COURT-1

IN THE APPELLATE TRIBUNAL FOR ELECTRICITY
(Appellate Jurisdiction)

OP No. 1 OF 2025 & IA No. 1403 OF 2025 & IA No. 499 OF 2026 & IA No. 568 OF 2026 & IA No. 602 OF 2026 & IA No. 717 OF 2026 & IA No. 1404 OF 2025 & IA No. 1532 OF 2025 & IA No. 1610 OF 2025 & IA No. 1747 OF 2025 & IA No. 172 OF 2026 & IA No. 245 OF 2026 & IA No. 309 OF 2026

Dated: 4th May, 2026

Present : Hon`ble Ms. Seema Gupta, Officiating Chairperson
Hon`ble Mr. Virender Bhat, Judicial Member

In the matter of:

In Suo-Moto action under Section 121 of the EA	....	Petitioner(s)
Versus		
Forum of Regulators & Ors.	....	Respondent(s)

Counsel on record for the Petitioner(s)	:	Anushree Bardhan Shikha Ohri for App. 1
Counsel on record for the Respondent(s)	:	Poorva Saigal Shubham Arya Pallavi Saigal Reeha Singh Rishabh Saxena Harshvardhan Singh Shirin Gupta for Res. 1 C.K. Rai Shiva Singh Anuradha Roy Vinay Kumar Gupta for Res. 2 C.K. Rai for Res. 3 Anand K. Ganesan Swapna Seshadri Utkarsh Singh Sneha Singh Baghel for Res. 4 Dhananjaya Mishra for Res. 5 Sahil Chandra for Res. 6

Ravi Kishore for Res. 7

Rutwik Panda
Anshu Malik for Res. 8

Gargi Kumar for Res. 9

Abiha Zaidi for Res. 10

Pratibhanu Singh Kharola
for Res. 11

Sethu Ramalingam
S. Shivshankari for Res. 12

Pradeep Misra for Res. 13

C.K. Rai
Shiva Singh
Anuradha Roy
Vinay Kumar Gupta for Res. 14

Somanadri Goud Katam
for Res. 15

Shlok Chandra for Res. 16

Suparna Srivastava for Res. 17

Mandakini Ghosh
for Res. 18

Gaichangpou Gangmei
Arjun D Singh
Yimyanger Longkumer
Maitreya Mahaley
for Res. 19

Aishwarya Subramani
Harsha V Rao
Anand K. Ganesan
for Res. 20

Suriti Chowdhary
Anuj Bhave
Abiha Zaidi
Pritam Raman Giriya
for Res. 21

Mandakini Ghosh for Res. 22

Anish Roy for Res. 23

Farrukh Rasheed for Res. 24

Rohini Prasad for Res. 25

Sriram Krishna
Anupama Dhurve for Res. 26

Shri Venkatesh
Suhael Buttan
Nihal Bhardwaj
Abhishek Nangia
Kartikay Trivedi
Surbhi Kapoor
Shivam Kumar
Punyam Bhutani
Nikunj Bhatnagar
Tarang Saraogi
Ananya Dutta
Shryeshth Ramesh Sharma
Kanika Chugh
Priya Dhankar
Mohit Mansharamani
Mohit Gupta
Indu Uttara
Harsh Vardhan
Vedant Choudhary
Adarsh Singh
Drishti Rathi
Ashutosh Kumar Srivastava
Akash Lamba
Siddharth Nigotia
Vineet Kumar
Manu Tiwari
Kunal Veer Chopra
Tanishka Khatana
Aashwyn Singh
Aniket Kanhaua
Manav Bhatia for Res. 27

C.K. Rai
Anuradha Roy
Vinay Kumar Gupta
Shiva Singh for Res. 28

Surabhi Pandey for Res. 29

Abiha Zaidi
Suriti Chowdhary
Pritam Raman Giriya

Anuj Bhave for Res. 30

Vishrov Mukerjee
Janmali Gopal Rao Manikala
Nishtha Kumar
Yashaswi Kant
Pratyush Singh
Damodar Solanki
Priyanka Vyas
Juhi Senguttuvan
Anumeha Smiti
Garima Adlakha
Sai Snigdha Nittala
Snehal Upadhyay for Res. 31

Amit Kapur
Anupam Varma
Rahul Kinra
Aditya Gupta
Aditya Ajay
Girdhar Gopal Khattar
Isnain Muzamil
Adamya Ojha
Yash Srivastava
Vaibhav Sharma
for Res. 32

Amit Kapur
Anupam Varma
Rahul Kinra
Aditya Gupta
Aditya Ajay
Girdhar Gopal Khattar
Isnain Muzamil
Adamya Ojha
Yash Srivastava
Vaibhav Sharma for Res. 33

Shri Venkatesh
Shryeshth Ramesh Sharma
Kanika Chugh
Ashutosh Kumar Srivastava
Suhael Buttan
Nihal Bhardwaj
Surbhi Kapoor
Adarsh Singh
Siddharth Nigotia
Manu Tiwari
Abhishek Nangia
Abhishek Nangia
Mohit Mansharamani

Akash Lamba
Shivam Kumar
Kartikay Trivedi
Aashwyn Singh
Mohit Gupta
Harsh Vardhan
Aniket Kanhaua
Ananya Dutta
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Nikunj Bhatnagar
Kunal Veer Chopra
Punyam Bhutani
Vedant Choudhary
Tarang Saraogi
Manav Bhatia
Drishti Rathi for Res. 34

Shri Venkatesh
Shryeshth Ramesh Sharma
Kanika Chugh
Ashutosh Kumar Srivastava
Suhael Buttan
Nihal Bhardwaj
Surbhi Kapoor
Adarsh Singh
Siddharth Nigotia
Manu Tiwari
Abhishek Nangia
Mohit Mansharamani
Akash Lamba
Shivam Kumar
Kartikay Trivedi
Aashwyn Singh
Mohit Gupta
Harsh Vardhan
Aniket Kanhaua
Ananya Dutta
Indu Uttara
Priya Dhankar
Vineet Kumar
Tanishka Khatana
Nikunj Bhatnagar
Kunal Veer Chopra
Punyam Bhutani
Vedant Choudhary
Tarang Saraogi
Manav Bhatia
Drishti Rathi for Res. 35

Shri Venkatesh
Shryeshth Ramesh Sharma
Kanika Chugh
Ashutosh Kumar Srivastava
Suhael Buttan
Nihal Bhardwaj
Surbhi Kapoor
Adarsh Singh
Siddharth Nigotia
Manu Tiwari
Abhishek Nangia
Mohit Mansharamani
Shivam Kumar
Akash Lamba
Kartikay Trivedi
Aashwyn Singh
Mohit Gupta
Harsh Vardhan
Aniket Kanhaua
Ananya Dutta
Indu Uttara
Priya Dhankar
Vineet Kumar
Tanishka Khatana
Nikunj Bhatnagar
Kunal Veer Chopra
Punyam Bhutani
Vedant Choudhary
Tarang Saraogi
Manav Bhatia
Drishti Rathi for Res. 36

Shri Venkatesh
Shryeshth Ramesh Sharma
Kanika Chugh
Ashutosh Kumar Srivastava
Suhael Buttan
Nihal Bhardwaj
Surbhi Kapoor
Adarsh Singh
Siddharth Nigotia
Manu Tiwari
Abhishek Nangia
Mohit Mansharamani
Shivam Kumar
Akash Lamba
Kartikay Trivedi
Aashwyn Singh
Mohit Gupta
Harsh Vardhan

Aniket Kanhaua
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Priya Dhankar
Vineet Kumar
Tanishka Khatana
Nikunj Bhatnagar
Kunal Veer Chopra
Punyam Bhutani
Vedant Choudhary
Tarang Saraogi
Manav Bhatia
Drishti Rathi for Res. 37

S. Vallinayagam for Res. 38

ORDER

IA NO.1403,1404 & 1532 OF 2025

(For Impleadment/intervention)

These applications have been filed by the generating / transmission companies operating in Delhi seeking their impleadment in this Original Petition.

We have heard Ms. Swapna Seshadri and Shri V.M. Kannan, learned counsels appearing on behalf of the applicants. We have also heard Mr. Buddy A Ranganadhan, learned senior counsel who has made submissions on the purport & essence of the judgment passed by Hon'ble Supreme Court on 06.08.2025 in WP No.104 of 2014 & batch, in relation to the impleadment of generating/transmission companies as parties to this petition.

The applicants are seeking their impleadment in this original petition primarily on the ground that a huge amount of money is owed to them by the distribution licensees which has been pending for a long time and has placed these generating companies in a severe financial crisis. It is submitted that, these generating companies have been seeking to recover their dues from the distribution companies over the last several years but have been unsuccessful. It is further pointed out that these applicants were parties to the Petition no. WP No.104 of 2014 in which judgment was

passed by Hon'ble Supreme Court on 06.08.2025 and therefore, ought to be impleaded as proper parties to this petition also, if not necessary parties.

On these contentions, the impleadment of the generating/ transmission company is sought in this original petition.

We may note that this original petition was instituted by this Tribunal in terms of the order passed by Hon'ble Supreme Court on 06.08.2025 in WP No.104 of 2014 & batch whereby this tribunal was directed to oversee the liquidation of regulatory assets of distribution licensee throughout India.

We may extract the relevant paragraph of the judgment passed by Hon'ble Supreme Court on 06.08.2025 in WP No.104 of 2014 & batch**:-**

"12. Directions.

71. For the reasons state above, we issue the following directions:

(i) As a first principle, tariff shall be cost-reflective;

(ii) The revenue gap between the approved ARR and The estimated annual revenue from approved tariff may be in exceptional circumstances;

(iii) The regulatory asset should not exceed a reasonable percentage, which percentage can be arrived on the basis of Rule 23 of the Electricity Rules that prescribes 3% of the ARR as the guiding principle;

(iv) If a regulatory asset is created, it must be liquidated within a period of 3 years, taking Rule 23 as the guiding principle;

(v) The existing regulatory asset must be liquidated in a maximum of 4 years starting from 01.04.2024, taking Rule 23 as the guiding principle;

(vi) Regulatory Commissions must provide the trajectory and roadmap for liquidation of the existing regulatory asset which will include a provision for dealing with carrying costs. Regulatory Commissions must also undertake strict and intensive audit of the circumstances in which the distribution companies have continued without recovery of the regulatory asset;

(vii) Regulatory Commissions shall in general follow the principles governing creation, continuation and liquidation of the regulatory asset, as laid down in paragraph 70, and also abide by the directions of the APTEL summarised in paragraph 69.8;

(viii) The APTEL shall invoke its powers under Section 121 and issue such orders, instructions or directions as it may deem fit to the Regulatory Commissions for performance of their duties with respect to regulatory asset as enunciated by us in this judgment and as per the orders of the APTEL in O.P. No. 1/2011 dated 11.11.2011 and O.P. Nos. 1 and 2/2012 dated 14.11.2013.

(ix) The APTEL shall register a suo moto petition under Section 121 of the Act to monitor implementation of above directions (v) and (vi) till the conclusion of the period mentioned therein".

(Emphasis supplied)

In view of the limited domain given to this Tribunal by Hon'ble Supreme Court in the said judgment, we are of the opinion that generators

have no role to play in this petition and cannot be impleaded as parties. We cannot widen the scope of this original petition beyond the domain and the authority conferred upon this Tribunal by the Supreme Court vide the aforesaid judgment. The recovery of dues or non-recovery thereof by the generating companies from the distribution companies is not an issue in this original petition. The generating companies may approach appropriate forum in this regard by way of an appropriate proceedings as per law.

It has also been contended on behalf of the applicants that several distribution companies vis. DVC, TP Central Odisha Distribution Limited & TP Southern Odisha Distribution Limited have been impleaded as parties to this petition and, therefore, these generating companies may also be impleaded in this petition. This contention has been noted only to be rejected for the reason that the distribution companies are directly affected by the process of liquidation of regulatory assets which this Tribunal is monitoring in this petition whereas this process does not in no way concern directly or indirectly the generating companies / transmission licensees. These generating companies / transmission licensees are entitled to payment of tariff from the distribution licenses dehors the liquidation of regulatory assets. So, their presence before this Tribunal in this petition is not required at all.

We may note here that “necessary party” is a person in whose absence no effective order can be passed in the proceedings and who must be joined as a party whereas “proper party” refers to a person who, though not necessary party, yet whose presence would enable the court adjudicate upon the controversy in issue effectively and completely. The applicants herein i.e. the generating companies/transmission licensee do not satisfy any of these twin conditions. It is not their case that the proceedings of this petition cannot be carried out effectively if they are not impleaded as parties. It is also not their case that their presence would enable this

tribunal to carry out the mandate of the Supreme Court effectively and adequately.

Hence, we are of the opinion that the generating companies/ transmission licensees are neither necessary party nor proper parties to this petition and cannot be impleaded as parties to it. Thus, we do not find any merit in all the three applications filed by generating/transmission companies. Accordingly, all the three applications are dismissed.

OP No. 1 OF 2025 & IA No. 499 OF 2026 & IA No. 568 OF 2026 & IA No. 602 OF 2026 & IA No. 717 OF 2026 & IA No. 1610 OF 2025 & IA No. 1747 OF 2025 & IA No. 172 OF 2026 & IA No. 245 OF 2026 & IA No. 309 OF 2026

This petition shall be taken up with regard to Delhi Electricity Regulatory Commission on ***20.07.2026***.

Virender Bhat
Judicial Member

Seema Gupta
Officiating Chairperson

Pr/mkj