

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.94/MP/2023

Subject : Petition under Section 79(1)(f) read with Section 19 of the 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 seeking recovery of penalty for less return of power by the Respondents as per Banking Agreements executed between the Petitioner and the Respondents and seeking revocation of the inter-State trading license granted to Respondent No.1.

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

Respondent : Saranyu Power Trading Pvt. Ltd. (SPTPL) and Anr.

Petition No.265/MP/2022

Subject : Petition under Section 79(1)(c) and (f) of the Electricity Act, 2003 for adjudication of disputes.

Petitioner : Arunachal Pradesh Power Corp. Pvt. Limited (APPCPL)

Respondent : Saranyu Power Trading Pvt. Ltd. (SPTPL) and Ors.

Date of Hearing : **7.5.2025**

Coram : Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member
Shri Ravinder Singh Dhillon, Member

Parties Present : Ms. Swapna Seshadri, Advocate, APPCPL
Ms. Ritu Apurva, Advocate, APPCPL
Shri Karthikeyan Murugan, Advocate, APPCPL
Shri Adarsh Tripathi, Advocate, KEIPL
Shri Vikram Baid, Advocate, KEIPL
Shri Ajitesh Garg, Advocate, KEIPL
Shri Arijit Maitra, Advocate, IPCL
Shri Amit Kapur, Advocate, SPTPL
Shri Akshat Jain, Advocate, SPTPL
Shri Shikhar Verma, Advocate, SPTPL
Ms. Sonia Madan, Advocate, HPPC

Record of Proceedings

At the outset, the learned counsel for the Respondent, IPCL, submitted that the primary issues involved in these cases are (i) whether this Commission has the



jurisdiction to adjudicate the disputes involved in these matters, and (ii) whether this Commission is required to refer the matters to the arbitration. Learned counsel also pointed out that the arbitrator named in the agreement is the MD, Uttar Haryana Bijli Vitran Nigam Limited or his nominee and recently, the Hon'ble Supreme Court has held that the clauses allowing the unilateral appointment of sole arbitrator is impermissible.

2. Learned counsel for the Respondent, SPTPL, submitted that vide Record of Proceedings for hearing dated 9.12.2024, the Commission had directed the parties to ensure the completion of pleadings and also to file their comprehensive written submissions/notes of arguments also covering therein the aspect of jurisdiction under Section 79(1) of the Act, including the authority of this Commission to refer the matters to the arbitration. However, some of the parties herein are yet to comply with the said direction. Learned counsel pointed out that neither KEIPL nor HPPC have filed any written submissions in the matter. Learned counsel added that the disputes involved in these cases do not pertain to the tariff.

3. Learned counsel for the Respondent, HPPC, submitted that HPPC has already filed its note of arguments in the Petitions filed by it and insofar as Petition No. 265/MP/2022 is concerned, HPPC has filed its reply to the said Petition and has nothing further to add therein.

4. Learned counsel for the Petitioner, KEIPL, also submitted that KEIPL has also filed its written submissions in the matter.

5. Learned counsel for the Petitioner, APPCPL, submitted that APPCPL has already complied with the direction issued by the Commission vide Record of Proceedings for hearing dated 9.12.2024. Learned counsel further submitted that while the dispute involved would fall within jurisdiction of this Commission for the adjudication, given the position taken by the Respondents in their written submissions and the existence of specific arbitration clauses in the agreement, the dispute can be referred to the arbitration for adjudication. Learned counsel further submitted that the Respondent, IPCL, in its written submissions, has also sought to raise an entirely new argument that this Commission also does not have jurisdiction to refer the matter to arbitration, which, according to the Petitioner, is misplaced. Learned counsel also added that given the agreements entered into the parties (i.e. HPPC & APPCPL, and APPCPL & SPTPL) are back-to-back in nature, all the disputes under these agreements may be referred to common arbitrator for the adjudication as the piece meal approach may not serve any useful purpose.

6. The matters remained part-heard and will be listed for further hearing on **15.7.2025**.

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