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SAGUS SPEAKS

This Newsletter covers key Regulatory & Policy Updates, Government Notifications and Judicial Pronouncements.

REGULATORY & POLICY UPDATES

RBI has mandated all REs to provide Key Facts Statements for loans and advances to borrowers.[1]

Reserve Bank of India ("RBI"), through its circular dated 15.04.2024, has mandated all Regulated Entities ("REs") to provide Key Facts Statement ("KFS") to all prospective borrowers with effect from 01.10.2024 for all loans and advances extended by REs (including fresh loans to existing customers) ("RBI Circular"). The RBI Circular is applicable to all retail and Micro, Small and Medium Enterprises ("MSME") term loan products extended by REs. The KFS will include details about the loan agreement, in simple and easier-to-understand language, a computation sheet of the annual percentage rate ("APR") including the annual cost of credit to the borrower, other charges collected from borrowers by REs for third-party services (like insurance or legal fees) will also be required to be disclosed separately in the APR, and the amortization schedule of the loan over the loan tenor. The contents of KFS shall be explained to the borrower and an acknowledgment shall be obtained that he/she has understood the terms and conditions. However, credit card receivables are exempted from the purview of the RBI Circular.

It is also proposed that KFS shall have a unique proposal number and a validity period of at least 3 working days for loans having a tenor of 7 days or more, and a validity period of 1 working day for loans having a tenor of less than 7 days.

RBI has notified FEMA (Mode of Payment and Reporting of Non-Debt Instruments) (Amendment)

[1] RBI- Key Facts Statement for Loans & Advances

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Regulations, 2024[2] and FEMA (Foreign Currency Accounts by a person resident in India) (Amendment) Regulations, 2024[3].

RBI, through its notification dated 19.04.2024, has notified FEMA (Mode of Payment and Reporting of Non-Debt Instruments) (Amendment) Regulations, 2024 ("Mode of Payment Amendment Regulation") and FEMA (Foreign Currency Accounts by a person resident in India) (Amendment) Regulations, 2024 ("FCA Amendments") to allow for purchasing or subscription of shares of Indian companies on permitted 'International Exchanges'. The prescribed mode of payment under Mode of Payment Amendment Regulations is: (i) through banking channels to a Foreign Currency Account ("FCA") of an Indian company; or (ii) as inward remittance from abroad through banking channels.

Authorised Dealer Category I banks must report foreign portfolio investments' equity instrument transactions on Indian stock exchanges to RBI using Form LEC (FII). Additionally, Indian investee companies must report to the RBI *via* Form LEC (FII) any purchase or subscription of equity shares by permissible holders on International Exchanges, excluding transfers between permissible holders.

Further, the FCA Amendments has amended Regulation 5 (F)(I) which deals with opening, holding, and maintaining of FCA outside India, by clarifying that funds raised through direct listing of shares of companies on 'International Exchanges' can be held in FCA with a bank outside India.

MoF has notified new entry routes for foreign investment in activities under the space sector.[4]

The Ministry of Finance ("MoF"), through the Department of Economic Affairs, has notified the Foreign Exchange Management (Non-Debt Instruments) (Third Amendment) Rules, 2024, ("FEM Rules") dated 16.04.2024, establishing new entry routes for Foreign Direct Investment ("FDI") in certain activities under the space sector which have come into effect from 16.04.2024. Key highlights of the FEM Rules are as follows:

(a) 100% FDI is permitted (up to 74% through automatic route) in sectors such as satellite manufacturing and operation, satellite date products, and ground segment and user segment;
(b) 100% FDI is permitted (up to 49% through automatic route) in sectors such as launch vehicles and associated systems or subsystems, creation of spaceports for launching and receiving spacecraft; and
(c) 100% FDI in manufacturing of components and systems or sub-systems for satellite, ground segment, and user segment.

SEBI has issued standardization of the PPM Audit Report for all AIFS.[5]

Securities Exchange Board of India ("SEBI") through its circular dated 18.04.2024 ("PPM Circular") has standardized the reporting format for the Private Placement Memorandum Audit Report ("PPM Audit Report") applicable to various categories of Alternative Investment Fund ("AIFs").

As per the existing SEBI (Alternative Investment Funds) Regulations, 2012, and Master Circular for AIFs dated 31.07.2023, it is mandatory for all AIFs to carry out an annual audit of compliance with the terms of Private Placement Memorandum ("PPM") and submit an annual PPM Audit Report to their respective trustees or boards of directors or designated partners and SEBI within 6 months from the end of each financial year. SEBI has through this PPM Circular introduced a standard reporting format for PPM Audit Reports to ensure consistent compliance and to streamline reporting which shall become applicable from the financial year ending 31.03.2024, onwards.

SEBI has notified amendments to the existing regulatory framework for AIFs.[6]

SEBI, through its notification dated 25.04.2024, has issued the SEBI (Alternative Investment Funds) (Second Amendment) Regulations, 2024 ("AIF Amended Regulation") to amend SEBI (Alternative Investment Funds) Regulations, 2012 effective from 25.04.2024. Subsequently, SEBI has also notified two circulars on 26.04.2024 ("AIF Circulars")[7] to operationalize the amendments under the AIF Amended Regulations. Key highlights of AIF Amended Regulation and AIF Circulars are as follows:

(a) Category I and II AIFs are now permitted to establish 'encumbrance' on the equity of investee companies engaged in infrastructure projects specified by the Central Government. This enables such investee companies to borrow, subject to specific criteria set forth by the AIF Circulars.
(b) A new construct called as the 'dissolution period' with respect to the winding up of AIFs has been introduced which refers to such duration following the conclusion of the scheme's liquidation period for the purposes of liquidating the unliquidated investments of the AIFs.

[2] FEMA (Mode of Payment and Reporting of Non-Debt Instruments) (Amendment) Regulations, 2024.
[3] FEMA (Foreign Currency Accounts by a person resident in India) (Amendment) Regulations, 2024
[4] FEM (Non-Debt Instruments) (Third Amendment) Rules 2024
[5] SEBI: Standardization of the Private Placement Memorandum Audit Report
[6] SEBI (AIF) Second Amendment Regulations, 2024
[7] Framework for Category I and II AIFs & Flexibility AIFs and their investors to deal with unliquidated investments.

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(c) A new provision mandates all AIFs, their managers, and Key Management Personnels to exercise due diligence on investors and investments, preventing breach of applicable laws as specified by SEBI from time to time.

SEBI has relaxed the requirement of the intimation of changes in the terms of PPM of AIFs through merchant banker.[8]

SEBI through its circular dated 29.04.2024 has relaxed the requirement of intimating changes in the terms of PPM of the Alternative Investment Funds ("AIFs") through merchant bankers ("AIF PPM Circular").

As per the extant SEBI regulations, all AIFs are required to intimate any change in the terms of PPM to SEBI through a merchant banker along with a due diligence certificate from the merchant banker in a specified format. However, in view of facilitating ease of doing business and minimizing compliance costs for AIFs, SEBI has permitted AIFs to directly file with SEBI the changes to specific sections of the template PPM, as mentioned below: (a) write-up on market opportunity/ Indian economy/ industry outlook, (b) track record of investment manager, (c) risk factors; and (d) legal regulatory and tax considerations. In addition to this, there are specific changes with respect to changes in contact details, auditor, RTA, legal or tax advisor, in the size of fund/scheme, commitment period, etc. that can also be directly submitted to SEBI. Additionally, all large value funds for accredited investors ("LVFs") have been exempted from the requirement of intimating any changes in the terms of PPM through a merchant banker.

CERC has approved Detailed Procedures for SCUC, USD and SCED at the regional level.[9]

Central Electricity Regulatory Commission ("CERC") through its *suo-moto* order dated 16.04.2024 has approved the Detailed Procedures for Security Constrained Unit Commitment ("SCUC"), Unit Shut Down ("USD") and Security Constrained Economic Despatch ("SCED") at the regional level ("CERC Detailed Procedure").

The objective of the CERC Detailed Procedure is to lay down the roles of various entities and methodologies for the operation of SCUC, USD, and SCED mechanisms. SCUC aims to commit generating stations or units to maintain reserves for grid security while the SCED's objective is to optimize generation dispatch and achieve National Merit Order after gate closure in the real-time market. It involves increasing generation from generating stations with lower costs and decreasing generation from those with higher costs while considering operational and technical constraints of generation and transmission facilities.

The CERC Detailed Procedure shall be applicable to regional entity thermal generating stations or units thereof, for which tariffs are determined under Section 62 of the Electricity Act, 2003 ("Electricity Act") and other regional entity thermal generating stations which may opt to participate under SCUC/ SCED. A regional entity thermal generating station which opts to participate in SCUC is required to mandatorily participate in SCED.

The National Load Despatch Centre ("NLDC") shall be the nodal agency for coordinating and overseeing SCUC and SCED processes while the Regional Load Despatch Centre ("RLDC") shall be the nodal agency for overseeing the USD process in consultation with NLDC, and other stakeholders. The generating stations shall provide necessary data and information to RLDCs and NLDC for scheduling and despatch.

GOVERNMENT NOTIFICATIONS

MoP has clarified that generating companies, including the generating companies having long term coal linkage, are allowed to offer the un-requisitioned surplus power in power market.[10]

The Ministry of Power ("MoP") through its letter dated 22.04.2024 provided clarification regarding Guidelines for Operationalizing Optimum Utilization of Generating Stations as per the requirement in the Electricity Grid.

MoP has observed that some power generators are not offering the un-requisitioned surplus power in the power market, leading to unused power capacity at national level. For optimum utilization of un-requisitioned power, the generators have been permitted to sell power in the power market in consonance with the laid down policy of the Central Government.

MoP has received representations from power utilities highlighting that existing Fuel Supply Agreement ("FSA") as well as under SHAKTI B (ii) for IPPs do not allow usage of linkage coal for any other purpose other than to meet the long term PPA obligations with the Distribution Companies ("DISCOMs"). In view of the above, MoP has clarified that in accordance with the provisions of the Tariff Policy, 2016 and Electricity (Late Payment Surcharge and Related Matters) Rules, 2022, the generating companies including the generating companies having long term coal linkage under FSA with coal companies are allowed to offer the un-requisitioned surplus power in power market.

MNRE has issued an updated List I of ALMM Order.[11]

The Ministry of New and Renewable Energy ("MNRE") through Office Memorandum dated 29.04.2024 issued an updated List I

8 AIF PPM Circular
9 CERC Suo-Moto Order Dated 16.04.2024
10 MOP Letter dated 22.04.2024
11 OM dated 29.04.2024 (ALMM List I)

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(Manufacturers of Models of Solar PV Modules) of Approved Models and Manufacturers of Solar Photovoltaic Modules (Requirements for Compulsory Registration) Order, 2019 ("ALMM Order").

The List I of ALMM Order was last updated on 10.04.2024, which has been further revised. The validity of listed entries is dependent upon a valid BIS Registration, and in the absence of such registration, the entries shall be deemed to be delisted.

JUDICIAL PRONOUNCEMENTS

Supreme Court in a curative petition held that if the interpretation of the terms of the contract as adopted by arbitral tribunal was not even a possible view, the award is perverse.

Supreme Court in its judgment dated 10.04.2024 in the matter of *Delhi Metro Rail Corporation Ltd.* v. *Delhi Airport Metro Express Pvt. Ltd.*[12] exercised its inherent powers under Article 142 of the Constitution of India and applied the standard of 'grave miscarriage of justice' in exceptional circumstances where the award was perverse and provided an undeserved windfall to one of the parties.

The Supreme Court held that if the decision of the arbitrator is found to be perverse, or so irrational that no reasonable person would have arrived at it; or the construction of the contract is such that no fair or reasonable person would take; or, that the view of the arbitrator is not even a possible view, then a domestic award can be set aside on the ground of patent illegality.. A 'finding' based on no evidence at all or an award which ignores vital evidence in arriving at its decision would be perverse and liable to be set aside under the head of 'patent illegality'. An award without reasons would suffer from patent illegality. The arbitrator commits a patent illegality by deciding a matter not within his jurisdiction or violating a fundamental principle of natural justice.

In the instant case, the Supreme Court opined that the award overlooked the express terms of the agreement between the parties, which stipulated that if "effective steps" were taken during the cure period by Delhi Metro Rail Corporation, the contractual power to terminate could not be exercised by Delhi Airport Metro Express Private Limited. The Supreme Court held that the award bypassed the material on record and failed to reconcile inconsistencies between the factual averments made in the cure notice, which formed the basis of termination on the one hand and the evidence of the successful running of the line on the other. The award was held to be unreasoned, and the Supreme Court opined that the arbitral tribunal ignored the specific terms of the termination clause. It reached a conclusion which is not possible for any reasonable body of persons to arrive at.

Supreme Court held that a decision, however erroneous, can never be a factor for review, but can only be corrected in appeal. Supreme Court further highlighted the significance of forests for survival of diverse forms of life.

Supreme Court in its judgment dated 18.04.2024 in the matter of *The State of Telangana & Ors.* v. *Mohd. Abdul Qasim (Died) per Lrs.*[13] held that for exercise of review jurisdiction, the error should be grave enough to be identified on a mere cursory look and a glaring omission. Supreme Court opined that the High Court reviewed the original judgment like an Appellate Court, based upon the materials that emanated after its filing. Accordingly, the Supreme Court set aside the review order by restoring the original judgment.

The Issue pertained to a suit property, which was held to be forest land. Supreme Court observed that the High Court while exercising the review jurisdiction went beyond and graciously gifted the forest land to a private person who could not prove his title over the land. Supreme Court also noticed serious lapses by the officers of the State in filing collusive affidavits before the competent court. Further necessary parties were also not impleaded before the High Court in review petition. The Supreme Court held that mistake or error apparent on the face of record would debar the court from acting as an appellate court in disguise, by indulging in a re-hearing. A decision, however erroneous, can never be a factor for review, but can only be corrected in appeal. Such a mistake or error should be self-evident on the face of record.

Supreme Court further underscored the significance of the forest for the survival of diverse forms of life. The Supreme Court noted that there is a constitutional duty enjoined upon every court to protect and preserve the environment. Supreme Court held that the courts would have to apply the principle of *parens patriae* in the light of the constitutional mandate enshrined under Articles 48A, 51A, 21, 14 and 19 of the Constitution of India. The court shall utilise all possible resources, including scientific inventions, in its endeavour to preserve the environment.

Supreme Court held that while deciding whether a debt is a financial debt or an operational debt arising out of an agreement, it is necessary to ascertain the real nature of the transaction.

Supreme Court in its judgment dated 25.04.2024 in the matter of *Global Credit Capital Limited and Anr. v. Sach Marketing Pvt. Ltd. & Anr.*[14] held that while deciding the issue of whether a debt

[12] Curative Petition (C) Nos. 108-109 of 2022
[13] SLP (C) No. 6937 of 2021
[14] Civil Appeal No. 1143 of 2022

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is a financial debt or an operational debt arising out of a transaction covered by an agreement or arrangement in writing, it is necessary to ascertain the real nature of the transaction reflected in writing.

In the present case, under a service agreement, certain amounts were payable to the creditor for rendering services and the creditor was required to deposit certain amounts with the corporate debtor in the form of a security deposit, which as per the agreements executed was to be refunded to the creditor with an interest. The Supreme Court held that the said security deposit under the agreement constitutes financial debt in accordance with Section 5(8) of Insolvency and Bankruptcy Code, 2016 ("IBC").

In this regard, the Supreme Court held that a debt has to be a liability or obligation in respect of a claim that is due from any person. Furrher, the test to determine whether a debt is a financial debt within the meaning of Section 5(8) of IBC, is the existence of debt along with interest, if any, which is disbursed against the consideration of time value of money. On the other hand, a debt is an operational debt only if the claim subject matter of the debt has some connection or co-relation with the 'service' subject matter of the transaction. The written document cannot be taken for its face value. Therefore, it is necessary to determine the real nature of the transaction on a plain reading of the agreements.

High Court of Judicature at Madras held that plea related to invalidity of appointment of arbitrator must be raised before filing statement of defence.

The High Court of Judicature at Madras in its judgment dated 25.03.2024 in the matter of *M/s Color home Developers Pvt. Ltd.* v. *M/s Color Castle Owners Society*[15] held that if a plea relating to invalid appointment of arbitrator has not been raised at the appropriate time, it cannot be allowed to be raised at the subsequent stages of litigation.

The award was challenged on the ground that the Secretary of the Association could not have filed an application and therefore the appointment of arbitrator itself was flawed. The Court noted that Section 16(2) of the Arbitration and Conciliation Act, 1996 ("A&C Act") *inter alia* requires a plea regarding jurisdiction of the Arbitral Tribunal to be raised not later than the submission of the statement of defence.

The Court held that the necessary implication of the above provision is that a plea relating to jurisdiction of the arbitrator or invalidating the appointment of the arbitrator must have been raised before him before submitting the first statement of defence on the merits of the claim. If such a plea had not been raised at the appropriate time, it cannot be allowed to be raised at the subsequent stages of litigation.

Notably, the High Court of Delhi in its judgment dated 09.04.2024 in the matter of *Telecommunication Consultants India Ltd.* v. *Shivaa Trading*[16] had allowed a challenge under Section 34 of the A&C Act on the grounds of unilateral appointment of arbitrator. The Court allowed the petition solely on the ground that the arbitrator appointed in the matter was *de jure* ineligible to act as such; and consequently, all proceedings in arbitration, including arbitral award rendered by him, were *void ab-initio* and of no legal effect.

High Court of Delhi held that once it is decided that there is no ground for substitution of an arbitrator, the only necessary corollary that follows is that the mandate of the arbitrator, must be extended.

The High Court of Delhi in its judgment dated 04.04.2024, in the matter of *Religare Finvest Ltd.* v. *Widescreen Holdings Pvt. Ltd.*[17] held that the time consumed by the parties in conducting the proceedings and challenging the order passed by arbitrator is not attributable to the arbitrator, in any manner. Thus, the Court opined that circumstances had not arisen to hold that arbitrator has become *de jure* or *de facto* incapable of performing his function as an arbitrator and no ground exists for substitution.

The Court further noted that neither party approached the Court under Section 29A of the A&C Act to seek extension of mandate of the arbitrator but both parties continued to appear before the arbitrator. Having noted that there were no grounds for substitution of arbitrator, the Court held that the only necessary corollary is that the mandate of the arbitrator must be extended.

In this regard, the Court held that to leave the parties in a limbo and to wait for an application under Section 29A of the A&C Act to be moved, would not only be doing damage to the explicit provision of Section 29A of the A&C Act, which does not circumscribe the jurisdiction of the Court to extend the mandate by moving an application, but would also be against the very objectives of the arbitration law of speedy, inexpensive, and fair trial by an arbitral tribunal.

High Court of Punjab and Haryana held that the lending institutions are not under mandatory statutory obligation to respond to relevant objection under Section 13(3-A) of the SARFAESI Act.

The High Court of Punjab and Haryana in its judgment dated 18.04.2024, in the matter of *State Bank of India* v. *District Magistrate, Ludhiana & Ors.*[18] held that the lending institutions are not under mandatory statutory obligation to respond to the objections under Section 13(3-A) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act"), within 15 days from the

[15] O.S.A. (CAD) No. 113 of 2022 and C.M.P. No. 11925 of 2022
[16] O.M.P. (COMM) 311/2022
[17] O.M.P. (T) (COMM.) 27/2024, I.A.7151/2024
[18] CWP-11641-2020 & CWP-7952-2021.

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receipt of such representation or objection, unless demonstrable grave prejudice is caused to the objector. The Court held that the above provision is merely directory in nature and not mandatory.

Further, the Court held that the statutory mechanism created under Section 14 of the SARFAESI Act, which empowers the District Magistrate to provide assistance(s) to the lending institution, to assume physical possession of the secured assets is only an executory mechanism for expeditiously remedying a bad debt. The District Magistrate is not required to enquire about the response to the objections under Section 13(3-A) of the SARFAESI Act and the objector has the ability to seek redressal of his grievances under Section 17 of the SARFAESI Act.

APTEL held that the generating company is entitled to Carrying Cost at the rate of Late Payment Surcharge (on compounding basis) from the date of the relevant notification.

The Appellate Tribunal for Electricity ("APTEL") in its judgement dated 18.04.2024, in the matter of *Adani Power Rajasthan Ltd.* v. *Rajasthan Electricity Regulatory Commission & Ors.*[19] held that Adani Power Rajasthan Ltd. ("Adani Power") is entitled to Carrying Cost on account of 'Change in Law' event at the rate of Late Payment Surcharge ("LPS") on compounding basis in terms of the Power Purchase Agreement ("PPA") from the date on which the notification, issued by Coal India Limited, was made applicable to them.

APTEL held that the imposition of Evacuation Facility Charges (on coal dispatch) *via* Coal India Limited's notification dated 19.12.2017 constitutes a 'Change in Law' event. The APTEL rejected the contention of the DISCOMs that Adani Power should be entitled to Carrying Cost only after the Supplementary Bill is raised and observed that the same would deprive Adani Power of the carrying cost, thereby defeating the purpose of the restitutionary principle.

APTEL observed that the restitutionary principles engrained in the relevant provision of the PPA that a party should be compensated for the time value of money, by virtue of legal fiction, would be required to be invoked for grant of compound interest on Carrying Cost on account of a Change in Law event, from the date on which the Change in Law event occurred. Accordingly, APTEL remanded the matter to the Ld. Rajasthan Electricity Regulatory Commission for computation of the amounts payable to Adani Power.

NCLT held that a Resolution Professional should not rely solely on the Corporate Debtor's records for verifying claims.

The National Company Law Tribunal ("NCLT"), Chennai Bench through its judgment dated 04.04.2024 in the matter of *K. Amutha* v. *Resolution Professional of M/s. Ambojini Property Developers Private Limited*[20], held that a Resolution Professional ("RP") must verify the authenticity of the supporting documents that are filed by a creditor in support of its claim by means other than the Corporate Debtor's records, within the boundaries of law.

While placing reliance on the Regulation 8A and Regulation 13 of the IBBI (Insolvency Process of Corporate Persons) Regulation 2016 which relates to 'Claims by Creditors in a Class' and 'Verification of Claims', respectively, NCLT held that the RP should verify every claim, but there is no specific obligation upon the RP to strictly compare the claim only with the books of the Corporate Debtor. If the RP verifies the claims only based on the books of the Corporate Debtor and if the Corporate Debtor has not managed its books and records properly, it would be detrimental to the creditors. The NCLT held that creditors should not be made to suffer due to improper maintenance of the records of the Corporate Debtor.

NCLT held that the moratorium under Section 14 of IBC shall not prevent recovery of possession from the unauthorized occupant.

NCLT, Kolkata Bench in its judgment dated 10.04.2024 in the matter of *Raj Sekhar Roy* v. *Avani Projects and Infrastructure Ltd. and Anr.*,[21] held that moratorium under Section 14 of the IBC shall not prevent recovery of possession from the unauthorized occupant.

In the instant case, the Corporate Debtor - Avani Project and Infrastructure Limited ("Avani") was undergoing Corporate Insolvency Resolution Process ("CIRP") and was in possession of a property leased by Raj Sekhar Roy ("RSR"). The license period expired on 31.08.2018. RSR was unable to move to a civil court of competent jurisdiction seeking a decree of eviction against Avani since the moratorium in term of Section 14 of IBC was still in effect.

NCLT held that the moratorium under Section 14 of the IBC shall not prevent recovery of possession from the unauthorized occupant and therefore directed the RP to deliver vacant possession of the property to RSR. Further, NCLT allowed RSR to lodge a claim with the RP regarding payment of license fee or any other dues in relation to the property.

MERC held that captive generating plants based on fossil fuel-based co-generation are not entitled for exemption from Renewable Purchase Obligation.

[19] Appeal No. 237 of 2023
[20] IA (IBC)/ 1141(CHE)/ 2021 in CP/938/IB/2018
[21] IA (IB) No. 1952/ (KB) /2023 in CP(IB) No. 378/(KB) /2018

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Maharashtra Electricity Regulatory Commission ("MERC") through its judgment dated 12.04.2024 in the matter of *M/s Tata Steel Limited* v. *Maharashtra Energy Development Agency*[22] examined the inherent powers under the provisions of 'Power to Relax' and 'Power to Remove Difficulties'. MERC held that there is no regulatory vacuum in the regulations which can be addressed by invoking the provisions under Power to Relax and Powers under Removal of Difficulties. Thus, MERC held that captive generating plants based on fossil fuel-based co-generation are not entitled for exemption from Renewable Purchase Obligations ("RPO").

MERC held that MERC (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) Regulations, 2016 ("RPO Regulations, 2016"), enacted under Section 86(4) of the Electricity Act, do not exempt captive users of fossil-fuel based co-generation units from RPO. Further, the same dispensation is carried forward while notifying MERC (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) Regulations, 2019. Therefore, no relaxation can be granted to fossil fuel-based co-generation units from meeting RPO.

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[22] Case No. 125 of 2023

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