

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No.306/MP/2022 along with IA Nos. 20/2023 & 16/2024**

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 Kreate Energy (I) Pvt Ltd.

Petitioner : Uttarakhand Power Corporation Limited (UPCL)

Respondents : Kreate Energy (I) Private Limited (KEIPL) Ors.

**Petition No.87/MP/2024**

Subject : Petition under Section 79(1)(b) read with Section 79(1)(f) and Section 19 of Electricity Act, 2003 read with Regulation 9, 19 and 20 of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Trading License and other related matters) Regulations, 2020, *inter alia*, seeking a direction seeking a direction to the Respondent to pay the outstanding amount of Rs. 11,22,05,158 to the Petitioner against the power supplied by the Petitioner to the Respondent.

Petitioner : DB Power Limited (DBPL)

Respondent : Kreate Energy (I) Private Limited

Date of Hearing : **1.5.2024**

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

Parties Present : Shri Amartya Ashish Sharan, Advocate, UPCL  
Shri Deepak Khurana, Advocate, DBPL  
Shri Gopal Jain, Sr. Advocate, KEIPL  
Shri Adarsh Tripathi, Advocate, KEIPL  
Shri Ajitesh Garg, Advocate, KEIPL  
Shri Rakesh Kumar, KEIPL

**Record of Proceedings**

At the outset, the learned senior counsel for Respondent, KEIPL submitted that in Petition No.306/MP/2022, Respondent has additionally paid Rs.1.25 crore to the Petitioner, UPCL on 11.3.2024 and Respondent, along with its affidavit dated 15.2.2024, has also indicated the proposed payment plan, which the Respondent is

willing to abide by, provided the Petitioner does not press for the same outstanding quantum/dues under the proceedings initiated under Negotiable Instrument Act, 1881. Learned senior counsel further submitted that insofar as Petition No. 87/MP/2024 is concerned, Respondent may be permitted two months to make payment of the entire outstanding principal amount to the Petitioner therein.

2. Learned counsel for the Petitioner, UPCL, in Petition No. 306/MP/2022, submitted that the Respondent has even failed to adhere to its payment plan filed along with an affidavit dated 15.2.2024 as according to the said plan, the Respondent ought to have released the total payment of Rs. 3.25 crore by now. Learned counsel submitted that the total outstanding principal stood at Rs. 20.75 crores, and the Respondent ought to be directed to clear this principal amount in four monthly instalments of approximately Rs. 5 crores or so. Learned counsel submitted that the payment plan proposed by Respondent does not even include the outstanding LPS amount, and the Respondent ought to be directed to include such amount therein.

3. In response to the specific query of the Commission regarding the reliefs sought by the Petitioner, UPCL, the learned counsel submitted that the Petitioner has prayed for the initiation of appropriate proceedings under Section 19 of the Electricity Act, 2003 read with the relevant provisions of Trading Licence Regulations for revocation of the inter-State trading licence granted by the Commission to the Respondent, KEIPL. Learned counsel added that alternatively, the Petitioner has also suggested that the payment plan to clear the outstanding dues, including LPS, ought to be made part of the terms & conditions of the trading licence of Respondent, KEIPL, and in case it fails to adhere to such terms & conditions, then the Commission may take appropriate steps to revoke the trading licence of the Respondent.

4. Learned counsel for the Petitioner, DBPL, in Petition No. 87/MP/2024, insisted that the Respondent be directed to clear the principal amount within one month itself. Learned counsel submitted that the total outstanding principal in the said case is Rs. 7.08 crore, and the total outstanding LPS is Rs.4.13 crore as on 30.11.2023. Learned counsel added that Respondent, vide its various emails, had promised to pay the outstanding dues long back. However, to date, no payment has been received from Respondent. Learned counsel further submitted that Respondent ought to be directed to furnish an undertaking of its Managing Director regarding the making the payment towards outstanding dues in a time-bound manner.

5. Considering the submissions made by the learned senior counsel and learned counsel for the parties, the Commission expressed strong disapproval of the conduct of Respondent KEIPL. Keeping in view the overall facts and circumstances involved in these cases, the Commission directed Respondent, KEIPL to make the payment of the entire principal outstanding in both these cases in two equated monthly instalments, with the first instalment becoming due on 1.6.2024 and the second instalment becoming due on 1.7.2024. Respondent KEIPL was also directed to file a compliance affidavit within a week thereafter. The Commission also clarified that failure on the part of Respondent, KEIPL, to abide by the aforesaid direction will lead to the initiation of appropriate proceedings against Respondent under the provisions of the Electricity Act, 2003, and the Trading Licence Regulations.

6. The Petitions will be listed for hearing on **25.7.2024**.

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