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Case Update

APTEL denies Interim Relief to CSPDCL and MPPMCL in Tariff Appeals

DATED: 19/02/2025



In its recent decision, the Appellate Tribunal for Electricity (**APTEL**) has denied interim relief to Chhattisgarh State Power Distribution Company Limited (**CSPDCL**) in APL No. 443 of 2024 and Madhya Pradesh Power Management Company Limited (**MPPMCL**) in APL No. 02 of 2025.

The case pertains to the tariff determination for NTPC's Lara Super Thermal Power Station (1600 MW) for the period 2019-24 by Central Electricity Regulatory Commission (CERC). CSPDCL and MPPMCL had sought a stay on the payment to NTPC as a result of tariff Order passed by CERC. In terms of the tariff Order, CSPDCL and MPPMCL were liable to pay a differential amount of ₹3016.14 Crores and ₹315 Crores to NTPC.

CSPDCL and MPPMCL submitted that the five-year delay in tariff determination has significantly impacted DISCOMs, forcing them to bear an excessive lump sum payment burden. Moreover, the tariff revision is expected to result in an immediate 17% increase, causing financial distress for consumers and potentially triggering public protests and political unrest.

However, APTEL was of the view that CSPDCL and MPPMCL have not demonstrated irreparable injury, as any excess payments made could be refunded if the Appeals succeeded. The Tribunal emphasized that financial loss alone does not constitute irreparable harm, particularly in regulatory matters where mechanisms for recovery exist. Furthermore, since CSPDCL and MPPMCL have already paid five out of six installments, the Tribunal was not convinced that the last payment would result in immediate financial distress or widespread unrest.

On the question of balance of convenience, APTEL ruled that the interests of the power sector and financial discipline weighed against granting relief. The Tribunal noted that NTPC, as a generating company, required stability in tariff determination to ensure continued operations. Additionally, suspending payments would only shift the financial burden rather than resolving the underlying issue.

Regarding public interest, APTEL stated that law and order concerns are beyond CSPDCL's scope and fall under government jurisdiction. It further observed that compliance with the CERC order would prevent additional carrying costs and interest accumulation, benefiting consumers in the long run. Given these factors, the Tribunal concluded that there was no justification for granting interim relief.

The decision upholds NTPC's rightful claim to its dues, ensuring that generating companies receive payments necessary for maintaining operational efficiency and future investments in power infrastructure. It also highlights the critical need for DISCOMs to plan their financial obligations effectively, rather than relying on retrospective reliefs through litigation.

NTPC was represented by Mr. Shri Venkatesh (Managing Partner), Mr. Ashutosh K. Srivastava (Counsel), Mr. Nihal Bhardwaj (Senior Associate) and Mr. Kartikay Trivedi (Associate).

Please click on the following links to access the Orders:

- i. Order dated 19.02.2025 passed in APL No. 443 of 2024 can be accessed [here](#).
- ii. Order dated 19.02.2025 passed in APL No. 02 of 2025 can be accessed [here](#).