

WEDNESDAY | 31 AUGUST 2022

Case Update



HIGH COURT OF MADHYA PRADESH ISSUES NOTICE TO CENTRAL GOVERNMENT ON ELECTRICITY (LATE PAYMENT SURCHARGE AND RELATED MATTERS) RULES, 2022



The High Court of Madhya Pradesh (“High Court”), on 29.08.2022, has issued notice to the Ministry of Power, Government of India in a writ petition challenging vires of the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 (“LPS Rules”) notified on 03.06.2022.

The Petitioner, i.e., Mytrah Vayu (Som) Pvt. Ltd., has challenged the provisions of the LPS Rules being beyond the scope of the Electricity Act, 2003 (“the Act”) and overriding the terms and conditions of the Power Purchase Agreements executed with the Distribution Licensee, being MP Power Management Company Ltd. The sever disruption of the value chain and adverse impact on recovery of cost for the Generating Companies was highlighted by the Petitioner before the High Court.

The Order passed by the High Court can be accessed [here](#).

The Petitioner was represented by Mr. Ajay Bagadiya (Senior Advocate), Mr. Shri Venkatesh (Managing Partner), Mr. Suhael Buttan (Senior Associate) and Mr. Vineet Kumar (Associate).