

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 : **16.8.2023**
- 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)
- Respondents : Kreate Energy (I) Private Limited (KEIPL) and Ors.
- Parties Present : Shri Amartya A Sharan, Advocate, UPCL
Shri Gopal Jain, Sr. Advocate, KEIPL
Shri Adarsh Tripathi, Advocate, KEIPL
Shri Ajitesh Garg, Advocate, KEIPL
Shri Rijul, Advocate, KEIPL

Record of Proceedings

At the outset, learned senior counsel for the Respondent No.1, KEIPL clarified that the intention of KEIPL is to resolve the issue and make the payment towards the principal amount involved in the matter. Learned senior counsel submitted that insofar as the principal amount is concerned, KEIPL has already issued a communication to the Petitioner dated 24.7.2023 offering up-front payment of Rs. 2.5 crore to strengthen its *bona fide* intent to make payment that is due and payable and thus, KEIPL may be permitted to reconcile with the Petitioner. He sought permission to prepare & submit a payment plan for the outstanding principal amount of approximately Rs.25 crore. Learned senior counsel further submitted that, insofar as the late payment surcharge is concerned, the Petitioner raised the issue of such charges on the invoices dating back to 2016-17 for the first time only in 2022. However, all these aspects can be deliberated and worked out with the Petitioner in a consultation process if the Commission so permits. Learned senior counsel submitted that KEIPL has already written to the Petitioner in the above regard, but the Petitioner indicated that the direction issued by this Commission is binding on it and it would not be proper to go behind by entering into a private negotiation.

2. Learned counsel for the Petitioner submitted that, as such, there is no in-principle objection to the negotiation. However, the Commission may specifically recognize and permit the Petitioner to enter into such a private negotiation while stipulating the terms of such a negotiation in its order. Learned counsel also



submitted that KEIPL's offer of up-front payment may also be recorded in the order of the Commission.

3. Considering the submissions made by the learned senior counsel for KEIPL, learned counsel for the Petitioner, and KEIPLL's offer for up-front payment of Rs. 2.5 Crore, the Commission permitted the parties without prejudice to their rights & contentions in the present Petition, to enter into a negotiation/consultation process within two weeks to resolve the issue involved in the matter and the parties will file the outcome of such negotiation/consultation process within two weeks thereafter.

4. The Petition shall be listed for hearing on **11.10.2023**.

By order of the Commission

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