

South Indian Cement Manufacturers' Association

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Statement of Objections

on

Petitions for amendments in TOD tariff for FY 2025-26

filed before

Hon'ble Telangana Electricity Regulatory Commission

by

Southern Power Distribution Company of Telangana Ltd

(IA No. 24 in OP No. 21 of 2025)

&

Northern Power Distribution Company of Telangana Ltd

(IA No. 25 in OP No. 22 of 2025)

as the

Distribution and Retail Supply Licensees

September 2025

Statement Of Objections

Objections to the Proposed Amendments to TOD Tariff for FY 2025–26 by Southern Power Distribution Company of Telangana Ltd and Northern Power Distribution Company of Telangana Ltd before the Hon'ble Telangana Electricity Regulatory Commission

On behalf of the **South Indian Cement Manufacturers' Association (SICMA)**, representing leading cement manufacturers in the states of Telangana, Andhra Pradesh, Tamil Nadu, Karnataka & Kerala, and as stakeholders in the energy sector, we respectfully submit the following objections to the petitions filed by the Telangana DISCOMs (**TGSPDCL** and **TGNPDCL**) seeking amendments to the approved **Time-of-Day (TOD) Tariffs** notified under the Retail Supply Tariff for FY 2025–26.

1. Background

The Hon'ble Commission had duly considered and approved the TOD tariff structure in the **Retail Supply Tariff Order dated 29th April 2025**, after conducting a public consultation process. The approved TOD rates applicable to HT consumers were as follows:

- **+ ₹1.00 per unit** during **peak hours** (6:00 am – 10:00 am and 6:00 pm – 10:00 pm)
- **– ₹1.50 per unit** during **off-peak hours** (10:00 pm – 6:00 am)

However, through a notification dated **14th August 2025**, the DISCOMs have intimated that they have filed petitions before the Hon'ble Commission seeking **amendments to the TOD tariff structure** by **removing the off-peak rebate**, while leaving the peak-hour surcharge unchanged.

2. Statutory Prohibition under Section 62(4) of the Electricity Act, 2003

Section 62(4) of the Electricity Act, 2003 provides:

“No tariff or part of any tariff may ordinarily be amended, more frequently than once in any financial year, except in respect of any changes expressly permitted under the terms of any fuel surcharge formula as may be specified.”

- The tariff for FY 2025–26 was already determined and notified by the Hon'ble Commission in April 2025. The current attempt by the DISCOMs to seek a mid-year change in the tariff structure is therefore **impermissible under Section 62(4)**.
 - TOD tariff is a fundamental component of tariff design and **does not fall under the category of fuel surcharge adjustments**. Hence, any change to it mid-financial-year is clearly beyond the scope of permissible amendments under the law.
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3. Judicial Interpretation

It has been consistently held by Hon'ble Courts and Appellate Authorities that:

- A tariff once approved and notified is meant to remain in force **for the entire financial year** to provide certainty and predictability to both licensees and consumers.
 - The **only exception** permitted under the Act is **fuel surcharge adjustment**, which is a narrowly tailored mechanism.
 - Mid-year revisions of tariff components - including **TOD surcharges or rebates** - have been held to be **ultra vires Section 62(4)** and are therefore liable to be disallowed.
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4. Adverse Impact on Industry

The current TOD tariff structure was designed to promote **demand-side management (DSM)** by incentivising off-peak consumption. Withdrawal of the rebate would:

- **Disincentivise load shifting** to night hours and defeat DSM objectives;
 - Result in **operational and financial disruption** to industries like cement that have already adjusted shift patterns and production planning based on the notified tariff;
 - Lead to **tariff instability**, affecting long-term planning, competitiveness, and investor confidence.
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5. Regulatory Discipline and Stability

The tariff order dated 29.04.2025 was issued after due process and public consultation. Permitting amendments mid-year:

- Would set a **dangerous precedent** of allowing post-notification changes;

- **Erodes regulatory certainty** and transparency;
 - Undermines the sanctity of Commission orders, thereby inviting unnecessary litigation and loss of consumer confidence in the regulatory process.
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6. Prayer

In view of the foregoing, the **South Indian Cement Manufacturers' Association (SICMA)** respectfully prays that the Hon'ble Commission may:

1. **Reject the petition** filed by the DISCOMs in **IA 24 in OP 21 and IA 25 in OP 22**, seeking mid-year amendments to the TOD tariff for FY 2025–26;
 2. **Uphold the sanctity** of the Retail Supply Tariff Order dated **29.04.2025**;
 3. Enforce **strict compliance with Section 62(4)** of the Electricity Act, 2003 and the judicial precedents interpreting the same.
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**For SOUTH INDIAN CEMENT
MANUFACTURERS' ASSOCIATION**


Authorised Signatory
Injeti Gopinath
Chief Executive Officer
OBJECTOR

Date: **3rd September, 2025**

Place: **Hyderabad**