

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No.306/MP/2022 along with IA No. 20/2023**

Subject : Petition under Section 19 of the Electricity Act, 2003 read with Regulation 20 of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Trading Licence and other related matters) Regulations, 2020 inter-alia seeking punitive action against and revocation of trading license of M/s Kreate Energy (I) Pvt Ltd.

Date of Hearing : 13.6.2023

Coram : Shri Jishnu Barua, Chairperson  
Shri I. S. Jha, Member  
Shri Arun Goyal, Member  
Shri P. K. Singh, Member

Petitioner : Uttarakhand Power Corporation Ltd. (UPCL)

Respondent : Kreate Energy (I) Private Limited (KEIPL)

Parties Present : Shri Amartya A Sharan, Advocate, UPCL  
Shri Dahanjay Sahai, Advocate, UPCL  
Shri Ajitesh Garg, Advocate, KEIPL

**Record of Proceedings**

At the outset, learned counsel for the Respondent, Kreate Energy (I) Private Limited, prayed for adjournment on the ground of non-availability of the arguing counsel. Learned counsel also urged not to initiate any coercive measure against the Respondent prior to affording one more opportunity for an oral hearing in the matter.

2. Learned counsel for the Petitioner submitted that the Petitioner had sold day ahead surplus power on the Power Exchange through the Respondent for the month of October, 2016 onwards under different Agreements executed with the Respondent from time to time. He further submitted that the Respondent sold power on the Power Exchange on behalf of UPCL. However, the Respondent did not pay the dues to the Petitioner despite receiving due consideration from IEX for the same. Learned counsel added that the total outstanding dues are approximately Rs. 75 crore (Rs. 25 crore towards principal & Rs. 50 crore towards late payment surcharge). Learned counsel submitted that in the instant case, all the ingredients as required for revocation of the trading licence granted to the Respondent are present, and such revocation would also serve the public interest as the Respondent is not in a position to discharge its obligations under the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Trading Licence and other related matters) Regulations, 2020 (Trading Licence Regulations).

3. After hearing the learned counsel for the parties, the Commission observed that trading in electricity is a regulated activity under the Electricity Act, 2003, as trading is envisaged to promote competition and thereby serve the public interest. If

the trading licensees are allowed to flout the terms and conditions of the agreements for purchase and sale of electricity in the course of trading, there will be chaos in the market, shake the confidence of the generating companies and distribution licensees/ consumers and thereby affect competition, which is against the public interest. Therefore, public interest demands that such practices are strongly discouraged and the licensees indulging in such practices are dealt with strictly in accordance with law.

4. Accordingly, the Commission directed the Respondent, to cure its prolonged and wilful default committed under the terms and conditions of the Trading Licence Regulations within a month. The Petitioner is directed to confirm on affidavit within fifteen days thereafter whether the Respondent has complied with the above direction.

5. The Petition shall be listed for hearing on 16.8.2023.

**By order of the Commission**

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