

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: 30th October, 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

Mr. G. Umapathy, Sr. Adv.
For TPDCL

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

GaichangpouGangmei
Arjun D Singh
YimyangerLongkumer
MaitreyaMahale
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 Kanha
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
Adamya Ojha
Yash Srivastava
Vaibhav Sharma
for Res. 32

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Anupam Varma
Rahul Kinra
Aditya Gupta

Aditya Ajay
Girdhar Gopal Khattar
Isnain Muzamil
Adamya Ojha
Yash Srivastava
Vaibhav Sharma
for Res. 33

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Nihal Bhardwaj
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Mohit Mansharamani
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Manav Bhatia
Drishti Rathi
for Res. 34

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Vedant Choudhary
Tarang Saraogi
Manav Bhatia
Drishti Rathi
for Res. 37

S. Vallinayagam
for Res. 38

ORDER

Pursuant to certain directions issued by this Tribunal on 26.09.2025, the O.P. is listed before us today. We shall examine the extent to which the order of the Supreme Court dated 06.08.2025 has been complied with by each of the Regulatory commissions.

1. DELHI ELECTRICITY REGULATORY COMMISSION (DERS): R-10

The Table, at Page 14 of the order of this Tribunal dated 26.09.2025, records the cumulative Regulatory Assets for all the three private Delhi Discoms as Rs.31,552 Crores.

Mr. Nikhil Nayyar, Learned Senior Counsel appearing on behalf of DERC, would submit that this figures of Rs.31,552 Crores represents the Regulatory Assets in terms of the true-up order for FY 2020-21 along with carrying cost up to 31.03.2024. The true-up order for FY 2021-22 was subsequently passed by the DERC on 25.10.2025. Mr. Amit Kapur, Learned Counsel appearing on behalf of two of the Delhi Discoms, would submit that, in terms of the said true-up order dated 25.10.2025, the Regulatory Assets stand increased by Rs.1573.63 Crores; this true-up order does not provide for any carrying cost on this sum of Rs.1573.63 Crores; and, even if the submission urged on behalf of the DERC were presumed to merit acceptance, carrying cost on this additional Regulatory Asset of Rs.1573.63 Crores should also be provided for the period 2021-22 till 2023-24, to arrive at the cumulative regulatory assets, inclusive of carrying cost, as on 01.04.2024.

Mr. Nikhil Nayyar, Learned Senior Counsel appearing on behalf of the DERC, would submit that, with a view to avoid any ambiguity, they be granted time to file an affidavit furnishing these details to enable this Tribunal to issue clear-cut directions regarding the roadmap for recovery of the regulatory assets.

As implementation of the order of the Supreme Court dated 06.08.2025 does not brook any delay, we direct that the matter be listed on **03.11.2025** by which time the DERC shall file the affidavit furnishing the details aforementioned.

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

Mr. Vikas Singh, Learned Senior Counsel appearing on behalf of Damodar Valley Corporation, would submit that they would file their affidavit during the course of the day; and issues relating to the Jharkhand State Electricity Regulatory Commission may also be taken up on 03.11.2025.

Post on **03.11.2025.**

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

Mr. P. S. Raman, Learned Advocate General appearing on behalf of the Tamil Nadu Electricity Regulatory Commission, would submit that the Commission has received a letter from the Government of Tamil Nadu undertaking to provide funds to ensure liquidation of the Regulatory Assets, with carrying cost of 10%, in three equal annual installments i.e. by the Financial Years ending 31.03.2026, 31.03.2027 and 31.03.2028; and, on such funds being provided by the State Government, the entire Regulatory Assets as on 01.04.2024, along with carrying cost, would be liquidated in its entirety by 31.03.2028.

On our pointing out that State Governments are not amenable to the jurisdiction of this Tribunal, Learned Advocate General would fairly state that the TNERC would file an affidavit, within one week from today, detailing, among others, the contents of the letter of the State Govt, and the action the TNERC would take in case the State Government does not adhere to its letter of undertaking.

Post on **06.11.2025.**

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

In the Order passed by this Tribunal on 26.09.2025, the submission of the RERC that the Regulatory Assets as on 31.03.2024 were for Rs.49842 Crores after a true-up order was passed for FY 2023-24 on 18.09.2025, has been noted. This Tribunal further noted that after adjustment of Rs.4199 Crores from the surplus of FY 2024-25, a likely surplus of Rs.1910 Crores for FY 2025-26 and an expected recovery of Rs.3341 Crores from the proposed regulatory surcharge for FY 2025-26, the net amount of Regulatory Assets as on 31.03.2026 was projected to be Rs.40,392 Crores which would be liquidated in its entirety in the Financial Years 2026-27 and 2027-28.

While a reference is also made by the RERC to the application filed by them before the Supreme Court seeking extension of the period, for liquidation of the regulatory assets as on 01.04.2024 in its entirety, from four to seven years, they also stated that appointment of the auditor is expected to be completed by November, 2025, and the audit itself would be completed by 2026.

Mr. Anand K. Ganesan, Learned Counsel for RERC, would submit that the RERC would be filing an affidavit today wherein they have specifically stated that the auditor would be appointed by November, 2025; and the exercise of audit would be completed within 90 days of the auditor being appointed. Learned Counsel would further state that the tariff order, passed for FY 2025-26 on 03.10.2025, has resulted in a reduction in the Regulatory Assets, projected earlier as Rs.40,392 Crores, by approximately Rs.117 Crores, and that the projected Regulatory Assets as on 31.03.2026 is around Rs.40,214 Crores.

Since an auditor is expected to be appointed by November, 2025, we shall take up the issues relating to RERC during the next hearing scheduled to be held on 04.12.2025.

Post on **04.12.2025**.

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

A vague affidavit has been filed by the KSERC without providing the particulars necessary for effective implementation of the order of the Supreme Court dated 06.09.2025. The said affidavit neither discloses the quantum of the Regulatory Assets inclusive of carrying cost as on 01.04.2024, nor does it contain any details regarding the roadmap for recovery of the said amount. Para 10 of the said affidavit bears the heading Schedule/ Roadmap for liquidating the balance revenue gap, and thereunder a table is furnished which appears to treat the exercise of liquidation of the Regulatory Assets as a tariff determination exercise under Sections 62 and 64 of the Electricity Act, inviting a proposal from KSEBL- the distribution licensee and thereafter inviting objections from the general public.

What the KSERC has failed to note is that the Regulatory Assets as on 01.04.2024, which the Supreme Court has directed liquidation of, represents the revenue gap for the Financial years upto FY 2023-24; and, in terms of the directions of the Supreme Court in its order dated 06.08.2025, is required to be recovered latest by 31.03.2028. What we have been directed, by the order of the Supreme Court dated 06.08.2025, is to monitor the mode and manner in which the afore-said Regulatory assets would be liquidated by the Regulatory Commissions concerned. It is in this respect that the Commissions were required to give a roadmap indicating how they would ensure liquidation, of the entire Regulatory Assets as on 01.04.2025 with carrying cost, latest by 31.03.2028. The order of the Supreme Court dated 06.08.2025 does not require the Commissions to now treat liquidation of the afore-said Regulatory Assets as a tariff determination exercise under Sections 62 and 64 of the Electricity Act.

The KSERC shall, within one week from today, file an affidavit 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. Failure to file the affidavit, as afore-directed, would require the Secretary of the KSERC to be personally present before this Tribunal on the next date of hearing.

Post on **06.11.2025**.

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

Mr. Sahil Chandra, Learned Counsel for the Maharashtra Electricity Regulatory Commission (MERC), requests that the matter be taken up on 03.11.2025. Post on **03.11.2025**.

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

Mr. Rutwik Panda, Learned Counsel for the Odisha Electricity Regulatory Commission, submits that the last date for submission of applications, with respect to selection of the auditor,] in terms of the advertisement issued by the Commission, is 27.11.2025; the Commission expects to appoint an auditor latest by mid-December, 2025; and the audit is expected to be completed latest by 31.03.2026.

With a view to ascertain whether or not an auditor has, in fact, been appointed, let the matters relating to OERC be listed on **18.12.2025**.

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

Mr. Somadri Goud Katam, Learned Counsel for the TGERC, requests one more week's time to enable the State Commission to file an affidavit furnishing details of the roadmap for recovery of the balance

Regulatory Assets of Rs.3386.22 Crores along with carrying cost thereon. Post on **06.11.2025**.

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

Ms. Mandakini Ghosh, Learned Counsel for WBERC, submits that the order of this Tribunal dated 26.09.2025 erroneously records that the true up orders for FY 2022-23 and FY 2023-24 for CESC would be issued by 31.03.2026 when, in fact, the WBERC, in its earlier affidavit filed before this Tribunal, had stated that the said true-up orders would be issued by 31.05.2026. The error, in the order of this Tribunal dated 26.09.2025, shall stand corrected duly noting the submission of WBERC that the true-up orders for CESC, for FY 2022-23 and FY 2023-24, would be issued by 31.05.2026.

Ms. Mandakini Ghosh, Learned Counsel, would further submit that the Letter of Award would be issued to the selected Auditor latest by 30.11.2025; and the tender invited by the Commission requires the Auditor to complete the audit and submit its report within 60 days of acceptance by him of the LOA.

Let the matter be listed in the first week of December, 2025 to enable us to ascertain whether or not an Auditor, in terms of the directions of the Supreme Court in its order dated 06.09.2025, has been appointed. Post on **04.12.2025**.

10. 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)

Mr. Pritam Raman Giriya, Learned Counsel for the JERC for the State of Goa and Union Territories of Andaman and Nicobar Islands, Chandigarh, Dadra and Nagar Haveli, Daman and Diu, Lakshadweep and Puducherry (R-21), requests that the matter be taken up on

06.11.2025 to enable them file an additional affidavit in the meanwhile.
Post on **06.11.2025**.

11. MANIPUR ELECTRICITY REGULATORY COMMISSION: R-31

An affidavit is filed, on behalf of the Manipur Electricity Regulatory Commission, stating that the true-up orders for FY 2024-25 and ARR of 2026-27 would be passed by 31.03.2026. Mr. Yashaswi Kant, Learned Counsel appearing on their behalf, submits that the Commission is not functional as on date; the State Government is in the process of appointing the Chairperson; and, since the appointment process is likely to be completed shortly, they are hopeful that the tariff orders would be passed, as informed to this Tribunal earlier, by 31.03.2026.

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

Ms. Swapna Seshadri, Learned Counsel for the Chhattisgarh State Electricity Regulatory Commission, would draw our attention to the earlier order passed by this Tribunal on 26.09.2025 wherein the Chattisgarh Commission had stated that the LOA for appointment of an Auditor would be issued by 01.11.2025; the Auditor so appointed is required to submit his report within three months; and the true-up exercise, for FY 2024-25, would be completed by 31.03.2026.

Post on **06.11.2025** to enable the Chhattisgarh Commission to inform this Tribunal regarding appointment of the Auditor.

Ajay Talegaonkar
Technical Member (Electricity)

Justice Ramesh Ranganathan
Chairperson

tpd/kns