

SUPREME COURT OF INDIA

SKV Law Offices Secures Supreme Court Win for Tata Power Trading Company Limited, Upholding APTEL Judgment

SKV Law Offices successfully represented Tata Power Trading Company Limited (TPTCL) before the Hon'ble Supreme Court of India in Civil Appeal No. 12977 of 2026, filed by Power Company of Karnataka Limited and the Karnataka Electricity Supply Companies against TPTCL and other respondents.

The Civil Appeal arose from the Judgment dated 15.07.2026 passed by the Hon'ble Appellate Tribunal for Electricity (APTEL) in Appeal No. 45 of 2018, concerning a dispute relating to the short-supply of 10 MW RTC power sourced from Shantha Projects Limited (SPL) for supply to the Karnataka ESCOMs under the PPA.

Background

TPTCL, a licensed electricity trader, had executed a PPA with the Karnataka ESCOMs for the supply of power from multiple generating sources. Of this, 10 MW was contracted from SPL, and supply from that source fell short during November and December 2013. The shortfall was attributed to grid disturbances and failures, including the repeated tripping of a transformer at the KPTCL sub-station.

In the wake of the short supply, several amounts were sought to be recovered from TPTCL, namely compensation/liquidated damages, Unscheduled Interchange Charges and sums characterised as compensation for "gaming". KERC had also allowed deductions and recoveries to be made from the amounts payable to TPTCL. TPTCL contested these recoveries, first before KERC and thereafter before APTEL.

Proceedings before APTEL

TPTCL contended before APTEL that, being a trading licensee rather than the generator, it could not be made answerable for the generator's failure to supply the contracted

quantum. APTEL agreed with this distinction, noting that where the generator was unable to supply power in line with the scheduled capacity, it was the generator's responsibility to revise the schedule.

APTEL also found that KERC had erred in fastening liability on TPTCL for "gaming". It pointed out that the ESCOMs had neither raised a counterclaim nor sought compensation from TPTCL on account of gaming, and that KERC, by granting such relief, had therefore gone beyond the scope of the pleadings. The matter was thereafter carried to the Hon'ble Supreme Court by the Appellants under Section 125 of the Electricity Act, 2003.

Decision of the Supreme Court

By its order dated 22.09.2026, a Bench of the Hon'ble Supreme Court comprising Justice Pamidighantam Sri Narasimha and Justice Alok Aradhe dismissed the Civil Appeal, holding that APTEL had committed no error of law or fact.

The dismissal of the Civil Appeal preserves the findings of APTEL in favour of TPTCL, including the relief relating to the disputed deductions arising from the short-supply dispute.

Our Team

The matter was led by our Founding Partner, Mr. Shri Venkatesh, assisted by Mr. Jai Dhanani (Counsel), Ms. Surbhi Kapoor (Senior Associate), Mr. Nikunj Bhatnagar (Senior Associate), and Ms. Pragya Narain (Trainee Associate).

FOR FURTHER INFORMATION PLEASE CONTACT

Kanika Chugh

MANAGING PARTNER

Kanika.chugh@skvlawoffices.com