

COURT-1

IN THE APPELLATE TRIBUNAL FOR ELECTRICITY
(Appellate Jurisdiction)

OP No. 1 OF 2025 & IA No. 1280 OF 2025 & IA No. 1281 OF 2025 & IA
No. 1290 OF 2025 & IA No. 1291 OF 2025

Dated: 12th September, 2025

Present: Hon`ble Mr. Justice Ramesh Ranganathan, Chairperson
Hon`ble Ms. Seema Gupta, 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 (*Amicus Curiae*)

Counsel on record for the Respondent(s) : PoorvaSaigal
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 GoudKatam
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 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
AkashLamba
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 Bhawe
for Res. 30

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
Abhishek Nangia
Mohit Mansharamani
Akash Lamba
Shivam Kumar
Kartikay Trivedi
Aashwyn Singh
Mohit Gupta
Harsh Vardhan
Aniket Kanhaui
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. 34

ORDER

IA NO. 1280 OF 2025 *(For impleadment/ intervention)*

This IA is filed by the Damodar Valley Corporation requesting this Tribunal to implead them as a party Respondent in the Original Petition. The IA lists various grievances which the Damodar Valley Corporation has on the issue of revenue gap vis-à-vis the action taken in this regard by the Jharkhand State Electricity Regulatory Commission. The said application for impleadment is not opposed by Ms. Rohini Prasad, Learned Counsel for the Jharkhand State Electricity Regulatory Commission. The IA is allowed and the Damodar Valley Corporation shall stand impleaded as a party Respondent in the Original Petition.

IA NO. 1290 OF 2025 & IA NO. 1291 OF 2025 *(For impleadment/ intervention)*

These two IAs are filed by the Orissa Discoms requesting this Tribunal to implead them as a party Respondents in the Original Petition.

The IAs list the various grievances which the Orissa Discoms have on the issue of revenue gap vis-à-vis the stand taken by the Orissa Electricity Regulatory Commission. The said applications for impleadment are not opposed by Mr. Rutwik Panda, Learned Counsel for the Orissa Electricity Regulatory Commission. The IAs are allowed and the Orissa Discoms shall stand impleaded as party Respondents in the Original Petition.

OP No. 1 of 2025 & IA NO. 1281 OF 2025

Ms. Anushree Bardhan, and Ms. Shikha Ohri, Learned Amicus Curaie, have, after collating the information furnished by the State Commissions in their respective affidavits, prepared and placed for our perusal a detailed Table which contains six columns. The first column of the table relates to the name of the State Commission, the second column relates to the regulatory asset with respect to each of the distribution licensees within the jurisdiction of the said Commission, the third relates to the revenue gap as reflected in each ARR up to 01.04.2024, the fourth relates to the trajectory/ roadmap for liquidation of the regulatory assets/ ending the revenue gap up to 01.04.2024 so that the same is liquidated by 31.03.2028, the fifth column relates to the steps taken by the Commission to commence intensive audit of the circumstances in which the discoms are operating and have continued to function without recovery of the regulatory assets/ revenue gap, and the sixth relates to the year up to which the Commission had passed the true up/ ARR order with respect to each of the discoms within their jurisdiction.

The information furnished on the afore-said aspects by each of the State Commission are detailed, Commission-wise, as under :

1. UTTARAKHAND ELECTRICITY REGULATORY COMMISSION (UERC): R-2, AND MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION (MPERC): R-3

It does appear from the table that there are no regulatory assets with respect to the distribution licensees falling within the jurisdiction of both the Uttarakhand Electricity Regulatory Commission (UERC) and the Madhya Pradesh Electricity Regulatory Commission (MPERC). There is no revenue gap for the period up to 01.04.2024 and, consequently, the question of their furnishing the trajectory/ roadmap or to commence an intensive audit may not arise. It is also stated that both these Commissions have passed true up orders up to FY 2023-24, and the MPERC has passed Retail Supply Order up to FY 2025-26.

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

While the estimated regulatory assets, of all the distribution licensees within the jurisdiction of the CSERC as on 01.04.2024 is shown as Rs.2528 Crore, it is also stated that the revenue gap recognized under the tariff order dated 11.07.2025 for FY 2025-26 (which relates to the revenue gap up to FY 2023-24) is Rs.3980.45 Crore for CSPDCL. It is further stated that, with respect to the other two discoms (BSP-TEED & JSPL-D) within the jurisdiction of the CSERC, there is no regulatory assets/ revenue gap.

In so far as CSPDCL is concerned, it is stated that, while the revenue gap has been completely amortized in the tariff order dated 11.07.2025, the carrying cost of Rs.563.61 Crores would be allowed in the next Tariff Order i.e. ARR of FY 2026-27 and, in fact, the tariff order dated 11.07.2025 for FY 2025-26 has allowed interest on working capital of Rs.48.68 Crores required to fund the carrying cost of Rs.563.61 Crores. In the light of this specific assertion in the affidavit filed by the

CSERC, we may not be required to ensure a trajectory/ roadmap for liquidation of the regulatory assets/ ending the revenue gap up to 01.04.2024. The fact, however, remains that, since there were regulatory assets/ revenue gap relating to the earlier periods ending up to 31.03.2024 for CSPDCL, an intensive audit may be required to be conducted to ascertain the circumstances in which CSPDCL operated and functioned without recovery of the regulatory assets/ revenue gap.

The CSERC shall, by the next date of hearing, file an affidavit regarding the steps they have taken to commence the intensive audit in this regard, including the name of the auditor and the period within which the said auditor has been called upon to submit their audit report.

3. KERALA STATE ELECTRICITY REGULATORY COMMISSION (KSERC): R-5

The revenue gap as on 01.04.2024 is shown as Rs.6645.30 Crores for KSEBL - the Discom under the jurisdiction of the KSERC. The submission urged by Mr. M. T. George, Learned Counsel for KSERC, is that the Commission intends to approach the Supreme Court seeking modification of the order dated 06.08.2025, whereby a period of four years (up to 31.03.2028) was stipulated to amortize/ liquidate the regulatory assets and end the revenue gap; and they intend to bring to the notice of the Supreme Court that the applicable Rules framed by the Government of India stipulate a maximum period of seven years for amortization. The fact, however, remains that, except for a vague statement that they would be approaching the Supreme Court, there is no material placed on record to show when they would be doing so. Even otherwise, as long as the order of the Supreme Court dated 06.08.2025 continues to remain in force, this Tribunal is obligated to ensure that the said order is complied with.

That the KSERC intends approaching the Supreme Court is no justification for their failure to comply with the directions of the Supreme Court in its order dated 06.08.2025. The KSERC shall, by the next date of hearing, if need be without prejudice to their right to seek modification of the order of the Supreme Court dated 06.08.2025, furnish a roadmap/ trajectory for liquidation of the regulatory assets/ closure of the revenue gap within the period stipulated by the Supreme Court in its order dated 06.08.2025. They shall also furnish details of the steps taken by them to have the intensive audit conducted with regard to the circumstances in which the Kerala State Electricity Board (KSEB) has continued to operate and function without recovery of the regulatory assets/ revenue gap.

It is made clear that failure on the part of the KSERC to file such an affidavit before the next date of hearing would require the Secretary of the said Commission to be physically present before this Tribunal to explain their failure to file an affidavit in terms of our orders, and to comply with the directions of the Supreme Court in its order dated 06.08.2025.

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

While stating that the regulatory assets as on 01.04.2024 is nil for all the 17 Discoms under their Jurisdiction, what the MERC has glossed over is that the revenue gap (as is seen from the Table furnished at page 9 of their affidavit), including carrying cost, exceeds Rs 28,395 Crores up to FY 2023-24 and Rs.41,000 Crores up to FY 2024 -25 for MSEDCL alone. The Table at page 9 of the affidavit, to say the least, is ambiguous. For instance, with respect to Tata Power Company Distribution Limited, while a surplus is shown for FY 2023-24 as also for FY 2024-25, the carrying cost is reflected as Rs.5.94 Crores. As to how Tata Power Company Distribution Ltd has been mulcted with carrying

cost, though it is said to have a revenue surplus, has not been explained. The details furnished in the Table need clarification. What is required to be liquidated is not just the regulatory assets, but the revenue gap also needs to be closed on or before 31.03.2028.

The MERC shall file an affidavit, by the next date of hearing, furnishing details of the revenue gap, as on 01.04.2024, with respect to each of the distribution licensees within its jurisdiction. The Table also refers to other Distribution Companies in Maharashtra which also appear to have a revenue gap. The manner in which such revenue gap shall be ended, for all the Discoms, shall also be furnished.

Yet another fallacy in the submission of MERC is that the cumulative revenue gap would be allowed through revision of tariff during FY 2025-26 to FY 2029-30 without creating any regulatory assets. The judgment of the Supreme Court dated 06.08.2025 requires the entire revenue gap to be recovered on or before 31.03.2028 i.e by the end of FY 2027-28. The submission of MERC that the revenue gap shall be closed by FY 2029-30, with respect to MSEDCL, falls foul of the order of the Supreme Court dated 06.08.2025.

The MERC shall prepare a roadmap/ trajectory, strictly in compliance with the order of the Supreme Court dated 06.08.2025, and furnish details thereof, in the form of an affidavit, before the next date of hearing. Further, in terms of the directions of the Supreme Court in its order dated 06.08.2025, an intensive audit shall be conducted with respect to those Discoms which had regulatory assets/ revenue gap for the period up to 01.04.2024. The affidavit filed on behalf of MERC is silent on these aspects. The MERC shall forthwith take steps to have an intensive audit commenced in compliance with the order of the Supreme Court, and furnish details of the auditor and the period within which the auditor would be called upon to complete the exercise, before the next date of hearing. Needless to state that failure on the part of the MERC

to file the affidavit, as detailed above, would require the Secretary of the MERC to be physically present before this Tribunal on the next date of hearing.

5. BIHAR ELECTRICITY REGULATORY COMMISSION (BERC):
R-7.

The details furnished by the BERC show that, while there is an approved surplus of Rs.733.25 Crore up to FY 2023-24 with respect to North Bihar Power Distribution Company Limited (NBPDC), there is a revenue gap of Rs.3401.10 Crore (up to FY 2023-24) with respect to the South Bihar Power Distribution Company Limited (SBPDCL). This revenue gap for SBPDCL appears to have been brought down to Rs.1873.19 Crore in FY 2025-26. No roadmap for ending the balance revenue gap for SBPDCL has been furnished in the affidavit filed by the Commission. They have also not furnished details of the steps they have taken to commence an intensive audit in terms of the directions of the Supreme Court in its order dated 06.08.2025. A detailed affidavit in this regard shall be filed before the next date of hearing. Needless to state that failure on the part of the BERC, to file the affidavit as detailed above, would require the Secretary of the BERC to be physically present before this Tribunal on the next date of hearing.

6. ODISHA ELECTRICITY REGULATORY COMMISSION (OERC):
R-8

In the affidavit filed by the Odisha Electricity Regulatory Commission, it is stated that there are no regulatory assets for all the four Discoms under their jurisdiction; however, TPSODL Discom has a Revenue Gap of Rs 29.74 Crores for FY 2023-24 and Rs 18.98 Crores for FY 2024-25. What the OERC was required to furnish is a roadmap for ending this revenue gap, which they have failed to do. No details are also forthcoming regarding the action taken by the Commission to

commence an intensive audit of the circumstances in which this Discom is operating without recovery of the revenue gap. The details regarding the roadmap/ trajectory for recovery of this revenue gap, and the steps taken to have an audit commenced including furnishing the name of auditor and the period within which they are required to complete the audit, shall be submitted by the OERC by way of an affidavit before the next date of hearing.

The figures as reflected in the affidavit filed by the Commission appears to be at variance with what is stated in the IA filed by Tata Power Limited to implead themselves as a respondent in this Appeal. With a view to resolve these aspects, we direct OERC to also file their reply, to the said IA filed by Tata Power Ltd, before the next date of hearing.

7. PUNJAB STATE ELECTRICITY REGULATORY COMMISSION (PSERC): R-9

The affidavit filed by PSERC states that they neither have any regulatory assets nor any revenue gap. Consequently, no liquidation plan is required nor is any action required to be taken by them to have an intensive audit commenced.

8. DELHI ELECTRICITY REGULATORY COMMISSION (DERC): R-10

The regulatory assets, for all the discoms within the jurisdiction of the DERC up to 31.03.2021, is said to be Rs.26,885 Crores as per the true up order dated 19.07.2024. The DERC has projected the regulatory assets, as on 31.03.2024 along with carrying cost, as: BRPL: Rs.15,512 Crores, BYPL: Rs.10,338 Crores, and TPDDL: Rs.5,652 Crores. DERC states that, on this provisional sum, carrying cost has been considered at 11.5% for BSES Discoms and 9.3% for TPDDL, subject to truing up. What the DERC has left unsaid is the period within which they would be

passing true up orders for the period FY 21-22, FY 22-23 and FY 23-24 as it is only on such true up orders being passed would the actual regulatory assets, as on 01.04.2024, be known. While the afore-said three Distribution Licensees claim that the revenue gap as on 31.03.2024 is far higher, and that they are also entitled to carrying cost thereon, it is only on a true up order is passed would the actual figures be known. The affidavit filed by DERC is also silent on the trajectory/ roadmap for recovery of these regulatory assets. DERC shall furnish details of the regulatory asset/ revenue gap (though estimated in the absence of True up Orders) as on 01.04.2024, before the next date of hearing.

In so far as the trajectory/ roadmap for recovery of regulatory assets is concerned, Mr. Dhananjay Baijal, Learned Counsel for the DERC, would submit that they have moved an application before the Supreme Court for modification of the order dated 06.08.2025 and to have the period for liquidation of these regulatory assets increased from four to seven years. Admittedly, no order modifying the order dated 06.08.2025 has been passed by the Supreme Court till date. As long as the order dated 06.08.2025 continues to remain in force, we are obligated, in terms of the said order, to ensure its compliance. The DERC shall, by the next date of hearing, file an affidavit furnishing the trajectory/ roadmap for recovery of the Regulatory Assets recorded by them, in their affidavit, of Rs.31,502 Crores as on 31.03.2024 (ie BRPL: Rs.15,512 Crores, BYPL: Rs.10,338 Crores, and TPDDL: Rs.5,652 Crores), along with carrying cost.)

The submitted affidavit is also silent regarding the steps taken by the DERC to commence the intensive audit in terms of the directions of the Supreme Court. The DERC shall, by the next date of hearing, also furnish details regarding the period within which true up orders will be passed for FY 2021-22, FY 2022-23 and FY 2023-24, as also the steps

which they have taken to have an intensive audit commenced including furnishing details of the auditor and the period within which the auditor would be called upon to complete the audit and submit their report. Needless to state that failure to file such an affidavit would require the Secretary of the Commission to be physically present before this Tribunal on the next date of hearing.

9. KARNATAKA ELECTRICITY REGULATORY COMMISSION (KERC): R-11

The affidavit filed by KERC discloses that there are no regulatory assets/ revenue gap. Hence no trajectory/ roadmap for liquidation of regulatory asset/ revenue gap need be furnished by the KERC nor are they required to commence the intensive audit.

10. TAMIL NADU ELECTRICITY REGULATORY COMMISSION (TNERC): R-12

Even as per submissions of the Commission itself, the cumulative revenue gap till 01.04.2024 is around Rs. 83,000 Crores and this excludes carrying cost for FY 2022-23 and FY 2023-24. In terms of the order of the Supreme Court dated 06.08.2025, carrying cost must also be added to the regulatory assets up to 31.03.2024, and liquidated on or before 31.03.2028. No roadmap/ trajectory, for recovery of the aforesaid regulatory assets plus carrying cost, have been detailed in the affidavit by them. The TNERC has also not indicated the steps, if any, taken by them to have an intensive audit commenced in terms of the directions of the Supreme Court.

The TNERC shall, by the next date of hearing, file an affidavit furnishing details of the carrying cost, due on the regulatory assets of around Rs.83,000 Crores, for FY 2022-23 and FY 2023-24, and the roadmap/ trajectory for liquidation of the regulatory assets plus carrying cost. They shall also furnish details of the steps taken by them to have

an intensive audit commenced in terms of the directions of the Supreme Court. Failure on the part of the TNERC to file such an affidavit, before the next date of hearing, would require the Secretary of the Commission to be physically present before this Tribunal on the next date of hearing.

11. HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION (HPERC): R-13, UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION (UPERC): R-14

The Table shows that neither HPERC nor UPERC have any regulatory assets/ revenue gap which require liquidation. Consequently, there is no need for them to furnish a trajectory/ roadmap or to take steps to have an intensive audit carried out in terms of the directions of the Supreme Court.

12. TELANGANA ELECTRICITY REGULATORY COMMISSION: R-15

A vague affidavit is filed by the Telangana Electricity Regulatory Commission. While it is stated that the regulatory assets with respect to the two Distribution Licensees within the jurisdiction of the Commission is nil, they further state that this figure of nil has been arrived at after taking into account the subsidy commitment by the Government of Telangana for FY 2015-16 to FY 2025-26. What is left unsaid is whether the subsidy amount has, in fact, been disbursed by the Government of Telangana and has actually been received by each of these Discoms, for it is only on receipt of the said amount would the Telangana Electricity Regulatory Commission be justified in its claim that there are no regulatory assets requiring liquidation.

The Commission shall, by the next date of hearing, furnish details of the regulatory assets with respect to each distribution Licensee within its jurisdiction as on 01.04.2024, as also details of the subsidy actually disbursed by the Government of Telangana and received by each of the

Discoms year-wise up to 31.03.2024, for it is only on receipt of the subsidy can it be then said that the regulatory assets have been reduced by the subsidy amount so received. The Commission shall furnish details of the steps taken by them to have an intensive audit commenced including the details of the auditor and the period stipulated for completion of audit and for submission of the report. 12

Failure on the part of the Telangana Electricity Regulatory Commission to file such an affidavit, by the next date of hearing, would require the Secretary of the Commission to be physically present before this Tribunal on the next date of hearing.

13. HARYANA ELECTRICITY REGULATORY COMMISSION (HERC): R-16

The affidavit filed by HERC discloses that there are no regulatory assets/ revenue gap, and hence no trajectory/ roadmap for liquidation of regulatory asset/ revenue gap need be furnished nor are steps for commencement of the intensive audit required to be taken by the HERC.

14. GUJARAT ELECTRICITY REGULATORY COMMISSION (GERC): R-17

The GERC has filed an affidavit stating that they have no regulatory assets/ revenue gap; and, consequently, no trajectory/ roadmap for liquidation of regulatory asset/ revenue gap has been furnished nor have the steps taken for commencement of the intensive audit detailed.

It does, however, appear that details of FY 2023-24 have not been furnished. Ms. Suparna Srivastava, Learned Counsel for the Commission, undertakes to have such an affidavit filed by the next date of hearing.

15. WEST BENGAL ELECTRICITY REGULATORY COMMISSION (WBERC): R-18

The regulatory assets for the Discoms, under the jurisdiction of WBERC as on 01.04.2024, is said to be: (a) WBSEDCL: Rs.3934.36 Crores which appears to have come down in FY 2024-25 to Rs.3559.57 Crores. (b) CESE: Rs.415.93 Crores, which is said to have been brought down to nil by 31.03.2025. (c) DVC: Rs.1656.53 Crores which, including carrying cost after liquidation, appears to have come down to Rs.189.49 Crores as on 31.03.2025. (d) IPCL: Rs.37.50 Crores. The regulatory assets of IPCL appears to have increased in the subsequent year ie after 01.04.2024.

The WBERC does not appear, as yet, to have passed a true up order for the period FY 2023-24 for WBSEDCL; for FY 2020-21, FY 2021-22, FY 2022-23 and FY 2023-24 for CESE; for FY 2022-23 and FY 2023-24 for DVC; and for FY 2020-21, FY 2021-22, FY 2022-23 and FY 2023-24 for IPCL. The Commission has also not indicated the steps, if any, taken by them to have an intensive audit commenced in terms of the directions of the Supreme Court.

The WBERC has furnished details of the roadmap/ trajectory for liquidation of these regulatory assets and has stated that the regulatory assets as on 01.04.2024 for WBSEDCL will be liquidated in the next two years equally i.e. in FY 2026-27 and FY 2027-28; the regulatory assets for CESE has already been liquidated; and the regulatory assets of DVC would be liquidated equally in FY 2026-27 and FY 2027-28 and like-wise for IPCL.

The WBERC shall, by the next date of hearing furnish details of the time frame within which they will pass true-up orders up to FY 2023-24 for the four Distribution Licensees within their jurisdiction. They will also furnish details of the steps taken by them to have an intensive audit

commenced, including details of the auditor and the period stipulated for completion of audit and for submission of the report.

Failure on the part of the West Bengal Electricity Regulatory Commission to file such an affidavit, by the next date of hearing, would require the Secretary of the Commission to be physically present before this Tribunal on the next date of hearing.

16. ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION (APERC): R-19

The APERC has filed an affidavit stating that they have no regulatory assets/ revenue gap. Consequently, no trajectory/ roadmap for liquidation of regulatory assets/ revenue gap need be furnished nor for commencement of an intensive audit.

However, they are yet to pass the true up order for FY 2023-24. The Commission shall, by the next date of hearing, file an affidavit as to the period within which they will pass the true up order for FY 2023-24.

17. RAJASTHAN ELECTRICITY REGULATORY COMMISSION (RERC): R-20

The regulatory assets for all the Discoms, falling within the jurisdiction of the RERC, put together is said to be Rs.49,842 Crores as on 01.04.2024 i.e. (a) Jaipur Discom: Rs.20344 Crores, (b) Ajmer Discom: Rs.13081 Crores, and (c) Jodhpur Discom: Rs.16417 Crores. This is said to have come down to Rs.47,114 Crores, inclusive of carrying cost, as on 01.04.2025.

While the affidavit is vague, Mr. Anand Ganesan, Learned Counsel for the RERC, undertakes to have an affidavit filed by the Commission by the next date of hearing furnishing a clear-cut roadmap/ trajectory for liquidation of these regulatory assets in terms of the order of the Supreme Court dated 06.08.2025. Learned Counsel also states that

they will furnish details of the auditor and the period within which the intensive audit as directed by the Supreme Court shall be completed. The RERC shall also furnish details of the time frame within which they will pass true up orders for FY 2023-24 by the next date of hearing.

It is made clear that failure on the part of the RERC to file such an affidavit before the next date of hearing would require the Secretary of the said Commission to be physically present before this Tribunal.

**18. JOINT ELECTRICITY REGULATORY COMMISSION (JERC):
R-21 (FOR THE STATE OF GOA AND UNION TERRITORIES,
ANDAMAN AND NICOBAR ISLANDS, CHANDIGARH, DADRA
AND NAGAR HAVELI, DAMAN AND DIU, LAKSHADWEEP
AND PUDUCHERRY)**

While there appears to be no regulatory assets for Goa, Andaman and Nicobar Islands, Chandigarh, Lakshadweep, Dadra and Nagar Haveli, and Daman and Diu, the revenue gap for Puducherry, as on 31.03.2024, is said to be Rs.522.37 Crores which the Commission has stated would be eliminated by FY 2026-27.

In so far as the JERCs, other than Puducherry, are concerned, there is no need for a trajectory/ roadmap to be furnished, since there are no regulatory assets. Like-wise, there may not be any need for an intensive audit to be caused. However, true up orders for FY 2022-23 and FY 2023-24 are yet to be passed with respect to Chandigarh; for FY 2021-22, FY 2022-23 and FY 2023-24 with respect to Andaman and Nicobar Islands; for FY 2020-21, FY 2021-22 and FY 2022-23 with respect to Lakshadweep; FY 2023-24 with respect to Dadra and Nagar Haveli, and Daman and Diu; and for FY 2023-24 with respect to Goa. The true up order for Puducherry for FY 2023-24 has also not been passed till date.

The JERC shall file a detailed affidavit, by the next date of hearing, regarding the time frame within which true up orders as afore-mentioned shall be passed by them. Further, regarding Puducherry, the JERC shall also inform this Tribunal of the action taken by them to have an intensive audit commenced including the period within which the audit will be completed and the report submitted to the Commission.

**19. ASSAM ELECTRICITY REGULATORY COMMISSION (AERC):
R-22**

The affidavit filed by the AERC discloses that there are no regulatory assets/ revenue gap, and hence no trajectory/ roadmap for liquidation of regulatory asset/ revenue gap need be furnished nor are steps for commencement of the intensive audit required to be taken in so far as AERC is concerned.

**20. NAGALAND ELECTRICITY REGULATORY COMMISSION
(NERC): R-23**

The affidavit filed by them discloses that there are no regulatory assets/ revenue gap, and hence no trajectory/ roadmap for liquidation of regulatory asset/ revenue gap need be furnished nor are steps for commencement of the intensive audit required to be taken in so far as NERC is concerned.

**21. ARUNACHAL PRADESH STATE ELECTRICITY
REGULATORY COMMISSION (APSERC): R-24**

The affidavit filed by them discloses that there are no regulatory assets/ revenue gap, and hence no trajectory/ roadmap for liquidation of regulatory asset/ revenue gap is required to be furnished nor are steps for commencement of the intensive audit required to be taken in so far as APSERC is concerned.

22. JHARKHAND STATEELECTRICITY REGULATORY COMMISSION (JSERC): R-25

We shall deal with the revenue gap of DVC in the subsequent paragraphs. With respect to the other Discoms, the State Commission, in its affidavit, has submitted that, as on 01.04.2024, there is a revenue gap of Rs.4257.98 Crores for Jharkhand Bijli Vitran Nigam Limited (JBVNL); Rs.600.61 Crores for Tata Steel Limited; and there is no Revenue Gap with respect to Tata Steel Utilities and Infrastructure Services Limited (TSUISL) and Steel Authority of India Bokaro (SAIL-Bokaro). The trajectory/ roadmap for liquidation of the regulatory assets, and for ending the revenue gap, has however not been detailed, nor has any information regarding the steps taken by the Commission to commence an intensive audit been stated in the affidavit filed by them.

Ms. Rohini Prasad, Learned Counsel for JSERC, assures us that the Commission shall, by the next date of hearing, file an affidavit giving details of the roadmap/ trajectory for liquidation/ending the revenue gap as stated hereinabove, as also details of the auditor and the period within which the auditor shall be required to submit its report with respect to the intensive audit directed to be caused by the Supreme Court in its order dated 06.08.2025.

While the JSERC claims that the revenue gap, in so far as Damodar Valley Corporation (DVC) is concerned, is Rs.689.97 Crores for FY 2023-24, the submission of Mr. Vikas Singh, Learned Senior Counsel appearing on behalf of DVC, is that this figure represents the revenue gap only for FY 2023-24, and the cumulative revenue gap up to 31.03.2024 exceeds Rs.4380 Crores towards the principal, and around Rs.3000 Crores towards carrying cost. The inter-se dispute between the Commission and the DVC in this regard can be resolved only on calling upon the impleaded Respondent-DVC to file their reply to the affidavit

filed by the JSERC and the JSERC to file its response to the IA filed by DVC.

Mr. Vikas Singh, Learned Senior Counsel appearing on behalf of DVC, undertakes to file reply to the affidavit filed by JSERC within one week, and to file an additional affidavit furnishing the details in a tabular form by 15.09.2025.

Failure on the part of the JSERC to file the afore-mentioned affidavits would require the Secretary of the Commission to be physically present before this Tribunal on the next date of hearing.

23. SIKKIM STATEELECTRICITY REGULATORY COMMISSION (SSERC): R-26

The affidavit filed by the Commission discloses that there are no regulatory assets/ revenue gap, and hence no trajectory/ roadmap for liquidation of the regulatory asset/ revenue gap need be furnished nor are the steps for commencement of the intensive audit required to be stated in so far as SSERC is concerned.

24. MEGHALAYA STATEELECTRICITY REGULATORY COMMISSION (MSERC): R-27

While the revenue gap as on 01.04.2024, is shown as Rs.507.03 Crores, it is also stated that this revenue gap would be adjusted in the ARR for FY 2025-26, and hence no trajectory/ roadmap for liquidation of revenue gap need be furnished. However, in view of the revenue gap of the Discom as on 01.04.2024, MSERC shall file an affidavit of the steps taken by them to have an intensive audit caused in terms of the directions of the Supreme Court.

25. TRIPURA ELECTRICITY REGULATORY COMMISSION (TERC): R-28

The affidavit filed on behalf of TERC is vague and is bereft of the required particulars. The Commission shall file an affidavit giving particulars of the revenue gap as on 01.04.2024, and the roadmap/trajectory to put an end to this revenue gap latest by 31.03.2028, in case there was a revenue gap for the period up to 31.03.2024. They shall also file an affidavit of the steps taken by them to have an intensive audit caused in terms of the directions of the Supreme Court. The TERC shall also inform this Tribunal of the time frame within which the Commission will pass true up orders for FY 2023-24.

Failure on the part of the TERC to file the afore-mentioned affidavit would require the Secretary of the Commission to be physically present before this Tribunal on the next date of hearing.

26. JOINT ELECTRICITY REGULATORY COMMISSION FOR THE UT OF JAMMU AND KASHMIR AND LADAKH: R-29

The Table, placed for our perusal by both the Learned Amicus Curaie, shows that there are no regulatory assets/ revenue gap for Ladakh, and hence no trajectory/ roadmap for liquidation of the regulatory assets/ revenue gap need be furnished nor are steps taken for commencement of the intensive audit required to be stated in so far as Ladakh is concerned.

In so far as Jammu and Kashmir is concerned, while stating that there are no regulatory assets, the affidavit is silent regarding the revenue gap, if any, as on 01.04.2024 and its liquidation plan if applicable. The affidavit is also silent regarding the true up orders, if any, pending to be passed for the period up to FY 2023-24.

The Secretary of the JERC, for Jammu and Kashmir, shall file an affidavit on above issues by the next date of hearing. Failure to do so would require the Secretary to be physically present before this Tribunal on the next date of hearing.

27. MIZORAM ELECTRICITY REGULATORY COMMISSION: R-30

The Table shows that there are no regulatory assets/ revenue gap, and hence no trajectory/ roadmap for its liquidation need be furnished nor are details regarding commencement of the intensive audit required to be provided in so far as MERC is concerned.

28. MANIPUR ELECTRICITY REGULATORY COMMISSION: R-31

No counsel has, as yet, entered appearance on behalf of the Manipur Commission.

As implementation of the directions of the Supreme Court, in its order dated 06.08.2025, does not brook any delay, all the Commissions shall, in terms of the aforesaid directions, file their respective affidavits within two weeks from today.

List the matter on **26.09.2025**.

Seema Gupta
Technical Member (Electricity)

Justice Ramesh Ranganathan
Chairperson

tpd/tc