

COURT-1

IN THE APPELLATE TRIBUNAL FOR ELECTRICITY
(Appellate Jurisdiction)

OP No. 1 OF 2025 & IA No. 1403 OF 2025 & IA No. 1404 OF 2025 & IA
No. 1532 OF 2025 & IA No. 1610 OF 2025 & IA No. 1623 OF 2025

Dated: 6th November, 2025

Present: Hon`ble Mr. Justice Ramesh Ranganathan, Chairperson
Hon`ble Mr. Ajay Talegaonkar, Technical Member (Electricity)

In the matter of:

In Suo-Motu 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

M. T. George
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

Dhananjay Baijal
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 Long kumer
Maitreya Mahaley
for Res. 19

Aishwarya Subramani
Harsha V Rao
Anand K. Ganesan

for Res. 20

Suriti Chowdhary
Anuj Bhawe
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 Kanhaa
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 Bhawe
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
Adamyia Ojha
Yash Srivastava
Vaibhav Sharma
for Res. 32

Amit Kapur
Anupam Varma
Rahul Kinra
Aditya Gupta
Aditya Ajay
Girdhar Gopal Khattar

Isnain Muzamil
Adamyia 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
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Mohit Mansharamani
Akash Lamba
Shivam Kumar
Kartikay Trivedi
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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
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Adarsh Singh
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Nikunj Bhatnagar
Kunal Veer Chopra
Punyam Bhutani
Vedant Choudhary
Tarang Saraogi
Manav Bhatia
Drishti Rathi
for Res. 35

Shri Venkatesh
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Kanika Chugh
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Nihal Bhardwaj
Surbhi Kapoor
Adarsh Singh
Siddharth Nigotia
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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
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Nihal Bhardwaj
Surbhi Kapoor
Adarsh Singh
Siddharth Nigotia
Manu Tiwari
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Kunal Veer Chopra
Punyam Bhutani
Vedant Choudhary
Tarang Saraogi
Manav Bhatia
Drishti Rathi
for Res. 37

S. Vallinayagam
for Res. 38

ORDER

- 1. TAMIL NADU ELECTRICITY REGULATORY COMMISSION (TNERC): R-12, and**
- 2. KERALA STATE ELECTRICITY REGULATORY COMMISSION (KSERC): R-5**

We had, in our order dated 30.10.2025, noted the submission urged by the Learned Advocate General appearing on behalf of TNERC that the Commission would, within one week, file an affidavit detailing,

among others, the contents of the letter of the State Government, and the action the TNERC would take in case the State Government does not adhere to its letter of undertaking. The matter was therefore directed to be listed today, i.e. 06.11.2025. No such affidavit, as referred to hereinabove, has as yet been filed on behalf of TNERC. Mr. Sethu Ramalingam, Learned Counsel for TNERC, would seek further time of one week to do so.

In so far as Kerala State Electricity Regulatory Commission is concerned, we had, in our order dated 30.10.2025, noted that the KSERC had filed a vague affidavit without providing the particulars necessary for effective implementation of the order of the Supreme Court dated 06.09.2025; and had directed KSERC to file an affidavit within one week from 30.10.2025 furnishing details of (a) the total Regulatory Assets along with carrying cost as on 01.04.2024; (b) the mode and manner in which the said Regulatory Assets are proposed to be liquidated in its entirety during the next around 2½ years, i.e. latest by 31.03.2028; and (c) whether they have, in fact, appointed an auditor and the period within which the audit, as directed by the Supreme Court, is expected to be completed. We had also made it clear that failure, to file such an affidavit, would require the Secretary of the KSERC to be personally present before this Tribunal on the next date of hearing.

While Mr. Rajendran K. V, the Secretary of the KSERC, is present before this Tribunal today, Mr. M.T. George, Learned Counsel for KSERC, would seek one week's further time to file the affidavit.

It is, indeed, disconcerting that both TNERC and KSERC, which ought to have shown utmost promptitude in complying with the directions of the Supreme Court, in its' judgement dated 06.09.2025, are treating the proceedings before this Tribunal, (which has been entrusted with the task of monitoring implementation of the directions of the Supreme Court in the afore-said judgement), in an extremely casual manner, possibly

because the provisions of the Electricity Act do not empower this Tribunal to punish recalcitrant Commissions, which are repeatedly seeking adjournments and appear to believe that hearing in these proceedings should be deferred for the mere asking. The only power available under the Electricity Act in this regard is in terms of Section 146 which expressly stipulates that it is not available to be exercised in proceedings under Section 121 of the Electricity Act. The only recourse available to this Tribunal, for non-cooperation on the part of these two State Electricity Regulatory Commissions, is possibly to report the matter to the Supreme Court requesting that appropriate action be taken against them for their failure to co-operate in prompt and effective implementation of the directions of the Supreme Court.

Though the TNERC has failed to adhere to its assurance to file its affidavit within one week, and the KSERC has chosen not to comply with the directions of this Tribunal dated 30.10.2025, we refrain from passing such an order as at present in the belief that both these Commissions would file an affidavit latest by Monday i.e. 10.11.2025. It is made clear that, continued disobedience of our directions by these two Commissions, and their failure to file their affidavits by 10.11.2025, may constrain us to forward a copy of this order to the Registrar of the Supreme Court with a request that the matter be placed before the Supreme Court for appropriate action to be taken against them.

Post the matter on **10.11.2025**.

3. CHHATTISGARH STATE ELECTRICITY REGULATORY COMMISSION (CSERC): R-4

We had, in our order dated 30.10.2025, directed the Chhattisgarh State Electricity Regulatory Commission (CSERC) to inform this Tribunal regarding appointment of an Auditor by the next date of hearing i.e. today. Mrs. Swapna Seshadri, Learned Counsel for the CSERC, would submit that the LOA issued on 30.10.2025, appointing the auditor, has

been accepted by the selected Auditor, and his mandate is to submit a report within three months, i.e. by 28.01.2026.

Post the matter on **29.01.2026**.

4. MAHARASHTRA ELECTRICITY REGULATORY COMMISSION (MERC): R-6

Mr. Sahil Chandra, Learned Counsel for the MERC, would submit that their affidavit is ready, and would be filed in the Registry during the course of the day.

Post the matter on **10.11.2025**.

5. JOINT ELECTRICITY REGULATORY COMMISSION (JERC): R21 (FOR THE STATE OF GOA AND UNION TERRITORIES, ANDAMAN AND NICOBAR ISLANDS, CHANDIGARH, DADRA AND NAGAR HAVELI, DAMAN AND DIU, LAKSHADWEEP AND PUDUCHERRY)

In so far as compliance of the directions of the Supreme Court by the JERC for the State of Goa and Union Territories is concerned, an affidavit has been filed by them on 05.11.2025 furnishing the following particulars:

PUDUCHERRY:

It is stated that a true up order for FY 2023-24 has been passed by the Commission on 24.09.2025; and the list of empaneled Auditors from CAG has been received by email dated 03.11.2025. The directions issued by the Supreme Court required the JSERC to appoint an Auditor, and mere receipt of a list of empaneled auditors would not suffice. Ms. Abiha Zaidi, Learned Counsel for the Commission, undertakes to file a detailed affidavit regarding appointment of an Auditor within two weeks.

GOA, DADRA AND NAGAR HAVELI AND DAMAN AND DIU:

In so far as the Union Territories of Dadra and Nagar Haveli and Daman and Diu are concerned, the true up order for FY 2023-24 is said to have been passed on 30.09.2025. Likewise, for the State of Goa. It is further stated by Ms. Abiha Zaidi, Learned Counsel for the JERC, that there is no Regulatory Asset in the afore-said State and Union Territories; and the true up order for FY 2021-22 has been passed on 28.10.2025.

Ms. Shikha Ohri, Learned Amicus Curiae, submits that, in terms of their earlier affidavit dated 11.09.2025, the true up order for FY 2022-23 has been passed by the State of Goa.

ANDAMAN AND NICOBAR ISLANDS, AND CHANDIGARH:

In so far as Andaman and Nicobar Islands is concerned, it is stated that the draft true up petitions for FY 2022-23 and FY 2023-24 is yet to be filed. The JERC shall file an affidavit, by the next date of hearing, informing this Tribunal of the action taken by them to ensure that the true up petitions are filed, and the date by which the true up orders would be passed for these two years. Likewise, for Union Territory for Chandigarh.

LAKSHADWEEP:

It is stated that a letter has been received from the Lakshadweep Electricity Department stating that true up petitions for FY 2020-21 and FY 2021-22 would be filed on or before 30.11.2025; and true up petitions for FY 2022-23 and FY 2023-24 would be filed on or before 31.12.2025.

The Commission shall, by the next date of hearing, inform this Tribunal of the date by which the Commission would pass true up orders with respect to these four years i.e. FY 2020-21, FY 2021-22, FY 2022-23, and FY 2023-24.

Post these matters relating to JERC on 18.12.2025.

6. TELANGANA ELECTRICITY REGULATORY COMMISSION (TGERC): R-15

In para 10 of the affidavit e-filed on 04.11.2025, it is stated that similar to liquidation of the Regulatory Assets for Rs.51,340.45 Crores already effected by the Government of Telangana, the Commission expects the Government to liquidate the balance Regulatory Assets of Rs.3386.22 Crores along with carrying cost shortly; and, in case the State Government does not do so, the Commission would have the said Regulatory Assets liquidated in the tariff order for FY 2027-28 ensuring full compliance with the order of the Supreme Court dated 06.08.2025.

The affidavit filed on 04.11.2025 is, however, silent on whether the true up orders for FY 2022-23 and FY 2023-24 have as yet been passed by the TGERC. The affidavit is also silent regarding appointment of the Auditor.

Mr. Somanadri Goud Katam, Learned Counsel for TGERC, states that an affidavit, in this regard, would be filed within one week.

Post on 13.11.2025.

7. DELHI ELECTRICITY REGULATORY COMMISSION (DERC): R10

An affidavit is filed on behalf of the DERC wherein they have stated that on 25.10.2025 the final true up orders were passed for FY 2021-22 for BRPL, BYPL and TPDDL; consequent on the true order being passed for FY 2021-22, the total revenue gap, for the said three Distribution Companies as on 31.03.2022 inclusive of carrying cost, is for a total sum of Rs.28,778.14 Crores; true up orders for FY 2022-23 and 2023-24 are likely to be passed by 31.12.2025 and 31.03.2026 respectively; and the projected Regulatory Assets inclusive of carrying cost up to 31.03.2024, after including the true up of 2021-22, is estimated to be around

Rs.31,700 Crores. It is further stated that the Respondent-Commission would liquidate the updated amount of Regulatory Assets i.e. Rs.31,700 Crores from 01.04.2026 or in terms of the Supreme Court order as may be issued pursuant to hearing of Miscellaneous Application No.1699 of 2025 and Batch which has been reserved for Orders on 21.08.2025.

The trajectory for liquidation of the Regulatory Assets has been furnished in the form of a table in terms of which scenario-1 contemplates recovery in four years from 01.04.2024 i.e. for a period of two years from 01.04.2026. The total amount of Regulatory Assets including carrying cost up to 31.03.2024 is said to be of around Rs.31,552 Crores, which would be recovered in two annual installments ie in the tariff orders to be passed on 01.04.2026 and 01.04.2027.

The objections raised on behalf of the Delhi Distribution Licensees are many. It is contended on their behalf that, since the Regulatory Assets as detailed hereinabove which, even according to the DERC, is tentative and subject to revision, is sought to be liquidated by imposition of surcharge, recovery of the said amount need not await passing of a tariff order on 01.04.2026; the DERC has not assigned any reason as to why the surcharge cannot be imposed forthwith and liquidation of the Regulatory Assets commenced immediately; further, what has been provided, even as a tentative figure, is the Regulatory Assets inclusive of carrying cost only up to 31.03.2024; no carrying cost has been provided for the period after 31.03.2024; the Discoms are entitled for carrying cost till the Regulatory Assets inclusive of carrying cost are liquidated in their entirety; and, in addition, the rate of carrying cost as provided is far less than what the Discoms are entitled to receive in terms of the judgement of the Supreme Court which requires the DERC to be guided by Rule 23 of the Electricity Rules, 2024.

In so far as liquidation of Regulatory Assets is concerned, the actual quantum of Regulatory Assets to be liquidated can only be

ascertained on true-up orders being passed by the DERC up to 31.03.2024 which, according to the affidavit now filed, is expected to be passed by 31.03.2026. The rate of carrying cost to which the Distribution Licensees are entitled to, and whether the said carrying cost to be provided in the true up orders would be in terms of the directions of the Supreme Court in its judgement dated 06.08.2025, can be examined only after true up orders for FY 2022-23 and 2023-24 are passed by the DERC latest by 31.03.2026 and are placed on record before this Tribunal soon thereafter. This Tribunal would also come to know of the actual quantum of Regulatory Assets required to be liquidated, on the said True up orders being passed, and thereafter placed before this Tribunal for its perusal.

An affidavit in this regard, enclosing therewith a copy of the true up order for FY 2022-23 (which is expected to be passed by 31.12.2025), shall be filed on behalf of the DERC by 07.01.2026.

In so far as the submission of the Distribution Licensees that liquidation of the Regulatory Assets should commence forthwith, and that there is no justification for the DERC to wait till 01.04.2026 to do so is concerned, it is not in dispute that the judgement of the Supreme Court does not explicitly mandate a particular date from which liquidation of the Regulatory Assets along with carrying cost should commence. Learned Counsel for the Distribution Licensees contend that, on a reading of the judgement as a whole, it is evident that the Supreme Court had called upon this Tribunal also to consider the date from which the Regulatory Assets along with carrying cost should be liquidated.

Since this issue can only be examined after the Respondent Commissions are also heard in this regard, suffice it to observe that it is always open to the Distribution Licensees concerned to file an IA in this regard, and grant of the relief, which they may seek therein, shall be

considered after the Respondent Commissions are given an opportunity to file their response thereto.

Post on **08.01.2026**.

8. JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION (JSERC): R-25

Ms. Rohini Prasad, Learned Counsel for JSERC, would submit that the true up petitions, with respect to FYs 2006-07 to 2011-12, are yet to be filed, pursuant to which a true up exercise is required to be undertaken; no orders have been passed by the Commission as yet in compliance with the remand order passed by this Tribunal in Appeal Nos 80 of 2024 dated 05.08.2024 and Appeal No. 135 of 2024 dated 29.11.2024; and she would file an affidavit within one week as to the date by which the Commission would be able to pass orders pursuant to the remand order passed by this Tribunal. Time to file the affidavit is granted till 11.11.2025.

Let the matter relating to JSERC be listed on **13.11.2025**.

Ajay Talegaonkar
Technical Member (Electricity)

Justice Ramesh Ranganathan
Chairperson

tpd/pk