

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 277/MP/2022

Subject : Petition under Section 79(1)(f) read with Section 19 of the Electricity Act, 2003 read with Regulations 9, 19 and 20 of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Trading Licence and other related matters) Regulations, 2020 seeking recovery of penalty for less return of power by the Respondent as per the Banking Agreement dated 29.3.2022 and seeking revocation of the inter-state trading licence granted to Svaryu Energy Limited (formerly Refex Energy Limited).

Petitioner : Haryana Power Purchase Centre (HPPC)

Respondent : Svaryu Energy Limited

Petition No. 278/MP/2022

Subject : Petition under Section 79(1)(f) read with Section 19 of the Electricity Act, 2003 read with Regulations 9, 19 and 20 of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Trading Licence and other related matters) Regulations, 2020 seeking recovery of penalty for less return of power by the Respondent as per the Banking Agreement dated 17.3.2022 and seeking revocation of the inter-state trading licence granted to Arunachal Pradesh Power Corp. Pvt. Ltd.

Petitioner : Haryana Power Purchase Centre (HPPC)

Respondent : Arunachal Pradesh Power Corp. Pvt. Ltd. (APPCPL)

Petition No. 282/MP/2022

Subject : Petition under Section 79(1)(f) read with Section 19 of the Electricity Act, 2003 read with Regulations 9, 19 and 20 of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Trading Licence and other related matters) Regulations, 2020 seeking recovery of penalty for less return of power by the Respondent as per the Banking Agreement dated 29.3.2022 and seeking revocation of the inter-state trading licence granted to Kreate Energy (I) Pvt. Ltd. (formerly Mittal Processors Pvt. Ltd.).

Petitioner : Haryana Power Purchase Centre (HPPC)

Respondent : Kreate Energy (I) Pvt. Ltd.

Date of Hearing : 10.11.2022

Coram : Shri I. S. Jha, Member



Shri Arun Goyal, Member
Shri P. K. Singh, Member

Parties Present : Ms. Soniya Madan, Advocate, HPPC
Ms. Swapna Seshadri, Advocate, APPCPL
Ms. Ritu Apurva, Advocate, APPCPL
Ms. Surbhi Gupta, Advocate, APPCPL

Record of Proceedings

Learned counsel for the Petitioner submitted that the present Petitions have been filed, *inter-alia*, seeking recovery of penalty for less return of power by the Respondent(s) and consequently, revocation of their trading licences granted to them by this Commission on account of various illegalities committed by them and on account of violating the terms and conditions of their licences and the obligations bestowed under the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Trading Licence and other related matters) Regulations, 2020 ('the Trading Licence Regulations'). Learned counsel mainly submitted as under:

(a) In the tenders issued by the Petitioner for banking of power, the Respondents – trading licensees herein emerged as the successful bidders and pursuant thereto, the Petitioner had entered in the various Banking Agreements with these Respondents.

(b) While the Petitioner had duly exported the power in full compliance of these Banking Agreements, the Respondents, however, have failed to supply the requisite power in return to the Petitioner within agreed time.

(c) As per the Banking Agreements, against the power already supplied/ exported by the Petitioner, Kreate Energy (I) Pvt. Ltd. was required to supply 1814.33 lakh units in return to the Petitioner. However, in a clear breach of the agreement, it has only supplied 606.025 lakh units as on 31.8.2022. Similarly, Svaryu Energy Limited was required to supply 1031.26 lakh units to the Petitioner against which not a single unit has been supplied by it. Whereas, APPCPL was required to supply 3062.43 lakh units to the Petitioner against which it has supplied only around 212.31 lakh units as on 31.8.2022.

(d) Despite the repeated requests by the Petitioner, the Respondents have failed to supply the requisite power to the Petitioner in return as per the Banking Agreements. Consequently, the Petitioner raised the invoices/ bills imposing the penalty for less return of the power as stipulated in the Banking Agreements, which have also not been paid by the Respondents.

(e) There is a categorical and clear default on the part of the Respondents in compliance with the provisions of the Banking Agreements, which violates the conditions of Section 19(1)(a) & (b) of the Electricity Act, 2003 and Regulation 20(1)(a) & (b) of Trading Licence Regulations (i.e. willful & prolonged default in doing anything required by or under the Act, Rules or Regulations and breach of terms & conditions of licences) thereby deserving initiation of appropriate proceedings for revocation of their inter-State trading licences.

2. Learned counsel for the Respondent, APPCPL in Petition No.278/MP/2022 accepted the notice and sought time to file reply to the Petition. Learned counsel



further submitted that the said matter is related to the Petition No. 265/MP/2022 filed by APPCL in the context of the same transaction.

3. After hearing the learned counsels for the Petitioner and the Respondent, APPCL, the Commission directed the Respondents to file their replies on admissibility within two weeks and the Petitioner may file rejoinder thereof within two weeks thereafter.

4. Subject to the above, the Commission reserved the order on the admissibility of these Petitions.

By order of the Commission

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