

MATTER UPDATE

HSA Successfully Represents Tata Power as Supreme Court Upholds CERC's Power to Grant Interim Relief

HSA Advocates successfully represented **Tata Power Company Limited (TPCL)** before the Supreme Court of India, which dismissed the Civil Appeals filed by **Gujarat Urja Vikas Nigam Limited (GUVNL)** and **Punjab State Power Corporation Limited (PSPCL)**. These appeals arose from a judgement of the Appellate Tribunal for Electricity (APTEL), which had affirmed the interim relief granted by the Central Electricity Regulatory Commission (CERC) in favour of TPCL under Section 11 of the Electricity Act, 2003 (the Act).

TPCL is one of India's leading power companies, with a diversified presence across generation, transmission and distribution, and operations across the country. GUVNL and PSPCL are state-owned electricity distribution companies responsible for power procurement and retail supply in their respective states. The dispute arose from directions issued by the Ministry of Power in 2023 under Section 11(1) of the Act, mandating generating stations, including TPCL's Mundra Ultra Mega Power Project, to generate and supply power using imported coal due to an acute shortage in the domestic market. As the notified Energy Charge Rate (ECR) was significantly lower than the actual cost of generation, TPCL approached CERC under Section 11(2) of the Act seeking compensation for the resulting adverse financial impact. Pending final determination, CERC granted interim relief under Section 94(2) by permitting provisional recovery of 50% of the differential ECR. This order was challenged by GUVNL and PSPCL before APTEL and, thereafter, before the Supreme Court.

By its judgement dated 31 October 2025, APTEL upheld CERC's interim relief order, holding that the Commission was empowered to grant provisional relief pending final determination of claims arising from directions issued under Section 11(1) of the Act. APTEL also remanded the matter to CERC for the limited purpose of computation of TPCL's entitlement in terms of the interim order.

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The Supreme Court declined to interfere with APTEL's judgement, affirming CERC's adjudicatory powers under Section 11(2) of the Act and its authority to grant interim relief under Section 94(2), notwithstanding statutory directions issued under Section 11(1). This decision reinforces regulatory autonomy and underscores the role of adjudicatory bodies in resolving statutory disputes, particularly where consumer interests are impacted at scale.

This matter reflects HSA's expertise in complex regulatory litigation in the infrastructure and energy sectors. HSA's team was involved at every stage of the proceedings, including advising, strategizing, drafting pleadings, and contesting the matter before CERC, APTEL and the Supreme Court. The HSA team, led by Ms. **Shubhi Sharma** (Partner), and supported by Mr. **Hemant Sahai** (Founding Partner), along with Ms. **Shambhavi Jha** (Associate), and Ms. **Vandana Ragwani** (Associate), assisted Mr. **P. Chidambaram** (Senior Advocate), Dr. **Abhishek Manu Singhvi** (Senior Advocate) and Mr. **Sanjay Sen** (Senior Advocate). The client was also ably assisted by Co Counsel **SKV Law Offices**, and HSA and SKV Law Offices worked in close tandem in the entire proceedings.