

Petition under Section 79(1)(f) of the Electricity Act, 2003 read with Regulation 14 and 15 of the Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulation, 2010

AND IN THE MATTER OF:

1) **Jain Farm Fresh Foods Limited** Gat No. 139/2, Jain Valley, Shrisoli Jalgaon, Maharashtra-425002.

2) Jain Irrigation Systems Ltd.
Jain Plastic Park,
N.H. No. 6, P.O. Box 72,
Bambhori, Jalgaon, Maharashtra- 425001

...Petitioners

Versus

1) National Load Dispatch Centre

C/o Grid Controller of India (Formerly Power System Operation Corporation Ltd.) B-9 (1st Floor), Qutab Institutional Area, Katwaria Sarai, New Delhi -110016.

2) Maharashtra Energy Development Agency

Aundh Road, Opposite to Spicer College, Near Commissionerate of Animal Husbandry, Aundh, Pune, Maharashtra-411007

...Respondents

Parties Present:	Ms. Swapna Seshadri, Advocate, JFFFL
	Shri Anand K. Ganesan, Advocate, JFFFL
	Ms. Harsha Manav, Advocate, JFFL
	Shri Kailash Chand Saini, NLDC
	Shri Gajendra Sinh Vasava, NLDC

<u> आदेश/ ORDER</u>

The Petitioner No.1, Jain Farm Fresh Foods Limited (JFFFL), is a subsidiary company of Jain Irrigation Systems Limited (JISL/ the Petitioner No. 2). JISL implemented a 1.668 MW Captive Power Generation Project in the State of Maharashtra. The project is based on Biogas technology. The Petitioners filed the present petition for issuance of Renewable Energy Certificates (RECs) from February 2017 onwards.

- 2. Respondent No.1, National State Load Dispatch Centre (NLDC) is designated as the Central Agency under Regulation 3 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, 2010) and is entrusted with the functions inter alia of granting registration and issuance of RECs as per the said REC Regulations.
- 3. Respondent No. 2 is the Maharashtra Energy Development Agency (MEDA), which is the State Agency responsible for accreditation of Renewable Energy Generators to avail the

RECs under the REC Mechanism.

- 4. The Petitioners have made the following prayers:
 - (i) Direct NLDC to issue RECs to the Petitioners from February 2017 till date;
 - (ii) Direct NLDC to re-register the Biogas project of the Petitioners either under old or new accreditation;
 - (iii) Pass such other further Order(s) as the Hon'ble Commission may deem just and proper.

Submission by the Petitioner:

- 5. The Petitioners have submitted as under:
 - (a) JISL developed a Biogas based 1.668 MW Captive Power Generation Project in the State of Maharashtra at District Jalgaon (the project). The plant commenced commercial operation on 06.02.2012 and is operational since date. The ownership of the project is in the name of JISL.
 - (b) Prior to date of commissioning, JISL obtained accreditation under the REC Mechanism on 20.10.2011 with Accreditation No. MH0NSJAIN001A201011 and registered in the year of 2012 with Registration No. MH0NSJAINS001R090212.
 - (c) The Food Division of the JISL was converted into a subsidiary company by the name of JFFFL on 07.04.2015 through Slump Sale Agreement. This Slump Sale also included the 1.668 MW Biogas Generating Plant. The controlling interest of a subsidiary company remained intact with the parent company i.e. JISL.
 - (d) JFFFL commenced its operations as a subsidiary company from 30.03.2016.
 - (e) JFFFL vide letter dated 29.06.2016 requested NLDC that the name of the Food Division of the JISL changed into JFFFL. and therefore, the REC certificates to be issued in the name of JFFFL instead of JISL.
 - (f) NLDC vide letter dated 03.08.2016 suggested the Petitioners to apply for a new accreditation, it being a case of change in legal status.
 - (g) The Petitioners were not informed in advance about the difficulties in new registration due to the Fourth Amendment to the REC Regulations, 2010 issued by the Commission on 28.03.2016.

- (h) JFFFL applied for a fresh accreditation on 30.01.2017. After completing all formalities and paying the fee, a new accreditation was granted in the name of JFFFL by MEDA on 04.02.2017. (New Accreditation No. MH0NSJFFFL001A030217).
- (i) JFFFL sought re-registration with NLDC on 28.03.2017, but on 03.04.2017, NLDC rejected the re-registration stating that as the project is not eligible for Registration under Regulation 5 of Fourth Amendment to the REC Regulations, 2010 being captive power plant.
- (j) On 01.01.2021 vide email, the Petitioners requested NLDC to consider for re-registration. On the same day NLDC reiterated via mail that the project had undergone a change in legal status, the re-registration was not possible.
- (k) The Petitioners faced a challenging situation due to delay in formalities/communication by NLDC and the entities were unable to receive REC registration/certificates from February 2017 onwards.
- The Petitioners also quoted similar issues addressed by the Appellate Tribunal (Judgment dated 05.03.2020) on Appeal No.57 of 2020 as well as in different Orders issued by the Commission.

Submission by the NLDC:

- 6. The Respondent has submitted as under:
 - (a) After examination of the Petitioner's request of change in name, vide email on 29.06.2016, it was found that the legal status of the company has been changed and separate company has been carved out and formed. As a result, the provisions of Para 4.1
 (j) of Commission's approved *Procedure for Issuance of Renewable Energy Certificate to the Eligible Entity by Central Agency* dated 16.03.2018 (Issuance of REC Guidelines) and Para 4.1 (h) of *Procedure for Registration of a Renewable Energy Generation or Distribution Licensee* (REC Registration Procedures) were applicable in this case.
 - (b) NLDC vide email dt. 03.08.2016 requested the Petitioners to apply for revocation of the accreditation to the state agency and subsequently apply for the fresh Accreditation under the REC Mechanism with the new name.
 - (c) Both the Companies are registered separately with different CIN Number under the Companies Act. JISL and JFFFL are two distinct legal entities and registered separately under the Companies Act.

- (d) In case of simple name change, a Certificate of Incorporation is issued under Rule 29 of the Companies (Incorporation) Rules 2014 by the Ministry of Corporate Affairs while in case of change in legal status, a Certificate of Incorporation is issued under Section 7 of the Companies Act, 2013 by the Ministry of Corporate Affairs.
- (e) In the Petitioner's case the Certificate of Incorporation was issued under Section 7 of the Companies Act, 2013 by the Ministry of Corporate Affairs. Both JISL and JFFFL exist separately in the eye of the law and hence not merely the change of name is applicable to the Petitioner's case.
- (f) RE Generator applied for fresh accreditation to MEDA with the name of JFFFL and got accredited on 03.02.2017 with new Accreditation number and then applied for fresh registration to NLDC under the REC mechanism with the name of JFFFL on 28.3.2017. As the project (being a captive generating plant) applied for Registration under the REC Mechanism after 30.06.2016 it is not eligible for Registration under the Mechanism as per Regulation 5 (1B) of the 4th amendment to the REC Regulations, 2010.
- (g) NLDC vide email dated 01.01.2021 in response to the email of the Petitioner dated 01.01.2021 reiterated its earlier stand.
- (h) NLDC acted in accordance with the existing regulatory framework of REC mechanism. It does not have any power to relax any provision of the REC Regulations, 2010 or REC Registration Procedures and therefore it has to strictly abide by the Electricity Act, 2003, Regulations and Procedure laid down by the Commission.

<u>Rejoinder on Behalf of the Petitioners, Jain Farm Fresh Foods Limited (JFFFL) and</u> <u>Jain Irrigation Systems Limited (JISL) to the reply filed by the NLDC</u>

- 7. The Petitioners have submitted as under:
 - (a) JFFFL vide letter dated 29.06.2016 requested NLDC to change the name of JISL to JFFFL in the REC Certificates. NLDC, in response, vide its letter dated 03.08.2016 suggested to revoke the current accreditation and apply for a new REC accreditation or re-registration. The advice of NLDC was to apply for a fresh accreditation/registration and there was no mention that the new registration or re-registration would not be granted under the existing or amended rules.
 - (b) On 30.01.2017, JFFL applied for fresh accreditation based on NLDC and MEDA's advice. MEDA granted the new accreditation on 04.02.2017. However, NLDC rejected the new accreditation/re-registration on 03.04.2017, citing Regulation 5 of the amended

REC Regulations, 2010. If any new registration after 30.06.2016 would not be accepted, there was no question of asking the Petitioners to apply for such fresh registration.

- (c) In 2021, when the Petitioners again tried to resolve the issue, NLDC rejected the request for re-registration by giving reference to Para 4.1 of REC Registration Procedures which was not made in any of the earlier communications. Therefore, due to contrary stands taken by NLDC the Petitioners suffered since 2017.
- (d) The Petitioners sought NLDC's assistance on 29.06.2016 and received a response on 03.08.2016 nearly 34 days later. NLDC suggested the Petitioners to revoke the old registration and apply for new registration under JFFFL's name. Had NLDC responded promptly, the Petitioners could have initiated the re-accreditation/re-registration process on 30.06.2016.
- (e) The Food division of JISL was converted into a subsidiary company by the name of JFFFL. JFFFL remained the part of JISL in terms of the slump sale agreement and even the ownership of the biogas project developed by JISL remained with JISL only. There was only a change in the name of the food division of JISL to JFFFL and not a change in the ownership.
- (f) Even though the JISL and JFFFL have different CIN numbers, JFFFL is a wholly owned subsidiary of JISL. The management of JFFFL is controlled by JISL only. The ownership of the biogas project is with JISL only. The day-to-day affairs and works of the biogas project are being carried on by JFFFL after it being formed as a subsidiary company of JISL's food division.
- (g) Further, the precise issue involved in the present Petition is considered and decided by the Appellate Tribunal vide judgment dated 05.03.2020 in Appeal No. 57 of 2020 – Techno Electric & Engineering Company Limited vs Central Electricity Regulatory Commission & Ors.
- (h) The Commission in several of its Orders took a consistent stand that as long as the substantive part of the REC Regulations, 2010 for obtaining RECs are complied with by the RE generator.
- (i) The Commission in exercise of its powers under Section 79(1)(f) of the Electricity Act, 2003 read with Regulations 14 and 15 of the REC Regulations, 2010 can give directions to the Central Agency and also can exercise the power to relax for deciding the dispute between the RE generator and the Central Agency.

Hearing dated 30.06.2023:

8. During the hearing dated 30.06.2023, it was held as under:

Learned counsel for the Petitioners submitted that the present Petition has been filed seeking direction to the Respondent, NLDC to grant Renewable Energy Certificates for the period from February, 2017 till date and to re-register the JFFFL for the future periods. Learned counsel submitted that in the present case, Food Division of the Petitioner No. 2, Jain Irrigation System Limited, was converted into a subsidiary company by the name of Jain Farm Fresh Foods Limited (JFFFL) through slump sale agreement and JFFFL remained the part of JISL in terms of the above slump sale agreement and the ownership of the concerned biogas project developed by JISL remained with JISL only. There was only a change in the name of the Food Division of JISL to JFFFL and not a change in the ownership.

2. The representative of the Respondent, <u>NLDC submitted that Respondent has</u> already filed its reply in the matter, which may be considered. He further submitted that in view of the judgment of Appellate Tribunal for Electricity in Appeal No. 57 of 2020, Techno Electric & Engineering Co. Ltd. v. Central Electricity Regulatory Commission & Ors., the Commission has been allowing relief of similar nature, as prayed for in the present Petition, to various Renewable Generators.

3. Considering the submissions made by the parties, the Commission reserved the matter for order.

Analysis and Decision:

- 9. We have heard the learned counsels for the Petitioners and the Respondents and have carefully perused the records.
- 10. The brief facts of the petition are that JISL has developed 1.668 MW Biogas Captive Power Generation Project in Maharashtra and achieved commercial operation on 06.02.2012. The project was accredited under the REC Mechanism on 20.10.2011 and registered under REC Regulations, 2010 on 09.02.2012. In 2015, the Food Division of JISL was converted into a subsidiary company named JFFFL through Slump Sale agreement. This Slump Sale also included the 1.668 MW Biogas Generating Plant. JFFFL started operations on 30.03.2016, and on 29.06.2016, requested NLDC to issue REC certificates in its name. NLDC upon observation that JFFFL was a separate entity under Companies Act rejected the request of name change of the company and asked for new accreditation. Following NLDC's suggestions, JFFFL applied for new accreditation on 30.01.2017 and received it from MEDA on 04.02.2017. However, NLDC rejected re-registration on 03.04.2017, citing the project as ineligible under the Fourth Amendment to the REC Regulations, 2010.
- 11. The Petition came up for hearing on 29.07.2023 and 30.06.2023. During the course of

hearings, the Petitioners submitted that they are seeking direction to the Respondent, NLDC to grant Renewable Energy Certificates for the period from February, 2017 till date and reregister the JFFFL for the future periods. The Petitioner reiterated their stand that Food Division of the JISL, was converted into a subsidiary company by the name of JFFFL through slump sale agreement and JFFFL remained the part of JISL in terms of the above slump sale agreement and the ownership of the concerned biogas project developed by JISL remained with JISL only. There was only a change in the name of the Food Division of JISL to JFFFL and not a change in the ownership. Further, NLDC submitted that in view of the judgment of Appellate Tribunal for Electricity in *Appeal No. 57 of 2020, Techno Electric & Engineering Co. Ltd. v. Central Electricity Regulatory Commission & Ors.*, the Commission has been allowing relief of similar nature, as prayed for in the present Petition, to various Renewable Generators. NLDC in its reply submitted that it has acted in accordance with the extant REC Regulations, 2010 and REC Registration Procedures and NLDC does not have powers to relax provisions in REC Regulations, 2010 or REC Registration Procedures.

12. From the above discussion, we are of the view that the only issue for adjudication is:

Whether the Petitioner's Biogas Plant is eligible for Registration as captive generating plant and Whether the Respondent can be directed for issuance of the Renewable Energy Certificates to the Petitioner.

13. We observe that Regulation 5 of the REC Regulations, 2010 stipulates as under:-

"5. Eligibility and Registration for Certificates:

....

(1B) A Captive Generating Plant (CGP) based on renewable energy sources, including renewable energy generating plant not fulfilling the conditions of CGP as prescribed in the Electricity Rules, 2005 but having self-consumption, shall not be eligible for participating in the REC scheme for the energy generated from such plant to the extent of self-consumption, if such a plant:

a) has been commissioned prior to 29th September 2010 or after 31st March 2016; or

b) is not registered with Central Agency under REC scheme on or before 30th June 2016.

Provided that a CGP based on renewable energy sources, including renewable energy generating plant not fulfilling the conditions of CGP as prescribed in the Electricity Rules, 2005 but having self-consumption, and fulfilling both the following conditions:

a) having date of commissioning between 29th September 2010 and 31st March 2016; and

b) registered with Central Agency under REC scheme on or before 30th June 2016

shall be eligible for the entire energy generated from such plant for participating in the REC scheme subject to the condition that such plant does not avail or does not propose to avail any benefit in the form of concessional/promotional transmission or wheeling charges and/or banking facility benefit:

Provided further that if such plant meeting the eligibility criteria for REC, forgoes on its own, the benefits of concessional transmission or wheeling charges and/or banking facility benefit, it shall become eligible for participating in the REC scheme only after a period of three years has elapsed from the date of forgoing such benefits:

Provided also that the above-mentioned condition for participating in the REC scheme shall not apply if the benefits given to such plant in the form of concessional transmission or wheeling charges and or banking facility benefit are withdrawn by the concerned State Electricity Regulatory Commission and/or the State Government:

Provided also that if any dispute arises as to whether a CGP or any other renewable energy generator has availed such concessional/promotional benefits, the same shall be referred to the Appropriate Commission for decision.

14. Regulations 7(2) & 7(4) of the REC Regulations, 2010 stipulate as under:

"(2) The Certificates shall be issued to the eligible entity after the Central Agency duly satisfies itself that all the conditions for issuance of Certificates, as may be stipulated in the detailed procedure, are complied with by the eligible entity.

(4)The Certificates shall be issued to the eligible entity on the basis of the units of electricity generated from renewable energy sources and injected into the Grid [or deemed to be injected in case of self-consumption by eligible [captive generating plant]13] 14 and duly accounted in the Energy Accounting System as per the Indian Electricity Grid Code or the State Grid Code as the case may be, and the directions of the authorities constituted under the Act to oversee scheduling and dispatch and energy accounting, or based on written communication of distribution licensee to the concerned State Load Dispatch Centre with regard to the energy input by renewable energy generators which are not covered under the existing scheduling and dispatch procedures."

15. We note that Certificate of Incorporation, dated 07.04.2015 stipulates as under:

GOVERNMENT OF INDIA MINISRTY OF CORPORATE AFFAIRS Registrar of Companies, Mumbai Everest, 100, Marine Drive Certificate of Incorporation [Pursuant to sub-section (2) of section 7 of the Companies Act, 2013 and rule 8 of the Companies (Incorporation) Rules, 2014]

I hereby certify that Jain Farm Fresh Foods Limited is incorporated on this Seventh day of April Two Thousand Fifteen under the Companies Act, 2013 and that the company is limited by shares.

The CIN of the company is U15200MH2015PLC263338.

Given under my hand at Mumbai this Seventh day of April Two Thousand Fifteen.

Deputy Registrar of Companies Maharashtra

16. We note that the list of Beneficial Owner/Shareholder prior to Slump Sale as well as on12.11.2021 (as submitted by the Petitioner on records) is as under:

	LIST OF SHAREHOLDERS AS ON 12.11.2021							
Sr. No	Name of Shareholder and Address	No of Shares	Nominal Value	Amount	%	Type of Share		
1	Jain Irrigation Systems Ltd Jain Plastic Park, N H No. 6, Bambhori, Jalgaon 425001	2,28,65,487	10.00	22,86,54,870	81.65	Equity Shares		
2	Ashok B Jain Nominee of Jain Irrigation Systems Ltd, Jain House, 7/8, Suyog Colony, Jalgaon 425001	1	10.00	10		Equity Shares		
3	Anil B Jain Nominee of Jain Irrigation Systems Ltd, Jain House, 7/8, Suyog Colony, Jalgaon 425001	1	10.00	10		Equity Shares		
4	Ajit B Jain Nominee of Jain Irrigation Systems Ltd, Jain House, 7/8, Suyog Colony, Jalgaon 425001	1	10.00	10		Equity Shares		
5	Atul B Jain Nominee of Jain Irrigation Systems Ltd, Jain House, 7/8, Suyog Colony, Jalgaon 425001	1	10.00	10		Equity Shares		
6	Athang Anil Jain Nominee of Jain Irrigation Systems Ltd, Jain House, 7/8, Suyog Colony, Jalgaon 425001	1	10.00	10		Equity Shares		
7	Abhay K Jain Nominee of Jain Irrigation Systems Ltd, Plot No. 36/1, Aaryan House, Venkatesh Colony, Jalgaon 425001	1	10.00	10		Equity Shares		
8	Jain Processed Foods Trading & Investments Pvt Ltd., Gat no. 139/2, Jain Valley, Shirsoli, Jalgaon-425001	20,05,000	10.00	2,00,50,000	7.16	Equity Shares		
9	Mandala Primrose Co-Investment Ltd, C/o GFin Corporate Services Ltd, 9th Floor, Orange Tower, Cybercity, Ebene, Mauritius	31,32,596	10.00	3,13,25,960	11.19	Equity Shares		
	Total	2,80,03,089	10.00	28,00,30,890	100			

ANNEXURE- D JAIN FARM FRESH FOODS LIMITED LIST OF SHAREHOLDERS AS ON 12.11.202

17. Vide letter date 29.06.2016, JISL informed NLDC as under:

Dear Sir,

The REC registered biogas power project is transferred to newly formed Jain Farm Fresh Foods Limited., under Companies Act, 2013. Please see the attached documents for you kind information and necessary actions if any. JFFFL will remain as subsidiary company of Jain Irrigation Systems Ltd., Jalgaon. Please consider the request for change and let us know for any necessary action is needed from our side.

- 18. We observe that the proviso of Regulation 5(1B) of the REC Regulations, 2010 provides that a Captive Generating Plant (CGP) shall be eligible for participating in the REC scheme provided it fulfils the following conditions: (a) it is commissioned between 29.09.2010 and 31.03.2016; (b) it is registered with Central Agency under REC scheme on or before 30.06.2016 and (c) such plant does not avail any benefit in the form of concessional/promotional transmission or wheeling charges and/or banking facility benefit.
- 19. In the instant petition, we note that JISL has developed a Biogas based 1.668 MW Captive Power Generation Project in the State of Maharashtra at Jalgaon. The project achieved COD on 06.02.2012 and ownership was in the name of JISL. JISL got registered under REC mechanism on 09.02.2012. JISL incorporated JFFFL on 07.04.2015. JISL has submitted that it has converted its food division into a subsidiary company by the name of JFFFL through Slump Sale Agreement. JISL has also informed NLDC on 29.06.2026 that JISL's REC registered biogas power project is transferred to newly formed JFFFL and will remain as subsidiary company of JISL. Further, as on 12.11.2021 JISF holds 81.65% of the equity shares of JFFFL. Hence, we are of the view that the JFFFL is the subsidiary company of JISL and the controlling interest of the project (Biogas based 1.668 MW Captive Power Generation Project in the State of Maharashtra at District Jalgaon) remains with JISL. JISL was registered under the REC mechanism w.e.f. 09.02.2012 which was valid till 08.02.2017.
- 20. We observe that the Appellate Tribunal for Electricity, in its Judgment dated 05.03.2020 in Appeal No. 57 of 2020 case titled *Techno Electric & Engineering Company Ltd vs. CERC & Ors.* has held that a process of amalgamation, adoption of name etc. does not amount to change in legal status. In the instant petition we note that JFFFL is the subsidiary company of JISL and the controlling interest of the project remains with JISL. It is pertinent to mention here that the due to the slump sale the transferee company (JFFFL) received the assets etc. of the transferor company (JISL) however the controlling interest remained with JISL. The Petitioner could have continued the same registration by following the procedure of reregistration approved under the REC Regulations, 2010 to continue the benefit under REC Mechanism. However, on the advice of NLDC JFFFL has already got new accreditation on 04.02.2017. We are of the view that the Petitioner's case for re-registration based on re-

accreditation under the REC Regulations, merits consideration.

- 21. We also observe that NLDC has acted in accordance with the existing Regulatory framework and does not have any power to relax any provision of the REC Regulation or REC Registration procedures.
- 22. We observe that relevant provisions the REC Regulations, 2010 stipulate as under:

14. *Power to give directions:* The Commission may from time to time issue such directions and orders as considered appropriate for the implementation of these regulations and for the development of market in power for Renewable Energy Sources.

15. *Power to Relax*: The Commission may by general or special order, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected may relax any of the provisions of these regulations on its own motion or on an application made before it by an interested person.

23. The relevant provisions of REC Regulations, 2022 stipulate as under:

18.Power to Relax

The Commission may by general or special order, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected, may relax any of the provisions of these regulations on its own motion or on an application made before it by interested person(s).

19. Repeal and Savings

Save as otherwise provided in these regulations, the REC Regulations, 2010 and all subsequent amendments thereto and Procedures thereof shall stand repealed from the date of coming into force of these regulations. (2) Notwithstanding such repeal: (a) anything done or any action taken or purported to have been done or taken or any accreditation or registration or permission granted or any document or instrument executed or any direction given under the repealed regulations shall, in so far as it is not inconsistent with the provisions of these regulations, be deemed to have been done or taken under the corresponding provisions of these regulations.

- 24. From the above, we note that the REC Regulations, 2010 have been repealed by the REC Regulations 2022. By virtue of the saving clause, in terms of Regulation 19 (2) of the REC Regulations 2022, anything done or any action taken under the repealed REC Regulations 2010 shall be deemed to have been done or taken under the REC Regulations, 2022. It is also pertinent to note that both the REC Regulations, 2010 and the REC Regulations, 2022 have provisions for the "*Power to Relax*" and "*Power to give directions*".
- 25. The main objective of the REC Regulations, 2010 and REC Regulations, 2022 is to promote

the generation of renewable energy. Therefore, we are inclined to exercise the "Power to relax" Regulation 15 of REC Regulations, 2010 and Regulation 18 of REC Regulations, 2022, in order to achieve the object of the regulations. Accordingly, the Commission holds that the Petitioner's Biogas Project is eligible for registration under REC Regulations

- 26. In our view, the delay in the application for issuance of REC is procedural in nature due to the reasons stated by the Petitioners and is not likely to prejudice any of the stakeholders, including the Respondent. Accordingly, we hereby relax Regulation 7(2) of the REC Regulations, 2010, read with paragraph 4.1 (h) of the REC Procedures and Regulation 10(3) of the REC Regulations 2022 to enable the issuance of RECs to the Petitioner from February 2017 onwards. Further, NLDC is directed to issue the RECs after due verification and fulfilment of other conditions for issuance of RECs as per REC Regulations.
- 27. The Petition No. 26/MP/2022 is disposed in terms of the above.

Sd/-

Sd/-

Sd/-

(पी. के. सिंह) सदस्य (अरुण गोयल) सदस्य (आई. एस. झा) सदस्य