

Jharkhand State Electricity Regulatory Commission



Order on
True-up for FY 2024-25,
Annual Performance Review for FY 2025-26, Approval of
Business Plan and MYT for the Control Period from FY
2026-27 to FY 2030-31 and Tariff Determination for FY
2026-27
for
Jharkhand Bijli Vitran Nigam Limited (JBVNL)

Ranchi,
March 25, 2026



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List of Abbreviations

Abbreviation	Description
A&G	Administrative and General
ACS/ACoS	Average Cost of Supply
APR	Annual Performance Review
APTEL	Appellate Tribunal for Electricity
ARR	Aggregate Revenue Requirement
BG	Bank Guarantee
CC	Consumer Contribution
CGRF	Consumer Grievance Redressal Forum
CSD	Consumer Security Deposit
CWIP	Capital Works in Progress
DVC	Damodar Valley Corporation
FPA	Fuel Purchase Adjustment
FY	Financial Year
GFA	Gross Fixed Assets
GoJ	Government of Jharkhand
HP	Horse Power
HT	High Tension
IAS	Irrigation and Agriculture Services
IEX	Indian Energy Exchange
IFC	Interest & Finance Charge
IoWC	Interest on Working Capital
kW	kilo Watt
kWh	kilo Watt hour
kVA	kilo Volt Ampere
kVAh	kilo Volt-Ampere hour
MD	Maximum Demand
MES	Military and Engineering Services
MOD	Merit Order Despatch

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Abbreviation	Description
MU	Million Units
NTI	Non-Tariff Income
O&M	Operation and Maintenance
PPA	Power Purchase Agreement
R&M	Repair and Maintenance
REC	Renewable Energy Certificates
RoE	Return on Equity
RPO	Renewable Purchase Obligation
RTS	Railway Traction Services
SBI	State Bank of India
SERC	State Electricity Regulatory Commission
SOP	Standard of Performance
SS	Street Light



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BEFORE

Jharkhand State Electricity Regulatory Commission, Ranchi

Case (Tariff) No.: 11 of 2025

In the matter of:

Petition for

True-up for FY 2024-25,
Annual Performance Review for FY 2025-26, Approval of Business Plan
and MYT for the Control Period from FY 2026-27 to FY 2030-31 and
Tariff Determination for FY 2026-27

In the matter:

Jharkhand Bijli Vitran Nigam Limited (JBVNL),
Ranchi..... **Petitioner**

PRESENT

Hon'ble Justice Navneet Kumar
Hon'ble Mahendra Prasad

Chairperson
Member (Law)

Order dated March 25, 2026

Jharkhand Bijli Vitran Nigam Limited (hereinafter referred to as 'JBVNL' or the 'Petitioner') has filed Petition dated December 1, 2025 for approval of True-up for FY 2024-25, Annual Performance Review for FY 2025-26, and Approval of Business Plan and MYT for the Control Period from FY 2026-27 to FY 2030-31 and Tariff Determination for FY 2026-27.



Chapter 1: INTRODUCTION



Chapter 1: INTRODUCTION

Jharkhand State Electricity Regulatory Commission

- 1.1 The Jharkhand State Electricity Regulatory Commission (hereinafter referred to as the “JSERC” or “the Commission”) was established by the Government of Jharkhand under Section 17 of the Electricity Regulatory Commissions Act, 1998 on August 22, 2002. The Commission became operational with effect from April 24, 2003.
- 1.2 The Government of Jharkhand, vide its notification dated August 22, 2002, had defined the functions of JSERC as per Section 22 of the Electricity Regulatory Commissions Act, 1998 to be the following, namely:
- (a) to determine the tariff for electricity, wholesale, bulk, grid or retail, as the case may be, in the manner provided in Section 29;
 - (b) to determine the tariff payable for the use of transmission facilities in the manner provided in Section 29;
 - (c) to regulate power purchase and procurement process of the transmission utilities and distribution utilities including the price at which the power shall be procured from the generating companies, generating stations or from other sources for transmission, sale, distribution and supply in the State;
 - (d) to promote competition, efficiency and economy in the activities of the electricity industry to achieve the objects and purposes of this Act.
- 1.3 After the Electricity Act, 2003 (hereinafter referred to as the “Act”) came into force, the earlier Electricity Regulatory Commissions Act, 1998 got repealed and the functions of SERC’s are now defined under Section 86 of the Act.
- 1.4 In accordance with Section 86 (1) of the Act, the JSERC discharges the following functions:
- (a) determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State;
- Provided that where open access has been permitted to a category of consumers under Section 42, the State Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers;
- (b) regulate electricity purchase and procurement process of



distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;

- (c) facilitate intra-State transmission and wheeling of electricity;
- (d) issue licenses to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
- (e) promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
- (f) adjudicate upon the disputes between the licensees and generating companies; and to refer any dispute for arbitration;
- (g) levy fee for the purpose of this Act;
- (h) specify State Grid Code consistent with the Grid Code specified under Clause (h) of sub-section (1) of Section 79;
- (i) specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
- (j) fix the trading margin in the intra-state trading of electricity, if considered, necessary;
- (k) discharge such other functions as may be assigned to it under this Act.

1.5 The Commission has to also advise the State Government as per sub section 2 of Section 86 of the Act, on all or any of the following matters, namely:

- (a) promotion of competition, efficiency and economy in activities of the electricity industry;
- (b) promotion of investment in electricity industry;
- (c) reorganization and restructuring of electricity industry in the State;
- (d) matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by that Government.



- 1.6 The State Commission ensures transparency while exercising its powers and discharging its functions.
- 1.7 In discharge of its functions, the State Commission is also guided by the Tariff Policy notified by the Government of India under Section 3 of the Act. The objectives of the Tariff Policy are to:
 - (a) ensure availability of electricity to consumers at reasonable and competitive rates;
 - (b) ensure financial viability of the sector and attract investments;
 - (c) promote transparency, consistency and predictability in regulatory approaches across jurisdictions and minimize perceptions of regulatory risks;
 - (d) promote competition, efficiency in operations and improvement in quality of supply.

The Petitioner-Jharkhand Bijli Vitran Nigam Limited

- 1.8 The erstwhile Jharkhand State Electricity Board (JSEB) was constituted on March 10, 2001 under the Electricity (Supply) Act, 1948 as a result of the bifurcation of the erstwhile State of Bihar. Before that, the Bihar State Electricity Board (BSEB) was the predominant entity entrusted with the task of generating, transmitting and supplying power in the State.
- 1.9 The Energy Department, Government of Jharkhand, vide its Letter No. 1/Board-01-Urja-26/13-1745 dated June 28, 2013 unbundled the erstwhile JSEB into following companies:
 - (a) Jharkhand Urja Vikas Nigam Ltd. (JUVNL) being the holding company;
 - (b) Jharkhand Urja Utpadan Nigam Ltd. (JUUNL) undertaking the generation function of the erstwhile JSEB;
 - (c) Jharkhand Bijli Vitran Nigam Ltd. (JBVNL) undertaking the distribution function of the erstwhile JSEB;
 - (d) Jharkhand Urja Sancharan Nigam Ltd. (JUSNL) undertaking the transmission function of the erstwhile JSEB.
- 1.10 Jharkhand Bijli Vitran Nigam Ltd. (herein after to be referred to as “JBVNL” or “the Petitioner”) has been incorporated under Indian Companies Act, 1956 pursuant to decision of Government of Jharkhand to reorganize erstwhile JSEB.
- 1.11 Reorganization of the JSEB has been done by Government of Jharkhand



pursuant to “Part XIII – Reorganization of Board” read with Section 131 of The Electricity Act 2003. The Petitioner is a Company constituted under the provisions of Government of Jharkhand, General Resolution as notified by transfer scheme vide notification no. 8, dated January 6, 2014, and is duly registered with the Registrar of Companies, Ranchi.

- 1.12 Jharkhand Bijli Vitran Nigam Ltd was incorporated on October 23, 2013 with the Registrar of Companies, Jharkhand, Ranchi and obtained Certificate of Commencement of Business on November 28, 2013.
- 1.13 The Petitioner is a Distribution Licensee under the provisions of the Electricity Act, 2003 (EA, 2003) having license to supply electricity in the State of Jharkhand.
- 1.14 The Petitioner is functioning in accordance with the provisions envisaged in the Electricity Act, 2003 and is engaged in the business of Distribution of Electricity to its consumers situated over the entire State of Jharkhand.

The Petitioner’s Prayers

- 1.15 The Petitioner in this Petition has made the following prayers before the Commission:
 - (a) a) To admit and approve the True-up Petition accompanying audited accounts for FY 2024-25, APR for FY 2025-26 and ARR for FY 26-27 to FY 30-31 and tariff Proposal for FY 2026-27 in accordance with the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020 and JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025.
 - (b) To allow us to rectify and consider the values and make further submission if any, subject to outcome of the judgement in the appeals pending in APTEL and review petition in JSERC
 - (c) To allow the Petitioner to add/ change / alter / modify this application at a future date.
 - (d) To allow the Petitioner sufficient time to comply with the directives and submit the data requirement accordingly
 - (e) To condone any inadvertent omissions/ errors/ shortcomings and permit the Petitioners to add/change/ modify/ alter this filing and make further submissions as may be required at a future date;



- (f) To pass such Orders as deemed fit and proper in the facts and circumstances of the case in the interest of justice.



Chapter 2: PROCEDURAL HISTORY



Chapter 2: PROCEDURAL HISTORY

Background

- 2.1 The Commission had performed True-up of JBVNL till FY 2015-16 through various Orders.
- 2.2 The Commission had issued the MYT Order on June 21, 2017 for Approval of Business Plan and ARR for MYT Control Period FY 2016-17 to FY 2020-21 and Retail Supply Tariff for FY 2016-17 under the provisions of The 'Distribution Tariff Regulations, 2015.
- 2.3 The Commission has issued the Tariff Order for JBVNL on February 28, 2019 on True-up for FY 2016-17 & FY 2017-18, Annual Performance Review for FY 2018-19 and ARR & Tariff for FY 2019-20.
- 2.4 The Commission has carried out the True up for FY 2018-19, Annual Performance Review for FY 2019-20, Annual Revenue Requirement and Tariff Determination for FY 2020-21 vide its Order dated October 01, 2020.
- 2.5 The Commission had passed Order on True-up for FY 2019-20, APR for FY 2020-21, Business Plan & MYT for Control Period from FY 2021-22 to FY 2025-26 and Tariff for FY 2021-22.
- 2.6 The Commission had passed Order on True-up for FY 2020-21, APR for FY 2021-22, and ARR for FY 2022-23 vide Order dated February 28, 2024.
- 2.7 The Commission had passed Order on True-up for FY 2021-22, APR for FY 2022-23, ARR for FY 2023-24 vide Order dated February 28, 2024.
- 2.8 The Commission had passed Order on True-up for FY 2022-23, APR for FY 2023-24, ARR for FY 2024-25 vide Order dated September 30, 2024.
- 2.9 The Commission had passed Order on True-up for FY 2023-24, APR for FY 2024-25, ARR for FY 2025-26 vide Order dated April 30, 2025.

Information Gaps in the Petition

- 2.10 The Commission in exercise of Tariff determination process, several deficiencies/information gaps were found in the petition submitted by the Petitioner and the same was communicated to the Petitioner vide letter no. JSERC/Case (Tariff) no.: 11 of 2025/582 dated December 24, 2025.
- 2.11 In response the Petitioner submitted the first data-gap reply vide letter no GM (Comm)/3649/2025/P-1/1 dated January 6, 2026
- 2.12 Furthermore, 2nd set of data-gap was send to the Petitioner vide letter no. JSERC/Case (Tariff) no.: 11 of 2025/699 dated February 12, 2026.



2.13 No response was received from the Petitioner for the second data-gap

2.14 The Commission has scrutinized the petition and the additional data/information furnished by the Petitioner with respect to the discrepancies identified and has considered the same while passing this Order.

Inviting Public Comments/Suggestions

2.15 Based on the available facts and figure, the Commission vide letter no. JSERC/Case (Tariff) No. 11 of 2025/562 dated December 15, 2025 has directed the Petitioner to publish a Public Notice inviting comments/suggestions from public and to make available the copies of the petition to general public.

2.16 Accordingly, Public Notice was published by the Petitioner in the newspapers and a period of twenty-one (21) days was given for submitting the comments/suggestions by the general public:

Table 1: List of newspapers and dates of publication of public notice by Petitioner.

Newspaper	Language	Date of Publication
Dainik Jagran	Hindi	19/12/2025
Prabhat Khabar	Hindi	19/12/2025 and 20/12/2025
Times of India	English	19/12/2025 and 20/12/2025
Hindustan Times	English	19/12/2025 and 20/12/2025
Hindustan	Hindi	19/12/2025

2.17 In order to provide adequate opportunities to all stakeholder and general public, as mandated under 64(3) of the Electricity Act, 2003 and relevant provision of Regulation framed by the Commission and in order to ensure transparency in the process of tariff determination, the Commission has directed to publish a Public Notice in various newspapers to submit their comments/suggestions and also organize a Public Hearing on February 19, 2026, February 21, 2026, February, 26 2026, February 27, 2026, February 28, 2026 at Chaibasa, Daltonganj, Dumka, Dhanbad, Ranchi respectively. The newspapers wherein the Notice was published by the Commission are mentioned below:

Table 2: List of newspapers and dates of publication of Public Notice by the Commission.

Newspaper	Language	Date of Publication
Prabhat Khabar	Hindi	14/2/2025 and 18/2/2025
Dainik Jagran	Hindi	14/2/2025



Newspaper	Language	Date of Publication
Hindustan Dainik	Hindi	18/2/2025
Times of India	English	14/2/2025 and 18/2/2025 and 25/2/2026
Hindustan Times	English	14/2/2025
The Pioneer	English	18/2/2025
Dainik Bhaskar	Hindi	25/2/2026
Santhal Pargana	Hindi	25/2/2026
The Pioneer	English	25/2/2026
Hindustan Dainik	Hindi	26/2/2026
Bihan Bharat	Hindi	26/2/2026
Azad Sipahi	Hindi	26/2/2026
Sanmarg	Hindi	26/2/2026
The Morning India	English	26/2/2026

Submission of Comments/Suggestions and Conduct of Public Hearing

2.18 Objections/Comments/Suggestions on the Petition were received. The Objections/ Comments/Suggestions of the Public, Petitioner's responses and Commission's views thereon are detailed in **Chapter 4** of this Order.



Chapter 3: BRIEF FACTS OF THE PETITION



Chapter 3: BRIEF FACTS OF THE PETITION

3.1 The following chapter summarizes the Petition of True-up for FY 2024-25, Annual Performance Review for FY 2025-26, and Approval of Business Plan and MYT for the Control Period from FY 2026-27 to FY 2030-31 as well as Tariff Determination for FY 2026-27 as filed by the Petitioner for the Commission's approval.

True-up for FY 2024-25:

Energy Sales, Load, Number of Consumer

3.2 The following table below summarizes the actual energy sales, connected Load and number of consumer for FY 2024-25 as submitted by the Petitioner against the sales approved in Tariff Order dated April 30, 2025.

Table 3: Sales (in MUs) as submitted by the Petitioner.

Consumer Category	APR	Petition
Domestic	6,515.96	6,295.82
Commercial/Non Domestic	1,762.92	1,273.16
Public Lighting / SS	101.58	77.25
Irrigation / IAS	136.03	99.30
Industrial LT / LTIS	407.93	367.80
Industrial HT / HTS / S/ EHT	3,026.85	2,931.88
RTS/MES	64.29	60.46
Theft		
Total	12,015.56	11,105.67

Table 4: Connected Load (kVA) as submitted by the Petitioner.

Consumer Category	APR	Petition
Domestic	58,26,496	57,43,817
Commercial/Non Domestic	5,08,035	10,57,907
Public Lighting / SS	13,831	15,462
Irrigation / IAS	67,300	2,08,158
Industrial LT / LTIS	3,83,487	5,74,903
Industrial HT / HTS / S/ EHT	10,43,776	11,76,729
RTS/MES	42,854	57,644
Total	78,85,779	88,34,620

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Table 5: Number of Consumer as submitted by the Petitioner.

Consumer Category	APR	Petition
Domestic	47,35,334	48,10,658
Commercial/Non Domestic	3,02,029	4,21,241
Public Lighting / SS	434	730
Irrigation / IAS	75,592	1,10,613
Industrial LT / LTIS	21,083	20,147
Industrial HT / HTS / S/ EHT	2,412	2,545
RTS/MES	8	9
Total	51,36,892	53,65,944

Annual Revenue Requirement

3.3 The ARR for FY 2024-25 as submitted by the Petitioner vis-a-vis as approved by the Commission in Tariff Order dated April 30, 2025 is tabulated hereunder:

Table 6: ARR (Rs. Crore) as submitted by the Petitioner

Particulars	APR	Petition
Total Power Purchase Expense	6535.33	8726.06
<i>Power Purchase Expense</i>	6976.47	7827.97
<i>Less: Disallowance due to excess Distribution Loss</i>	1381.72	0.00
<i>Inter-state transmission charges</i>	558.56	522.67
<i>Intra-state transmission Charge</i>	382.02	375.42
Operations and Maintenance Expenses	729.23	980.08
<i>Employee Expense</i>	266.03	276.30
<i>Terminal Liability</i>		131.12
<i>Administration & General Expense</i>	120.42	119.95
<i>Repair & Maintenance Expense</i>	342.77	452.70
Depreciation	408.50	450.33
Return on Equity	405.24	445.82
Interest on Long Term Loan	388.86	380.28
Interest on Consumer Security Deposit	25.78	150.89
Interest on Working Capital Loan	0.00	0.00
Bank & Finance Charge		4.46
Total Expenses	8492.94	11137.93

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Particulars	APR	Petition
Less: Non-Tariff Income	511.64	412.68
Add: Provision for Doubtful Debt		
ARR after NTI	7981.30	10725.26
ARR Recoverable	7981.30	10725.26
Revenue from Sales of power at existing tariff	8922.08	7998.29
Gap/(Surplus) at Existing Tariff	(940.78)	2726.96

Annual Performance Review 2025-26:

Energy Sales

3.4 The following table below summarizes the estimated energy sales, connected Load and Number of consumer for FY 2025-26 as submitted by the Petitioner against the sales approved in Tariff Order dated April 30, 2025.

Table 7: Sales (in MUs) as submitted by the Petitioner.

Consumer Category	ARR	Petition
Domestic	6,991.59	6,854.64
Commercial/Non Domestic	2,022.83	1,419.43
Public Lighting / SS	111.74	84.97
Irrigation / IAS	149.63	85.15
Industrial LT / LTIS	416.09	380.68
Industrial HT / HTS / S/ EHT	3,307.68	2,828.62
RTS/MES	64.29	54.41
Total	13,063.85	11,707.90

Table 8: Connected Load (in kVA) as submitted by the Petitioner.

Consumer Category	ARR	Petition
Domestic	61,15,965	78,78,683
Commercial/Non Domestic	12,11,425	16,35,716
Public Lighting / SS	17,008	59,418
Irrigation / IAS	2,28,973	2,76,320
Industrial LT / LTIS	5,86,401	12,36,409
Industrial HT / HTS / S/ EHT	12,89,783	16,43,049
RTS/MES	57,645	50,067



Consumer Category	ARR	Petition
Total	95,07,200	1,27,79,662

Table 9: Number of consumer as submitted by the Petitioner.

Consumer Category	ARR	Petition
Domestic	50,80,569	50,15,471
Commercial/Non Domestic	4,79,881	4,68,836
Public Lighting / SS	803	869
Irrigation / IAS	1,21,675	1,37,295
Industrial LT / LTIS	20,550	30,822
Industrial HT / HTS / S/ EHT	2,798	2,789
RTS/MES	9	9
Total	57,06,285	56,56,091

Annual Revenue Requirement

3.5 The ARR for FY 2025-26 as submitted by the Petitioner vis-a-vis as approved by the Commission in Order dated April 30, 2025 is tabulated hereunder:

Table 10: ARR (Rs. Crore) as submitted by the Petitioner

Particulars	ARR	Petition
Total Power Purchase Expense	7262.20	8921.83
<i>Power Purchase Expense</i>	6555.10	7855.53
<i>Less: Disallowance due to excess Distribution Loss</i>		0.00
<i>Inter-state transmission charges</i>	358.82	543.58
<i>Intra-state transmission Charge</i>	348.28	522.73
Operations and Maintenance Expenses	780.78	1015.66
<i>Employee Expense</i>	281.57	286.48
<i>Terminal Liability</i>	0.00	135.96
<i>Administration & General Expense</i>	127.45	124.37
<i>Repair & Maintenance Expense</i>	371.76	468.84
Depreciation	434.40	492.66
Return on Equity	400.55	488.36
Interest on Long Term Loan	375.06	398.56
Interest on Consumer Security Deposit	25.78	158.44

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Particulars	ARR	Petition
Interest on Working Capital Loan	-21.74	0.00
Bank & Finance Charge		4.46
Total Expenses	9257.03	11479.98
Less: Non-Tariff Income	511.64	68.90
Add: Provision for Doubtful Debt		
ARR after NTI	8745.39	11411.08
Less Penalties		
ARR Recoverable	8745.39	11411.08
Revenue from Sales of power at existing tariff		9200.69
Gap/(Surplus) at Existing Tariff		2210.39

Aggregate Revenue Requirement for FY 2026-27

Energy Sales

3.6 The following table below summarizes the projected energy sales, connected load and number of consumers for FY 2025-26 as submitted by the Petitioner against the sales approved in MYT Order dated May 31, 2023.

Table 11: Sales (in MUs) as submitted by the Petitioner.

Consumer Category	MYT	Petition
Domestic		7,144.88
Commercial/Non Domestic		1,584.52
Public Lighting / SS		93.47
Irrigation / IAS		97.93
Industrial LT / LTIS		437.78
Industrial HT / HTS / S/ EHT		3,026.62
RTS/MES		54.41
EV LT/HT		13.36
Total		12,452.95

Table 12: Connected Load (in kVA) as submitted by the Petitioner.

Consumer Category	MYT	Petition
Domestic		81,95,180.00
Commercial/Non Domestic		18,27,923.00

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Consumer Category	MYT	Petition
Public Lighting / SS		65,359.00
Irrigation / IAS		3,17,768.00
Industrial LT / LTIS		14,21,870.00
Industrial HT / HTS / S/ EHT		17,58,062.00
RTS/MES		50,068.00
EV LT/HT		12,663.00
Total		1,36,48,893.00

Table 13: Number of Consumer as submitted by the Petitioner.

Consumer Category	MYT	Petition
Domestic		51,91,244.00
Commercial/Non Domestic		5,15,201.00
Public Lighting / SS		956.00
Irrigation / IAS		1,57,889.00
Industrial LT / LTIS		35,446.00
Industrial HT / HTS / S/ EHT		2,985.00
RTS/MES		9.00
EV LT/HT		193.00
Total		59,03,923.00

Annual Revenue Requirement

3.7 The ARR for FY 2026-27 as submitted by the Petitioner is tabulated hereunder:

Table 14: ARR (Rs. Crore) as submitted by the Petitioner

Particulars	MYT	Petition
Total Power Purchase Expense		9836.89
<i>Power Purchase Expense</i>		8746.95
<i>Less: Disallowance due to excess Distribution Loss</i>		0.00
<i>Inter-state transmission charges</i>		565.32
<i>Intra-state transmission Charge</i>		524.62
Operations and Maintenance Expenses		1091.13
<i>Employee Expense</i>		297.04
<i>Terminal Liability</i>		140.97

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Particulars	MYT	Petition
<i>Administration & General Expense</i>		128.96
<i>Repair & Maintenance Expense</i>		524.16
Depreciation		563.09
Return on Equity		602.66
Interest on Long Term Loan		471.00
Interest on Consumer Security Deposit		166.36
Interest on Working Capital Loan		1.31
Bank & Finance Charge		4.46
Total Expenses		12736.91
Less: Non-Tariff Income		68.90
Add: Provision for Doubtful Debt		
ARR after NTI		12668.01
Less Penalties		
ARR Recoverable		12668.01
Revenue from Sales of power at existing tariff		9794.76
Gap/(Surplus) at Existing Tariff		2873.25



Chapter 4: PUBLIC CONSULTATION PROCESS



Chapter 4: PUBLIC CONSULTATION PROCESS

- 4.1 Several Stakeholders have responded to the petition. A Public Hearing was held by the Commission on February 19, 2026, February 21, 2026, February, 26 2026, February 27, 2026, February 28, 2026 at Chaibasa, Daltonganj, Dumka, Dhanbad, Ranchi respectively for giving additional opportunity to all the stakeholders to submit their comments/suggestions on the said petition to ensure maximum public participation and transparency. Accordingly, stakeholders voiced their comments and suggestions. The list of the attendees is attached as Chapter 17 of this Order.
- 4.2 The comments and suggestions of the public along with the response of the Petitioner and the views of the Commission are summarized in this Chapter. The issues raised by the stakeholders, which do not hold relevance to True-up, APR, and ARR & Tariff have not been discussed in this Chapter.

A. Objector- Ramgarh Chamber of Commerce and Industries

Stakeholder's Submission

- 4.3 The True-up for FY 2024–25 proposes a net gap of Rs. 2,726.96 Cr., whereas in the APR for FY 2025–26 this gap has been shown as Rs. 2,210.39 Cr. This indicates that instead of acknowledging its inefficiencies and taking corrective measures, the utility intends to continuously recover them from consumers through higher tariffs.

Petitioner Submission

- 4.4 The revenue gap for FY 24-25 and projections for FY 25-26 are based on the existing tariff approved by the Commission. The revenue gap is created due to non-reflective cost of tariff due to which there is a huge gap between Average Billing Rate and Average Cost of Supply.
- 4.5 Year on Year, the cost of power purchase along with cost for other parameters such as administrative expenses, O&M cost have been increasing, however, the same is not being pass through in the tariff, resulting a huge revenue gap for the utility. The accumulated revenue gap needs to be collected from the consumers through tariff revision regularly.

Stakeholder's Submission

Lack of Effective Control and Penalty on Distribution Losses

- 4.6 In the APR for FY 2024-25, due to excessive distribution losses, an amount of ₹1,381.72 crore was disallowed. However, in the new petition filed by JBVNL, a zero (0) penalty has been shown for the same losses.
- 4.7 This clearly indicates that the utility is not making serious efforts to reduce distribution losses and also does not intend to incorporate the



penalty imposed by the Commission into the tariff determination process, which amounts to a serious injustice to consumer interests

Petitioner Submission

- 4.8 JBVNL has filed its petition according to the distribution regulations 2020 and 2025 as specified by the Hon'ble Commission. For FY 24-25, the true up was filed based on the genuine costs incurred by JBVNL after due audit process. Penalty, if any, in the form of disallowance, can imposed by the Hon'ble Commission after due prudence check, however, this is not a norm. And the earlier penalty was being contested by the JBVNL in the APTEL as it is not justified.
- 4.9 JBVNL is making serious efforts to reduce the distribution losses, however, it has its own limitations for which the Hon'ble Commission is being appraised time and again by the JBVNL. Disallowance, is the prerogative of the Hon'ble Commission after due prudence check according to the regulations specified, if any.

Stakeholder's Submission

Abnormal Increase in Operation and Maintenance (O&M) Expenses:

- 4.10 From FY 2024–25 to FY 2025–26, an increase of 285.85 crore (approximately 39%) in O&M expenses has been proposed.
- 4.11 Unrealistic and Excessive Projection Revenue Gap: As of per the data submitted by JBVNL, the cumulative revenue gap from FY 2024–25 to FY 2030–31, including carrying cost, is projected to reach ₹16,543.99 Cr. This gap clearly reflects a serious deficiency in the operational efficiency of the utility, the burden of which is being passed on to the consumers.
- 4.12 During the Multi-Year period from FY 2026–27 to FY 2030-31, O&M expenses are projected to increase from ₹1,091.13 Cr. to 1,394.00 Cr.
- 4.13 No clear justification for such a steep increase (such as significant improvement in service quality or large- scale expansion of infrastructure) has been provided in the petition. This increase in expenditure appears to be unjustified and financially imprudent.
- 4.14 In FY 2024-25, the non-tariff income was Rs. 511.64 crore, which is projected to decline sharply to Rs. 68.90 crore in FY 2025-26 reflective massive reduction of 94%.
- 4.15 The utility should explore alternative measures to enhance non-tariff income (such as leasing of vacant land/buildings, advertisement revenue, service charges, etc.) instead of passing the burden of this shortfall onto the consumers.

Petitioner Submission

- 4.16 There is an increase in O&M expenses due to increase in employee expenses and repair and maintenance expenses. several factors such as



provisioning of terminal benefits add to the cost. For the FY 2024-25, there is an increase in the employee cost due to provisioning of terminal benefits of Rs 131.12Cr in FY24-25. Such increase in the provisions has significantly increased the employee cost for the year FY 24-25. Also, the repair and maintenance expenses has increased as compared to the approved APR because of additional expenses in civil works, IT equipment and line cable networks. Civil and line maintenance works encompass a variety of tasks aimed at ensuring the safety, functionality, and longevity of infrastructure and utility systems. The petitioner has extensively focused on safety of electricity lines based on the feedback received from the fields and consumers.

- 4.17 The revenue gap from FY24-25 to FY30-31 is projected to reach around Rs 16,543.99 Crores based on certain assumptions such as the assumption where there is no increase in tariff (which is most unlikely). The projected figures also include the carrying cost and scenarios where there is an increase in livelihood resulting in power purchase cost and other parameters. However, this may vary depending on the treatment of earlier accumulative revenue gap liquidation by the Hon'ble Commission and efficiency measures such as smart meter adoption and infrastructure strengthening by JBVNL.
- 4.18 For the next control period from FY 26-27 to FY 30-31, JBVNL has assumed K factor of 2.09% as per distribution regulations 2025 and that translates to overall CAGR of around 6%.
- 4.19 Proper justification has been provided in the petition for expansion of infrastructure and service improvement, that is majorly under the RDSS scheme of the Govt of India that targets to reduce the AT&C to benchmark levels. The increase in expenditure is completely justified and is pro customer centric. JBVNL finds no logical explanation in this argument.
- 4.20 The NTI (Non-Tariff Income) is projected to decline significantly as the petitioner has not taken the DPS from consumer into accounts in subsequent years due to non-passing of the interest rates for receivables financing by the Hon'ble Commission in previous years that dents the financial performance of the JBVNL. To avoid such situation, JBVNL has not taken the DPS component into consideration. JBVNL have already explored various alternative measures to enhance non-tariff income (such as leasing of vacant land/buildings, advertisement revenue, service charges, etc.) and is in the process of increasing the revenue from other sources regularly.

Stakeholder's Submission

Disproportionate Burden on Industrial and Commercial Categories:

- 4.21 For Commercial (NDS) consumers, the proposed energy charge has been increased from 6.70/kWh to ₹11.00/kWh, which is an increase of approximately 64%. The fixed charge has also been increased from



₹200/kW / Month to ₹250/kW / Month

- 4.22 For HT Industrial consumers (HTS-I), the fixed charge has been increased from ₹400/KVA/month to ₹500/kVA/month, along with an increase in the energy charge. This will result in a substantial rise in industrial production costs, making it difficult to establish new industries in Jharkhand and potentially pushing existing industries into financial distress.
- 4.23 For the Agriculture (IAS) category, the energy charge has been proposed to be increased from ₹5.30/kWh to ₹9.00-₹10.00/kWh. This will impose severe additional financial burden on farmers, who are already under economic stress.
- 4.24 Domestic category, a significant increase in fixed charges (from ₹75 to ₹125) will make electricity less affordable for poor and middle-class households, thereby affecting access to electricity.
- 4.25 For Street Lighting (SS), the fixed charge has been increased from ₹250/kW/month to ₹400/kW/month. This will increase the expenditure of municipal corporations and local bodies, which will, in turn, adversely affect public services and municipal finances.

Petitioner Submission

- 4.26 The demand for tariff hike (around 59%) is for all consumers of JBVNL due to cumulative revenue gap mounting on the JBVNL and non-passing of cost reflective tariff by the Hon'ble Commission that has adverse impact on operational and financial performance of JBVNL. JBVNL has no alternative but to demand a higher tariff due to pressing scenarios that is arising due to huge difference of its ABR and ACOs. We understand the concerns of chamber, however, as larger stakeholders of the ecosystem, we urge the chamber to understand our situation that ultimately any adverse impact on the utility will reflect back to the consumers at large.
- 4.27 We understand the concerns of chamber regarding the demand for hike in tariff for the agriculture and domestic consumers. However, the effect of the tariff increase will be borne by all sections of the consumers as it will not be just to load the impact to one section of consumers only. The principles of tariff determination were being followed while proposing the tariff hike for all categories of consumers
- 4.28 As explained earlier, the burden if any, in terms of hike in tariff will be passed on to the consumers irrespective of the nature of service or works provided. We do not anticipate any adverse impact of the fixed price hike in the street light category and hopeful that municipal corporations will become more vigilant in judiciously consuming the electricity and wastage will be reduced.

Stakeholder's Submission



Suggestions and Expectations

- 4.29 Stay on Tariff Increase: The heavy tariff hike proposed by JBVNL should be rejected immediately, and only a minimal, fair, and phased increase should be considered.
- 4.30 Strict Compliance with Efficiency Targets: Stringent targets should be set for JBVNL regarding the reduction of distribution losses, increase in collection efficiency, and enhancement of nontariff income. There should be provisions for punitive action if these targets are not met.
- 4.31 Rationalization of Expenses: An intensive audit of O&M (Operations and Maintenance) expenses, employee costs, and other administrative expenses should be conducted. The ARR (Aggregate Revenue Requirement) should be reduced by cutting unnecessary expenditure.
- 4.32 Reconsideration of Industrial Tariff: To promote industrial development in the state, the tariffs fixed charges for HT (High Tension) and LT (Low Tension) industrial categories should be maintained at a competitive level.

Petitioner Submission

- 4.33 JBVNL denies the allegations made by the Chamber and would request the Hon'ble Commission to reject the suggestions regarding the stay on tariff increase.
- 4.34 The targets fixed by the Hon'ble Commission is very stringent such as distribution loss of 13% for JBVNL which was being highlighted by JBVNL time to time. The targets should be real and achievable based on the ground realities of JBVNL and Jharkhand at large
- 4.35 JBVNL has been doing all the expenses in a very rationale manner and cutting unnecessary expenditures internally. JBVNL has been doing all planning and controls for financial prudence of the utility.
- 4.36 As far as tariff is considered, JBVNL has demanded tariff hike for all category of consumers after proper planning and consideration and that is why, it will be not prudent to reduce the industrial tariff.
- 4.37 While we understand the chambers position to protect the interest of consumers, we request the Hon'ble Commission to judiciously look into our matter and pass balanced, just and transparent decision

B. Objector- Jharkhand Small Industry Association

Stakeholder's Submission

Non-availability of Fixed Asset Register

- 4.38 The Objector points out that the Fixed Asset Register of the Petitioner is still not prepared.

Petitioner Submission



4.39 The Petitioner has submitted that it has completed its fixed asset register up to FY 2022-23 and concluded the physical verification of assets and the reconciliation of the same with finance department completed along with the valuation of assets. However, the same is pending for Board of Directors approval. Currently, the plan for conducting additional physical verification of assets upto FY 25-26 is under process which will be concluded shortly.

Stakeholder's Submission

Non-verification of Inventories

4.40 The Objector pointed out regarding the non-verification of Inventories.

Petitioner Submission

4.41 The Petitioner stated in the reply that Inventories in such stores are valued as per the standard method of valuation. All receipts are valued at Landed cost to the stores/sites and all issues/transfer of stock are valued as per the rates arrived in weighted average. The value of closing stocks is also arrived accordingly on weighted average method. Physical verification of stores is also done time to time by the local authorities. The company also have an ERP (MM) module to record the flow of inventory at different stores which under re-operationalisation stage.

Stakeholder's Submission

Doubtful Receivables of Rs. 194301.95 out of Rs. 670451.91 Lakhs

4.42 The Objector pointed out the matter of receivables of Rs. 670451.91 Lakhs out of which Rs. 194301.95 is considered doubtful. Also, Objector stated that the provision of doubtful debt increased by 1% without any basis.

Petitioner Submission

4.43 The Petitioner submitted that Further ₹1,94,301.95 Lakh considered doubtful as at 31.03.2025 has drastically reduced from the last year which was 3,32,031.57 Lakh The current year provision for doubtful debts expense is only 210.22 Lakh (Refer Note -29 of audited accounts) which has reduced from *1170.80 lakh last year. With respect to doubtful debts, the Petitioner submits that hat the company has ongoing cases at various forums related to Revenue for more than 250000 Lakh appx. (Major items disclosed in Refer to Note-2.5 E. 1 & ii). Majority of items are going on for more than 3 years. Such disputed cases are listed under doubtful cases and as per The Ministry of Power notified Electricity Distribution (Accounts and Additional Disclosure) Rules, 2024, JBVNL is required to make provision for Trade Receivable for more than 3 years 75%. The current cumulative provisions are at similar levels in the books. JBVNL is in the process of making more classification as per the requirements of The Ministry of Power notified Electricity Distribution



(Accounts and Disclosure) Rules, 2024.

Stakeholder's Submission

Consumer Security Deposit and interest payout

4.44 The Objector highlighted the matter of Consumer Security Deposit and Interest payout.

Petitioner Submission

4.45 The Petitioner submitted on the consumer security deposit, that it has made taking serious steps in this regard and prepared the data for Consumer Security Deposit. This is evident from the following comparison of last three which is provided in the table below.

Particulars	F.Y. 22-23	F.Y. 23-24	F.Y. 24-25
Amount of Security Deposit with Consumer Details	0	63116.73	93623.50
Total Security Deposit	120577.73	114480.01	147215
% of completeness	0%	55%	64%

4.46 From the above Table, it is clear that JBVNL has made significant progress in preparing the consumer details in the last three years.

4.47 Regular interest on consumer security had been paid to consumers for both LT and HT consumers. The details of the interest on consumer security deposit were submitted to the Hon'ble Commission time to time.

4.48 Thus, to state that the directives of the Hon'ble Commission is not complied is wrong and misleading.

Stakeholder's Submission

AT&C Loss Reduction

4.49 Regarding the AT&C Loss Reduction, the association highlights that the Petitioner is every time mentioned the different measures taken but the end result does not reflect in their performance.

4.50 Any relaxation in the AT & C Loss target would set a wrong precedence. Hon'ble JSERC in different tariff orders have disallowed any relaxation. Tariff Order dated 30.04.2025, Clause 6.102 reads- The Commission is of the view that it had already set targets for the Collection efficiency in Section "Targets for Distribution Losses and Collection Efficiency" of the Distribution Tariff Regulations, 2020 and such the submission of the Petitioner regarding sudden change seems to be out of order".

4.51 The submission of the Petitioner stating expected target of 15% for FY 2030-31 is not achievable. Similar submissions have been made in past



which were never achieved.

Petitioner Submission

- 4.52 The Petitioner submitted that its targets for projected AT&C loss is based out of ground realities, consumer profiling of the state, economic and geographical conditions of the consumers and existing infrastructure and financial health of the state.
- 4.53 The same has been highlighted to the Hon'ble Commission time to time and it has been requested that the aggressive targets set for JBVNL is far from achievable and a realistic target needs to be set for JBVNL based on the constraints highlighted and ground realities. We are hopeful that the projections for AT&C loss as projected in our petition is achievable.

Stakeholder's Submission

Renewable Purchase Obligation

- 4.54 The Objector submits that RPO target for F.Y. 2024-25 fell short due to reason beyond its control. Fact remains JBVNL discouraged investment in Solar Installation by private establishment due to non-implementation of Net Metering billing in spite of repeated directives by Hon'ble JSERC. Therefore, prayer to waive off non-compliance of solar and non-solar targets for 2024-25 does not have any merit.

Petitioner Submission

- 4.55 The Petitioner has submitted that as per the revised targets for FY24-25, it has fully complied with its RPO obligations. The shortfall in the RPO fulfilment for FY24-25 was met through additional REC purchase. The Petitioner has shown considerable progress under the distributed renewable energy purchase targets. With solar roof top installations, the purchase from DRE will increase in years to come. However, Petitioner has highlighted about the stiff targets as set for a state like Jharkhand. The targets for RPO compliance for Jharkhand are in line with the target fixed by Ministry of Power, Gol. However, all other states are fixing targets as per their ground realities and RE penetration in the state. It is requested to Hon'ble state commission to revise the targets taking into economic factors, financial constraints and geo-political factors into consideration. Further, RPO compliance is being pursued through a portfolio approach, including long-term renewable procurement, short-term purchases and RECs, in line with the Regulatory Provisions.
- 4.56 The Petitioner further submitted that it is a misleading statement that JBVNL discouraged investment in Solar installation by private establishments due to non-implementation of Net Metering billing in spite of repeated directives by Hon'ble JSERC. Solar installations with net metering are in full swing in Jharkhand. As on date, billing through net metering has been started for around 3840 consumers in JBVNL.



Stakeholder's Submission

Transmission Loss Claimed

- 4.57 The Objector submitted that the Petitioner has claimed Transmission Loss at 7.99% against approved 2.23%. Distribution loss for 2024-25 is claimed at 28.19% against approved 13%. Target to reduce the Distribution loss to 15% by 2030-31 does not seem practically achievable.
- 4.58 The Collection efficiency projected for 26-27 is 74.40%. Target to reduce to 85% by 2030-31 is not practically achievable. Relaxation in collection efficiency cannot be allowed beyond the targets already set in past.
- 4.59 There is no reason to allow losses beyond the approved parameter.
- 4.60 It has been repeatedly mentioned that high AT & C loss is due to large rural consumers. This submission is not backed by any figures. Details about total no. of rural consumer's category wise, Billing done, Amount billed, Amount collected etc. is required to substantiate the claim. Also Govt. of Jharkhand is providing free electricity to small domestic consumers which should cover majority of rural consumers and should not be reason for high AT&C loss.

Petitioner Submission

- 4.61 It has submitted by the Petitioner that the Transmission loss at 7.99% as claimed by JBVNL is based on data gathered through the meter readings and the same has been provided to the Hon'ble Commission for perusal and information.
- 4.62 The statement that "The Collection efficiency projected for 26-27 is 74.40%. Target to reduce to 85% by 2030-31" is misleading and incorrect. We are not sure from where this data has been picked up by the complainant. The collection efficiency targets for JBVNL are projected at 99% for the next control period from FY 26-27 to FY 30-31. JBVNL has not asked about any relaxation on the collection efficiency.
- 4.63 The statement that high AT&C loss is due to large rural consumers is partially true due to large LT lines that adds to line losses. JBVNL has been electrifying various Tolas under MUJI and PBTG schemes where the cost of electrification per consumer is very high due to far flung and inaccessible areas where population density is very less. Laying down LT lines for such a long distance has high line losses. Unlike other utilities, JBVNL is committed to USO (Universal Service Obligation) and has been trying to electrify the last consumer in the value chain irrespective of cost and losses and thus, the burden increases for JBVNL.

Stakeholder's Submission

Transmission Charges



4.64 The Objector claims that Transmission charges claimed beyond the approved cost should not be allowed.

Petitioner Submission

4.65 It has submitted by the Petitioner that the transmission charges claimed are based on the actual rates for intra state charges for transmission as approved by the Hon'ble Commission and interstate transmission charges as approved by CERC that are fully regulation-compliant, transparent, and subject to Hon'ble Commission approval.

Stakeholder's Submission

Depreciation

4.66 The Objector submitted that in earlier Petition, Fixed Asset Register is expected to be completed and ready by December 2024. Now JBVNL extends to March, 2026. The Objector seek clarity about the present status of Fixed Asset Register.

Petitioner Submission

4.67 It has submitted by the Petitioner that On Fixed Asset Register, JBVNL has completed its fixed asset register up to FY 2022-23 and concluded the physical verification of assets and the reconciliation of the same with finance department completed along with the valuation of assets. However, the same is pending for Board of Directors approval. Currently, the plan for conducting additional physical verification of assets up to FY 25-26 is under process which will be concluded shortly.

4.68 Depreciation claimed in the True-up has been based on asset capitalization details, audited accounts, and regulatory norms, as per directions and regulations as specified by the Hon'ble Commission. No excess or unverified depreciation is being claimed outside the regulatory framework.

Stakeholder's Submission

Interest on Working Capital

4.69 The Objector mentioned that the Submission by the Petitioner "The petitioner faces management of liquid cash due to long outstanding dues from the Government department, Payment default of consumers".

4.70 As per audit report: -

As on 31.03.2025, out of total receivable of Rs. 670,451.91 Rs. 194,301.95 is considered doubtful. Out of doubtful debts as on 31.03.2024, Rs. 137,939,83 has been received/ adjusted under MUKHY Yojana. If this amount is realized the reason for Rs. 194,301.95 considered doubtful is alarming when doubtful debt as on 31.03.2024 was Rs. 332,031.57 lakhs. This has not been



mentioned anywhere in the petition and no reason has been provided. Further age wise receivables have not been provided to audit team. In absence of ageing analysis of trade receivables, expected trade loss and realisability of trade receivable cannot be commented.

Petitioner Submission

4.71 It has submitted by the Petitioner that Rs. 94,301.95 Lakh considered doubtful as at 31.03.2025 has drastically reduced from the last year which was Rs. 3,32,031.57 Lakh. The current year provision for doubtful debts expense is only Rs. 210.22 Lakh (Refer Note -29 of audited accounts) which has reduced from Rs. 1170.80 lakh last year. With respect to doubtful debts, it is submitted that the company has ongoing cases at various forums related to Revenue for more than Rs. 250000 Lakh appx. (Major items disclosed in Refer to Note-2.5 E. I & ii). Majority of items are going on for more than 3 years. Such disputed cases are listed under doubtful cases and as per The Ministry of Power notified Electricity Distribution (Accounts and Additional Disclosure) Rules, 2024, JBVNL is required to provide to make provision for Trade Receivable for more than 3 years 75%. The current cumulative provisions are at similar levels in the books. JBVNL is in the process of making more classification as per the requirements of The Ministry of Power notified Electricity Distribution (Accounts and Additional Disclosure) Rules, 2024. The ageing Analysis is primarily required for provisioning of doubtful debts. The current year provision for doubtful debts expense is only Rs 210.22 Lakh (Refer Note -29) which has reduced from Rs. 1170.80 lakh in the last year. Considering large amount of disputed cases for a long period of time as already explained above, the actual provision claim will be much higher than the current claim on the basis of the guideline under The Ministry of Power notified Electricity Distribution (Accounts and Additional Disclosure) Rules, 2024. The company is in the process of making ageing analysis as well.

Stakeholder's Submission

Annual Performance review (FY 2025-26)

4.72 The Objector highlights that the Abnormal projection of increase in Commercial/ Nondomestic category and LTIS category does not seem achievable.

Petitioner Submission

4.73 The Petitioner has submitted that It is not clear from the query about what the complainant is seeking clarification on. A detailed clarification will be provided after the query is made clear to the JBVNL.

Stakeholder's Submission



AT&C Loss

- 4.74 The Objector highlights that out of 51 Lakhs domestic consumers, currently 34 lakhs domestic consumers are in rural areas. Majority of these consumers are covered under MUKHY Yojana. When the energy bills of these consumers are being paid through MUKHY Yojana, submission of JBVNL that it is not able to earn revenue in line with its expenditure due not seems correct.
- 4.75 AT & C loss for FY 2025-26 is being projected to be around 27.96% whereas it has calculated 27.23% in Energy Balance. JBVNL plans to ensure 100% billing coverage but in its Business plan for MYT period it is set billing target 74.40%

Petitioner Submission

- 4.76 The Petitioner has submitted that the complainant allegations that "Not earning revenue in line with expenditure" is misleading and incorrect as far as only domestic consumers are concerned under MUKHY yojana. This is quite misleading statement. The expenditure of JBVNL has many components, the major expenditure component, being the power procurement cost to provide consumers 24 x 7 quality and reliable power. Revenue earning from subsidy do not alone cover all the expenses of JBVNL that is grappling with a huge accumulated revenue gap due to non-passing of the cost reflective tariff and disallowance of major cost components by the Hon'ble Commission.
- 4.77 There might be some misunderstanding by the complainant regarding the mismatch of AT&C loss for FY25-26. JBVNL would like to clarify that for FY 25-26, AT&C loss is 27.96% where as the distribution loss is projected to be Billing 27.23%.
- 4.78 Billing coverage and billing efficiency are two different concepts. JBVNL sets target and plans for 100% billing coverage, however, the billing efficiency projected for FY 26-27 to be around 74.40% as per prevailing ground scenario of JBVNL.

Stakeholder's Submission

Solar Power Plant

- 4.79 The Objector claims that JREDA has already installed 52 MW of grid connected rooftop solar power plant in Government buildings and 1 MW of rooftop in residential society. No figure of actual generation from this installation is provided in petition. As per objector billing of Solar Installations is not being done. This is discouraging rooftop solar installation in residential buildings.

Petitioner Submission

- 4.80 The Petitioner has submitted that he Complainant may reach out to the JREDA for actual generation figures for grid connected installations. The



generation figures have been calculated as per available data from JREDA based on Hon'ble Commission's regulation JSERC (Renewable Energy Purchase Obligation and its compliance) (Second Amendment) Regulations, 2024 dated 15th March 2024 Note 3 "Provided further that in case the designated consumer is unable to provide generation data against distributed renewable energy installations, the reported capacity shall be transformed into distributed renewable energy generation in terms of energy by a multiplier of 3.5 units per kilowatt per day (kWh/kW/day)". There might be some misinformation regarding billing of solar installations There are around 3840 consumers where billing on net-metering has already been done. JBVNL has taken proactive steps to encourages roof top solar installations in the state.

Stakeholder's Submission

Energy Balance

- 4.81 The Objector highlights that transmission loss has been claimed at 7.99% and distribution loss at 19%. Projected distribution loss for F.Y. 2025-26 is estimated at 27.96%. As per submission (RDSS Scheme) - The scheme aims to reduce the AT & Loss to PAN India level of 12-15% and ACS — ARR gap to zero by 2024-25.
- 4.82 In light of above submission, there is no justification for claiming AT & C loss for FY 2025-26 at 19% which is also beyond the set target of AT&C loss.

Petitioner Submission

- 4.83 The Petitioner has submitted that it understands that RDSS scheme has targets to reduce AT&C loss to PAN India level of 12-15% and ACS — ARR gap to zero by 2024-25. However, a realistic and achievable projection have been provided by JBVNL for Hon'ble Commissions' consideration based on the infrastructure targets and smart metering works and other measured initiated by the Petitioner.

Stakeholder's Submission

Mukhyamantri Ujjwal Jharkhand Yojana

- 4.84 The Objector highlights that since billing of Solar Installations, under Net billing is not being done, the benefits derived from this scheme cannot be authenticated. JBVNL should clarify how canno these consumers are being billed and revenue collected.

Petitioner Submission

- 4.85 The Petitioner has submitted that the understanding of the Complainant may be corrected about the MUJI (Mukhyamantri Ujjwal Jharkhand Yojna) Scheme. The objection is based on a fundamental misunderstanding of the Mukhyamantri Ujjwal Jharkhand Yojana. Jharkhand Government has started a new scheme "Mukhyamantri



Ujjwal Jharkhand Yojna” to cover all un-electrified and partial electrified Tolas in Rural as well as Urban areas. This scheme is primarily an infrastructure development initiative aimed at universal access, not a specific "Net Billing" scheme for solar prosumers. Its objective is to cover 2,817 un-electrified Tolas and 4,980 partially electrified Tolas across rural and urban areas. For solar rooftop specifically, JBVNL is implementing the PM Surya Ghar Project and has already installed 521.98 KW of rooftop solar plants for consumers.

Stakeholder's Submission

Interest on Consumer Security Deposit

- 4.86 The Objector highlights that the Rs. 158.44 Cr has been estimated for Interest on Consumer Security deposit for FY 2025-26. Actual amount paid during the year should only be allowed while calculating Interest and Finance Cost. Consumers where pre-paid meters have been installed have not been paid Interest on Security Deposits where Security deposit has been refunded/ adjusted.

Petitioner Submission

- 4.87 The Petitioner has submitted that it is actively discharging interest liabilities and expanding coverage. The allegation that interest is not being paid is countered by the data submitted on record. JBVNL has demonstrated a clear upward trend in disbursing interest to consumers.
- 4.88 FY 2024-25: The disbursement in the FY 24-25 has been Rs. 51.86 Crores covering 16,34,349 consumers. However, the estimation of interest on consumer security deposit is based on the accumulated security deposit of consumers with an interest rate as per distribution regulations 2020.
- 4.89 The details of the interest paid to the consumers has been submitted to the Hon'ble Commission time to time as per directives. For the postpaid consumers, the interest on security deposit have been adjusted in FY 25-26, However for consumers being converted from post-paid to prepaid in 24-25, their respective interest on security deposit is being calculated and will be adjusted/ passed in the respective bills in FY 25-26.

Stakeholder's Submission

Feeder Metering and Complete metering of DTs

- 4.90 The Objector highlights that the Petitioner has been assuring its compliance since last many years but yet to implement the same. Thus, there seems to be lack of commitment to bring transparency and improve its performance

Petitioner Submission

- 4.91 The Petitioner has submitted that the objection regarding the lack of commitment to Feeder and DT metering is factually incorrect. Feeder



Metering is being executed on priority under the Revamped Distribution Sector Scheme (RDSS). JBVNL has formally opted for the RDSS, where "System Metering" (which includes DT metering) is a core component.

Stakeholder's Submission

Subsidy by Government of Jharkhand

4.92 **The Objector** highlights that the Government of Jharkhand has decided to pass on the benefit of free Electricity to some extent to the Domestic Consumers of JBVNL through Resolution dated 27.07.2022. JBVNL has not provided any details related to the same. The details required are

- (a) Total Domestic Consumers.
- (b) Total Domestic Consumers billed.
- (c) Jharkhand. Consumers eligible for Subsidy by Govt.
- (d) Amount of subsidy Claimed from Govt. Jharkhand
- (e) Amount received from Govt. of Jharkhand towards subsidy
- (f) Amount pending with Govt. of Jharkhand towards subsidy.

4.93 Above information is being sought to bring clarity on the tariff proposal. The Government of Jharkhand Claims that out of 52 lakhs domestic consumers 38.41 lakh consumers (75% approx.) are getting benefitted from the subsidy scheme. A detailed clarity on the subsidy scheme with data should be furnished.

Petitioner Submission

4.94 The Petitioner has submitted that as per Standard Operating Procedure, quarterly utilisation report of the subsidy bills is submitted to the energy department and finance department of Government of Jharkhand, PFC and the Hon'ble Commission of For Jharkhand. FY 24-25, JBVNL has demanded Rs 3728.25 Cr from the Government of Jharkhand, however, GoJ has released an amount of Rs 3727.39 Cr against the demand. Rs 3531.90Cr has been utilised by JBVNL in FY 24-25 with an excess subsidy balance of Rs 195.49 Cr.

Stakeholder's Submission

Tariff Proposal & Tariff Schedule for FY 2026-27

4.95 **The Objector** highlights that the tariff increase proposed by the Petitioner does not have any merit. Improvement in T & D loss, billing and collection efficiency can set off the losses which is repeatedly ignored.



Petitioner Submission

- 4.96 The Petitioner has submitted that it has proposed increase in tariff to recover the 1/3rd of the cumulative approved revenue gap as on FY24-25 (as per Supreme court order 2025 INSC 937, judgment dated August 6, 2025) and to cover the projected revenue gap created for FY 26-27.
- 4.97 The Petitioner has submitted that it has been consistently undertaking measures to improve T&D loss, billing efficiency, and collection efficiency, including network strengthening, feeder segregation, metering at various voltage levels, energy accounting, and enhanced revenue monitoring.

Stakeholder's Submission

Domestic Service

- 4.98 The Objector highlights that the Proposed change in fixed charge from per connection basis to per Kw basis is not logical. It would lead to inspector raj and harassment to citizens under the guise of load verification. Many other changes in terms of supply are proposed which is not justified. Separate billing tariff is proposed for consumer with smart meter and conventional meter. This discrimination by creating class within class, in our opinion is not valid.
- 4.99 Existing clause " This rate is also applicable for all consumers with contracted demand of up to 5 Kw mixed, commercial, industrial, educational institutions, drinking water schemes or for any other purpose" has been removed from the proposed tariff proposal. Removal of this shall cause undue stress on consumers.

Petitioner Submission

- 4.100 The Petitioner has submitted that the proposal to levy fixed charges on per kW basis is aimed at achieving cost reflectivity, as consumers with higher connected load place a greater demand on the distribution infrastructure. This will also help in proper planning for JBVNL and instilling discipline to the domestic consumers on assessing its demand and contract accordingly.
- 4.101 The concern regarding "inspector raj" is not based on any data and completely misplaced. This is misleading statement from the complainant. There won't be any load verification. The fixed charge will be calculated based on the sanctioned load of the consumers as per the agreement and will not be based on any inspection. The concern is completely unfounded and uncalled for and is aimed at instilling fear in the minds of unnecessarily. consumers There is no separate tariff proposed by JBVNL for smart meter and conventional meter. This is highly misleading by the complainant. There are no discrimination and no intent for creating class within class. This statement is highly condemnable and should be discarded completely. In doing this, the complainant is creating animosity between the consumers and JBVNL.



4.102 Removal of Existing Clause Applicable up to 5 kW for Mixed/Other Uses: The proposed modification is intended to streamline consumer categorization and avoid cross-subsidization ambiguities. The proposal does not impose undue burden but seeks to enhance clarity, fairness, and regulatory consistency. The consumers under the commercial, industrial, educational institutions, drinking water or for any other purposes should be treated according to their defined categories under tariff fixed by the Hon'ble Commission.

Stakeholder's Submission

Non domestic/Commercial Service

4.103 The Objector highlights that the proposed fixed charge should be applicable in KVA and not KW as proposed since Demand based tariff is being proposed. New category proposed commercial services HT should not be allowed. Proposed change in contract demand from 50% to 75% should not be allowed. It is proposed that Any Construction activity should come under Commercial Category. Construction of Individual / Personal housing is not a commercial activity and therefore should not come under Commercial Category. Separate CS-HT Category has no merit when it already covered under HT Category. is Separate billing tariff is proposed for consumer with smart meter and conventional meter. This discrimination by creating class within class, in our opinion is not valid..

Petitioner Submission

4.104 The Petitioner has submitted that he proposal to levy fixed charges on a kW basis has been made considering the existing metering infrastructure and billing framework, where consumers under this category are billed on kW demand. However, we welcome the suggestion made by the chamber that will enhance clarity. JSERC is requested to consider the proposal of billing Maximum Demand in KVA and units in KVAH. The proposed Commercial Services (HT) category is intended to improve tariff rationalization and transparency by segregating large commercial loads from industrial consumers, whose load profile and cost-to-serve characteristics differ materially, effectively benefitting industrial consumers. Such classification enables more accurate cost allocation and does not result in arbitrary or excessive tariff burden. There is clear distinction between industrial and commercial consumers as their profiles are very different. The Govt of India treats them differently as their tax stature is different. The distinct nature of these consumers demands separate billing. High value commercial consumers like commercial complexes, malls, shopping centres, banquet halls, clubs, gyms, multiplexes should be categorised under Commercial HT consumers. These are generally service sectors and they cater to high income group customers.

4.105 The increase in minimum billing demand is proposed to ensure efficient



utilization of network capacity and recovery of fixed costs incurred to maintain infrastructure readiness. Consumers contract demand based on anticipated load, and higher minimum billing discourages over-contract while promoting realistic demand declaration. Not all construction activity comes under commercial category, this is only specific to consumers like apartments for sale, commercial establishments, buildings for commercial purpose etc. construction of Individual or personal housing do not come under commercial tariff and there is no such proposal from JBVNL.

- 4.106 It is misleading to state that separate billing tariff is proposed for consumers with smart meter and conventional meter. There is no such tariff proposal. The statement is highly commendable.

Stakeholder's Submission

Streetlight Services

- 4.107 Unmetered supply should not be allowed. Exact figure of unmetered connection should be disclosed. Further it should be examined how unmetered connections are being billed and revenue collected presently without tariff provision.

Petitioner Submission

- 4.108 There is no billing for any unmetered street light connections for JBVNL. However, we have proposed to consider the difficulties being faced by JBVNL while metering some of them and allow us billing on average billing principles.

Stakeholder's Submission

Industrial Services

- 4.109 It is accepted that revenue share of Industrial consumers is decreasing although Industrial Consumers are more disciplined and have better compliance. These consumers should be incentivized and encouraged for increase in revenue share. The proposed tariff increase will further discourage industrial consumers and incentivize to migrate to another Licensee wherever feasible.

Petitioner Submission

- 4.110 JBVNL has been taking several steps to increase the revenue share from the industrial consumers. Proposed tariff increase is due to increase in accumulated revenue gap over the last many years and non-passing of the same in tariff regularly.

Stakeholder's Submission

Low Tension Industrial Services

- 4.111 JBVNL has been repeatedly trying to reintroduce Inspector raj in the guise of load verification. Hon'ble JSERC has not permitted such



attempts in past but again similar proposal is being brought for consideration. Deliberately Load has been proposed instead of Contract Load.

- 4.112 Billing demand is proposed to increase from existing 50% to 75%. This has no merit. Small LTIS activities normally operates for 8 hours during the day only.
- 4.113 JBVNL has failed to implement reduction in fixed charge for non-supply of minimum hours of supply in spite of repeated direction and tariff order provisions. This provision has been intentionally omitted in their tariff proposal. This provision pressurizes JBVNL to ensure better power supply to the consumers and minimize unreasoned power cuts

Petitioner Submission

- 4.114 This is highly misleading and there is no such proposal to reintroduce inspector raj system for LTIS consumers.
- 4.115 The proposed revision of minimum billing demand is intended to ensure optimal utilization of infrastructure capacity created to serve LTIS consumers. While it is acknowledged that many LTIS units operate for limited hours, the distribution system is required to remain available throughout the day.
- 4.116 The proposal seeks to balance consumer usage patterns with recovery of fixed network costs and is subject to regulatory approval. The benefits of the reduction in fixed charges for non-supply of minimum hours are being provided to HT consumers. For LT consumers, the SAIDI figures (as per available feeder readings) are well under the benchmark fixed by the Hon'ble regulator

Stakeholder's Submission

Solar Net Metering

- 4.117 JBVNL has failed to introduce billing under solar net metering. Repeated assurance and commitments have not yielded the desired results discouraging investment in solar installation. Further proposed reduction in solar metering tariff should not be allowed as the same will discourage investments in solar installations.
- 4.118 This source of energy is the lowest cost of power for JBVNL, therefore Solar generation should be encouraged. Any reduction tariff will discourage solar generation. Also, JBVNL is not able to achieve its RPO obligation

Petitioner Submission

- 4.119 The statement that "JBVNL failed to introduce billing under solar net metering" is incorrect. The eligible consumers are already billed based on the net metering. In fact, JBVNL has assisted its consumers to adopt PM



Surya Ghar and install solar installations on the house roof top.

- 4.120 The tariff for solar net metering is proposed similar to the average power procurement cost for solar power by the utility (Rs 2.60 per unit). India's average solar power purchase cost (PPA tariff) for utility-scale projects has fallen sharply to 2.4-2.9/kWh nationally as of early 2026. Moreover, the consumers are already getting the benefits of the various subsidies under PM Surya ghar of the government.
- 4.121 So, to say that reduction in solar net metering will discourage the solar installations in the state is not correct. Also, any additional burden due to higher power purchase from these prosumers will affect the overall cost of the utility and will be a burden to all other consumers. Further, by providing an open hand to these consumers, the utility is bound to take the power generated from these consumers at a time when it is power surplus and the market rate is low. Hence, the tariff is proposed in such that it would be win-win situation for both the utility and the consumers.

Stakeholder's Submission

Public Charging Stations

- 4.122 Separate tariff has been proposed for Public Charging Stations (PCS). In our opinion, ideally, simple tariff structure would be convenient to understand and implement. New category will complicate the Tariff proposal. In such case a separate connection will be required for office and premise lighting

Petitioner Submission

- 4.123 The proposal to introduce a separate tariff category for Public Charging Stations (PCS) is aligned with national EV policy objectives and regulatory guidance aimed at promoting electric mobility while ensuring transparency in tariff determination.
- 4.124 Public Charging Stations have a distinct load profile, characterized by high demand, intermittency, and peak-time usage, which is materially different from conventional commercial or industrial loads. A separate tariff category therefore enables accurate cost-to-serve assessment, avoids cross subsidization, and ensures equitable treatment of other consumer categories.
- 4.125 Further, the proposed PCS tariff is designed to be simple, transparent, and facilitative, keeping in view the emerging nature of EV infrastructure and the need to encourage investment while maintaining grid stability.
- 4.126 Accordingly, the introduction of a separate PCS tariff category is justified, future-ready, and in consumer as well as system interest, and does not unnecessarily complicate the tariff structure.

Stakeholder's Submission



Schedule of Charges

4.127 Steep hike has been proposed in the schedule of charges and transformer rent. The present schedule of charges is reasonable and further increase should not be allowed without proper justification.

Petitioner Submission

4.128 The proposed revision in the schedule of charges and transformer rent has been formulated after a detailed assessment of actual costs, inflationary trends and increased expenditure on material, manpower, logistics and maintenance. There has not been any revision in schedule of charges for JBVNL for last no many years

4.129 Accordingly, the proposed revision is justified and necessary to ensure financial sustainability and efficient service delivery, without imposing undue burden on consumers

Stakeholder's Submission

Terms and Conditions of Supply

4.130 There should be uniform Terms and conditions of Supply for all DISCOMs in the state. Many changes have been proposed in the tariff petition. The terms and conditions of supply should be in line with the relevant provision of JSERC (Electricity Supply Code) Regulation 2015 and JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulation 2025 as amended from time to time. Changes proposed in penalty for exceeding Billing/Contract demand, delayed payment surcharge, Prompt Payment Rebate, Load Factor Rebate etc. should not be allowed which are in the benefit of consumers.

Petitioner Submission

4.131 It is submitted that the terms and conditions proposed by JBVNL are full aligned with the provisions of the JSERC (Electricity Supply Code) Regulations, 2015 and the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025, as amended from time to time. No provision contrary to the regulatory framework has been proposed. With respect to penalty for exceeding billing/contract demand, Delayed Payment Surcharge (DPS), Prompt Payment Rebate (PPR), Load Factor Rebate, and similar provisions, the proposed revisions are aimed at achieving regulatory consistency, financial discipline, and equitable treatment of consumers. These provisions are designed to balance consumer incentives with the need to discourage behavior that adversely impacts grid stability or revenue realization.

Stakeholder's Submission

ToD Tariff

4.132 Solar Hours proposed 10.00 AM to 6.00 PM is not correct. It should be



8.00 AM to 6.00 PM.

4.133 Accordingly, TOD tariff should be as under: -

(a) not Solar Hours-8 AM to 6 PM---75% of normal rate.

(b) Normal Hours-9 PM to 6 PM----100% of normal rate.

(c) Peak Hours-6 AM to 8 AM & 6 PM to 9 PM ---- 120% of normal rate

Petitioner Submission

4.134 The ToD timings are as per order issued by the Commission and in alignment with Ministry of Power, Govt. of India

Stakeholder's Submission

Rebate for Prepaid Metering

4.135 Prepaid Smart meter- Consumer should have access to the monthly billing and periodical checks and the same should be incorporated in the regulation for prepaid smart meter.

4.136 Security Deposit along with Interest on Security Deposit to be adjusted/refunded. It is reported that where Security Deposit has been adjusted, Interest on CSD has not been paid/adjusted. JBVNL to confirm adjustment/refund of consumer security deposit with interest for prepaid connections.

Petitioner Submission

4.137 JBVNL recognizes the importance of transparency in the implementation of prepaid smart metering. Prepaid metering systems are designed to provide consumers with real-time access to consumption data, balance status, and transaction history through mobile applications, web portals, and meter displays. Monthly billing information and periodic usage statements are integral features of the prepaid ecosystem and are being progressive standardized in line with regulatory and technological frameworks.

4.138 The details of the interest paid to the consumers has been submitted to the Hon'ble Commission time to time as per directives. For the consumers being converted from post-paid to prepaid in this year, their respective interest on security deposit is being calculated and will be adjusted/ passed in the respective bills in next financial year based on bulk calculation of consumers on yearly basis.

Stakeholder's Submission

Fixed cost calculation on per day basis in billing

4.139 This concept needs detailed discussion from better understanding

Petitioner Submission

4.140 This has been the norms for most of the states where smart prepaid are



functioning. This has been introduced to make the billing process simple and easy to understand for the consumers. All the billing logic was developed and accessed by the department for accuracy and authenticity. As JBVNL is now shifting rapidly towards smart prepaid metering, this provision of deduction of fixed cost makes sense. The logic for billing is developed in a way that the variable charge as well as the fixed charge is deducted from the meter on daily basis. The same logic is also introduced for the post-paid metering system where in the calculation is done on the daily basis but charged to the billing as per the days in the billing cycle. As it is difficult to have two different logics in the system for two different metering systems, we have taken a stand on standardising the system by a single logic in the software. Also, having two different logics would create frequent operational constraints with different datasets to manage. Hence, for postpaid consumers, the same logic is being applied.

- 4.141 Taking a futuristic approach, assuming that we have been migrating to the smart prepaid metering systems, we have developed a logic for calculating fixed cost per day basis and provides the bills accordingly. It is pertinent to mention that average billing cycle varies from 22 days to 35 days. Hence, the fixed cost calculation is done accordingly on pro rata basis. The said calculation is more accurate and authenticated and it does not have any adverse impact on consumers.
- 4.142 The appearance of a higher fixed cost in billing is due to the billing cycle that exceeds the stipulated 30 days as the pro rata cost is charged to them. On the other hand, they are getting less fixed cost for the billing cycle that are less than 30 days. We would like to reiterate that the calculation of FC per day basis would not change anything in the cost to be levied to the consumer.

Stakeholder's Submission

Provision intentionally omitted in the Tariff Proposal.

- 4.143 The following provisions has been intentionally omitted in tariff proposal which are for consumer protection.
- (a) Reduction in fixed charges for non-supply hours. Reduction in fixed charges was transparently introduced in Tariff Order 2020-21. JBVNL has tried to silently bypass the same in its tariff proposal. The present provision, pressurises JBVNL to ensure supply hours to consumers thereby increase its own efficiency. This provision should continue in the good health of JBVNL and ensures better power supply to consumers. Also, JBVNL has not allowed its benefits to LT Consumers in spite of directive in the Tariff Order 2020-21. It should be implemented w.e.f. 01.10.2020.



- (b) Rebate for delayed billing. This should continue in line with tariff order dt. 30.04.2025. This pressurizes JBVNL to raise timely bill to consumers.
- (c) Access to current meter reading. It's the right of the consumer to have access to the current meter reading. JBVNL does not allow access to the current meter reading for HT/HTSS consumers. This is against natural justice and consumer right as it leads to depriving the consumer to even verify the correctness of the bills. All other licensee in the state provides access to the current meter reading.
- (d) Online process for new consumers - Online process for new connections provision has been introduced for online application for applying for new connections. The Stakeholder submitted that impractical and complicated procedures, compels the applicant to approach middleman and pay hefty cost for availing new connections. Conditions for unwanted documents and procedures have in fact made the online process difficult in the name of simplification
- (e) Additional levy of 3% for small H.T. Consumers = There is no such provision in the tariff order to levy additional 3% charges. In spite of protest by consumers. JBVNL continues to charge the same in violation of tariff orders.

Petitioner Submission

- 4.144 There are no provisions that is intentionally omitted in the MYT petition. Certain provisions that have already been passed by the Hon'ble Commission is mandatory and is adhered to by the utility and there is no need to repeat that for the sake of brevity.
- 4.145 JBVNL is obliged to follow the Hon'ble Commission's orders regarding any provisions that have been highlighted by the complainant.
- 4.146 As far as "Access to current meter reading" is concerned, it is incorrect to say that "JBVNL does not allow access to the current meter reading for HT/HTSS consumers". This is done to address any security concerns. The consumer can request for a joint meter reading, if required.
- 4.147 For online process for new consumers, the process is simple, in case of any issues, the consumers can approach JBVNL officers.



4.148 To compensate for the transformer loss and LT side loss, JBVNL charges 3% additional levy to these consumers for LT side metering.

C. Objector- Sai Limited Group

Stakeholder's Submission

Jharkhand versus Other States: Power Purchase Cost

4.149 The rate of the Jharkhand Electricity Board is much higher compared to DVC (Damodar Valley Corporation). Since the rates are already high, the proposal for a further increase in rates is not appropriate.

State	Average Power Purchase Cost
Jharkhand	₹5.50 – ₹6.00
Bihar	₹4.80 – ₹5.20
Odisha	₹4.50 – ₹4.90
Chhattisgarh	₹4.00 – ₹4.50
Uttar Pradesh	₹4.90 – ₹5.30
Gujarat	₹3.80 – ₹4.20
Delhi	₹4.50 – ₹4.90
Himachal Pradesh	₹3.50 – ₹4.00

4.150 Despite Jharkhand being an energy-producing state, its Power Purchase Cost appears higher than that of neighbouring states.

4.151 This indicates that expensive PPAs (Power Purchase Agreements) and an improper power procurement strategy are being passed through into the ARR (Aggregate Revenue Requirement)

Petitioner Submission

4.152 The rate of JBVNL should not have been compared with DVC as this will be an unfair comparison based on the consumer profiling of these utilities, nature of operations, power procurement strategies etc. DVC is supplying power primarily to HT/Industrial consumers while JBVNL supplies power to all consumers, majorly LT consumers. DVC is an integrated utility and buys majority of its power from its own generating stations. Without any segregation of assets, it is difficult to find the cost structure associated with distribution assets. So, the comparison is not a rightful comparison and should be discarded.

4.153 The data provided by the complainant is factually wrong and it seems that the data is collated from some sources that do not provide the actual scenario. The averaging out of power purchase cost might put a different scenario while comparing that may be far from reality. It does not reflect



the clear picture of the power purchase scenario and the FY to which the data represents. Power purchase rate is specific to any utility and can not be specific to any state as there are more than 1 utility in a state.

- 4.154 However, for responding to the objector, the Average Power Purchase Cost for the respective states can be mentioned in tabular form below. This shows that the claim of the objector is factually wrong.

State	Average Power Purchase (Rs/kWh)
Jharkhand	4.88
Bihar	5.40
Chhattisgarh	6.14
Uttar Pradesh	4.65
Gujarat	5.37
Delhi	5.99
Himachal Pradesh	4.09

- 4.155 Also, it is unfair to compare the power purchase cost of other states to Jharkhand as each states have their own power portfolio depending on their requirement, demand assessment, power availability and mix of power generation etc. While JBVNL's APPC (Average Power purchase Cost) of ₹4.88/kWh for FY 2023-24 true-up is relatively moderate and competitive in comparative to other states.
- 4.156 JBVNL largely draws its power from NTPC and DVC. The cost of power from NTPC is determined by CERC, while with DVC, it is having bilateral PPA. For other generators like IPPs, JBVNL has bilateral PPAs whose tariff is approved by the Hon'ble Commission. Apart from this, JBVNL buys some of power from RE generating stations. And in emergency, it has to buy short term power from exchanges.
- 4.157 Jharkhand's generation portfolio is largely tied to long-term PPAs executed in earlier years under prevailing national policy frameworks. Consequently, the automatic pass through of fuel price purchase adjustment increase the power purchase cost for JBVNL. To generalise this and saying that expensive PPAs (Power Purchase Agreements) and an improper power procurement strategy are being passed through into the ARR (Aggregate Revenue Requirement) is not correct and misleading.
- 4.158 The objection regarding expensive PPA do not have a logical standing and should be discarded by the Hon'ble Commission.

Stakeholder's Submission

AT&C Loss: Abnormal Situation of Jharkhand



State	AT&C Loss
Jharkhand	27% – 30%
Bihar	24% – 26%
Uttar Pradesh	20% – 22%
Odisha	17% – 18%
Chhattisgarh	15% – 16%
Gujarat	11% – 12%
Delhi	08% – 10%
Himachal	09% – 10%

4.159 While other states link loss reduction with efficiency, in Jharkhand, high losses have for years been added to the ARR, making them the basis for tariff increases.

4.160 This arrangement renders any penalty or incentive for loss reduction ineffective.

Petitioner Submission

4.161 The AT&C loss should not have been represented in such range as this might lead to confusion. It itself shows the ambiguity in data representation, as per our research tabulated below from various states tariff order. And in their respective tariff orders, the state commissions have passed AT&C losses as per the regulations provided or adopted the AT& C loss trajectory set by Ministry of Power, GOI (as in case of Bihar) or as decided by the commission after due prudence check and requirement of the utility. For the state of Jharkhand also, the Hon'ble Commission passed the distribution loss at 13% that is very aggressive comparing to other states.

State	AT&C/T&D/Distribution Loss (%) As per MYT target	AT&C/T&D/Distribution Loss (%) claimed by DIISCOM	AT&C/T&D/Distribution Loss (%) approved by SERC during True up FY23-24
JBVNL	13%	31.26%	13%
Bihar	NBPDCL (15%) SBPDCL (15%)	NBPDCL (13.38%) SBPDCL (18%)	NBPDCL (14.99%) SBPDCL (19.27%)
Uttar Pradesh -----			
DVVNL	17.10%	18.44%	17.10%
MVVNL	15.23%	14.96%	14.96%
PVVNL	13.44%	12.72%	12.72%
PuVVNL	15.56%	17.33%	15.56%
KESCO	7.95%	9.6%	7.95%
NPCL	7.63%	7.49%	7.48%
Chhattisgarh----	13.07%	14.58%	14.58%



State	AT&C/T&D/Distribution Loss (%) As per MYT target	AT&C/T&D/Distribution Loss (%) claimed by DIISCOM	AT&C/T&D/Distribution Loss (%) approved by SERC during True up FY23-24
CSPDCL			
Gujarat-----			
MADHYA GUJRAT	9%	6.77%	6.77%
PASCHIM GUJRAT	15.75%	15.15%	15.15%
DAKSHIN GUJRAT	4.68%	1.31%	1.31%
UTTAR GUJRAT	7%	8.08%	8.08%
GIFT POWER	3%	2.60%	2.60%
Delhi----(TRUE UP 22-23)			
BSES RAJDHANI	7.90%	7.16%	7.19%
TATA POWER	7.7%	6.36%	6.36%
BSES YAMUNA	8.5%	7.24%	7.34%
Himachal----			
HPSEBCL	9.50%	10.29%	10.29%

4.162 The loss is due to structural, operational and regional challenges. The loss is arising due to rampant theft, high LT to HT line lengths and dominated LT consumer base in consumer mix, scattered rural and domestic consumers mostly tribal people in hilly terrains and mining areas affecting billing and collection efficiency, ageing LT overhead lines.

4.163 The objection that high losses have been added to the ARR is factually wrong. So, the objection that the arrangement renders any penalty or incentive for loss reduction ineffective, is completely wrong in case of JBVNL as the Hon'ble Commission has disallowed the claimed AT&C loss of JBVNL and allowed only the approved loss targets. However, in comparison, it can be said that the targets are quite aggressive for JBVNL that culminated into high losses.

Stakeholder's Submission

Domestic Electricity Tariff

State	Average Domestic Tariff (₹/Unit)
Jharkhand	₹6.50 – ₹7.00
Bihar	₹6.00 – ₹6.50
Odisha	₹5.50 – ₹6.00
Chhattisgarh	₹5.20 – ₹5.80
Uttar Pradesh	₹6.00 – ₹6.50
Gujarat	₹4.50 – ₹5.50
Delhi	₹3.00 – ₹5.00



State	Average Domestic Tariff (₹/Unit)
Himachal Pradesh	₹4.00 – ₹5.00

4.164 Jharkhand, which is a power-producing state, is supplying more expensive electricity than states that are entirely consumer states

Petitioner Submission

4.165 The data provided by the objector is not factually correct, lacks consistency in data clarity such as category and slabs pertaining to the domestic category. The domestic rates vary according to slabs and consumption units for different states.

4.166 The comparison of domestic tariff of different states provided below

Himachal Pradesh					
Category	Unit nos	Rs/kWh			
Domestic	0-125	5.45			
Domestic	>126	5.9			
Gujarat					
Category	Unit nos	Rs/kWh	Category	Unit nos	Rs/kWh
Pre-paid	0-50	3.05	Post-paid	0-50	2.99
	Next 50	3.5		Next 50	3.43
	Next 150	4.15		Next 150	4.07
	Next 250	5.2		Next 250	5.1
Uttar Pradesh			Delhi (FY2019-20)		
Category	Unit nos	Rs/kWh	Category	Unit nos	Rs/kWh
Metered	1-100	6.65	Domestic	0-200	3
	101-200	6.85		201-400	4.5
	201-400	6.85		401 -600	6.5
	401 -600	6.85		801 -1200	7
				>1200	8
Bihar			Chhattisgarh		
Category	Bihar		Category	Unit nos	Rs/kWh
DS-I Rural		Rs.7.42/ kWh	Domestic including BPL consumers	1-100	4.1
	1-100	Rs.7.42/ kWh		101-200	4.2
DS-II	>100	Rs.8.95/ kWh		201-400	5.6
				401 -600	6.6
				>600	8.30



- 4.167 However, not getting into the nitty gritty of the domestic tariffs provided by the complainant, JBVNL would like to state that the tariff for domestic, for that matter any consumer category has been approved by the Hon'ble commission through prudence check of the costs and average cost of supply to the consumers. The tariff hike is due to several factors including the accumulated revenue gap over the last many years that had not been passed to the consumers effectively.
- 4.168 The objection is not clear on to what it means “states that are entirely consumer states.”

Stakeholder's Submission

Expensive PPA versus cheap long-term policy

- 4.169 State like Gujarat, Chhattisgarh, Orissa State have long term and low cost PPA and Jharkhand state have short/medium term and high cost PPA
- 4.170 Objection: Expensive PPAs (Power Purchase Agreements) and an improper power procurement strategy are being passed through into the ARR (Aggregate Revenue Requirement).

Petitioner Submission

- 4.171 For Jharkhand, 35% power procured from NTPC where the tariff is determined by CERC. Only for DVC, JBVNL have a bilateral agreement where the approval of PPA is pending with the Hon'ble Commission. For other IPPs, all the long term PPA's are being approved by the JSERC. So, to say that, Jharkhand has short and medium term PPA is completely misleading. It is to submit that all PPAs and power procurement decisions are undertaken in accordance with prevailing regulatory guidelines and are subjected to prudence check by the Hon'ble Commission. Accordingly, costs are allowed in the ARR only after due examination, and no improper or imprudent costs are being passed through to consumers.
- 4.172 The objection that PPAs are expensive and improper power procurement strategy are being passed through into the ARR, do not have any base and should be discarded completely.

Stakeholder's Submission

ARR Structure: The multiplier effect of cost in Jharkhand

- 4.173 Components of ARR in Jharkhand State
- (a) Power Purchase Cost (High)
 - (b) Transmission Charges
 - (c) Holding Company Cost



(d) Distribution Cost

(e) Guaranteed Return on Equity

4.174 Objection: In other states single-layer or Rationalized cost structure and in Jharkhand State 1 unit of electricity contributes 3-4 layers of costing.

Petitioner Submission

4.175 It is to submit that the tariff proposal has not been made unilaterally or unanimously by JBVNL, it is placed before JSERC, components are well defined and the tariff is determined by the respective regulations. This is a regulated sector and the cost is prudently checked and passed through by the Hon'ble Commission.

4.176 Accordingly, the ARR framework in Jharkhand cannot be concluded as inefficient or excessive, rather it reflects the structural realities, and regulatory architecture followed by commission which reflects helping in governing the state's power sector, with safeguards in place to protect consumer interest.

4.177 It is not clear what the objector means by saying multi layers of costing. The tariff discovery process is regulatory design by the state commissions. This structure aligns with national norms under the Electricity Act 2003 and Tariff Policy, enabling precise recovery of diverse costs like power purchase, O&M, capital investments. It is factually incorrect to state that other states have rationalised cost structure and Jharkhand does not have any. This is quite misleading.

Stakeholder's Submission

True up: Recovery of management failure from the consumer

State	True up Policy
Jharkhand	Continuous, cumulative, full pass through
Gujarat/Delhi	Limited, Efficiency-based
Himachal Pradesh	Minimum
Odisha	Controlled

4.178 In Jharkhand, True-up is not a temporary measure, but has become a permanent recovery mechanism.

Petitioner Submission

4.179 It is factually incorrect to state that the true up is complete pass through by the state Commission. As like others, it's an annual process as determined by the regulations and based on merits along with prudence check by the Hon'ble Commission. The Hon'ble Commission, in its past



orders have disallowed many cost components, while approving the true up order. It is completely un-professional remark to state that “In Jharkhand, True-up is not a temporary measure, but has become a permanent recovery mechanism.”

- 4.180 True up “ is a regular yearly regulatory procedure and never a temporary measure anywhere in the country. It is mandatory provision to establish the revenue and expenses through verified audited data. This is not a permanent recovery mechanism but a continuous yearly procedure as defined in the regulations.
- 4.181 It is wrong to say that true up is recovery of management failure from the consumer. It is well defined in the regulations and based on the independent audit report on the cost and revenue parameters. This is subjected again to prudence check by the Hon’ble Commission before being the ARR being passed to the consumers in terms of tariff to be recovered.

Stakeholder’s Submission

Regulatory Concerns

- 4.182 High power cost despite being a generating state.
- 4.183 No effective penalty on AT&C (Aggregate Technical & Commercial) Loss.
- 4.184 Direct burden of expensive PPA (Power Purchase Agreements) on the consumer.
- 4.185 Multi-layer cost structure.
- 4.186 Policy Misuse: Unlimited use of True-up; this situation against the sentiment as per “Efficiency & Consumer Protection” of Electricity Act,2003.

Petitioner Submission

- 4.187 High power cost can not be directly co-related with generating state as utilities buy power from various sources and is bound by the allocation principles of the Ministry of power. Most of the PPA are long term in nature.
- 4.188 JSERC has penalised JBVNL on AT&C losses and to say that there is no effective penalty is quite wrong and misleading. For FY 23-24, the Hon’ble Commission has disallowed Rs 2277.39Cr due to excess Distribution Loss.
- 4.189 All PPAs are executed in compliance with prevailing regulatory and policy guidelines and are subjected to Commission scrutiny before costs are passed through tariffs. Only prudent and justified costs are allowed in ARR, ensuring consumer interests are adequately safeguarded.
- 4.190 It is not clear that what the objector means by “multi-layer cost structure” and policy misuse.



Stakeholder's Submission

Request to Commission

- 4.191 Considering Jharkhand as Surplus Power State set any comparative benchmark
- 4.192 Power Purchase cost should be comparatively benchmark with the neighbouring state
- 4.193 On AT&C Loss Time-Bound Reduction + Penalty Framework should be implemented.
- 4.194 Expensive PPA should be not pass through in ARR completely.
- 4.195 Limitation should be improvised on True-up

Petitioner Submission

- 4.196 JBVNL request the Hon'ble Commission to reject the arguments made by the complainant that is based on imaginary data points and in non-conformity to the orders of respective state commission. The tariff petition by JBVNL reflects the ground realities of the working conditions, constraints in the network, power procurement issues while mandating the Universal Service Obligation principles, providing 24 x 7 quality power supply to the consumers.

D. Objector- Federation of Jharkhand Chamber of Commerce and Industry (FJCCI)

Stakeholder's Submission

Audit Report – Trade Receivables

- 4.197 The Petitioner quoted trade receivables from the Audit report
"The Company.....were not produced to audit. :..."
- 4.198 You have claimed that Rs.1,94,301.95 Lakh is considered doubtful. It further a provision of Rs.46,667.59 lakh has been created as UN BILLED revenue (ANNEXURE 1).
- 4.199 The Ministry of Power notified Electricity Distribution (Accounts and Additional Disclosure) Rules, 2024 on 10th October, 2024 wherein provisions on doubtful debts have been prescribed based on the aging of the debtors.
- 4.200 Further, this concept of UN BILLED revenue is a complete mystery as to what it means.
- 4.201 The Auditor goes on to categorically say that in the absence of ageing analysis of Trade receivables and complete details, we are unable to comment on the expected Trade Loss and realisability of Trade Receivables, which are outstanding for long time.



4.202 The figures referred above are huge and are the basic premise of tariff framing. How can we comment on the ARR and MYT proposal, till these figures are revealed.

Petitioner Submission

4.203 The opening remarks quoted in the query by the FJCCI - “The Company were not produced to audit.” is completely misleading and deliberately used to confuse the Hon’ble Commission.

4.204 The entire paragraph from the Audited Report is produced below for better clarity:

5. Trade Receivables (Note-8)

a) The Company has disclosed that out of total receivable of ₹670,451.91 lakh as at 31.03.2025, ₹194,301.95 lakh is considered doubtful. The net realisable value of trade receivable as on 31.03.2025 as reported by the Company is ₹522,817.55 lakh including provision of unbilled revenue of ₹46,667.59 lakh. Balance confirmation from industrial/commercial consumers were not produced to audit.

4.205 In the referred observation, the auditors have made no adverse comments on the figures and merely mentioned that what is reported by JBVNL under various heads in its audited accounts. The only observation of non-provision is related to balance confirmation from LT/HT consumers.

4.206 Further ₹1,94,301.95 Lakh considered doubtful as at 31.03.2025 has drastically reduced from the last year which was ₹3,32,031.57 Lakh due to benefit passed on to the DS-rural and DS- Urban consumers having consumption upto 200 units under MUKY Yojna. The current year provision for doubtful debts expense is only ₹210.22 Lakh (**Refer Note - 29**) which has reduced from ₹1170.80 lakh last year. With respect to doubtful debts, it is submitted that the company has ongoing cases at various forums related to Revenue for more than ₹250000 Lakh appx. (Major items disclosed in Refer to Note-2.5 E. I & ii). Majority of items are going on for more than 3 years. Such disputed cases are listed under doubtful cases and as per The Ministry of Power notified Electricity Distribution (Accounts and Additional Disclosure) Rules, 2024, JBVNL is required to make provision for Trade Receivable for more than 3 years 75%. The current cumulative provisions are at similar levels in the books. Although JBVNL is in the process of making more classification as per the requirements of The Ministry of Power notified Electricity Distribution (Accounts and Additional Disclosure) Rules, 2024.

4.207 Further, it appears that the FJCCI has not gone through the audited accounts of JBVNL appropriately before raising a query that “this concept of UN BILLED revenue is a complete mystery as to what it means”.

4.208 In this respect, it is submitted that a mere reference to **footnote No. ii** of Note 8 will clarify the meaning of Unbilled Revenue. We produce the extract of the same from the audited accounts for your kind reference:



ii. The provision for unbilled revenue reflects the amount related to consumption up to 31st March 2025 not billed within March, 2025 but demand raised in subsequent year.

- 4.209 Since the bill of March-25 is generated in April, the receivable amount is booked under Unbilled Revenue and not Trade Receivable. The same is transferred to Trade Receivable in the subsequent month. This ensures accounting of revenue on accrual basis while not debiting the Trade Receivable until bills are generated.
- 4.210 The ageing Analysis is primarily required for provisioning of doubtful debts. The current year provision for doubtful debts expense is only Rs 210.22 Lakh (**Refer Note -29**) which has reduced from Rs. 1170.80 lakh in the last year. Considering large amount of disputed cases for a long period of time as already explained above, the actual provision claim will be much higher than the current claim on the basis of the guideline under The Ministry of Power notified Electricity Distribution (Accounts and Additional Disclosure) Rules, 2024. The company is in the process of making ageing analysis as well.

Stakeholder's Submission

- 4.211 JBVNL has neither exact account of Consumer Security Deposit nor complete details of the persons whom the Security Deposits have been returned.
- 4.212 An amount of Rs 4,255.14 lakh has been claimed to have been adjusted in the Bills of consumers. The Auditors have completely refused to comment on the correctness of the figure in absence of complete information.

Petitioner Submission

- 4.213 The company has made taking serious steps in this regard and prepared the data for Consumer Security Deposit. This is evident from the following comparison of last three years which is provided in the table below:

Particulars	F.Y. 22-23	F.Y. 23-24	F.Y. 24-25
Amount of Security Deposit with Consumer Details (Rs. Lakh)	0	63116.73	93623.5
Total Security Deposit (Rs. Lakh)	120577.73	114480.01	147215
% of completeness	0%	55%	64%

- 4.214 From the above Table, it is clear that JBVNL has made significant progress in preparing the consumer details in the last three years. We are also producing the extract of Audit Report for the last three years with Auditors comments on the issue for your kind reference:

F.Y. 2022-23



9. Consumer Security Deposit (Note - 16)

- We have not been provided the details of consumer-wise security deposits and interest payable thereon. The year-end balance of the same is ₹1,20,577.73 lakhs

F.Y. 2023-24

9. Consumer Security Deposit (Note-16)

- a) We were provided with the consumer wise details of security deposits received of ₹63,116.73 lakh only out of ₹1,14,480.01 lakh and interest payable thereon of ₹41,717.10 lakh out of ₹62,288.03 lakh

F.Y. 2024-25

7. Consumer Security Deposit (Note-16)

- a) We were provided with the consumer wise details of security deposits received of ₹93,623.45 lakh only out of ₹1,47,214.60 lakh. Further, consumer wise details of interest payable thereon for ₹76,434 lakh is not made available to us. Further, interest on consumer security deposit of ₹576.69 lakh

4.215 Majority of the data that is pending mainly pertain to earlier period which have migrated from Bihar and then also created in the early period of JSEB. Company is taking all the necessary steps to gather information and update the same in the system.

4.216 It appears that the FJCCI has not read the Auditor's comments properly. The Auditor's comment is produced below once again for your kind reference:

*“During the year, the Company has adjusted such interest in the bills of various consumers by ₹4,255.14 lakh only. Therefore, in the absence of complete information **we are unable to comment on the correctness of balances for the remaining amount** for which consumer wise details have not been provided and impact thereof on the Standalone Ind AS Financial Statements.”*

4.217 In this observation, the Auditor has merely mentioned the amount reported by JBVNL. Further, they have mentioned that they are unable to comment on the remaining number of balances.

Stakeholder's Submission

4.218 An amount of Rs. 2,21,743.94 lakh remained un-reconciled and again the Auditors have shown there in ability to comment on the same.

Petitioner Submission

4.219 Out of total power purchase liability of ₹918928.20 lakh, amount of ₹221743.94 (Previous year it was ₹373317.50 Lakh) (24% of total in the current period as against 36% unreconciled in the last year) are under reconciliation and mainly consist of JUSNL, JUUNL and TVNL largely on account of Delayed Payment Surcharge gaps.



Stakeholder's Submission

- 4.220 Details of payment of Rs 9000 Crores is missing. Above are some points raised by us drawing attention towards the gaps in figures that have been made available.
- 4.221 Forcing us to comment on this ARR is not fair at all and the JBVNL should first be required to comply with the Audit requirements and only when compliance report of Auditors is received that we be asked to comment on the MYT proposal.
- 4.222 However, notwithstanding any of our above contentions, we also point out some glaring discrepancies in your petition.

Petitioner Submission

- 4.223 Based on our understanding of questions of earlier points, we understand that it refers to Audit Observation no. 11. The said points deal with liabilities and not payments. The amount referred to in the query does not match any of the figures in the referred observation. It is therefore requested that the details along with correct amount and Annexure is provided for proper response in this matter.
- 4.224 As far as Audit requirement is considered, JBVNL has been complying to the audit requirements and providing all explanations as and when desired by the audit team.

Stakeholder's Submission

- 4.225 In name of True —up for FY 2024-25 you have claimed a gap of Rs.2963.35 Crores on Table 2.21 on the basis of Audited Accounts for Financial year 2024-25 to which the Auditor have given serious remarks and in view of those notes Accounts cannot be relied upon and proceeded.
- 4.226 Figures of final ARR for FY 2024 - 25, arrived at by you are based on actual expense, many of which far exceed the amounts allowed to you by the Hon'ble Commission.
- 4.227 While projecting A.R.R. for Financial Year 2024-25, you have not reduced the figure of disallowance by Hon'ble Commission, Rs. 1381.72 crores Table 2.21 which you cannot claim in name of True-up.

Petitioner Submission

- 4.228 In true up of FY 2024-25, all expenses being accorded from the audited account FY 2024-25. Truing up is done on basis of audited accounts which is completely justified as per regulations. Based on computations, the revenue gap comes around Rs 2963.35 Cr. These expenses are being compared with the allowable expenses by the Hon'ble Commission for logical standing with prudence check with data for further pass on to the tariff.
- 4.229 Disallowances by the Hon'ble Commission should not have been done for



projected figures while approving APR for the FY 24-25 in its previous orders based on any projected figures by its own. Hence, JBVNL have not disallowed its own cost that is completely justified and vetted through audited accounts

Stakeholder's Submission

4.230 Your AT & C Loss for Financial year 2024-25 is 34.5% and for financial year 2025-2026 you have projected it at 27.98%, which is not correct because RDSS trajectory for Jharkhand it has been set at 19% for Financial Year 2024-2025.

4.231 Roadmap to reduce AT & C Loss (Point no. 3.17):

(a) We have noted that recent submissions have become increasingly repetitive, which suggests a lack of rigorous analysis. Furthermore, the decline in collection efficiency is concerning and indicates a need for a more proactive management approach.

(b) As JBVNL transitions into a commercial entity, it is imperative that your office adopts a more market-driven and commercially disciplined strategy. We expect future performance and reporting to reflect this professional standard.

4.232 Your submission regarding Feeder Metering & D.T. metering are very old submissions:

(a) Nearly 10 years back all this work was completed by installation "Secure Meter" at Feeder D.T. & Consumer Premises. Now the same work is in progress by removing the "Secure Meter" replacing it by "Genus Meter". What purpose was served with installation of "Secure Meter" and why are these being replaced by "Genus Meter".

(b) This is a clear case of mis-utilisation, unnecessary purchase which requires thorough investigation.

(c) In our opinion, even-after making huge expenses on Feeder Metering and D.T. metering you have not been able to reduce your loss, probably because the reports of these meters are never analyzed / acted upon.

4.233 Expected ARR for Financial Year 2025-2026:

(a) You have projected final ARR for Financial Year 2025-2026, without



reducing the "Disallowance due to excessive Distribution Losses" and other expenses beyond approved by Hon'ble Commission.

Petitioner Submission

- 4.234 JBVNL would like to make a correction that for FY 24-25, the AT&C loss is 14.20% and not 34.5% as shown by FJCCI. JBVNL would like to clarify that the AT&C loss for the FY 24-25 decreased quite significantly due to state govt subsidy under MUKHY. The State Cabinet, Govt. of Jharkhand vide resolution no. 1634 dated 30.08.2024, accorded approval to waive the dues/arrears till the month of August 2024 to the tune of approximately ₹ 3620.09 Cr for DS-Rural and DS-Urban consumers having consumption up to 200 units. It was also approved that the State government will provide this sum to the company in the form of subsidy in two equal tranches in two Financial Years starting from the F.Y. 2024-25. This scheme of waiver has been named as "Mukhyamantri Urja Khushali Yojna".
- 4.235 However, For FY 25-26 the projected AT&C loss is 27.96% by JBVNL is as per actual ground realities projected by JBVNL without any govt support.
- 4.236 As far as collection efficiency is concerned, for FY 24-25 , it was at 119.49% because of govt subsidy under MUKHY. However, for upcoming years, JBVNL has projected a collection efficiency of 99%. To address this issue, smart meter implementation through RDSS and JPSIP and Dhanbad smart metering is a big step forward. Out of total 55 lacs consumers JBVNL has envisaged to install around 18.5lacs smart pre-paid consumer meters and as on date more than 7 lacs smart meters have already been installed in RDSS/World Bank Funded and State schemes. With OCR (Optical Character Recognition) technology for correctly capturing data for billing, frequent raids, underground cabling, it is expected that AT&C loss will reduce in years to come. However, for FY 25-26, the AT&C loss is projected to be around 27.96%
- 4.237 JBVNL denies the claim of FJCCI that there is mis utilisation that requires thorough investigation. As far as replacing "Secure Meter" with "Genus Meter" is concerned, the replacement is being done because of adoption of smart metering infrastructure under RDSS scheme funded by MOP and State govt of Jharkhand and JPSIP scheme for Dhanbad funded by World Bank that mandates that all the consumer premises and DT feeder metering to be done through smart metering. Smart metering will help us analyse better the load analysis, remote and central communication and control and easy data fetching.
- 4.238 JBVNL while projecting ARR for FY 25-26 have not reduced the disallowances due to excessive distribution losses and other expenses as these are projected figures based on certain parameters which might



change. JBVNL while projecting ARR has not deducted any disallowance as this is prerogative of the Hon'ble Commission after due diligence and prudence check.

Stakeholder's Submission

Aggregate Revenue (ARR) for Control Period - Distribution Losses

- 4.239 You are disputing the distribution loss target of 13% as fixed by Hon'ble Commission.
- 4.240 You claim that more than 90% of your consumers fall under Domestic Category, which is beyond doubts and is due erratic power supply at uneconomically terms & conditions resulting in heavy burden on Industries, who finally migrated or closed down and you should be ready for more than 90% Domestic Consumers.
- 4.241 As a discom your duty is to keep in view the Industrial progress also in the state.

Petitioner Submission

- 4.242 JBVNL understands the concerns of FJCCI regarding industrial consumers and would never like that its industrial consumers to migrate to other utilities and will do whatever measures can be done to retain the consumers. At the same time, JBVNL would like to take its industrial consumers in confidence that the legacy revenue gap/regulatory assets are dragging down its operational and financial performances. JBVNL, through various measures is trying to reduce the distribution loss through infrastructure upgradation and smart metering adoption in coming years.

Stakeholder's Submission

Billing efficiency. Distribution Loss and Collection Efficiency

- 4.243 Despite achieving 100% consumer metering, the current billing efficiency remains unacceptably low. This discrepancy appears to stem from inadequate vendor oversight, as firms blacklisted in certain jurisdictions reportedly continue to operate elsewhere.
- 4.244 Adhering to prudent business principles—where all energy sales must be accurately billed—the utility must address these internal operational failures rather than passing the resulting financial burden onto the consumer base.
- 4.245 Distribution Losses - You are asking the Hon'ble Commission to allow you Distribution Loss of 25.6% for financial Year 2026-2027 to gradually reduce to 14.97% in Financial Year 2030-2031. Distribution Loss for Financial Year 2024-2025 has been 34.5.% and it appears that you shall not be in a position to achieve the targets being fixed by yourself.
- 4.246 Again, you will approach for huge True-up, which probably shall not be



allowed by the Hon'ble Commission and the state Govt. shall be forced to give you necessary aid. How long can this be allowed? Ultimately you're in-efficiencies are being financed by citizens of the state

Petitioner Submission

- 4.247 The claim of FJCCI that firms blacklisted in certain jurisdiction have been continuing to operate elsewhere is incorrect. JBVNL follows strictly the terms and conditions as mentioned in the tender. It does not matter whether the certain vendor is backlisted elsewhere after the contract is awarded by JBVNL. However, if such instances come to the knowledge of JBVNL, it will take cautious approach and ask for clarification by issuing show cause notice for safeguarding the utility. JBVNL has been addressing all the internal operational constraints to make the infrastructure adequate so that proper billing can take place and overall increase the billing efficiency.
- 4.248 JBVNL understands the concern of FJCCI and is committed to the parameters as fixed under RDSS for JBVNL. The projected loss is due to structural, operational and regional challenges. The loss is arising due to rampant theft, high LT to HT line lengths and dominated LT consumer base in consumer mix, scattered rural and domestic consumers mostly tribal people in hilly terrains and mining areas affecting billing and collection efficiency, ageing LT overhead lines, lack of smart metering infrastructure etc. However, with system upgradation and smart metering measures with technology intervention, JBVNL would achieve the targets projected by itself. JBVNL is aware about the result linked financial assistance under RDSS and is in the process of constantly upgrading the infrastructure to meet the criteria's.

Stakeholder's Submission

Power Purchase

- 4.249 From Financial year 2025-2026, itself you are getting cheaper power from Patratu.
- 4.250 Quantum of cheaper purchases shall jump drastically from Financial Year 2026-2027 as you will be getting more power from Patratu and 166.44 MV from Getalsud Solar. You have not factored in this cheap power purchase.

Petitioner Submission

- 4.251 This is a misnomer that power from Patratu is cheaper power as comparison to other power plants. JBVNL would like to state that PTPS power would come at Rs 5.68 per unit. In merit order stacking, it comes in between various other NTPC plants as per scheduling norms. However, JBVNL has taken this into account while modelling its power purchase for the upcoming control period with flexibilisation of other thermal units at around 55% Minimum Technical Load.



4.252 Also, Getalsud solar power have also been taken into consideration, however, excessive solar power at non peak hours is of less use to JBVNL. However, JBVNL is now considering the BESS option to store the excess power for the peak power requirement and lessening its dependency from higher costly power purchase from exchanges.

Stakeholder's Submission

Compliance on Directives of Hon'ble Jharkhand State Electricity Regulatory Commission

4.253 Apart from other directions of Hon'ble Commission we are mainly submitting our observations on direction no. 9 i.e. "Interest on Security Deposit". In your status report you have referred to Annexure — 7, while no such annexure has been uploaded by you.

4.254 This is very simple matter and is being made complicated by you. The facts are as under: -

(a) You are regular in payment of interest on Security deposit to big consumers (H.T., HTSS etc) though in these cases also there was default in paying interest on first bill for Financial Year 2025-2026.

(b) In respect of non H.T. Consumers who are not having Money Receipt, you have to find out the details (Because no connection is/was extended without security deposit) as to how they could be paid on their security deposit.

(c) The main problem is in respect of small consumers (Non H.T.), specially with Consumers who have got money receipt of security deposit and have submitted it to the concerned officials.

4.255 This is a classic case of your careless attitude as they are not being paid interest on their deposit.

Petitioner Submission

4.256 All the annexures have been provided to the Hon'ble Commission and are also uploaded in the JBVNL's website. This can be provided to any stakeholder on demand.

(a) Interest on security deposit have been provided to HT and HTSS consumers regularly and the interest on security deposit will be paid as per SOP in subsequent billing.

(b) For the consumers not having any money receipt, it is difficult to pay them interest on security deposit as majority of the consumers



have been provided connection basis different government schemes under no security deposit.

- (c) For any consumers who have got money receipts and have submitted it to the concerned officials, their interest on security deposit will be paid/adjusted in due course of time. For any delays or complaints, we urge the aggrieved consumers to connect us for resolution.

4.257 We deny the allegation of careless attitude by FJCCI and in case such incidents, we would again urge them to connect the relevant office for early resolution of the matter.

Stakeholder's Submission

Proposed tariff Schedule

4.258 You have proposed to enhance Billing Demand for all categories of Consumers, which is not desirable as because there remains big gap between starting power requirement & subsequent running load, safety factor for which good cushion is required in contract load/Demand and Billing Demand.

Petitioner Submission

4.259 JBVNL has proposed such measures so that consumers do not misuse the system and not exceed their contract demand. The load is being distributed based on the transformer rating. This is being proposed to restrict the consumers within the contract demand and not go beyond it, that would require further enhancement of transformer capacity. Also, this affects proper planning regarding infrastructure requirement of JBVNL.

Stakeholder's Submission

Streetlight Service

4.260 As per direction of Hon'ble Commission all connection should only be metered connection in order to accurately find out figure of Energy Sales no adhoc basis should be asked for /continued.

Petitioner Submission

4.261 Almost all streetlights have been metered by JBVNL. However, there are quite a few instances where concerned Nagar Nigams and Panchayats have to submit the required applications for meter installation. For those streetlights only, JBVNL requests the Hon'ble Commission for allowing billing on average consumption basis.

Stakeholder's Submission



Power Supply to Puja Pandals Street Lighting on Christmas, Ramanavami etc

4.262 Whether these are billed supply? Kindly confirm.

Petitioner Submission

4.263 Power supply to puja pandals, street lighting on Christmas, Ramanavami etc, bills are supplied and billing is based on temporary supply policy.

4.264 Temporary Supply Policy: JBVNL classifies power for puja pandals, illumination during festivals like Christmas and Ramanavami, and street lighting as temporary supply for light, fan, power up to 20 kW, public address systems, and festivities. This applies to functions, ceremonies, temporary shops, and similar events. The tariff is 1.5 times the applicable fixed and energy charges of the relevant category, such as commercial (NDS) for pandals.

Stakeholder's Submission

Objection to rate increase proposed

4.265 Ministry of Power Govt of India has framed rules for neutralising effect of increases in Cost of power purchase, popularly known as "FPPPA" and have been using this formula for extra/short billing.

4.266 In view of above you don't require to ask for rates for energy.

4.267 Different formats are being used for different category of consumers. Single format must be used and should reveal the amount of Security Deposit made by the Consumers

Petitioner Submission

4.268 The FPPPA system framed by Ministry of Power is to pass on any deviations/cost escalations due to change in fuel cost that is dynamic in nature. However, the cost of power purchase depends on many factors such as O&M cost, other capex requirements, Technology upgradation, scheduling issues etc, that needs to be taken care of.

4.269 Bill formats are different for different type of consumers depending on their load and billing parameters. As on date, only two formats are existing for JBVNL (i.e) for HT and LT consumers.

4.270 As far as single format is considered that reveals amount of security deposit, discussions are going on internally how this can be included in the billing format and will be subsequently addressed in the bills.

Stakeholder's Submission

Energy Audit Report

4.271 When will the energy audit report be available

Petitioner Submission



4.272 Energy audit for the FY 24-25 has been completed and the soft copy of the same have been provided to the Hon'ble Commission. The same has been provided with reply of this objection

E. Objector- Power Foundation of India

Stakeholder's Submission

Sales and Revenue

4.273 High Distribution Loss -PFI has noted that JBVNL has claimed 28.19% of Distribution Losses (Table 2.51 of Petition). This is much higher than the Distribution Loss of 13% as Hon'ble JSERC in MYT Order dated 31 /05/2023 for FY 2024-25

Petitioner Submission

4.274 JBVNL has claimed the 28.19% of distribution loss for FY 24-25 as per audited accounts that is no doubt higher than the distribution loss of 13% as approved by the Hon'ble JSERC in MYT order. However, the higher distribution loss stems from various operational constraints and financial difficulties faced by the JBVNL that is time and again highlighted to the Hon'ble Commission. However, with RDSS implementation, infrastructure strengthening and smart metering adoption, these loss levels will be reduced drastically in the next control period.

Stakeholder's Submission

Intra-state Transmission Loss

4.275 PFI has noted that JBVNL has claimed intra-state transmission loss at STU & DVC network at 7.99% & 4.30% respectively. AS per past practice commission has restricted the losses to 2.23% & 2.96% respectively approved in past tariff orders.

Petitioner Submission

4.276 Intra state transmission loss is calculated based on energy received at the 33kV incoming transmission network in JBVNL and the input energy to JUSNL network from PGCIL and other power plants. Transmission losses in JUSNL system are calculated as the difference of energy input from JUSNL to JBVNL and energy received by JUSNL on its periphery. As per the metered data, the loss in the JUSNL system calculated at 7.99%. Similarly, the energy loss in DVC network is calculated as the difference of energy scheduled by DVC and energy received in the JBVNL system as per metered data available. The loss in the DVC system is calculated at 4.30%.

Stakeholder's Submission

Energy Balance



4.277 PFI has recomputed the Energy Balance for JBVNL.

Petitioner Submission

4.278 PFI has calculated the Energy Balance as per normative values approved by Commission in past, which is technically not viable due to system loss (energy difference accorded) in JUSNL and DVC.

Stakeholder's Submission

Merit Order Despatch adherence

4.279 JBVNL has claimed that they have adhered Merit Order Despatch (MOD) procuring power subject to must run profile, technical minimum and availability to meet the increasing demand. PFI observes that JBVNL has not submitted monthly reports certified by SLDC.

Petitioner Submission

4.280 The scheduling of power is based on the MOD (Merit Order Despatch) system from the state SLDC and the drawl of power is made accordingly to the power schedule. At present the monthly report not certified by SLDC itself due to non-metering of every feeder which is to be taken and to be followed under implementation of SAMAST program.

4.281 However, some samples have been provided to the Hon'ble Commission showing that MOD system is being followed by JBVNL with scheduling from SLDC.

Stakeholder's Submission

Power Purchase Cost over normative Distribution Loss & Transmission Loss

4.282 As mentioned above, JBVNL has procured 3,633 MU excess power, which be passed on to the consumers of Jharkhand. Therefore, PFI has computed excessive Power Purchase w.r.t. excess quantum by removing/reducing procurement from costly power plants (based on Energy, Charge Rate).

Petitioner Submission

4.283 PFI has calculated power purchase cost over normative distribution loss and transmission loss, as said in previous reply, this method is technically not viable for calculation of transmission losses (energy difference accorded) in JUSNL and DVC. JBVNL has calculated the losses as per the metered data available to it and requested the Hon'ble Commission to allow these losses to JBVNL.

Stakeholder's Submission

4.284 PFI requests the Hon 'ble Commission to reduce the Power Cost by Rs. 2,135 Cr. from the claimed Power Purchase Cost of Rs. 7,828 by the JBVNL. The inefficiency of JBVNL & STU should not be socialized



consumers of Jharkhand and the reduction in Power purchase Cost may be borne by the Government of Jharkhand in the form of Subsidy. The above working is as per methodology specified by Hon'ble JSERC in earlier True-Up Orders, latest being FY 2023-24.

Petitioner Submission

- 4.285 JBVNL has requested the Commission to allow the total power purchase cost that is based on proper planning taking due care of provisioning power to all 24 x 7 with minimal load shedding.
- 4.286 There is no inefficiency on the part of JBVNL while procuring the power following all the guidelines and directions from Ministry of Power and The Hon'ble JSERC. Hence, the actual cost incurred to provide the power to the consumers of Jharkhand need to be passed on to them with proper tariff hike.
- 4.287 As far as Govt Subsidy is concerned, it is solely the prerogative of the state government and JBVNL has no role in it. As an independent utility, JBVNL has prayed before the Commission that the Average Cost of Supply (ACoS) to be matched with Average Billing rate (ABR) taking the due impact of accumulated revenue gap that needs to be passed to the consumers gradually as per the Supreme Court order.

Stakeholder's Submission

Late Payment Surcharge

- 4.288 JBVNL has submitted a sum of Rs. 15.66 Cr. as part of the Late Payment Surcharge (LPSC) for FY 2024-25 (Table: 2.2 of the Petition). JBVNL is defaulting on payment timelines to the Generating Companies for which LPSC are levied. PFI submits that LPSC paid to the Generating Stations is not allowed by the Commission in the previous Tariff Orders

Petitioner Submission

- 4.289 As per Hon'ble Commission's order dated 07/10/2025, on case no Case (Tariff) No. 09 of 2017, 13 of 2017 & 03 of 2022, the Hon'ble Commission has ordered reversal of penalty on earlier orders on the deduction of 2% of ARR. The cumulative penalty of Rs 733.69Cr was added back to the gap. Hence, the opening revenue gap for FY 24-25 becomes Rs 4991.67Cr. Due to this huge revenue gap, JBVNL was unable to pay the power purchase liabilities on time that constitute around 80% of the total expenditure. Considering the significant gap between revenue required and actual realization, JBVNL is struggling to service its liability, hence, sometimes incur the late payment Surcharge.
- 4.290 Therefore, BVNL has prayed to the Hon'ble Commission to allow LPSC charges in the power purchase liabilities considering the difficulties faced by it.

Stakeholder's Submission



Interest on Consumer Security Deposit

- 4.291 PFI notes that JBVNL has not been discharging Interest on Consumer Deposit to the consumers timely.
- 4.292 There is a huge gap between the Interest on Consumer Security Deposit payable the amount that is actually discharged.
- 4.293 Despite crediting only 42.55 Cr to consumer ledgers in FY 2024-25. JBVNL is claiming Rs 151 Cr interest on consumer security deposits

Petitioner Submission

- 4.294 It is incorrect to say that JBVNL has not been discharging interest on consumer security deposit to the consumers timely. It has been disbursing interest on security deposit and the details of the same has been provided to the Hon'ble Commission as and when desired. The interest adjustment is being made to consumers ledgers following Standard Operating Procedure. During the year, interest of ₹4255.14 lakh has been adjusted/credited to consumer ledgers and the details of the same has been provided to the Hon'ble Commission.
- 4.295 It is incorrect to say that JBVNL has not been discharging interest on consumer security deposit to the consumers timely. It has been disbursing interest on security deposit and the details of the same has been provided to the Hon'ble Commission as and when desired. The interest adjustment is being made to consumer's ledgers following Standard Operating Procedure. During the year, interest of ₹4255.14 lakh has been adjusted/credited to consumer ledgers and the details of the same has been provided to the Hon'ble Commission.
- 4.296 The interest on the security deposit is claimed on the basis of average consumer deposit for the FY 24-25 with interest rate as per the distribution tariff regulations 2020. Non provisioning of the same in ARR would create unnecessary burden to the JBVNL in future.

Stakeholder's Submission

Depreciation

- 4.297 JBVNL in True up petition for FY 2024-25, submits that it has considered Rs 450.33 Cr as depreciation cost using opening GFA as per audited accounts. PFI observes that JBVNL has erred in computing depreciation. JBVNL has not considered the opening GFA for FY 2024-25 not same as approved by Hon'ble Commission as closing for FY 2023-24 (in True-up)

Petitioner Submission

- 4.298 JBVNL humbly submits that the Financial Statement for FY 2024-25 has been re-stated in compliance to the CAG audit observations and the details of reason behind each of such re-statements are provided in Note No. 2 of the Audited Financial Statement of FY 2024-25.



4.299 It is relevant to note that the closing balance of Fixed assets as on 31.03.2024 as given in Schedule 3A & 3C also got re-stated in FY 2024-25. The Audited financial Statement of FY 2024-25 is already provided to the Hon'ble Commission for perusal along with the petition.

4.300 Further to mention that the difference of figure of closing and opening balance of GFA i.e. Closing GFA as per true-up of 2023-24 is ₹ 22,396.91 and opening figure of GFA of ₹ 22,424.11 Cr. as per true-up of FY 24-25 is arrived due to the adjustments because of restatement.

4.301 The detail calculation regarding the difference amount (Rs 27.20 Cr) is provided below:

Gross Fixed Asset (Rs Lacs)			
Particulars	As on 31-03-2024	As on 01-04-2025	Difference
Property Plant and Equipment	22,39,476.20	22,42,093.49	2,617.30
Intangible Asset	214.69	317.91	103.22
Total	22,39,690.88	22,42,411.40	2,720.52
Difference due to opening Adjustment	As on 31-03-2024	As on 01-04-2025	Opening Adjustment
Building	11,890.84	12,110.09	219.25
Plant and Machinery	5,79,358.29	5,77,987.30	-1,370.99
Lines and Cable Network	15,60,846.08	15,62,776.06	1,929.97
Others Civil Works (Roads, Boundary walls etc.)	26,231.69	26,485.87	254.18
IT Equipment	-	1,584.88	1,584.88
Total	21,78,326.90	21,80,944.19	2,617.30
Intangible Asset	214.69	317.91	103.22
Total			2,720.52

Stakeholder's Submission

Non – Tariff Income

4.302 JBVNL has considered Rs 412.68, as non-tariff income for True up petition for FY 2024-25 which includes Rs 333.99 Cr as wheeling charges/Fuel surcharge/outside sale. Moreover, JBVNL has adjusted the delay payment surcharge received Rs 391.54 Cr with Rs 381.75 Cr of interest on receivables against Delay payment discharge.

Petitioner Submission

4.303 JBVNL has considered the NTI as per distribution regulations 2020 of



JSERC. JBVNL has adjusted the DPS received with Rs 381.75Cr of interest receivables against DPS as per the APTEL's order and the reason for the same has been provided in the petition also.

- 4.304 while computing the non-tariff income (Other Income) of JBVNL for FY 2024- 25, the financing cost for corresponding receivables has to be reduced as accrued DPS is considered as NTI. JBVNL has already incurred power purchase costs on such outstanding receivables and DPS is levied as financing cost of such receivables. However, the Petitioner is allowed only 2 months of receivables in allowance of working capital. For the receivables beyond the period DPS is applicable and as DPS is considered to be additional income for the Petitioner financing cost of such receivables are allowed in line with the judgement of Hon'ble APTEL dated 12.07.2011 in case No. 142 & 147 of 2009. This has been allowed in several other states including Bihar. The Hon'ble Commissions of various states have taken a stand for allowing DPS as a non-tariff income and provide for such financing cost to be deducted from total NTI.

Stakeholder's Submission

Summary for True Up

- 4.305 In view of above, elements of ARR which are not as per Regulatory provisions not be passed on to the consumers of Jharkhand and socialised, rather it borne by Govt. of Jharkhand in the form of subsidy. Accordingly, the subsidy is of Rs. 5,691 Cr. (3372+2319) instead of booked subsidy of Rs. Cr. 3,372 Cr for FY 2024-25 which should be paid by Govt. of Jharkhand to JBVNL.

Petitioner Submission

- 4.306 JBVNL rejects the disallowance made by the PFI as per certain observations and normative values.
- 4.307 JBVNL has calculated all the figures for respective parameters as per the provisions and regulations of The Hon'ble Commission and ARR being calculated accordingly for true up for FY 24-25.
- 4.308 JBVNL, in no way, is trying to socialise the unnecessary cost into tariff and hence, rejects the claims of PFI.
- 4.309 As far as Govt of Jharkhand's provisioning of Subsidy is concerned, it is solely on the decision of the state government and JBVNL has no role in it.

Stakeholder's Submission

Distribution Loss & Transmission Loss

- 4.310 It is observed that JBVNL has proposed very high AT&C Losses 26.43% for FY 2026-27. Ministry of Power has launched the flagship Revamped Distribution Sector Scheme (RDSS) to support DISCOMs improve their



operational efficiencies and financial sustainability by providing result-linked financial assistance to DISCOMs to strengthen their supply infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks. Under the scheme guidelines, AT&C loss is one of the key parameters for the purpose of evaluation and grants disbursement under the scheme. The Total sanctioned funds under RDSS for JBVNL is Rs. 4,200 Cr. out of which total Gross Budgetary Support sanctioned is Rs. 2,087 Cr. As per the Audited Accounts of JBVNL, AT&C Losses for FY 2024-25 are 14.20%. Further, JBVNL has projected inter-state Transmission Loss as actuals of FY2024-25 i.e., 7.99% at STU network and 4.30% at DVC network. As per past Commission has restricted these losses to 2.23% & 2.96% respectively, approved in past Tariff Orders. Accordingly, PFI requests the Hon'ble to consider the intra-state transmission loss of 2.23% for STU network and for DVC network. Power Purchase Quantum corresponding to higher Distribution Loss and Transmission Loss than the target approved by the Commission should not be allowed to pass on to the consumers

Petitioner Submission

- 4.311 JBVNL understands the concern of PFI and is committed to the parameters as fixed under RDSS for JBVNL.
- 4.312 The projected loss is due to structural, operational and regional challenges. The loss is arising due to rampant theft, high LT to HT line lengths and dominated LT consumer base in consumer mix, scattered rural and domestic consumers mostly tribal people in hilly terrains and mining areas affecting billing and collection efficiency, ageing LT overhead lines, lack of smart metering infrastructure etc.
- 4.313 JBVNL is aware about the result linked financial assistance under RDSS and is in the process of constantly upgrading the infrastructure to meet the criteria.
- 4.314 JBVNL has projected the transmission loss at actuals as per the metering data available and the same metering data has been provided to the Hon'ble Commission for prudence check. The historical allowable loss at 2.23% is unjustified and JBVNL has highlighted this issue to the Hon'ble Commission many times. We hope that the Hon'ble Commission will take into account our logical point of view backed by the metered data while allowing intra state transmission losses at actuals to us and power purchase quantum and cost that is actually incurred by the utility will be passed on to the consumers.

Stakeholder's Submission

Energy Balance

- 4.315 In view of above, PFI has recomputed the Energy Balance keeping the Distribution loss and intra-state Transmission Loss as proposed in above



paras for FY 2026-27

Petitioner Submission

4.316 PFI has recomputed Energy Balance on basis of approved Distribution loss 13.00%, Intra-state transmission loss for JUSNL & DVC 2.23% & 3.00% that is not logical and hence, the computation is rejected by JBVNL as being quite aggressive without considering the ground realities of JBVNL.

Stakeholder's Submission

Power Purchase Cost

4.317 PFI has recomputed the energy balance for JBVNL as per Hon'ble trajectory for Intra-state Transmission Loss and Distribution Loss, which excess Power Procurement of 3,471 MU. Accordingly, PFI has computed corresponding Power Purchase cost for these 3,471 MU considering removal costliest plants in descending order. PFI requests Hon'ble JSERC to reduce Power Purchase Cost by Rs. 2069 on account of Higher Distribution Losses & Intra-state Transmission additional Power Purchase cost corresponding to higher distribution claimed by DISCOM, should be borne by Govt. of Jharkhand in the form of subsidy. In view of above, PFI has recomputed the Energy Balance keeping the Distribution loss and intra-state Transmission Loss as proposed in above paras for FY 2026-27

Petitioner Submission

4.318 JBVNL rejects the computation made by PFI on the basis of energy balance revision according to the aggressive parameters without considering the realities. And then recalculation of power purchase cost on the basis of removing costliest plants in descending order which is not only unjust but also far from the scheduling principles that depends on many factors and challenges.

4.319 And on the basis, PFI's request to reduce the power purchase cost by Rs 2069 Crs is completely unfair to the JBVNL that is devoid of any justifiable arguments and data sets. Any claims on the basis of imaginary figures should be outrightly rejected.

Stakeholder's Submission

Power Purchase Cost without considering escalation

4.320 It is pertinent to note that JBVNL has not provided the break-up of Total Purchase Cost into Fixed Cost & Variable Cost while projecting the Power Cost for FY 2026-27. Thus, the Petition is incomplete, and Hon'ble JSERC direct JBVNL to provide this break-up during the Prudence check Without the Variable Cost it is not possible to ascertain if the Merit Order is being followed.



- 4.321 Further, JBVNL has considered an escalation of 5% on per unit charges of Generating Stations over FY 2025-26 to project the per unit charges for FY 2026-27.
- 4.322 In view of above, PFI request to the Hon'ble Commission to consider ECR for FY 2026-27 as submitted by JBVNL for FY 2026-27 as submitted by JBVNL for FY 2025-26 without any escalation. Further, respect to increase in Fixed Charge, PFI request to the Hon'ble Commission consider the actual Fixed Charge payment considered by JBVNL for FY2025-26 based on the actual fixed charges payment to the plants in the first 6 months 2025-26.
- 4.323 Moreover, Hon'ble Commission has already approved monthly fuel & power purchase adjustment surcharge (FPPAS) which recovers the variation in power purchase & Transmission cost through automatic route
- 4.324 In the absence of Fixed Cost & Energy.' Charge Rate for FY 2025-26, PFI has computed the Power Purchase Cost for FY 2026-27 considering the lower of per unit rate 2024-25 actuals without any escalation & the per unit rate of FY 2026-27 as projected by JBVNL. Power Purchase Cost for the new plants — Patratu Unit I & II and Getalsud floating solar has been considered the same as claimed by JBVNL.
- 4.325 Therefore, PFI requests Hon'ble JSERC to reduce Rs. 568 Cr. from the Power Purchase Cost projected by JBVNL for FY 2026-27. Any change in the Power Purchase Cost will be automatically passed through the Fuel and Purchase Adjustment Surcharge (FPPAS). The additional Power Purchase Cost, as claimed by DISCOM, should be borne by Govt. of Jharkhand in the form of subsidy.

Petitioner Submission

- 4.326 JBVNL has provided the break-up of fixed cost and variable cost under the power purchase models submitted to the Hon'ble Commission with all data related to individual units and power plants for due diligence and prudence check.
- 4.327 As far as the merit order is concerned, all relevant data with sample scheduling data from SLDC have been forwarded to the Hon'ble Commission for prudence check.
- 4.328 On the issue of 5% escalation charges for power purchase, JBVNL would like to state that it includes power purchases from all power plants including NTPC, DVC and other IPPS along with RE projects with which JBVNL has long term PPA agreements and interstate and intrastate transmission costs.
- 4.329 The majority of power purchase quantum comes from NTPC (almost 40%) and DVC whose tariff is determined by CERC. As per CERC's MYT tariff orders for FY 24-29, there is an average increment of 5% in the tariff for



the units whose tariff is determined mainly on the account of inflationary costs. Also, after the PTPS-I is synchronised to the system, other units of NTPC such as for Farakka _III, Out of 56.5MW allocated, 50MW withdrawn by NTPC itself to be sold on merchant basis after PTPS-1 is synchronised. Also, recent MOP notification on flexibilisation, there is constant pressure to schedule the thermal units to the 40% Minimum Technical Load, that would increase the cost of power due to necessary retrofitting to accommodate more RE in the system.

- 4.330 Taking into all the above factors along with increase in power purchase quantum for the JBVNL to meet the demand, the power purchase costs have been projected for the next control period by JBVNL that is completely justified.
- 4.331 Computation of power purchase cost considering the lower per unit rate of FY 26-27 and generalising the same for all purchases is not at all justified that to without any escalation for the projections. So, PFI's request to reduce Rs 568 Cr from power purchase of JBVNL is completely unjustified.
- 4.332 And PFI's claim of any change in the Power Purchase Cost will be automatically passed through the Fuel and Purchase Adjustment Surcharge (FPPAS) is completely unfounded for and this is against the principle of adjustment provided by the Hon'ble Commission. The system does not work that way to provide for FPPPA for adjustment of such escalations.
- 4.333 Again Subsidy provision of Govt of Jharkhand for anything and everything is purely state govt's decision and JBVNL has no role in it. JBVNL claims all the cost as per the regulations and provided for all explanations with requisite data sets for Hon'ble Commission's reference for prudence check.

Stakeholder's Submission

Transmission Charge Projection

- 4.334 PFI notes that JBVNL has also considered escalation of 4% on the Transmission Charges (Inter- State and Intra-State) of FY 2025-26 for projecting the transmission Charges for FY 2026-27. It is submitted that Transmission Charges are part of the monthly Fuel and Power Purchase Adjustment Surcharge (FPPAS) & any be adequately recovered through this mechanism. Therefore, upfront loading on to the consumers through the proposed escalation of Transmission Charges is not prudent.
- 4.335 Keeping with the principles stated above, PFI requests the Hon'ble Commission consider the same Transmission for FY 2026-27 as considered for FY 2024-25 without any escalation.
- 4.336 As above, the savings from considering same Transmission Charges for



FY 2026-27 as considered for FY 2024-25 without any escalation over the same is Rs 192 Cr. The additional Transmission Charges, as claimed by DISCOM, should be borne by Govt. of Jharkhand in the form of subsidy.

Petitioner Submission

- 4.337 JBVNL has considered the escalation charges at 4% for interstate transmission. For interstate transmission tariffs, CERC approved around 5-7% annual escalation for PGCIL/POSOCO assets (e.g., NRSS-XXII, Eastern Region schemes), with average transmission charge ~₹1.85/kWh (up from ₹1.72 FY19-24) for FY 24-29. However, JBVNL only considers around 4% escalation on business-as-usual basis. As claimed by PFI, there is no upfront loading of the charges to the consumers by JBVNL.
- 4.338 So, computing transmission charges without any escalation is devoid of any logic and by doing so, the very intent of the MYT tariff principles are challenged, and even more when the cumulative revenue gap of JBVNL is very high and the cascading effect will be spiralled into the future for JBVNL. Hence, the PFI's arguments should be rejected.
- 4.339 Once again, the additional amount computed by PFI and its arguments that the burden to be passed on to the Govt of Jharkhand is not tenable. Also, JBVNL is an independent entity and by saying that any cost disallowances to be borne by the state govt is completely unfair and unjust.

Stakeholder's Submission

Terminal Benefits

- 4.340 JBVNL has claimed Rs. 140.97 cr. of Terminal Liability in the ARR of FY According to the provisions of JSERC (Terms and Conditions for Determination Distribution Tariff) Regulations, 2025 costs related to Terminal Liabilities can approved during the True-Up Exercise. Relevant extract from the said provided.
- 4.341 Further it is noted that while determining the ARR for FY 2025-26 Hon'ble Commission had not allowed terminal Liability stating the same. Therefore, PFI requests Commission not to approve any Terminal Liability Cost in the ARR of FY 2026-27.
- 4.342 The Terminal Benefits, as claimed by DISCOM, should be borne by Govt. of Jharkhand in the form of subsidy

Petitioner Submission

- 4.343 JBVNL has carried out the Actuarial Valuations through an Actuaries for the F.Y. 2024-2025. On the basis of actuarial valuation, the terminal liabilities for FY 24-25 comes out to be Rs 140.97Cr. The company makes contributions to Master Trust which has been created separately to manage the operations related to terminal benefits and primarily



responsible for management of funds, investments etc. Terminal benefits come sunder employee cost under the head of Operation and maintenance expenses and should be passed in the tariff. Hence, JBVNL rejects the claim of PFI that the liability to be passed on to the GoJ.

Stakeholder's Submission

Summary for APR FY 2026-27

4.344 Thus, Hon'ble JSERC is requested to reduce the ARR claimed for FY 2026-27 by Rs. 2,970 Cr. The elements of ARR which are not as per Regulatory provisions not be passed on to the consumers of Jharkhand and socialised, rather it should be borne by Govt. of Jharkhand in the form of subsidy of Rs. 2,970 Cr., on higher claims of JBVNL as tabulated above, over and above the subsidy decided by Govt. of Jharkhand for FY 2026-27.

Petitioner Submission

4.345 In Summary, again, PFI has recomputed ARR for FY 2026-27 on basis of reduction of all costs that is illogical and unfounded for and made a conclusion to reduce the overall ARR by Rs 2970 Cr and the same to be passed on to the state govt.

4.346 JBVNL finds no logical ground for such an reduction in the ARR as claimed by PFI on fictitious ground and hence, request the Hon'ble Commission to reject the request.

Stakeholder's Submission

TREATMENT OF TRUE-UP FY 2024-25 REVENUE GAP

4.347 PFI observes that the Revenue Gap for APR of FY 2025-26 has been added calculating the accumulated Revenue Gap.

4.348 However, the figures for APR of FY 2025*-26 are only provisional and based on HI data. Any Revenue Gap for FY

4.349 Moreover, JBVNL has claimed exorbitantly high Tariff Hike of 59% to bridge the revenue gap arising in FY 2026-27. Such huge Tariff Hike will result in Tariff shock for consumers at large. In this regard it is important to note that, the Supreme Court judgement dated 28/ 10/2025 has directed liquidation of Regulatory Assets in seven years.

4.350 Thus, the Revenue Gap till FY 2026-27 should be spread out over a period of seven years to ensure that the consumers' interest remains protected. Therefore, out of Rs. 7,723 Cr. only Rs. 1,103 cr. should be loaded on to FY 2026-27.

4.351 PFI has recomputed the Tariff hike required in view of above shall be 11.36%.

Petitioner Submission



- 4.352 The cumulative revenue gap/ regulatory assets of JBVNL is quite high. The legacy revenue gaps are impacting JBVNL's financial and operational performance. It is also now inflating the ARR to be bridged by tariff hikes. JBVNL has no option but to go by the supreme court order.
- 4.353 The Supreme Court of India, in its landmark judgment dated August 6, 2025 (BSES Rajdhani Power Ltd. v. DERC), directed all State Electricity Regulatory Commissions (SERCs) to liquidate existing Regulatory Assets within 4 years (starting April 1, 2024) and ensure new regulatory assets are cleared within 3 years maximum.
- 4.354 The statement of PFI that the regulatory assets need to be cleared within 7 years is wrong.
- 4.355 PFI's computation of tariff hike to be around 11.36% is not based on any logical ground and hence, needs to be rejected by the Hon'ble Commission.

Stakeholder's Submission

Energy Storage

- 4.356 India's evolving storage policy framework underscores its commitment to enhancing grid flexibility and supporting renewable energy integration. Since 2019, a robust regulatory ecosystem has been crafted to support energy storage through national initiatives around technical standards, legal frame works, transmission charges, Resource Adequacy (RA)
- 4.357 In view of above, PFI submits that Energy Storage is an effective tool for arbitrage for DISCOMs in optimization of their Power Purchase Cost. For instance, in BESS, Batteries can be charged in the off-peak hours and discharged in Peak hours, thus, avoiding reliance of DISCOMs on high-cost short term Power from markets or not scheduling the high-cost Power Plants. With the steep reduction in Battery prices and active participation by various companies, JBVNL also needs to consider Energy Storage as a part of their Power Procurement Planning in line with Resource Adequacy Planning formulated by CEA for Jharkhand.

Petitioner Submission

- 4.358 JBVNL understands the concerns of PFI and fully agree with the suggestion for exploring out the BESS model for power purchase and addressing the peak concerns.
- 4.359 JBVNL admits that Energy Storage is an effective tool for arbitrage for DISCOMs in optimization of their Power Purchase Cost. For instance, in BESS, Batteries can be charged in the off-peak hours and discharged in Peak hours, thus, avoiding reliance of DISCOMs on high-cost short term Power from markets or not scheduling the high-cost Power Plants.
- 4.360 JBVNL is also looking forward to develop BESS storage system with the assistance of SECI or any other private partners with all available models.

Also, this is most suited with the new power quantum flowing from PTPS-I and II and future expansion of these projects. JBVNL is exploring to develop BESS projects in its grid sub stations and is already under advanced discussion with JUSNL and SECI for implementing the same.

F. Objector- Federation of Santal Pargana Chamber of Commerce and Industry (SPCCI)

Stakeholder's Submission

- 4.361 संधाल परगना चेम्बर ऑफ कॉमर्स एंड इंडस्ट्री, प्रस्तावित बिजली दरों में वृद्धि के विरोध में अत्यंत रोष, असंतोष एवं आक्रोश व्यक्त करता है। JBVNL द्वारा बिजली दरों में वृद्धि करने का निर्णय पूर्णतः जनविरोधी, व्यापार-विरोधी एवं अव्यावहारिक है, जिसे चेम्बर सिरे से खारिज करता है।
- 4.362 यह सर्वविदित है कि झारखण्ड का व्यापार, उद्योग एवं आम उपभोक्ता पहले से ही महँगाई, मंदी, कर भार एवं प्रशासनिक अव्यवस्थाओं से जूझ रहा है। ऐसे में बिजली दरों में वृद्धि करना कहीं से भी न्यायसंगत नहीं है। यह निर्णय न केवल लघु एवं मध्यम उद्योगों की कमर तोड़ने वाला है, बल्कि प्रदेश में औद्योगिक विकास को भी गंभीर रूप से बाधित करेगा।
- 4.363 JBVNL की वित्तीय एवं प्रबंधन संबंधी विफलताओं, लाइन लॉस, बिजली चोरी एवं अव्यवस्था का बोझ हम उपभोक्ताओं पर डालना किसी भी स्थिति में स्वीकार्य नहीं है। JBVNL अपने आंतरिक कुप्रबंधन, तकनीकी हानियों एवं बिजली चोरी पर कठोर कार्रवाई करे और गुणवत्ता के साथ बिजली आपूर्ति सुनिश्चित करते हुए बेहतर सेवाएँ प्रदान करने का प्रयास करे।
- 4.364 संधाल परगना चेम्बर यह स्पष्ट करना चाहता है कि हम व्यापारीगण कभी भी JBVNL की अक्षमताओं की कीमत चुकाने के लिए बाध्य नहीं हैं। चेम्बर की स्पष्ट माँग है कि बिजली दरों में प्रस्तावित वृद्धि को तत्काल प्रभाव से वापस लिया जाए ताकि हमारे व्यावसायिक संस्थानों को सुगमता से चलाया जा सके।
- 4.365 यदि JBVNL एवं संबंधित विभाग द्वारा इस जनविरोधी निर्णय को शीघ्र वापस नहीं लिया गया, तो चेम्बर प्रदेशव्यापी आंदोलन एवं अन्य लोकतांत्रिक प्रदर्शन के लिए बाध्य होगा। हमें आशा नहीं, बल्कि अपेक्षा है कि जनहित में तत्काल ठोस निर्णय लिया जाएगा।

Petitioner Submission

- 4.366 JBVNL एसपीसीसीआई की प्रस्तावित टैरिफ वृद्धि के संबंध में व्यक्त चिंता को समझता है।
- 4.367 टैरिफ प्रस्ताव न तो JBVNL द्वारा एकतरफ़ा और न ही मनमाने ढंग से तय किया गया है, बल्कि इसे समस्त लागत और व्यय विवरणों के साथ JSERC के समक्ष प्रस्तुत किया गया है, और किसी भी टैरिफ वृद्धि को माननीय आयोग द्वारा विस्तृत सार्वजनिक सुनवाई और प्रूडेंस चेक के बाद ही प्रभावी किया जाता है। इसका उद्देश्य उपभोक्ताओं पर बोझ बढ़ाना नहीं, बल्कि लागत-परिलक्षित (कॉस्ट-रिफ्लेक्टिव) टैरिफ की दिशा में जाना है, ताकि वितरण कंपनी आर्थिक रूप से व्यवहार्य बनी रहे और विश्वसनीय आपूर्ति जारी रख सके। एक मजबूत उपयोगिता ही चैंबरों को सहयोग कर सकती है और अपने उपभोक्ताओं को भरोसेमंद बिजली आपूर्ति दे सकती है।
- 4.368 JBVNL की कुल आपूर्ति लागत में तीव्र वृद्धि हुई है, जिसका मुख्य कारण उच्च विद्युत क्रय लागत, प्रसारण एवं वितरण हानियाँ, ट्रांसमिशन चार्ज हैं। यदि टैरिफ में क्रमिक सुधार न किया जाए, तो बढ़ता हुआ राजस्व अंतर ऋण में बदल जाता है, जो अंततः आपूर्ति की गुणवत्ता को खतरे में डालता है और अधिक बार आउटेज एवं वोल्टेज की समस्याएँ पैदा करता है, जो लघु और मध्यम उद्योगों को प्रस्तावित और संतुलित टैरिफ वृद्धि से भी अधिक नुकसान पहुँचाती हैं।
- 4.369 JBVNL एसपीसीसीआई के इस दावे को अस्वीकार करता है कि JBVNL की वित्तीय एवं प्रबंधन संबंधी विफलताओं, लाइन लॉस, बिजली चोरी और अव्यवस्था का बोझ टैरिफ के माध्यम से उपभोक्ताओं पर डाला जा रहा है। JBVNL तंत्र सुदृढीकरण, क्रय लागत में कमी और चोरी नियंत्रण की दिशा में कार्य कर रहा है, जो बेहतर मीटरिंग, फीडर पृथक्करण, नेटवर्क मजबूती और प्रौद्योगिकी उन्नयन के साथ पूर्णतः अनुरूप है। ये सभी निवेश उस पूँजीगत व्यय योजना का हिस्सा हैं जो टैरिफ याचिका में समाहित है।

- 4.370 इन निवेशों के लिए स्थिर नकदी प्रवाह आवश्यक है; अतः लागत-परिलक्षित टैरिफ और समय पर वसूली ऐसी पूर्व-शर्तों हैं जिनके बिना उद्योग और व्यापार को आवश्यक विश्वसनीय एवं गुणवत्तापूर्ण बिजली उपलब्ध कराना संभव नहीं है।
- 4.371 JBVNL टैरिफ वृद्धि को “जनविरोधी निर्णय” बताने के आरोप को भी अस्वीकार करता है। बिना मूलभूत लागत रुझानों को संबोधित किए किसी भी वृद्धि को पूरी तरह खारिज करना, प्रणाली को फिर से अस्थिर घाटों और सेवा-गुणवत्ता में गिरावट की ओर धकेलने का जोखिम पैदा करता है, जो अंततः दीर्घकालिक जनहित और व्यावसायिक हित — दोनों के प्रतिकूल है।

G. Objector- Singhbhum Chambers of Commerce

Stakeholder’s Submission

Unjustified Hike

- 4.372 Unjustified Tariff Increase across all categories. As per SCC, the proposed tariff hikes proposed are unprecedented and dis-appropriately high. JBVNL understand: does not have any a years are mounting the Hon'ble Commission. As per SCC, there is almost 50% increase in Energy Charges in almost all category and 25% increase in Fixed Charges. Such Steep hikes lack economic rationale and will severely impact affordability, industrial competitiveness and economic activity in Jharkhand.

Petitioner Submission

- 4.373 JBVNL understands the concerns of the chamber. However, JBVNL does not have any alternative as the revenue gap over the last 5 years are mounting with little or no hike in tariff passed through by the Hon'ble Commission.
- 4.374 With costs (Power Procurement, O&M, interest rates) rising, the Aggregate Revenue Requirement is rising year on year and with no government support to bridge the revenue gap and to match the Average cost of Supply with Average Revenue Requirement and to compensate for the overall revenue gap that is to be liquidated within 4 years as per the Supreme Court direction, JBVNL has no option but to pass through to the consumers with increase in tariff.

Stakeholder’s Submission

Contradiction with falling coal prices and power purchase costs

- 4.375 As per SCC, coal prices have declined significantly in recent years due to increased domestic production and stable international markets. Despite this, JBVNL’s power purchase expense projections show an unexplained escalation.

FY 24-25: Rs 8726.06 Cr

FY 25-26: Rs 8921.83 Cr

FY 26-27: Rs 9836.89 Cr

- 4.376 No transparent justification provided for this rising trend despite favourable fuel cost dynamics. This violates the principle of cost reflective



tariff determination.

Petitioner Submission

- 4.377 Power purchase cost includes power purchases from all power plants including NTPC, DVC and other IPPS along with RE projects with which JBVNL has long term PPA agreements and interstate and intrastate transmission costs.
- 4.378 The majority of power purchase quantum comes from NTPC (almost 40%) and DVC whose tariff is determined by CERC. As per CERC's MYT tariff orders for FY 24-29, there is an average increment of 5% in the tariff for the units whose tariff is determined mainly on the account of inflationary costs. Similarly for interstate transmission tariffs, there is an average increment around 6 to 8%. Similarly, the tariffs for the intra state transmission charges have been increased by the JSERC. Also, after the PTPS-I is synchronised to the system, other units of NTPC such as for Farakka _III, Out of 56.5MW allocated, 50MW withdrawn by NTPC itself to be sold on merchant basis after PTPS-1 is synchronised. Also, recent MOP notification on flexibilisation, there is constant pressure to schedule the thermal units to the 40% Minimum Technical Load, that would increase the cost of power due to necessary retrofitting to accommodate more RE in the system.
- 4.379 Taking into all the above factors along with increase in power purchase quantum for the JBVNL to meet the demand, the power purchase costs have been projected for the next control period by JBVNL that is completely justified.

Stakeholder's Submission

High Transmission and Distribution losses. Burden unfairly passed to consumers:

- 4.380 JBVNL's own data reveals persistently high losses which are a result of operational inefficiencies:
- Distribution Losses (28%, far above the national benchmark of 15 to 18%)
 - Intra State Transmission Losses @ 8%
 - Intra state transmission charges: Increased from Rs 382.02 Cr to Rs 522.67 Cr in FY 24-25.
- 4.381 These losses are not force majeure stem from theft, poor infrastructure and managerial failures. Passing these losses to consumers is regressive and unfair.

Petitioner Submission



- 4.382 JBVNL has been highlighting the persistent distribution losses to high LT to HT ratios in line lengths as well as its customer base, that are largely tribal domestic base. The legacy losses are high for JBVNL. This has been also highlighted to MOP for the RDSS trajectory to be fixed. After due consideration, the losses have been fixed by MOP.
- 4.383 However, it is expected that with smart meter implementation and infrastructure upgradation, the loss levels would be reduced drastically which have been projected in JBVNL's business plan also.
- 4.384 Intra state transmission loss @8% is calculated based on the metering data available to JBVNL and the same is shared with the Hon'ble Commission. It is also requested that the inefficiencies of JUSNL should not be loaded to JBVNL. The intrastate transmission charges have been increased due to recent tariff hike by the Hon'ble Commission for JUSNL that has direct impact on the transmission charges.

Stakeholder's Submission

Stagnant Energy sales and Rising Tariff

- 4.385 JBVNL's audit data shows declining energy sales.
- Approved energy Sales for FY 24-25 12015Mus
 - Actual Energy Sold: 11105Mus, shortfall of 910 Mus
- 4.386 Despite falling consumption, JBVNL proposed a tariff shock, which will further depress demand and harm economic recovery. This is anti-consumer and anti-growth.

Petitioner Submission

- 4.387 Stagnant energy sales with respect to FY 24-25 is a misnomer that is due to many factors such as favourable seasonal changes, consumption slow down by consumers mostly from the domestic consumers (high awareness or to get the additional benefit from the govt subsidy) and not so high growth from industrial consumers.
- 4.388 However, this is not having any direct impact on the proposed tariff which is mainly to cover the rising revenue gap accumulated over the years and non-passing of the same Year on Year to the consumers by the Hon'ble Commission.
- 4.389 While JBVNL has tried its best to keep in check the tariff but the mounting financial pressures has forced JBVNL to maintain the ACOS and ABR gap to be zero with such tariff. This is the result due to non-passing of the tariff in earlier years by the Hon'ble Commission.

Stakeholder's Submission

Failure to meet MYT Performance targets

- 4.390 JBVNL has admitted in its petition that it failed to meet earlier MYT



benchmarks. Under the MYT framework, failure to achieve the targets should result in cost disallowance, not tariff hikes. Granting a hike without performance accountability undermines the regulatory framework.

Petitioner Submission

- 4.391 Failure to meet MYT performance targets should be considered in totality and the consequences under which the targets could not have achieved.
- 4.392 JBVNL has highlighted the stiff targets and provided logical explanation under which circumstances the targets, if any, could not have been met.

Stakeholder's Submission

Accumulated Revenue Gap: A Historic burden on current consumers

- 4.393 JBVNL's projected revenue gap is unsustainably high:
- Opening Gap (FY 24-25) : Rs 4991.67 Cr
 - Projected Closing Gap : Rs 16543.99 Cr (Including Carrying Cost)
- 4.394 This accumulated gap is a result of past inefficiencies, subsidy delays and policy failures. Loading it into current consumers through steep tariff hike is inter-generational unjust.

Petitioner Submission

- 4.395 JBVNL acknowledges the huge revenue gap that might be a burden to current and future consumers. However, the accumulated revenue gap is not the fault of JBVNL. The Hon'ble Commission was informed and requested by JBVNL to provide for its treatment. However, the revenue gap was not addressed completely, resulting piling of the same. This was also never recognised as regulatory asset by the Hon'ble Commission.
- 4.396 The projected revenue gap is on the basis of current tariff along with carrying cost, which might come down if appropriate relief is provided by the Hon'ble Commission through tariff hike or any other financial measures.
- 4.397 JBVNL would try its best to minimise the revenue gap through operational, structural and financial measures by its own.

Stakeholder's Submission

Settled judicial principles governing tariff determination: Protection against irrational tariff hikes

- 4.398 Settled judicial principles governing tariff determination: Protection against irrational tariff hikes
- 4.399 It is submitted that tariff determination under the EA act 2003 is not as unfettered fiscal exercise. The Hon'ble supreme court of India and APTEL have repeatedly held that tariff must be reasonable, cost reflective,



efficiency linked, amid consumer centric and that inefficiencies of the utility cannot be mechanically passed to the consumers.

4.400 SCC has highlighted some cases related to it:

- PTC India Limited v CERC (2010) 4 SCC 603
- Damodar Valley Corporation v. JSERC (2016 SCC OnLine APTEL 22),
- Punjab State Power Corpn. Ltd. v. Punjab State Electricity Regulatory Commission, (2015) 7 SCC 387
- BSES Rajdhani Power Ltd. v. Union of India, W.P.(C) 104 of 2015
- In All India Power Engineers Federation v. Sasan Power Ltd., (2017) 1 SCC 487.

Petitioner Submission

4.401 JBVNL is in sync with settled principles that states tariffs must be cost reflective and our projections are rational based on our own calculations and projections based on the ground realities and the measures we have taken to improve the infrastructure and services.

4.402 JBVNL understands that tariff determination under the EA act 2003 is not any fiscal exercise. JBVNL follows due principles and regulations specified by the Hon'ble JSERC while determining the tariff.

4.403 JBVNL has appraised the Hon'ble Commission the difficulties faced by it operationally in the geographical constrained areas such as hilly and mountainous terrain areas, large LT consumers base with high LT to HT line lengths for higher distribution losses.

Stakeholder's Submission

Settled judicial principles governing tariff determination: Protection against irrational tariff hikes

4.404 In view of the above settled judicial position, it is respectfully submitted that:

- The proposed tariff hike is arbitrary, disproportionate, and legally unsustainable
- It violates the principles laid down by the Hon'ble Supreme Court and APTEL
- It fails the statutory tests of reasonableness, efficiency, affordability, and consumer protection

4.405 The Hon'ble Commission, therefore, is duty-bound to reject the proposed tariff hike and direct JBVNL to first address inefficiencies, losses, and cost imprudence before seeking any tariff revision.

Petitioner Submission



- 4.406 JBVNL is denying the statement made by the Singhbhum Chamber of Commerce that the tariff is arbitrary, disproportionate and legally unsustainable. The tariff determination process of any utility is according to the distribution regulation of the state commission. In this case, JBVNL followed the due process of tariff determination according to the distribution regulations 2020 and 2025 by Hon'ble Commission.
- 4.407 It does not violate any principles laid down by the Hon'ble Supreme Court and APTEL. In fact, we are guided by the orders of Supreme Court and APTEL. It is after the Supreme Court order on liquidation of regulatory assets (Supreme court order 2025 INSC 937, judgment dated August 6, 2025) that the regulatory assets need to be liquidated within 4 years, JBVNL has included it in its tariff hike demand.
- 4.408 Also, JBVNL deny the allegation that it fails the statutory tests of reasonableness, efficiency, affordability, and consumer protection. In fact, while determining the tariff, all the factors are taken into consideration so that the tariff shock can be avoided. However, at the same time, utility interests need to be addressed.

Stakeholder's Submission

Settled judicial principles governing tariff determination: Protection against irrational tariff hikes

- 4.409 In view of the above settled judicial position, it is respectfully submitted that:
- The proposed tariff hike is arbitrary, disproportionate, and legally unsustainable
 - It violates the principles laid down by the Hon'ble Supreme Court and APTEL
 - It fails the statutory tests of reasonableness, efficiency, affordability, and consumer protection
- 4.410 The Hon'ble Commission, therefore, is duty-bound to reject the proposed tariff hike and direct JBVNL to first address inefficiencies, losses, and cost imprudence before seeking any tariff revision.

Petitioner Submission

- 4.411 JBVNL is denying the statement made by the Singhbhum Chamber of Commerce that the tariff is arbitrary, disproportionate and legally unsustainable. The tariff determination process of any utility is according to the distribution regulation of the state commission. In this case, JBVNL followed the due process of tariff determination according to the distribution regulations 2020 and 2025 by Hon'ble Commission.



- 4.412 It does not violate any principles laid down by the Hon'ble Supreme Court and APTEL. In fact, we are guided by the orders of Supreme Court and APTEL. It is after the Supreme Court order on liquidation of regulatory assets (Supreme court order 2025 INSC 937, judgment dated August 6, 2025) that the regulatory assets need to be liquidated within 4 years, JBVNL has included it in its tariff hike demand.
- 4.413 Also, JBVNL deny the allegation that it fails the statutory tests of reasonableness, efficiency, affordability, and consumer protection. In fact, while determining the tariff, all the factors are taken into consideration so that the tariff shock can be avoided. However, at the same time, utility interests need to be addressed.

H. Objector- Gajanan Ferro Pvt. Ltd.

Stakeholder's Submission

Critical Observations from the Audit Report

- 4.414 It is submitted that the Petitioner has not been managing the Books of Accounts in a manner as required under the provisions of the Companies Act 2013. This has been prevalent since earlier years also. The Statutory Auditors of the company have in the FY 2024-25 also recorded weaknesses in respect of the company's financial reporting.
- 4.415 The comments from the Statutory Auditor in the Auditor's report paints a sorry picture on the state of affairs in the JBVNL. Such lacklustre performance wrt maintenance of company's financials could have a significant bearing on the ARR claimed by the discoms year on year basis. The Hon'ble Commission is sincerely requested to direct the Petitioner to submit the point wise reply to the points highlighted by the Statutory Auditor.
- 4.416 In the wake of repeated observations from the Statutory Auditor, the preparation of Fixed Asset register is necessity of the time. Although, the Hon'ble Commission has time and again directed the Licensee to maintain Fixed Asset Register, the Licensee has not been complied to the same. The Licensee must be penalized in lieu of such non-compliance.

The Hon'ble Commission should also direct the Petitioner to prepare Regulatory Accounts in consonance with the Standardisation of Regulatory Accounts Final Report dated July 2012 issued by the Forum of Regulators so as to harmonize the Accounts that shall enable the Hon'ble Commission to conduct the True-up with standardized approach.

Transmission and Distribution losses

- 4.417 The Petitioner has claimed distribution losses based on actuals at a level of 28.19% for FY 2024-25. At the outset, it is submitted that the loss levels recorded by the DISCOM are extremely high and warrant urgent corrective measures. Such elevated loss levels are indicative of



deficiencies in the distribution network, resulting in significant loss of material and economic resources, which is a matter of serious concern.

- 4.418 Factually, since the Distribution Losses and Collection efficiency are a critical operational parameter of the discoms, SERCs across the states have provided for the same as a Controllable parameter for the discoms. Likewise, The Hon'ble JSERC also under Regulation 6.44 of the Tariff Regulations 2020 provides for the Distribution Loss and Collection Efficiency being a Controllable parameter. The relevant extracts are as under:

ARR Element	Controllable/Uncontrollable
Sales	Uncontrollable
Power Purchase Cost (excluding short-term power)	Uncontrollable
Short-Term Power Purchase Cost	Controllable (Ceiling Value)
Transmission & Load Despatch Charges	Uncontrollable
O&M Expenses (excluding terminal liabilities of employees)	Controllable
Terminal liabilities of employees	Uncontrollable
Return on Equity	Controllable
Interest on Loan	Controllable
Interest on Working Capital	Controllable
Depreciation	Controllable
Taxes on Income	Uncontrollable
Foreign Exchange Rate Variation	Uncontrollable
Non-Tariff Income	Uncontrollable
Income from Other Businesses	Uncontrollable
Interest on Consumer Security Deposit	Uncontrollable
Distribution Loss and Collection Efficiency	Controllable

- 4.419 In continuation with the Regulatory provisions and having recognized the issue pertaining to significant Distribution losses, the Hon'ble Commission has approved the Distribution loss trajectory keeping in mind the actual loss trajectory, capex infusion done by the State Utility over the years amongst the prominent items.
- 4.420 It is noteworthy that despite capitalization of a significant quantum of assets over the last three to four years, distribution losses have not reduced commensurate with the level of capital expenditure incurred.
- 4.421 Subsequently, the Hon'ble Commission vide MYT Order dated 31.05.2023 has approved the Distribution loss trajectory for each year of the Control period FY 2021-26. The relevant extracts of the Hon'ble Commission's MYT Order are shown below:

“Commission's Analysis

7.13 The Commission has observed that in 2nd MYT Control Period the distribution loss target for FY 2020-21 was 13%. Therefore, considering the



prevailing scenario of the DISCOMs. The Commission has approved the distribution loss target of 13% on overall sales for each year of the Control Period. Further, the Petitioner shall be allowed to operate within distribution loss of 13% on overall sales for the Control Period without any incentive/penalty.”

- 4.422 In view of the aforesaid, it is submitted that not abiding by the trajectory defined by the Hon'ble Commission and factoring into consideration the deviation in the retail ARR is disdainful.
- 4.423 Furthermore, the Petitioner has depicted that the Intra state Transmission losses is 7.99%. It is respectfully submitted that the Transmission loss trajectory submitted by the discoms is in significant variance to the Transmission loss trajectory approved by the Hon'ble Commission for JUSNL (State Transmission Licensee). The Respondent apprehends that such variation is an outcome of incorrect accounting of energy at T/D periphery. Hence, it is requested before the Hon'ble Commission to direct the Petitioner and JUSNL to submit a joint reconciliation statement certifying Intra state transmission losses. In accordance with the methodology adopted by the Hon'ble Commission in the True-up of FY 2024-25 through Tariff Order dated 30.04.2025, it is humbly submitted that the Intra state Transmission losses be approved at 2.23% in continuation with the loss trajectory approved by the Hon'ble Commission in the MYT Order dated 24.02.2018 (for JUSNL) and MYT Order dated 31.05.2023 respectively. It is also noteworthy to point out that the Hon'ble Commission while issuing the MYT Order for JBVNL has also considered Intra state Transmission losses at 2.23% (ref Table 55 of the MYT Order dated 31.05.2023).
- 4.424 Furthermore, the Loss levels claimed by JBVNL for procurement from DVC stations is 4.30% which in the opinion of Objector is significantly high. As in the case of JUSNL, this Hon'ble Commission while issuing the MYT Order (dated 30.01.2023) for the FY 2021-26 has approved the composite T&D losses of 3.00%. Relevant extracts of the same are reproduced as under for the kind reference:

“Commission's Analysis

5.15 The Commission has scrutinized the actual loss and approved value of losses for the past years. The Commission provisionally approves the Transmission & Distribution (T&D) loss target of 3.00% on overall sales for each year of the Control Period considering the past trend in previous period from FY 2016-17 to FY 2020-21. Further, the Petitioner shall be allowed to operate within the distribution loss of 3.80% on overall sales for the Control Period without any incentive/penalty”

- 4.425 Accordingly, the Hon'ble Commission is requested that the Transmission Losses for procurement from DVC be approved at 3.00% for FY 2024-25.
- 4.426 In view of the above submissions, it would be imprudent if the cost of the Petitioner's inefficiency is passed onto the consumers. Therefore, the



Respondent submits that the Cost of the surplus power procured by the Petitioner on account of excess Transmission and Distribution Losses should be disallowed by the Hon'ble Commission as a pass through in the Tariff. The above practice has been routinely followed by the Hon'ble Commission while approving the True up over the years.

4.427 Based on the sales and Power purchase data submitted by the Petitioner, the respondent has computed that the Surplus power procured by the Petitioner is 3489.86 Mus. The same is demonstrated below for the kind consideration of the Hon'ble Commission:

SN.	Particulars	Notation	FY 24-25	
			Claimed	As per Objector's Assessment
A	Power Purchase at CTU Periphery (MU)	A	11,125.69	11,125.69
B	Transmission Loss at CTU (%)	B	3.00%	3.00%
C	Loss in CTU (MU)	$C=A*B$	333.77	333.77
D	Net Outside Power Available at STU/JUSNL Periphery (MU)	$D=A-C$	10,791.92	10,791.92
E	Private-owned gen Energy Input (IPL) Directly to STU/JUSNL (MU)	E	390.96	390.96
F	State-owned Generation Input to JUSNL Periphery (MU)	F	1,655.82	1,655.82
G	Energy Available at JUSNL Periphery (MU)	$G=D+E+F$	12,838.70	12,838.70
H	Transmission Loss at JUSNL System (%)	$H=(G-J)/G$	7.99%	2.23%
I	Transmission Loss at JUSNL System (MU)	$I=G*H$	1,025.64	286.30
J	Net Energy Sent to JBVNL Periphery as per Meter Reading (MU)	J	11,813.06	12,552.40
K	Energy scheduled from DVC to JBVNL by SLDC (MU)	K	3,799.45	3,799.45
L	Transmission Loss at DVC System (%)	$L=(K-N)/K$	4.30%	3.00%
M	Transmission Loss at DVC System (MU)	$M=K*L$	163.27	113.98
N	Direct Input Energy from DVC to JBVNL as per Meter Reading (MU)	N	3,636.18	3,685.47
O	Direct Input Energy from State Solar System to JBVNL (MU)	O	17.13	17.13
P	Energy Available for Sale/ Energy Input to JBVNL (MU)	$P=J+N+O$	15,466.38	16,255.00
Q	Energy Billed/ Units Sold (MU)	Q	11,105.67	11,105.67
R	Distribution Loss (%)	$R=(P-Q)/P$	28.19%	13.00%
S	Energy Required at JBVNL Periphery (MU)	S	11,105.67	12,765.14
T	Surplus/(Shortage)	$T=P-S$	0.00	3,489.86

4.428 It is humbly submitted that the surplus energy procured by the discoms be disallowed. The financial impact on account of the same is dealt in the subsequent section.



Power Purchase Costs

- 4.429 The Petitioner has claimed Rs. 8,726.06 Crore towards Power purchase costs (incl. Transmission charges) by considering the Transmission and Distribution losses at 7.99% and 28.19% respectively.
- 4.430 As submitted in preceding sections, it is humbly submitted that the power purchase and transmission cost towards excess power purchased i.e. 3489.86 MUs must be disallowed at a Rate equivalent to Average Power Purchase Cost (Rs. 5.14/ unit computed at Rs. 8726.06 Cr./ 16,989.06 Mus) computed as per the Petitioner's submissions.
- 4.431 Therefore, against the Petitioner's claim, the admissible Power purchase cost is Rs. 6,933.57 Crore, the computation of which is depicted below:

Sr.No	Particulars	JBVNL Claim	As per Objector's assessment
1	Power purchase expenses (incl. Transmission charges)	8,726.06	8,726.06
2	Less: Cost of disallowed units	-	1,792.49
a	Rate of Power purchase (Rs./ unit)	5.14	5.14
b	Quantum of power purchase (Mus)	-	3,489.86
3=1-2	Admissible power purchase	8,726.06	6,933.57

Operation and Maintenance Expenses

- 4.432 The Petitioner has claimed O&M Expenses towards Employee, A&G, R&M and Terminal benefits for the FY 2024-25 based on the Audited Accounts as depicted under:

Sr.	Particulars	JBVNL claim
1	Employee Expense	276.30
2	Administration & General Expense	119.95
3	Repair & Maintenance Expense	452.70
4	Terminal Benefits	131.12
	Total	980.08

- 4.433 It is humbly submitted that the Petitioner's claim of O&M Expenses as per the Audited Accounts is inappropriate. The provisions of the Tariff Regulations 2020 provide for the O&M Expenses to be allowed on the basis of norms, relevant extracts from which are reproduced below:

"Operation and Maintenance Expenses

10.3 Operation and Maintenance (O&M) Expenses shall include:



- a) Salaries, wages, pension contribution and other employee costs;
- b) Administrative and General Expenses;
- c) Repairs and Maintenance Expenses.

10.4 The O&M Expenses for the Base Year of the Control Period shall be approved by the Commission taking into account the audited accounts of FY 2015-16 to FY 2019-20, Business Plan filed by the Licensee, estimates of the actual for the Base Year, prudence check and any other factor considered appropriate by the Commission.

10.5 The O&M expenses permissible towards ARR of each year of the Control Period shall be approved based on the formula shown below:

$$O\&M_n = (R\&M_n + EMP_n + A\&G_n) + \text{Terminal Liabilities}$$

Where,

$R\&M_n$ – Repair and Maintenance Costs of the Licensee for the n th year;

EMP_n – Employee Costs of the Licensee for the n th year excluding terminal liabilities;

$A\&G_n$ – Administrative and General Costs of the Licensee for the n th year.

10.6 The above components shall be computed in the manner specified below:

a) $R\&M_n = K * GFA * (INDX_n / INDX_{n-1})$

Where,

‘ K ’ is a constant (expressed in %) governing the relationship between $R\&M$ costs and Gross Fixed Assets (GFA) and shall be calculated based on the % of $R\&M$ to GFA of the preceding year of the Base Year in the MYT Order after normalising any abnormal expenses;

‘GFA’ is the opening value of the gross fixed asset of the n th year;

b) $EMP_n + A\&G_n = [(EMP_{n-1}) * (1 + G_n) + (A\&G_{n-1})] * (INDX_n / INDX_{n-1})$

Where,

EMP_{n-1} – Employee Costs of the Licensee for the $(n-1)$ th year excluding terminal liabilities;

$A\&G_{n-1}$ – Administrative and General Costs of the Licensee for the $(n-1)$ th year excluding legal/ litigation expenses;

$INDX_n$ – Inflation factor to be used for indexing the employee cost and $A\&G$ cost. This will be a combination of the Consumer Price Index (CPI) and the Wholesale Price Index (WPI) for immediately preceding year before the base year;

G_n – is a growth factor for the n th year and it can be greater than or lesser than zero based on the actual performance. Value of G_n shall be determined by the Commission in the MYT Order for meeting the additional manpower requirement based on the Distribution Licensee’s Filing,



benchmarking and any other factor that the Commission feels appropriate;

$$c) \text{INDX}_n = 0.55 * \text{CPI}_n + 0.45 * \text{WPI}_n;$$

Note 1: For the purpose of estimation, the same $\text{INDX}_n / \text{INDX}_{n-1}$ value shall be used for all years of the Control Period. However, the Commission will consider the actual values in the $\text{INDX}_n / \text{INDX}_{n-1}$ at the end of each year during the Annual Performance Review exercise and true up the employee cost and A&G expenses on account of this variation, for the Control Period;

Note 2: Any variation due to changes recommended by the Pay Commission, wage revision agreement, etc., will be considered separately by the Commission;

Note 3: Terminal Liabilities will be approved as per actual submitted by the Licensee along with documentary evidence such as actuarial studies.

10.7 The Distribution Licensee, in addition to the above details shall also submit the detailed break-up of the Legal/Litigation Expenses for the previous Years (FY 2015-16 to FY 2019-20) along with the details and documentary evidence of incurring such expenses. The Commission shall approve the legal expenses as per the relevant provisions of the Jharkhand State Litigation Policy based on the necessary documentary evidence submitted for the Control Period and shall carry out due prudence check of legal expenses at the time of true up.”

4.434 In accordance with the Regulatory provisions, the Hon'ble Commission while approving the MYT for the period FY 2021-22 to FY 2025-26 (ref Order dated 31.05.2023) has allowed the O&M Expenses based on the norms prescribed in the Tariff Regulations 2020.

4.435 The Respondent in line with the approach adopted by the Hon'ble Commission submits that the O&M Expenses should be allowed as per the norms and not actuals. The allowable Employee Expenses, A&G Expenses, R&M Expenses and Terminal Benefits is shown in the subsequent paras.

Employee Expenses

4.436 In line with the Regulation 10.6(b), the admissible Inflation factor INDX_n computation is provided as under:

4.437 Table 15: Average Inflation Index for the FY 2024-25

Particulars	CPI			WPI			Consolidated (55% CPI + 45% WPI)		
	FY 24	FY 25	FY 26	FY 24	FY 25	FY 26	FY 24	FY 25	FY 26
INDX _n	397.2	410.64	425	151.42	154.86	155	286.60	295.54	303.5
INDX _n / INDX _{n-1}								3.12%	2.69%

4.438 The Inflation factor as computed above shall be admissible for the FY 2023-24 and FY 2024-25 respectively. Since FY 2025-26 year is ongoing, the Inflation factor could not be computed, therefore, the Inflation factor



approved for FY 2024-25 shall be used for the computation of Employee and A&G Expenses for the FY 2025-26 as well.

- 4.439 Furthermore, the Petitioner has not submitted the details of Additional manpower recruited during the FY 2024-25, therefore, the allowable growth factor should be considered as approved in the MYT Order dated 31.05.2023. The same is as follows:

Particulars	FY 24	FY 25	FY 26
Growth factor Gn	0%	0%	0%

- 4.440 In accordance with the above submissions, the normative Employee Expenses for the FY 2024-25, FY 2024-25 and FY 2025-26 is as under:

Particulars	FY 2024-25	FY 2025-26	FY 2026-27
EMPn-1	251.36	259.20	266.18
Gn	0%	0%	0%
Inflation Index	3.12%	2.69%	2.69%
EMPn	259.20	266.18	273.35

- 4.441 Note that the EMPn-1 for FY 2024-25 is based on the Employee Expenses allowed by the Hon'ble Commission for the True up of FY 2024-25
- 4.442 Secondly, the Para 4 of the Basis of Qualified Opinion as per Independent Auditor's Report appended to the Audited Accounts of the FY 2024-25 provides as under:

"Basis of Qualified Opinion

4. CWIP

g. The company does not capitalize overheads and incidental expenses related to CWIP."

- 4.443 Based on the above, it is evident that the employee expenses recorded in the Profit and Loss (P&L) statement also include expenses related to capital works. This approach by the Petitioner is misleading, to say the least. Employee expenses associated with capital works should be allocated to the capital cost, ensuring that the entire employee expenses are not incorrectly included in the P&L statement. This practice has been ongoing in previous years, indicating that the distribution companies have not adequately addressed the Auditor's remarks.
- 4.444 In the absence of detailed information and in accordance with the above points, the Objector suggests that employee expenses recoverable through the Annual Revenue Requirement (ARR) under the Operations & Maintenance (O&M) head should be allocated based on the pro-rata balances of Capital Work in Progress (CWIP) and Gross Fixed Assets (GFA).

A&G Expenses



4.445 In accordance with the Regulation 10.4(b) and in furtherance of the Inflation factor determined in the preceding paras, the allowable A&G Expenses for the FY 2024-25 to FY 2025-26 is as under:

Particulars	FY 2024-25	FY 2025-26	FY 2026-27
A&Gn-1	113.78	117.33	120.49
Inflation Index	3.12%	2.69%	2.69%
A&Gn	117.33	120.49	123.74

4.446 Note that the A&Gn-1 for FY 2024-25 is based on the A&G Expenses approved by the Hon'ble Commission for the True up of FY 2024-25

R&M Expenses

4.447 In line with the Regulation 10.6(a), the Hon'ble Commission vide MYT Order dated 31.05.2023 has approved the K-factor which is considerable for the computation of admissible R&M Expenses. The approved K-factor for the MYT Control period FY 2021-26 is 1.22%.

4.448 In accordance with the K-factor and Inflation factor determined in preceding paras, the allowable R&M Expenses is as under:

Particulars	FY 2024-25	FY 2025-26	FY 2026-27
GFA	22,424.11	23,223.66	24,179.51
K-factor	1.22%	1.22%	1.22%
Inflation Index	3.12%	2.69%	2.69%
R&Mn	282.11	290.96	302.94

Terminal Benefits

4.449 The Petitioner has claimed expenses towards Terminal benefits amounting to Rs. 131.12 Crore based on certain Expenses booked in the Audited Accounts. The Tariff Regulations 2020 in respect of Terminal Benefits provides as under:

“Operation and Maintenance Expenses

Note 3: Terminal Liabilities will be approved as per actual submitted by the Licensee or be established through actuarial studies.”

4.450 In accordance with the above, the liability towards Terminal benefits is admissible based on either of:

- Amount payable as per Actuarial studies
- Actual amount paid/ deposited in the Trust fund

4.451 At the outset, the Petitioner has not submitted the Actuarial valuation report along with the instant Petition which is the quintessential requirement as per the Tariff Regulations 2020.

4.452 Secondly, the actual amount paid/ deposited in the Trust fund is also not provided by the Licensee. JBVNL has merely depicted the provisions towards Trust fund towards Terminal liabilities while the Regulations



provide for Terminal benefits based on actual amount. Furthermore, the claim made JBVNL is inconsistent with the provisions towards terminal benefits booked in the Audited Accounts (Rs. 130.95 Crore).

- 4.453 The Para xvii to “Annexure 1” to the Independent Auditors’ Report on Standalone Ind AS Financial Statements of JBVNL indicates that the provisions towards terminal benefits is Rs. 130.95 Crore against the Petitioner’s claim which is Rs. 131.12 Crore. The same has been indicated below for kind reference.

Sl No.	Particulars	For the Year ended 31 st March 2025	For the Year ended 31 st March 2024
1	Loss as per Statement of Profit & Loss	(199,969.04)	(264308.76)
	Deduction for non-cash expenses:		
2	Depreciation & Amortisation	100156.82	96,489.77
3	Provision for Doubtful Debts	210.22	1,170.80
4	Provision for Terminal benefits	13,095.90	8,071.91
5	Total Deduction - (2+3+4)	113,462.94	105,732.48
	Addition for non-cash income and cash expense:		
6	Amortisation of Grant	57,539.50	54,852.62
7	Payments made against Terminal benefits as per actuarial reports	24,291.12	22,332.35
8	Total Addition - (6+7)	81,830.62	77,184.97
9	Net Adjustment to loss - (5-8)	31,632.32	28,547.52
10	Calculated Cash loss - (1+9)	(168,336.72)	(235,761.24)

- 4.454 Furthermore, Para 14 of the Independent Auditor’s Report (ref FY 2022-23 Audited Accounts) observed as under:

“Basis of Qualified Opinion

14. Additional Matters:

The Company has disclosed the Provision with respect to Employee Terminal Benefits and its plan assets on gross basis, which is not in compliance with Ind AS 19 “Employee Benefits”

- 4.455 In the previous year, the company has reported its employee benefits provision and plan assets separately (on a gross basis), which does not comply with Ind AS 19 “Employee Benefits.” This standard requires the net amount (the difference between the provision and plan assets) to be disclosed in financial statements. By showing such figures, the company’s financial statements do not accurately reflect its obligations and resources, potentially misleading its financial position. The Hon’ble Commission is humbly submitted that the above aspect be looked into while approving the Employee expenses for the FY 2024-25.

- 4.456 Notably, similar observations were made by the Auditor in the previous



years as well; The perusal of Audited Accounts for FY 2020-21 is worth consideration which observes as under:

“13. Provision for Employee Benefits (Note -22)

(i) The Company has deducted but not deposited the statutory dues such as PF, ESIC, and PLI & LIP etc. on regular basis. In some of the circles & areas the opening liabilities have not been fully deposited in the current year. Further, there is failure on deduction part also in some cases.

Hence, we are unable to quantify the amount of such default in the absence of information in the manner so required.

(ii) During the year company has made the provision of Leave Encashment, Gratuity & pension liability on the basis of actuarial valuation done up to March 2018.”

4.457 Based on the above excerpts, it could be observed that the Petitioner is possibly not depositing in actual, any amount towards terminal benefits (albeit on a regular basis). The above means to say that although the expenses towards terminal fund contribution is shown as part of P&L, the same has not been deposited in Trust funds.

4.458 In view of the above inconsistencies in respect of financial reporting, it is crucial that the detailed assessment be done by the Hon’ble Commission in respect of actual discharges made by the Licensee towards Terminal benefits. As of present, it is fit to state that the claim made by the Petitioner is not admissible.

4.459 In view of the above arguments, the claim of Rs. 131.12 Crore towards Terminal Liabilities is not admissible as per the Tariff Regulations 2020. The Objector submits that in the absence of substantiating information on record, the Contribution towards Terminal Benefits may not be admitted at this point of time for the period FY 2024-25 to FY 2026-27.

Particulars	As per Objector’s assessment		
	FY 2024-25	FY 2025-26	FY 2026-27
Terminal Benefits	-	-	-

4.460 In view of the aforesaid submissions, the allowable O&M Expenses as per Objector’s assessment vs Petitioner claim for the FY 2024-25 to FY 2026-27 is summarized as follows:



SN.	Particulars	JBVNL claim			As per Objector's assessment		
		FY 2024-25	FY 2025-26	FY 2026-27	FY 2024-25	FY 2025-26	FY 2026-27
1	Employee Expense	276.30	286.48	297.04	259.20	266.18	273.35
2	Administration & General Expense	119.95	124.37	128.96	117.33	120.49	123.74
3	Repair & Maintenance Expense	452.70	468.84	524.16	452.70	468.84	506.15
4	Terminal Benefits	131.12	135.96	140.97	0.00	0.00	0.00
	Total	980.08	1015.66	1091.13	829.23	855.52	903.24

Capitalization, CWIP and Grants - Additions during the year

4.461 The Petitioner has claimed capitalization of Rs. 799.54 Crore for FY 2024-25 in line with the Audited Accounts. The Objector respectfully submits that the Auditor's observations highlight significant deficiencies in JBVNL's internal control systems, particularly with respect to capitalization of assets and the timely transfer of works from CWIP to GFA. The audit report notes the absence of proper internal controls over capitalization, delays in recording inventories, improper accounting of materials, and lack of timely capitalization due to non-issuance of completion certificates. In this context, JBVNL has not furnished scheme-wise and work-wise capitalization details, thereby restricting effective prudence verification of assets capitalized. The observed weaknesses in CWIP management and asset accounting raise concerns regarding the accuracy and timing of capitalization claims. Accordingly, the Hon'ble Commission may direct the Petitioner to submit scheme-wise and work-wise capitalization details along with supporting completion certificates and subject the capitalization claims to strict prudence check prior to approval. Further, an important observation of the Auditor with respect to capitalization and CWIP, as recorded in the Audited Accounts under Annexure-C, is reproduced below:

“Opinion

...

However, Company needs to further strengthen the in the control system in the following areas:

- The Company should conduct internal audit of its accounts periodically.
- In our opinion, the Company does not have proper internal controls of capitalization of assets and needs further improvement to ensure timely capitalization of Property, Plant & Equipment through timely issuance of completion certificate.
- In central stores of the Company, on physical verification of stores, we have observed the following:
 - a) Gross delay in recording of the receipt and issue of inventories.
 - b) No proper accounting for scraps and rejects exists in the Company, and further, no provisioning is made on non-moving/discarded items.



- c) No proper storage of material, material stored in the open area.
 - Capitalization of Capital Work-in-Progress in a timely and efficient manner.
 - Long Term Advances and Deposit Work should be regularly reviewed and accounted for where the significant work has been completed.
 - Review of negative balances in liabilities and assets heads”

4.462 Further, the Petitioner has considered additions of Grants (and Consumer Contribution) amounting to Rs. 439.18 Crore based on the actual Capital Grants received and adjusting for Amortization of the Grants.

4.463 At the outset, the approach of the Petitioner is incorrect as the admission of Interest expenses and Depreciation is based on the Capital Cost net off grants and consumer contribution. The provisions of the Tariff Regulations 2020 also align with the above approach. The extracts of the Tariff Regulations 2020 are as follows:

“Capital Cost

10.11 The amount funded through Consumer Contribution, Grants or Deposit Works for connection to the distribution system of the Licensee shall be deducted from the original cost of the scheme for the purpose of calculating the amount under debt and equity under these Regulations.

.....

Interest on Loan Capital

.....

10.28 The above interest computation shall exclude interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee.

.....

Depreciation

10.34 Depreciation shall be calculated every year, on the amount of original cost of the fixed assets as admitted by the Commission;

Provided that depreciation shall not be allowed on assets funded by consumer contribution and capital subsidies/grants. Provision for replacement of such assets shall be made in the capital investment plan;”

Based on the above, it is clear that the Depreciation, Interest on Loan are to be admitted on the Capital Cost net off grants. However, the Petitioner has netted off the grant component by adjusting the amortization towards grants as well which is not in line with the Tariff Regulations 2020.

The Note 17 of the Audited Accounts of FY 2024-25 in respect of Grants/ Consumer Contribution is as under:

“Note 17: Government Grants



Note:

i. During the financial year 2024-2025, the company received a total of ₹ 92684.00 Lakh (P.Y.: ₹ 88735.17 Lakh) as capital grant; ₹20943.00 Lakh (P.Y.: ₹ 12328.17 Lakh) from PFC (Central Government Scheme) and ₹ 71741.00 Lakh (P.Y.: ₹ 76407.00 Lakh) from State Government) for various projects under different schemes and amortized capital grant by ₹ 57539.50 Lakh (P.Y.: ₹ 54852.62 Lakh) during the said period. During the year, grant received from ₹ 6999.43 Lakh was surrendered. This resulted in net positive movement during the year of ₹ 283145.07 Lakh (P.Y.: ₹ 21554.38 Lakh).”

4.464 Likewise, the Consumer Contribution claimed by JBVNL (Rs. 157.73 Crore) for FY 2024-25 is inconsistent with the amount booked in the Audited Accounts. Note 20: Other Current Financial Liabilities of the Audited Accounts depict that the additions to consumer contributions is Rs. 150.814 Crore computed as a difference between Opening and closing Receipts under Deposit Head. The extracts from the Audited Accounts is shown herewith for the kind reference of the Hon'ble Commission.

Note 20: Other Current Financial Liabilities

Particulars	As at	As at	As at
	31st March 2025	31st March 2024	1 st April 2023
	Amount	Amount	Amount
a. Receipts under Deposit Head			
(a) Receipts from Consumers- Deposit works, Consumer Contribution, Electrification, Service, Connection	63,873.31	48,100.11	51,416.05
(b) Advance for Deposit Work	21,009.68	21,701.49	14,328.32
	84,882.99	69,801.60	65,744.37

4.465 In line with the above extract from the Audited Accounts, the Hon'ble Commission is sincerely requested to consider Rs. 1077.654 Crore (Rs. 926.84 + 150.814 Crore) towards Contribution for Grants/ Consumer Contribution/ Deposit works. The table below summarizes the allowable Capitalization and Consumer Contribution/ Grants during the FY 2024-25:

Particulars	Claimed by JBVNL	As per Objector's assessment
Capitalization	799.55	799.55
Contribution Contribution/ Grants	439.18	1077.65

4.466 Based on the above findings, the Hon'ble Commission is requested to consider Rs. 1077.65 Crore towards Contribution Contribution/ Grants for the computation of Depreciation, Interest on Loan and Return on Equity.



Opening balances of GFA and Consumer Contribution and Grants

4.467 In line with the aforesaid discussions, the admissible GFA and Consumer Contribution & Grants for the FY 2024-25 as against the Petitioner's submissions are indicated below:

Particulars	Claimed by JBVNL	As per Objector's assessment
Gross Fixed Assets		
Opening GFA	22,424.11	22,424.11
Additions to GFA	799.55	799.55
Closing GFA	23,223.66	23,223.66
Consumer Contribution and Grants		
Opening Balance	12,636.63	12,636.63
Addition: Govt. Grant	281.45	926.84
Addition: Consumer Contribution	157.73	150.81
Closing Balance	13,075.81	13,714.28

Capital Work in Progress (CWIP)

4.468 While the Petitioner has claimed CWIP movements as per the Audited Accounts, there is an urgent need to also resurrect the lapses observed by the Statutory Auditor in the Audit report. Notably, the Auditor's report for FY 2024-25 points out several deviations in the CWIP movements during the FY 2024-25. The same are reproduced below for ready reference:

"3. Property, Plant & Equipment (PPE), Capital Work in Progress & Intangible Assets (Note- 3A, 3B&3C)

a. The Company has maintained records of year-wise asset addition containing the asset under different classes, unit having the assets, value and date of capitalization and the rate of depreciation. However the Company has not maintained Fixed Assets Register containing the required details for all the fixed assets of the Company and have not conducted physical verification of the fixed assets. As informed, the Company is in the process of physical verification, valuation, reconciliation and preparation of Fixed Asset Register. In the absence of Fixed Asset Register and its physical verification reports we are unable to comment upon its impact on the financial statements.

b. The right, title and interest for land and buildings are not produced to audit; land revenue receipts/ Holding tax receipts are also not produced to audit. In the absence of which, we are unable to comment on its impact on the financial statements.

c. Impairment of Property, Plant and Equipment has not been done by the Company as per Ind AS 36.

d. The Company has capitalized the borrowing cost on a proportionate basis. This is not in accordance with Ind-AS 23.



e. The Company has not properly disclosed, in its annual financial report, details regarding the assets given as security against secured loans by various agencies.

f. Out of total value of CWIP as at 31.03.2025 of Rs. 1,55,996.05 lakh, scheme wise break-up was not provided for Rs. 740.90 lakh.

g. The Company does not capitalize overheads and incidental expenses related to CWIP.

h. We are unable to comment on whether AS 116 has been complied with, with respect to Leases, for want of required information.”

- 4.469 JBVNL has not reported the scheme wise Capital works in progress. In the absence of the same, there is no document substantiating the status of any ongoing scheme. Furthermore, there is no check that could be undertaken by the Hon'ble Commission to compare the actual Capex vs the Capex outlay approved by the Hon'ble Commission against any specific scheme. Such financial imprudence by JBVNL could lead to time/ cost overruns which could not be verified as per the provisions of the Tariff Regulations 2020. The Hon'ble Commission is sincerely submitted to allow the Capital Expenditure in accordance with the outlay approved in the Business Plan/ MYT Orders.
- 4.470 Secondly, JBVNL has been not capitalizing overheads and incidental expenses related to CWIP which implies that the such expenses are loaded onto the P&L account resulting into inflated O&M Expenses which in the opinion of the Objector not a prudent exercise.
- 4.471 Partly completed works are moved to GFA account possible indicating that the GFA balances are over-inflated. The above considerations have serious implications as far as Tariff determination exercise is concerned. Hon'ble Commission is sincerely requested to kindly direct the Licensee to prepare the Fixed Asset Register which shall duly record the details associated with asset capitalization or else impose penalty in addition to the currently applicable penalty at 2% of the ARR. Such an approach would be in the long term interest of the consumers and Licensee at large.

Depreciation

- 4.472 The Petitioner has claimed Rs. 450.33 Crore towards Depreciation for the FY 2024-25 considering the Rate of depreciation of 4.39%.
- 4.473 In line with the admissible GFA, Consumer contribution & Grants and the Rate of Depreciation as discussed in preceding paras, the allowable Depreciation for the FY 2024-25 is as under:



Particulars	Claimed by JBVNL	As per Objector's assessment
GFA Considered for Dep - Excl. GFA out of CC and Grants	10,262.27	9,953.55
Depreciation Rate	4.39%	4.39%
Depreciation	450.33	436.79

Interest on Loan

- 4.474 The Petitioner has claimed Rs. 380.28 Crore towards Interest on Loan for the FY 2024-25 considering the Rate of Interest of 10.30%.
- 4.475 In line with the admissible GFA and the Consumer contribution & Grants, the allowable Interest on Loan for the FY 2024-25 is as under:

Particulars	Claimed by JBVNL	As per Objector's assessment
Opening Balance	3,736.37	3,736.37
Addition	361.75	135.28
Repayment	450.33	436.79
Closing Balance	3,647.79	3,434.87
Average Loan	3,692.08	3,585.62
Rate of Interest	10.30%	10.30%
Interest Cost	380.28	369.32

- 4.476 Note: Owing to incorrect consideration of consumer contribution and grant balances, the addition to normative loan for the FY 2024-25 is computed to be negative.

Interest on Consumer Security Deposit

- 4.477 The Petitioner in the instant petition has claimed Interest on Consumer Security Deposit to the tune of Rs. 150.89 Crores for FY 2024-25.
- 4.478 Regulation 10.33 of Distribution Tariff 2020 provides for the admission of Interest on Consumer Security Deposit as under:

“Interest on Consumer Security Deposits

10.33 Interest paid on consumer security deposits shall be as specified by the Commission in ‘Jharkhand (Electricity Supply Code) Regulations, 2015’ and as amended from time to time.”

- 4.479 In accordance with the above, the Interest on Consumer Security Deposit is to be allowed on actual paid basis.
- 4.480 From the Audited Accounts of FY 2024-25, it could be observed that JBVNL is not discharging Interest on Consumer Security Deposit to the prospective consumers. The Interest on Consumer Security Deposit balance is provided at Note 16 of the Audited Financial Statements. The



Interest on Consumer Security Deposit balance as on 31.03.2025 is Rs. 764.34 Crores and the outstanding interest payable as on 31.03.2024 is Rs. 661.63 Crores. Further, the addition to Interest on Security Deposit provisioned during the FY 2024-25 is Rs. 150.89 Crores (ref Note 29 of the Audited Accounts). The table below summarized the actual Interest on Security Deposit discharges during the year:

SN.	Particulars	Value	Remarks
A	Opening Balance of Interest on Security Deposit	661.63	Note 16
B	Additions during the year	150.89	Note 29
C=A+B-D	Actual paid during the year	48.18	
D	Closing Balance of Interest on Security Deposit	764.34	Note 16

4.481 Thus, it is prayed that the Hon'ble Commission may allow Rs. 48.18 Crore towards Interest on Consumer Security Deposit to JBVNL for the True-up of FY 2024-25.

Interest on Working Capital

4.482 The Petitioner in the instant petition has claimed Interest on Working Capital to the tune of Rs. 0 Crores for the FY 2024-25.

Return on Equity

4.483 The Petitioner has claimed Rs. 445.82 Crore towards Return on Equity for the FY 2024-25.

4.484 In line with the admissible GFA, CWIP and Consumer contribution & Grants, the allowable Return on Equity for the FY 2024-25 is as under:

Particulars	Claimed by JBVNL	As per Objector's assessment
Opening Balance	2,975.74	2,975.74
Addition	197.78	12.55
Closing Balance	3,173.52	2,988.29
Average Equity	3,074.63	2,982.01
Rate of Equity	14.50%	14.50%
Return On Equity	445.82	432.39

4.485 The Hon'ble Commission is sincerely requested to allow Return on Equity to the tune of Rs. 432.39 Crore as against the Petitioner's claim.

Non-Tariff Income (NTI)

4.486 The Petitioner has claimed NTI to the tune of Rs. 412.68 Crores for FY 2024-25. Regulation 10.53 and 10.54 of the Tariff Regulations 2020 in respect of NTI is admissible as under:

“Non-Tariff Income

10.53 The amount of Non-Tariff Income relating to the Distribution Business as approved by the Commission shall be deducted from the ARR in



determining the Retail Supply Tariff and Wheeling Charges of the Distribution Business:

Provided that the Distribution Licensee shall submit full details of its forecast of Non-Tariff Income to the Commission in such form as may be stipulated by the Commission.

10.54 The Non-Tariff Income shall include:

- a) Income from rent of land or buildings;*
- b) Income from sale of scrap;*
- c) Income from investments;*
- d) Interest accrued on advances to suppliers/contractors;*
- e) Interest income on loans/advances to employees;*
- f) Income from rental of staff quarters;*
- g) Income by rental from contractors;*
- h) Income by hire charges from contactors and others;*
- i) Income from delayed payment surcharge, supervision charges, etc.;*
- j) Supervision charges for capital works;*
- k) Income from recovery against theft and/or pilferage of electricity;*
- l) Income from advertisements;*
- m) Income from sale of tender documents;*
- n) Profit from sale of Assets (i.e. difference of Sale value and Book value of Asset);*
- o) Any other Non-Tariff Income:*

Provided that the interest earned from investments made out of Return on Equity corresponding to the regulated Business of the Distribution Licensee shall not be included in Non-Tariff Income.

Provided that the onus to substantiate, to the satisfaction of the Commission, that such investments have been out of Return on Equity shall be on the Licensee.”

4.487 In view of the above Regulations, it has been observed that the Petitioner has not considered Rebate on Power Purchase (Rs. 4.65 Crore) as reflected in the Note 25 of the Audited Accounts which is in contravention to the Tariff Regulations 2020.

4.488 Additionally, in respect of DPS of Rs. 391.53 Crore (ref Note 25 of the Accounts), the Petitioner has deducted the funding cost attributable to such DPS from the Non-Tariff Income. It is humbly submitted that the Hon'ble Commission in the Order issued for the DVC's Retail business in Jharkhand has considered the entire Delayed Payment Surcharge as part of Non-Tariff Income without providing for any funding cost. The relevant extracts of the Hon'ble JSERC's Order dated 31.10.2023 (and order dated



23.07.2024 in remand proceedings) in respect of NTI is reproduced as under:

“Commission’s Analysis

5.19 The Commission has already admitted Non-tariff income through Delayed Payment Surcharge for the Petitioner vide Order dated May 18, 2018. The Commission in this Order admits Non-tariff income as per the Audited Annual Accounts which had not been admitted earlier for the years FY 2006-07 to FY 2011-12.”

4.489 The Hon’ble Commission in the DVC’s case as above has approved the NTI based on the Audited Accounts without adjusting for any funding cost as has been claimed by the Petitioner. As such, the Hon’ble Commission is requested to kindly approve the NTI in entirety based on the Audited Accounts considering entire Delayed Payment Surcharge towards NTI. Moreover, the Petitioner has also not depicted as to whether there arose a need for the working capital towards funding of DPS. In the absence of such requirement, the admission of any Interest on Working Capital is not meritorious and therefore the entire DPS to the tune of Rs. 391.53 Crore should be considered as NTI for the FY 2024-25.

4.490 In accordance with the above submissions, it is humbly submitted that the NTI be admitted to the tune of Rs. 799.07 Crore against the Petitioner’s claim. The computation of the allowable NTI is depicted as under:

SN.	Particulars	Claimed by JBVNL	As per Objector's assessment
1.	Interest Income from Investment in Fixed Deposits	17.35	17.35
2.	D.P.S from Consumer/ Revenue Grants from GoJh	391.54	391.54
3.	Interest from Bank (Other than FD)	12.14	12.14
4.	Supervision Charges	10.68	10.68
5.	Miscellaneous Receipt	21.56	21.56
6.	Transformer Rent	7.16	7.16
7.	Wheeling Charges / Fuel surcharge	333.99	333.99
8.	Rebate on Power purchase	-	4.65
9.	Total	794.42	799.07
10.	Interest rate for Receivables financing	11.70%	-
11.	Corresponding Receivables against DPS	3262.80	-
12.	Less: Interest on Receivables against DPS	381.75	-
13.	Net NTI to be considered	412.68	799.07



Revenue from Sale of Power

- 4.491 The Petitioner has billed the retail consumers of JBVNL at a rate (ABR) of Rs. 7.20/ unit for the overall sales of 11,105.67 Mus. Therefore, the total amount billed by the Licensee for the FY 2024-25 is Rs. 7998.29 Crore (as per Accounts).
- 4.492 It is understood that the consumers of the state were billed as per the FY 2021-22 approved tariff (ref Tariff Order for FY 2021-22 dated 31.05.2023) as the Tariff Order for FY 2024-25 was applicable from March 2024 onwards. In such connection, the actual ABR for FY 2024-25 must be compared to the ABR approved by the Hon'ble Commission in the Tariff Order for FY 2022-23 (JSERC Tariff Order dated 30.09.2024). It is humbly submitted that the Hon'ble Commission in the Tariff Order for FY 2022-23 has approved the Revenue of Rs. 8,390.63 Crore (ref Table 141 of the JSERC Tariff Order dated 30.09.2024) at an ABR of Rs. 7.58/ unit (for 11,055.39 Mus). Based on the ABR as approved by the Hon'ble Commission, the actual ABR submitted by the Petitioner is lower which implies that there had been instance of under billing by the Petitioner's company. Based on the differential ABR of Rs. 0.38/ unit (7.58 – 7.20), the it could be safely said that the Revenue booked by the Petitioner is understated and needs to be brought to levels as per the applicable retail tariff. As per the Objector's assessment, the shortfall in Revenue is to the tune of Rs. 422.01 Crore (0.38 x 11,105.67) which the Objector argues needs to be considered as deemed revenue for the determination of Revenue Gap for the FY 2024-25. The computation of deemed revenue is shown in the table below:

SN.	Particulars	As per Petitioner's claim	As per Objector's assessment
A.	Revenue [A] in Rs. Crores	7,998.29	7,998.29
B.	Sales [B] in MUSs	11,105.67	11,105.67
C.	ABR [C] = [A] / [B] in Rs/kWh	7.2	7.2
D.	ABR as per Tariff Order for FY 2021-22 [D]	7.58	7.58
E.	Differential ABR due to under billing [E] = [D] - [C]	-	0.38
F.	Deemed Revenue due to under billing ([E] x [B])/10 in Rs. Crore		422.015

- 4.493 In view of such underperformance of the Utility, it is respectfully submitted that the burden of such under billing must not be passed onto the timely billed and timely paying industrial consumers. It needs to be mentioned that the Regulation 6.44 of the Tariff Regulations 2020 provides that the Distribution Losses and Collection Efficiency are controllable parameters. Therefore, the burden of inefficiency cannot be passed onto the consumers of the state under the Regulatory provisions.



4.494 Accordingly, the admissible Revenue for the True up of FY 2024-25 is as under:

Particulars	Claimed by JBVNL	As per Objector's assessment
Revenue as per the Audited Accounts (a)	7,998.29	7,998.29
Deemed Revenue loss due to under billing (b)	-	422.015
Revenue admissible (c=a+b)		8,420.31

Point wise Objections to the APR of FY 2025-26 and the MYT Period from FY 2026-27 to FY 2030-31

Transmission and Distribution losses

4.495 The Petitioner has claimed distribution losses for FY 2025-26 and for the MYT period from FY 2026-27 to FY 2030-31 on a projection basis, as shown in the table below.

4.496 Table 16 – Distribution Losses claimed for FY 2025-26 and the MYT Period from FY 2026-27 to FY 2030-31

Particulars	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31
Distribution Losses Claimed	27.23%	25.60%	21.15%	19.34%	17.24%	14.97%

4.497 At the outset, it is submitted that the losses levels projected by discoms are extremely poor and needs severe overhaul. Such dilapidated network is leading to the drain of the material and economic resources of the nation which is worrying.

4.498 Further, since the Distribution Losses and Collection efficiency are a critical operational parameter of the discoms, SERCs across the states have provided for the same as a Controllable parameter for the discoms. Likewise, The Hon'ble JSERC as well under Regulation 6.44 of the Tariff Regulations 2020 provides for the Distribution Loss and Collection Efficiency being a Controllable parameter. The relevant extracts are as under:



ARR Element	Controllable/Uncontrollable
Sales	Uncontrollable
Power Purchase Cost (excluding short-term power)	Uncontrollable
Short-Term Power Purchase Cost	Controllable (Ceiling Value)
Transmission & Load Despatch Charges	Uncontrollable
O&M Expenses (excluding terminal liabilities of employees)	Controllable
Terminal liabilities of employees	Uncontrollable
Return on Equity	Controllable
Interest on Loan	Controllable
Interest on Working Capital	Controllable
Depreciation	Controllable
Taxes on Income	Uncontrollable
Foreign Exchange Rate Variation	Uncontrollable
Non-Tariff Income	Uncontrollable
Income from Other Businesses	Uncontrollable
Interest on Consumer Security Deposit	Uncontrollable
Distribution Loss and Collection Efficiency	Controllable

4.499 In continuation with the Regulatory provisions and having recognized the issue pertaining to significant Distribution losses, the Hon'ble Commission has approved the Distribution loss trajectory keeping in mind the actual loss trajectory, capex infusion done by the State Utility over the years amongst the prominent items.

4.500 Subsequently, the Hon'ble Commission vide MYT Order dated 31.05.2023 has approved the Distribution loss trajectory for each year of the Control period FY 2021-26. The relevant extracts of the Hon'ble Commission's MYT Order are shown below:

“Commission’s Analysis

7.13 The Commission has observed that in 2nd MYT Control Period the distribution loss target for FY 2020-21 was 13%. Therefore, considering the prevailing scenario of the DISCOMs. The Commission has approved the distribution loss target of 13% on overall sales for each year of the Control Period. Further, the Petitioner shall be allowed to operate within distribution loss of 13% on overall sales for the Control Period without any incentive/penalty.”

4.501 In view of the aforesaid, it is submitted that not abiding by the trajectory defined by the Hon'ble Commission and factoring into consideration the deviation in the retail ARR is disdainful.

4.502 Furthermore, the Petitioner has projected the Intra state Transmission losses at 7.99% for FY 2025-26 and for the MYT period from FY 2026-27 to FY 2030-31 based on the actual intra State Transmission loss claimed for the FY 2024-25. It is respectfully submitted that the Transmission loss trajectory projected by the discoms is in significant variance to the



Transmission loss trajectory approved by the Hon'ble Commission for JUSNL (State Transmission Licensee). The Respondent apprehends that such variation is an outcome of incorrect accounting of energy at T/D periphery. Hence, it is requested before the Hon'ble Commission to direct the Petitioner and JUSNL to submit a joint reconciliation statement certifying Intra state transmission losses for the FY 2025-26. In accordance with the methodology adopted by the Hon'ble Commission in the True-up of preceding years (FY 2023-24), it is humbly submitted that the Intra state Transmission losses be approved at 2.23% in continuation with the loss trajectory approved by the Hon'ble Commission while issuing the MYT Order for JBVNL (ref Table 55 of the MYT Order dated 31.05.2023).

- 4.503 Furthermore, the Loss levels claimed by JBVNL for procurement from DVC stations is 4.30% which in the opinion of Objector is significantly high. As in the case of JUSNL, this Hon'ble Commission while issuing the MYT Order (dated 30.01.2023) for the FY 2021-26 has approved the composite T&D losses of 3.00%. Relevant extracts of the same are reproduced as under for the kind reference:

“Commission’s Analysis

5.15 The Commission has scrutinized the actual loss and approved value of losses for the past years. The Commission provisionally approves the Transmission & Distribution (T&D) loss target of 3.00% on overall sales for each year of the Control Period considering the past trend in previous period from FY 2016-17 to FY 2020-21. Further, the Petitioner shall be allowed to operate within the distribution loss of 3.80% on overall sales for the Control Period without any incentive/penalty”

- 4.504 Accordingly, the Hon'ble Commission is requested that the Transmission Losses for procurement from DVC be approved at 3.00% for FY 2025-26 and for the MYT period from FY 2026-27 to FY 2030-31.
- 4.505 In view of the above submissions, it would be imprudent if the cost of the Petitioner's inefficiency is passed onto the consumers. Therefore, the Respondent submits that the Cost of the surplus power procured by the Petitioner on account of excess Transmission and Distribution Losses should be disallowed by the Hon'ble Commission as a pass through in the Tariff. The above practice has been routinely followed by the Hon'ble Commission while approving the True up over the years.
- 4.506 Based on the sales and power purchase data submitted by the Petitioner, the Respondent has computed that the surplus power procured by the Petitioner is 2632.23 MU and 2,424.26 MU for FY 2025-26 and FY 2026-27, respectively. Similarly, the Hon'ble Commission is requested to compute the surplus power for the remaining years of the MYT Control Period from FY 2027-28 to FY 2030-31. The same is demonstrated below for the kind consideration of the Hon'ble Commission:

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



SN.	Particulars	Notation	Claimed by JBVNL		As per Objector's assessment	
			FY 2026	FY 2027	FY 2026	FY 2027
A	Power Purchase at CTU Periphery (MU)	A	11,912.36	11,955.52	11,912.36	11,955.52
B	Transmission Loss at CTU (%)	B	3.00%	3.00%	3.00%	3.00%
C	Loss in CTU (MU)	$C=A*B$	357.37	358.67	357.37	358.67
D	Net Outside Power Available at STU/JUSNL Periphery (MU)	$D=A-C$	11,554.99	11,596.86	11,554.99	11,596.86
E	Private-owned gen Energy Input (IPL) Directly to STU/JUSNL (MU)	E	412.68	414.17	412.68	414.17
F	State-owned Generation Input to JUSNL Periphery (MU)	F	1,788.27	1,794.75	1,788.27	1,794.75
G	Energy Available at JUSNL Periphery (MU)	$G=D+E+F$	13,755.94	13,805.78	13,755.94	13,805.78
H	Transmission Loss at JUSNL System (%)	$H=(G-I)/G$	7.99%	7.99%	2.23%	2.23%
I	Transmission Loss at JUSNL System (MU)	$I=G*H$	1,099.10	1,021.47	306.76	307.87
J	Net Energy Sent to JBVNL Periphery as per Meter Reading (MU)	J	12,656.84	12,784.32	13,449.18	13,497.92
K	Energy scheduled from DVC to JBVNL by SLDC (MU)	K	3,570.78	3,797.46	3,570.78	3,797.46
L	Transmission Loss at DVC System (%)	$L=(K-N)/K$	4.30%	4.30%	3.00%	3.00%
M	Transmission Loss at DVC System (MU)	$M=K*L$	153.45	163.19	107.12	163.19
N	Direct Input Energy from DVC to JBVNL as per Meter Reading (MU)	N	3,417.33	3,634.27	3,463.65	3,634.27
O	Direct Input Energy from State Solar System to JBVNL (MU)	O	15.42	15.42	15.42	15.42
P	Energy Available for Sale/ Energy Input to JBVNL (MU)	$P=J+N+O$	16,089.59	16,738.00	16,089.59	16,738.00
Q	Energy Billed/ Units Sold (MU)	Q	11,707.90	12,452.95	11,707.90	12,452.95
R	Distribution Loss (%)	$R=(P-Q)/P$	27.23%	25.60%	13.00%	13.00%
S	Energy Required at JBVNL Periphery (MU)	S	11,707.90	12,452.95	13,457.36	14,313.74
T	Surplus/(Shortage)	$T=P-S$	0.00	0.00	2,632.23	2,424.26

4.507 It is humbly submitted that the surplus energy procured by the discoms be disallowed. The financial impact on account of the same is dealt in the subsequent section.

Power Purchase Costs

4.508 The Petitioner has claimed the Power Purchase Cost for FY 2025-26, FY 2026-27, and for the remaining years of the MYT Control Period from FY 2027-28 to FY 2030-31, along with year-on-year escalation towards



power purchase costs (including transmission charges), by considering the Transmission and Distribution losses as reflected in the preceding energy balance table, as shown below.

Particulars	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31
Power Purchase Cost Claimed	8921.83	9836.89	10797.84	11800.37	12899.32	14104.21
Year on Year Escalation	2.24%	10.26%	9.77%	9.28%	9.31%	9.34%

4.509 The Petitioner has made the following assumptions for the projection in Power Purchase costs for FY 2025-26:

- Actual power purchase rate based on the actual bills for the first 6 months has been considered for projecting the cost for Power purchase for entire year.
- Transmission charges have been projected by escalating the actual Transmission charges for the FY 2024-25 by an arbitrary 2.70%.
- Patratu Unit-I: 1,206.568 MU has been scheduled for allocation to JBVNL from FY 2025-26 onwards at a per-unit cost of Rs. 5.68/kWh.

4.510 The Petitioner has made the following assumptions for the projection in Power Purchase costs for FY 2026-27:

- Actual power purchase rate based on the actual bills for the first 6 months of FY 2024-25 has been escalated by an arbitrary 10.26% for projecting the cost for Power purchase for entire year.
- Transmission charges have been projected by escalating the Transmission charges claimed for FY 2024-25 by an arbitrary 2.70%.
- Patratu Unit-I: 2,645.56 MU is scheduled for allocation to JBVNL from FY 2026-27 onwards at a per-unit cost of Rs. 5.96/kWh, escalated by 5% over FY 2025-26.
- Patratu Unit-II: 1,763.70 MU is scheduled for allocation to JBVNL from FY 2026-27 onwards at a per-unit cost of Rs. 5.96/kWh, escalated by 5% over FY 2025-26.

4.511 The Petitioner has considered power procurement from Patratu Unit-I at a tariff of Rs. 5.68/kWh for FY 2025-26, corresponding to an allocation of 1,206.568 MU. However, for FY 2026-27 onwards, the Petitioner has proposed procurement from Patratu Unit-I and Unit-II at an escalated tariff of Rs. 5.96/kWh, reflecting an increase of 5% over the tariff considered for FY 2025-26. Further, the Petitioner has escalated the cost by 5% year-on-year up to FY 2030-31. It is submitted that the Patratu Units are newly commissioned thermal generating stations, and the tariff applicable for FY 2025-26 already incorporates approved capital cost, financing parameters, operation and maintenance expenses, and



normative fuel cost assumptions. Therefore, any automatic year-on-year escalation in tariff, without specific regulatory approval or demonstrable variation in underlying cost components, is not justified. Further, escalation in tariff of thermal generating stations can primarily arise only on account of variation in fuel cost, particularly coal prices. In the present case, the Petitioner has not furnished any documentary evidence demonstrating escalation in coal prices or approval under any fuel cost adjustment mechanism warranting the proposed increase in power purchase cost. On the contrary, as reflected in the NTPC Limited Annual Report 2023-24 and subsequent quarterly investor disclosures, fuel expenditure trends indicate moderation in generation costs owing to improved domestic coal availability and optimisation of fuel sourcing and logistics. In the absence of any substantiated increase in fuel cost, escalation of tariff for the Patratu Units is unwarranted. Accordingly, it is submitted that the power purchase cost from Patratu Unit-I and Unit-II may be approved at the base tariff of Rs. 5.68/kWh applicable for FY 2025-26 for all subsequent years of the MYT Control Period from FY 2026-27 to FY 2030-31 during prudence check.

4.512 For FY 2025-26, the Petitioner has projected procurement of power from short-term sources (IEX) at a rate of Rs. 7.88/unit, which is significantly higher than prevailing market prices. Short-term power procurement through power exchanges is market-linked and is expected to follow least-cost procurement principles. As per publicly available IEX data, the average Market Clearing Price (MCP) during FY 2025-26 (April 2025 to February 2026) is Rs. 3.29/unit. Procurement at rates substantially higher than the prevailing MCP cannot be considered prudent in the absence of justification such as grid contingencies or operational constraints. The Petitioner has not furnished any supporting evidence justifying procurement at such higher rates. Approval of power purchase cost beyond the discovered market price would impose an avoidable burden on consumers and would be contrary to prudence principles under tariff regulations. Accordingly, power procurement through Short-Term (IEX) sources for FY 2025-26 may be approved at a rate not exceeding Rs. 3.29/unit, and any claim beyond the said rate may be disallowed during prudence check.

4.513 Further, the Petitioner's approach of projecting the Power purchase rate by 5% for procurement from Central sector generating stations and the projection of Inter-state transmission charges is also arbitrary and vague. The provisions of the CERC Tariff Regulations 2019 in such context provides as under:

“(4) In case of the existing projects, the generating company or the transmission licensee, as the case may be, shall continue to bill the beneficiaries or the long term customers at the capacity charges or the transmission charges respectively as approved by the Commission and applicable as on 31.3.2019 for the period starting from 1.4.2019 till approval



of final capacity charges or transmission charges by the Commission in accordance with these regulations:”

- 4.514 From the above, it is clear that the beneficiaries are to be billed at the charges applicable as on 31.3.2019 for the period beyond 01.04.2019 in the absence of Tariff Orders. Therefore, the projections rates committed by the discoms should not be allowed from FY 2026-27 onwards for the rest of the MYT Control Period upto FY 2030-31.
- 4.515 Further, as submitted in preceding sections, it is humbly submitted that the cost towards excess power purchased i.e. 2,632.23 Mus for the FY 2025-26 and 2,424.26 MUs for FY 2026-27 respectively must be disallowed considering Average Power Purchase Cost (Rs. 5.04/ unit and Rs. 5.57/ unit respectively) as projected by the Petitioner.
- 4.516 Therefore, against the Petitioner’s claim, the admissible Power purchase cost is Rs. 7,262.94 Crore and Rs. 7,917.47 Crore respectively for the FY 2025 and FY 2026 respectively, the computation of which is depicted below:

SN.	Particulars	JBVNL Claim		As per Objector's assessment	
		FY 2026	FY 2027	FY 2026	FY 2027
1	Power purchase expenses	8,921.83	9,836.89	8,921.83	9,836.89
2	Less: Cost of disallowed units due to T&D Losses	-	-	1326.83	1326.52
a	Rate of Power purchase	5.04	5.47	5.04	5.47
b	Quantum of power purchase to be disallowed due to T&D Losses (Mus)	-	-	2,632.23	2,424.26
4=1-2	Admissible power purchase	8,921.83	9,836.89	7,595.00	8,510.37
5	Less: Cost to be disallowed due to higher purchase price through IEX	-	-	477.11	0.00
6	Less: Cost to be disallowed due to Patratu Unit I and II cost escalation	-	-	0.00	75.13
7	Less: Cost to be disallowed due to Central Generating Station cost escalation	-	-	0.00	92.48
8	Total Admissible power purchase	8,921.83	9,836.89	7117.89	8342.76

Operation and Maintenance Expenses

- 4.517 The Petitioner has claimed O&M Expenses towards Employee, A&G, R&M and Terminal benefits for the FY 2025-26 and FY 2026-27 as under:

Sr.	Particulars	FY 2026	FY 2027
1	Employee Expense	286.48	297.04
2	Administration & General Expense	124.37	128.96
3	Repair & Maintenance Expense	468.84	524.16



4	Terminal Benefits	135.96	140.97
	Total	1015.66	1091.13

4.518 The Petitioner has claimed the Employee Expenses (incl. terminal benefits) and A&G Expenses by escalating the actual O&M Expenses for FY 2024-25 by 3.69%. While the R&M Expenses have been claimed by considering an arbitrary K-factor of 2.02% applied over the GFA base.

4.519 It is humbly submitted that the Petitioner's approach of claiming O&M Expenses is inappropriate. The provisions of the Tariff Regulations 2020 provide for the O&M Expenses to be allowed on the basis of norms, relevant extracts from which are reproduced below:

“Operation and Maintenance Expenses

10.3 Operation and Maintenance (O&M) Expenses shall include:

- a) Salaries, wages, pension contribution and other employee costs;*
- b) Administrative and General Expenses;*
- c) Repairs and Maintenance Expenses.*

10.4 The O&M Expenses for the Base Year of the Control Period shall be approved by the Commission taking into account the audited accounts of FY 2015-16 to FY 2019-20, Business Plan filed by the Licensee, estimates of the actual for the Base Year, prudence check and any other factor considered appropriate by the Commission.

10.5 The O&M expenses permissible towards ARR of each year of the Control Period shall be approved based on the formula shown below:

$$O\&M_n = (R\&M_n + EMP_n + A\&G_n) + \text{Terminal Liabilities}$$

Where,

R&M_n – Repair and Maintenance Costs of the Licensee for the nth year;

EMP_n – Employee Costs of the Licensee for the nth year excluding terminal liabilities;

A&G_n – Administrative and General Costs of the Licensee for the nth year.

10.6 The above components shall be computed in the manner specified below:

*a) $R\&M_n = K * GFA * (INDX_n / INDX_{n-1})$*

Where,

‘K’ is a constant (expressed in %) governing the relationship between R&M costs and Gross Fixed Assets (GFA) and shall be calculated based on the % of R&M to GFA of the preceding year of the Base Year in the MYT Order after normalising any abnormal expenses;

‘GFA’ is the opening value of the gross fixed asset of the nth year;

*b) $EMP_n + A\&G_n = [(EMP_{n-1}) * (1 + G_n) + (A\&G_{n-1})] * (INDX_n / INDX_{n-1})$*



Where,

EMP_{n-1} – Employee Costs of the Licensee for the (n-1)th year excluding terminal liabilities;

A&G_{n-1} – Administrative and General Costs of the Licensee for the (n-1)th year excluding legal/litigation expenses;

INDX_n – Inflation factor to be used for indexing the employee cost and A&G cost. This will be a combination of the Consumer Price Index (CPI) and the Wholesale Price Index (WPI) for immediately preceding year before the base year;

G_n – is a growth factor for the nth year and it can be greater than or lesser than zero based on the actual performance. Value of G_n shall be determined by the Commission in the MYT Order for meeting the additional manpower requirement based on the Distribution Licensee's Filing, benchmarking and any other factor that the Commission feels appropriate;

*c) $INDX_n = 0.55 * CPI_n + 0.45 * WPI_n$;*

Note 1: For the purpose of estimation, the same $INDX_n/INDX_{n-1}$ value shall be used for all years of the Control Period. However, the Commission will consider the actual values in the $INDX_n/INDX_{n-1}$ at the end of each year during the Annual Performance Review exercise and true up the employee cost and A&G expenses on account of this variation, for the Control Period;

Note 2: Any variation due to changes recommended by the Pay Commission, wage revision agreement, etc., will be considered separately by the Commission;

Note 3: Terminal Liabilities will be approved as per actual submitted by the Licensee along with documentary evidence such as actuarial studies.

10.7 The Distribution Licensee, in addition to the above details shall also submit the detailed break-up of the Legal/Litigation Expenses for the previous Years (FY 2015- 16 to FY 2019-20) along with the details and documentary evidence of incurring such expenses. The Commission shall approve the legal expenses as per the relevant provisions of the Jharkhand State Litigation Policy based on the necessary documentary evidence submitted for the Control Period and shall carry out due prudence check of legal expenses at the time of e truing up.”

- 4.520 In accordance with the regulatory provisions, the Hon'ble Commission, while approving the MYT for the period FY 2021-22 to FY 2025-26 (vide Order dated 31.05.2023), has allowed the O&M expenses based on the norms prescribed under the Tariff Regulations, 2020. Similarly, the O&M expenses for the subsequent period from FY 2026-27 onwards are required to be computed on a normative basis in accordance with the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025.
- 4.521 The Respondent, in line with the approach adopted by the Hon'ble Commission, submits that the O&M expenses may be allowed as per the prescribed norms. The computation of allowable Employee Expenses,



A&G Expenses, R&M Expenses, and Terminal Benefits for FY 2025-26 and FY 2026-27 has been elaborately detailed in Section 5.4 above. Accordingly, the Objector requests the Hon'ble Commission to allow the O&M expenses on a normative basis for the remaining years of the MYT Control Period up to FY 2030-31. The summary of allowable O&M expenses for FY 2025-26 and FY 2026-27 is presented below:

SN.	Particulars	JBNL claim		As per Objector's assessment	
		FY 2025-26	FY 2026-27	FY 2025-26	FY 2026-27
1	Employee Expense	286.48	297.04	266.18	273.35
2	Administration & General Expense	124.37	128.96	120.49	123.74
3	Repair & Maintenance Expense	468.84	524.16	468.84	506.15
4	Terminal Benefits	135.96	140.97	0.00	0.00
	Total	1015.66	1091.13	855.52	903.24

Capitalization, CWIP and Grants - Additions during the year

- 4.522 The Petitioner has claimed capital expenditure of Rs. 2,821.55 Crore and Rs. 4,065.98 Crore for FY 2025-26 and FY 2026-27, respectively. The said capital expenditure for FY 2025-26 has been proposed primarily under the Revamped Distribution Sector Scheme (RDSS) introduced by the Ministry of Power (MoP) and the Mukhyamantri Ujjwal Jharkhand Yojna. Further, for FY 2026-27, the capital expenditure has been proposed under System Augmentation & Modernisation (Infrastructure Line Network), System Augmentation & Modernisation (SCADA), and other Central/State Sponsored Schemes, along with RDSS.
- 4.523 To ascertain the Capitalization for FY 2025-26 and FY 2026-27 amounting to Rs. 2,821.55 Crore and Rs. 4,065.98 Crore respectively, the Petitioner has derived the ratio of Capitalization to the total CWIP for the FY 2024-25 and has applied the said ratio over the Capital Expenditure projected for the FY 2025-26 and FY 2026-27.
- 4.524 As far as the projections are concerned in respect of Capital Expenditure, the Objector would like to draw the reference to the observations made in the Auditor's report for FY 2024-25. There have been marked departures in respect of movement of assets into or from CWIP and scheme wise Capital Expenditure incurred by the Licensee which is an indication of financial imprudence. Under such circumstances, the scheme wise projections made by JBNL serves no practical purpose in so far as GFA projections are concerned. It is also mentioned that the Petitioner has not provided the asset wise details pertaining to the Capitalization projected during the FY 2025-26 and FY 2026-27.
- 4.525 The Objector respectfully submits that the Auditor's observations for FY 2024-25 highlight significant deficiencies in JBNL's internal control systems, particularly concerning capitalization of assets and timely



transfer of works from CWIP to GFA. The audit report notes absence of proper capitalization controls, delays in inventory recording, improper accounting of materials, and delayed capitalization due to non-issuance of completion certificates. Further, JBVNL has not furnished scheme-wise and work-wise capitalization details, thereby restricting effective prudence verification of assets capitalized and raising concerns regarding the accuracy and timing of capitalization claims. Accordingly, the Hon'ble Commission may direct the Petitioner to submit scheme-wise and work-wise capitalization details and subject the capitalization claims to strict prudence check prior to approval. An important observation of the Auditor with respect to capitalization and CWIP for FY 2024-25, as recorded in the Audited Accounts under Annexure-C, is reproduced below:

“Opinion

...

However, Company needs to further strengthen the in the control system in the following areas:

- The Company should conduct internal audit of its accounts periodically.*
- In our opinion, the Company does not have proper internal controls of capitalization of assets and needs further improvement to ensure timely capitalization of Property, Plant & Equipment through timely issuance of completion certificate.*
- In central stores of the Company, on physical verification of stores, we have observed the following:*
 - a) Gross delay in recording of the receipt and issue of inventories.*
 - b) No proper accounting for scraps and rejects exists in the Company, and further, no provisioning is made on non-moving/ discarded items.*
 - c) No proper storage of material, material stored in the open area.*
- Capitalization of Capital Work-in-Progress in a timely and efficient manner.*
- Long Term Advances and Deposit Work should be regularly reviewed and accounted for where the significant work has been completed.*
- Review of negative balances in liabilities and assets heads”*

4.526 The Objector respectfully submits that the Petitioner has not incurred capital expenditure exceeding Rs. 1,480.57 Crore during the past four years and, therefore, approval of capital expenditure should be aligned with the Petitioner's demonstrated execution capability rather than the projected figures. To arrive at a reasonable estimate for FY 2025-26 and FY 2026-27, the Objector proposes adoption of the average capital expenditure incurred over the last four years. Further, the Auditor's Report for FY 2024-25 has highlighted departures with respect to movement of assets into or from CWIP and scheme-wise capital expenditure incurred by the Licensee, indicating financial imprudence in



capital Expenditure practices. In view of the same, the Objector submits that only 75% of the average capital expenditure incurred over the last four years may be allowed. The Objector further requests the Hon'ble Commission to adopt a similar approach for the remaining years of the MYT Control Period up to FY 2030-31 to ensure that the approved projections remain realistic, prudent, and achievable, and accordingly, the allowable capital expenditure for FY 2025-26 and FY 2026-27, as assessed by the Objector, is presented below:

Particulars	FY20-21	FY21-22	FY22-23	FY23-24
Capital Expenditure approved	2458.76	1451.59	706.81	1305.16
Average	1480.58			
75% of the average Capital Expenditure	1110.43			

*Capex for FY 2024-25 is based on actuals as claimed by JBVNL

4.527 The proposed adjustments to the Capital Expenditure projections are crucial in light of the adverse remarks made by the Statutory Auditor in the Audited Accounts for FY 2024-25. For ease of reference, the relevant excerpts from the Auditor's report for FY 2024-25 are provided below:

“3. Property, Plant & Equipment (PPE), Capital Work in Progress & Intangible Assets (Note- 3A, 3B&3C)

a. The Company has maintained records of year-wise asset addition containing the asset under different classes, unit having the assets, value and date of capitalization and the rate of depreciation. However the Company has not maintained Fixed Assets Register containing the required details for all the fixed assets of the Company and have not conducted physical verification of the fixed assets. As informed, the Company is in the process of physical verification, valuation, reconciliation and preparation of Fixed Asset Register. In the absence of Fixed Asset Register and its physical verification reports we are unable to comment upon its impact on the financial statements.

b. The right, title and interest for land and buildings are not produced to audit; land revenue receipts/ Holding tax receipts are also not produced to audit. In the absence of which, we are unable to comment on its impact on the financial statements.

c. Impairment of Property, Plant and Equipment has not been done by the Company as per Ind AS 36.

d. The Company has capitalized the borrowing cost on a proportionate basis. This is not in accordance with Ind-AS 23.

e. The Company has not properly disclosed, in its annual financial report, details regarding the assets given as security against secured loans by various agencies.

f. Out of total value of CWIP as at 31.03.2025 of Rs. 1,55,996.05 lakh, scheme wise break-up was not provided for Rs. 740.90 lakh.



g. The Company does not capitalize overheads and incidental expenses related to CWIP.

h. We are unable to comment on whether AS 116 has been complied with, with respect to Leases, for want of required information”

4.528 Furthermore, since the percentage of capitalization to CWIP claimed by the Petitioner is broadly in line with the capitalization to CWIP recorded during the last four years, the same may be considered. Accordingly, the allowable capitalization to CWIP, as per the Objector’s assessment, is considered at 50%. In view of the limited information available with respect to Government Grants and Consumer Contribution, the Objector submits that the same may be considered in line with the Objector’s calculations for FY 2024-25 as mentioned in the above sections.

4.529 In line with the above, the allowable capitalization and Consumer Contribution/Government Grants for FY 2025-26 and FY 2026-27 are presented below. The Objector further requests that a similar approach be adopted for the remaining years of the MYT Control Period up to FY 2030-31:

Particulars	JBVNL claim		As per Objector's assessment	
	FY 2026	FY 2027	FY 2026	FY 2027
Capital Expenditure	2,821.55	4,065.98	1110.43	1110.43
Capitalization	1,816.16	2,947.31	955.85	1033.57
Government Grants	875.45	1410.79	875.45	1410.79
Consumer Contribution	157.73	157.73	150.81	150.81

4.530 Based on the above findings, the Hon’ble Commission is requested to consider the above additions to the GFA and Contribution Contribution/ Grants for the computation of Depreciation, Interest on Loan and Return on Equity.

4.531 Opening balances of GFA and Consumer Contribution and Grants

4.532 The Opening balance of Consumer Contribution and Grants considered by the Petitioner for the FY 2025-26 is based on the closing balance claimed for the True up of FY 2024-25.

4.533 In line with the submissions made by the Respondent in the True up FY 2024-25 chapter and the admissible additions to GFA and Consumer Contribution & Grants, the admissible GFA and Consumer Contribution & Grants for the FY 2025-26 and FY 2026-27 as against the Petitioner’s submissions are indicated below:



Particulars	JBVNL claim		As per Objector's assessment	
	FY 2026	FY 2027	FY 2026	FY 2027
Gross Fixed Assets				
Opening GFA	23,223.66	25,039.82	23,223.66	24,179.51
Additions to GFA	1,816.16	2,947.31	955.85	1,033.57
Closing GFA	25,039.82	27,987.12	24,179.51	25,213.09
Consumer Contribution and Grants				
Opening Balance	13,075.81	14,108.99	13,714.28	14,740.55
Addition: Govt. Grant	875.45	1,410.79	875.45	1,410.79
Addition: Cons. Contribution	157.73	157.73	150.81	150.81
Closing Balance	14,108.99	15,677.52	14,740.55	16,302.15

Depreciation

- 4.534 The Petitioner has claimed Rs. 492.66 Crore and Rs. 563.09 Crore towards Depreciation for the FY 2025-26 and FY 2026-27 respectively considering the Rate of depreciation of 4.39%.
- 4.535 In line with the admissible GFA, Consumer Contribution and Government Grants, and the rate of depreciation as discussed in the preceding paragraphs, the allowable depreciation for FY 2025-26 and FY 2026-27 is presented below. The Objector further requests that a similar approach be adopted for the remaining years of the MYT Control Period up to FY 2030-31:

Particulars	JBVNL claim		As per Objector's assessment	
	FY 2026	FY 2027	FY 2026	FY 2027
GFA Considered for Dep - Excl. GFA out of CC and Grants	11,226.77	12,831.75	9,977.26	9,769.83
Depreciation Rate	4.39%	4.39%	4.39%	4.39%
Depreciation	492.66	563.09	437.83	428.72

- 4.536 The Hon'ble Commission is sincerely requested to allow Depreciation as above against the Petitioner's claim.

Interest on Loan

- 4.537 The Petitioner has claimed Rs. 398.56 Crore and Rs. 471 Crore towards Interest on Loan for the FY 2025-26 and FY 2026-27 respectively considering the Rate of Interest of 10.20%.
- 4.538 In line with the admissible GFA, Consumer contribution & Grants and the Rate of Interest as above, the allowable Interest on Loan for the FY 2025-26 and FY 2026-27 is presented below. The Objector further requests that a similar approach be adopted for the remaining years of the MYT Control Period up to FY 2030-31:



Particulars	JBVNL claim		As per Objector's assessment	
	FY 2026	FY 2027	FY 2026	FY 2027
Opening Balance	3,647.79	4,167.21	3,434.87	3,405.47
Addition	1,012.08	1,463.95	408.43	254.49
Repayment	492.66	563.09	437.83	428.72
Closing Balance	4,167.21	5,068.07	3,405.47	3,231.24
Average Loan	3,907.50	4,617.64	3,420.17	3,318.36
Rate of Interest	10.20%	10.20%	10.20%	10.20%
Interest Cost	398.56	471.00	348.86	338.47

4.539 The Hon'ble Commission is sincerely requested to allow Interest on Loan as above against the Petitioner's claim.

Interest on Consumer Security Deposit (IoCSD)

4.540 The Petitioner in the instant petition has claimed Interest on Consumer Security Deposit to the tune of Rs. 158.44 Crore and Rs. 166.36 Crores for FY 2025-26 and FY 2026-27 respectively. The Petitioner has escalated the Consumer Security Deposit by an arbitrary 5% over the actuals of FY 2024-25 and has applied an Interest Rate equivalent to SBI Bank Rate.

4.541 Further, Regulation 10.33 of JSERC Distribution Tariff 2020 JSERC Distribution Tariff 2025 and JSERC provides for the admission of Interest on Consumer Security Deposit as under:

"Interest on Consumer Security Deposits

10.33 Interest paid on consumer security deposits shall be as specified by the Commission in 'Jharkhand (Electricity Supply Code) Regulations, 2015' and as amended from time to time."

4.542 In accordance with the above, the Interest on Consumer Security Deposit is to be allowed on actual paid basis.

4.543 Therefore, the Petitioner approach of arbitrary escalation is not in line with the Tariff Regulations 2020 and can therefore not be considered.

4.544 In view of the aforesaid, the reliance is placed on the actual security deposit paid by the Licensee during the FY 2024-25. From the Audited Accounts of FY 2024-25, it could be observed that JBVNL is not discharging Interest on Consumer Security Deposit to the prospective consumers. The Interest on Consumer Security Deposit balance is provided at Note 16 of the Audited Financial Statements. The Interest on Consumer Security Deposit balance as on 31.03.2025 is Rs. 764.34 Crores and the outstanding interest payable as on 31.03.2024 is Rs. 661.63 Crores. Further, the addition to Interest on Security Deposit provisioned during the FY 2024-25 is Rs. 150.89 Crores (ref Note 29 of the Audited Accounts). The table below summarized the actual Interest on Security Deposit discharges during the year:



SN.	Particulars	Value	Remarks
A	Opening Balance of Interest on Security Deposit	661.63	Note 16
B	Additions during the year	150.89	Note 29
C=A+B-D	Actual paid during the year	48.18	
D	Closing Balance of Interest on Security Deposit	764.34	Note 16

- 4.545 Since the Licensee is not discharging the Interest on Consumer Security Deposit based on the accrued Interest on Consumer Security deposit as booked in the Audited Accounts, the Objector humbly submits that the Licensee's claims are impractical and does not inspire confidence. It may be relevant to point out that the Licensee is yet to discharge Rs. 661.63 Crore to its consumers which it is holding with itself. The Hon'ble Commission is humbly submitted to direct the Petitioner to refund the Interest on Consumer Security deposit outstanding in accordance with the extant provisions of the JSERC Regulations.
- 4.546 As far as the admission of IoCSD is concerned, the Objector submits that Interest on Consumer Security Deposit may be allowed in alignment with the IoCSD actually discharged by the Licensee as per the Audited Accounts for the FY 2024-25 which is Rs. 48.18 Crore.

Interest on Working Capital

- 4.547 The Petitioner, in the instant petition, has claimed Interest on Working Capital amounting to Rs. 0 Crore and Rs. 11.47 Crore for FY 2025-26 and FY 2026-27, respectively. However, for FY 2026-27 onwards up to FY 2030-31, the Petitioner has considered Working Capital instead of Interest on Working Capital while making the claim as mentioned in the table below.
- 4.548 Regulation 10.31 of JSERC Distribution Tariff Regulations 2025 provides for the admission of Interest on Working Capital as under:

“Interest on Working Capital

10.31 Working capital for the Retail Supply of Electricity for the Control Period shall consist of:

- a) Maintenance spares at 1% of Opening GFA for retail supply business; plus*
- b) Two months equivalent of the expected revenue from sale of electricity at the prevailing tariffs; minus*
- c) Amount held as security deposits under clause (a) and clause (b) of subsection (1) of Section 47 of the Act from consumers and Distribution System Users net of any security held for wheeling business; minus*
- d) One-month equivalent of cost of power purchased including the Inter-State and Intra-State Transmission Charges and Load Despatch Charges, based on the annual power procurement plan.*

10.32 Rate of interest on working capital shall be equal to the Bank Rates on September 30 of the financial year in which the MYT Petition is filed plus



three hundred and fifty (350) basis points. At the time of true-up, the interest rate shall be adjusted as per the actual rate prevailing on April 01 of the financial year for which truing up exercise has been undertaken.”

- 4.549 In accordance with the submissions made by the Objector in the preceding sections, there would be consequential impact on the Interest on Working Capital allowable to the Licensee. The allowable Interest on Working Capital for the FY 2025-26 and FY 2026-27 as per the Objector’s assessment is NIL Crore against the Petitioner’s claim, the computation of which is depicted as under:

Particulars	Claimed by JBVNL		As per Objector's assessment	
	FY 2026	FY 2027	FY 2026	FY 2027
Maintenance Spares	232.24	250.40	232.24	241.80
Receivables (2 Months)	1901.85	2113.03	1407.95	1613.56
Less: 1 month cost of power purchase	654.63	728.91	654.63	728.91
Less: Security Deposit from Customers	1545.75	1623.04	1545.75	1623.04
Total Working Capital requirement	0.00	11.47	0.00	-496.60
Interest Rate on WC	11.45%	11.45%	11.45%	11.45%
Interest on Working Capital	0.00	1.31	-	-

Return on Equity

- 4.550 The Petitioner has claimed Rs. 488.36 Crore and Rs. 602.66 Crore towards Return on Equity for the FY 2025-26 and FY 2026-27 respectively.
- 4.551 In line with the admissible GFA, CWIP and Consumer contribution & Grants, the allowable Return on Equity is as under:

Particulars	Claimed by JBVNL		As per Objector's assessment	
	FY 2026	FY 2027	FY 2026	FY 2027
Opening Balance	3,173.52	3562.54	2,988.29	2,998.07
Addition	389.02	573.97	9.79	-134.24
Closing Balance	3,562.54	4136.51	2,998.07	2,863.83
Average Equity	3,368.03	3849.53	2,993.18	2,930.95
Rate of Equity	14.50%	14.50%	14.50%	14.50%
		15.00%		15.00%
Return On Equity	488.36	602.66	434.01	414.58

- 4.552 The Hon’ble Commission is sincerely requested to allow Return on Equity as above against the Petitioner’s claim.

Non-Tariff Income (NTI)

- 4.553 The Petitioner has claimed NTI to the tune of Rs. 68.9 Crore for each of FY 2025-26 and FY 2026-27 respectively. The Petitioner has projected the Non-Tariff Income by considering the Non-Tariff Income as claimed by itself for the True up of FY 2024-25 without considering D.P.S from Consumer and Wheeling Charges / Fuel surcharge.
- 4.554 Regulation 10.53 and 10.54 of the Tariff Regulations 2020 and 2025 in respect of NTI is admissible as under:



“Non-Tariff Income

10.53 The amount of Non-Tariff Income relating to the Distribution Business as approved by the Commission shall be deducted from the ARR in determining the Retail Supply Tariff and Wheeling Charges of the Distribution Business:

Provided that the Distribution Licensee shall submit full details of its forecast of Non- Tariff Income to the Commission in such form as may be stipulated by the Commission.

10.54 The Non-Tariff Income shall include:

- a) Income from rent of land or buildings;*
- b) Income from sale of scrap;*
- c) Income from investments;*
- d) Interest accrued on advances to suppliers/contractors;*
- e) Interest income on loans/advances to employees;*
- f) Income from rental of staff quarters;*
- g) Income by rental from contractors;*
- h) Income by hire charges from contactors and others;*
- i) Income from delayed payment surcharge, supervision charges, etc.;*
- j) Supervision charges for capital works;*
- k) Income from recovery against theft and/or pilferage of electricity;*
- l) Income from advertisements;*
- m) Income from sale of tender documents;*
- n) Profit from sale of Assets (i.e. difference of Sale value and Book value of Asset);*
- o) Any other Non-Tariff Income:*

Provided that the interest earned from investments made out of Return on Equity corresponding to the regulated Business of the Distribution Licensee shall not be included in Non-Tariff Income.

Provided that the onus to substantiate, to the satisfaction of the Commission, that such investments have been out of Return on Equity shall be on the Licensee.”

4.555 In view of the above Regulations, it is observed that the Petitioner’s approach of excluding Delayed Payment Surcharge and income from wheeling charges is inappropriate and non-maintainable.

4.556 In the absence of substantiating information on record with respect to the actual Non-Tariff Income (NTI) for FY 2025-26 and FY 2026-27, it is humbly submitted that the NTI approved for FY 2024-25 may be considered for FY 2025-26, FY 2026-27, and the remaining years of the Control Period up to FY 2030-31. The computation of the allowable NTI

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



is presented below:

SN.	Particulars	Claimed by JBVNL		As per Objector's assessment	
		FY 2024	FY 2025	FY 2024	FY 2025
1.	Interest Income from Investment in Fixed Deposits	17.35	17.35	17.35	17.35
2.	D.P.S from Consumer/ Revenue Grants from Govt. of Jharkhand	391.54	0.00	391.54	391.54
3.	Interest from Bank (Other than FD)	12.14	12.14	12.14	12.14
4.	Supervision Charges	10.68	10.68	10.68	10.68
5.	Miscellaneous Receipt	21.56	21.56	21.56	21.56
6.	Transformer Rent	7.16	7.16	7.16	7.16
7.	Wheeling Charges / Fuel surcharge	333.99	0	333.99	333.99
8.	Rebate on Power purchase	-	-	4.65	4.65
9.	Total	794.42	68.90	799.07	799.07
10.	Interest rate for Receivables financing	11.70%	11.45%		
11.	Corresponding Receivables against DPS	3262.80	0.00	-	-
12.	Less: Interest on Receivables against DPS	381.75	0.00	-	-
13.	Net NTI to be considered	412.68	68.90	799.07	799.07



Objections on the Tariff Proposal - Revenue Surplus/ Gap

4.558 Based on the year-on-year Revenue Surplus/ Gap for the True up of FY 2024-25, APR of FY 2025-26 and ARR of FY 2026-27, the Consolidated Revenue Surplus/ Gap as per the Objector’s assessment is shown as under:

Particulars (Rs Crore)	JBVNL claim	As per Objector's assessment
Revenue Gap for FY 2024-25 Gap/(Surplus)	2,726.96	-165.44
Prior Period Expenditure of FY 2020-21 and FY 2021-22	236.39	0.00
Revenue Gap for FY 2025-26 Gap/(Surplus)	2,210.39	-753.01
Revenue Gap for FY 2026-27 Gap/(Surplus) at Existing Tariff	2,883.41	-113.41
Total Gap/(Surplus) to be recovered in FY 2026-27	8,057.16	-1,031.87

4.559 Owing to the Consolidated Revenue SURPLUS of Rs. 1031.87 Crore for JBVNL at the end of FY 2026-27 against the incorrect revenue GAP claimed by the Petitioner amounting to Rs. 8,057.16 Crore, the existing tariff of JBVNL should be REDUCED and there is NO requirement of any Tariff Hike for the FY 2026-27 in the supply area of JBVNL.

Tariff Hike

4.560 The Hon’ble Commission vide Order dated 31.05.2023 has introduced a separate consumer category for Ferro alloy consumers namely High Tension Special Service (HTSS). The appreciation by this Hon’ble Commission for the need to introduce HTSS category points to the fact, the relevance of such category of consumers in the state.

4.561 It is submitted that Ferro alloy consumers account for a substantial portion of the total electricity consumption within the state. Their average load factor is notably higher than that of any other consumer category. Additionally, Ferro alloy consumers have historically been among the largest consumers in Jharkhand. Therefore, the Hon’ble Commission’s recognition and efforts to safeguard the interests of Ferro alloy consumers are highly appreciated.

4.562 Based on the Tariff proposal submitted by the Petitioner, an overall Tariff hike of 59%. has been proposed. As far as HT Industries (incl. HTSS) are concerned, the hike in Demand Charges and Energy Charge Rate proposed by the Licensee is as follows:



	Particulars	Existing tariff (ref Order dt 30.09.24)	As proposed	% Hike
HTS-I	Demand Charges	400/kVA/Mon	500/kVA/Mon	25.00%
	Energy Charge rate	5.90/kVAh	9.50/kVAh	61.01%
HTSS	Demand Charges	400/kVA/Mon	500/kVA/Mon	25.00%
	Energy Charge rate	5.25/kVAh	9.25/kVAh	76.19%

4.563 Such proposed hike is against the Objectives of the National Tariff Policy 2016. The key Objectives of the NTP 2016 are depicted below:

“4.0 OBJECTIVES OF THE POLICY

The objectives of this tariff policy are to:

- (a) Ensure availability of electricity to consumers at reasonable and competitive rates;*
- (b) Ensure financial viability of the sector and attract investments;*
- (c) Promote transparency, consistency and predictability in regulatory approaches across jurisdictions and minimise perceptions of regulatory risks;*
- (d) Promote competition, efficiency in operations and improvement in quality of supply;*
- (e) Promote generation of electricity from Renewable sources;*
- (f) Promote Hydroelectric Power generation including Pumped Storage Projects (PSP) to provide adequate peaking reserves, reliable grid operation and integration of variable renewable energy sources;*
- (g) Evolve a dynamic and robust electricity infrastructure for better consumer services;*
- (h) Facilitate supply of adequate and uninterrupted power to all categories of consumers;*
- (i) Ensure creation of adequate capacity including reserves in generation, transmission and distribution in advance, for reliability of supply of electricity to consumers.”*

4.564 As can be inferred from the instant petition, the Petitioner has completely overlooked the Objectives of the National Tariff Policy 2016 while proposing the Tariff for the FY 2026-27. Such proposals of the Petitioner are therefore against the general interest of the Ferro alloy consumers as well as Other consumers and therefore merits no consideration by the Hon’ble Commission.

4.565 It is relevant to point out that Ferro alloy industries are power intensive in nature, thereby majority of the production cost is on account of the



cost of electricity consumed. Thus, even a minimal hike in Electricity Tariff would directly reflect into the increased production cost and would make the situation economically unviable for such industries. Such unsustainable Tariffs proposed by the Petitioner would hit hard on the consumers of the state especially Ferro alloys consumers and will likely result into permanent closures of such industries. It would be critical to state that in the past, the unviable Tariffs has resulted into the industries going out of business.

Comparison with DVC's tariff

- 4.566 The current tariff in the Damodar Valley Corporation (DVC) command area of Jharkhand is notably lower than that of the Jharkhand Bijli Vitran Nigam Limited (JBVNL). This significant disparity poses a critical challenge for industrial consumers, particularly in the Ferro industry, within the JBVNL jurisdiction. A further increase in the already higher tariff for JBVNL's industrial consumers could have severe consequences. Industries in the region, which are already struggling with high operational costs, may find it increasingly difficult to sustain their operations under an even higher tariff burden. This could result in reduced competitiveness, loss of profitability, and, in the worst-case scenario, the closure of these industrial units.
- 4.567 The potential shutdown of industries would have a cascading effect on the state's economy, leading to job losses and decreased industrial output. Therefore, it is imperative to consider the broader economic implications before approving any tariff hike. The proposed increase is not only unsustainable but also risks damaging the industrial ecosystem of Jharkhand. In light of these concerns, it is respectfully submitted that the proposed tariff hike by the Petitioner should not be admitted, as it would unduly harm the industrial sector in the state.

Load factor rebate

- 4.568 High load factor operation in industries brings significant advantages to electricity licensees, such as increased network utilization, reduced transmission and distribution (T&D) losses, and higher revenue realization. When industries maintain a high load factor, they use electricity more consistently and efficiently, which optimizes the utilization of the power distribution network. This reduces the strain on the system during peak hours and minimizes energy losses during transmission, leading to improved operational efficiency for the licensee.
- 4.569 Moreover, a higher load factor translates into better revenue stability for the licensee, as industries with consistent electricity demand provide a steady stream of income. Encouraging such operational behaviour among industries is beneficial not only for the licensee but also for the overall stability and efficiency of the power grid.
- 4.570 To further promote industrial activity within the Jharkhand Bijli Vitran



Nigam Limited (JBVNL) area, it is therefore requested that the existing load factor rebate be extended. Currently, the rebate for industries with a load factor exceeding 80% is applied at a flat rate. By increasing such threshold to 90%, industries would be incentivized to operate even more efficiently, leading to enhanced benefits for both the licensee and the industrial consumers. This adjustment would support the growth of industrial activity while ensuring the financial and operational benefits of high load factor operations are fully realized.

4.571 Therefore, the ceiling rebate should be modified as shown under:

“The Load factor rebate shall be allowed to all the consumers whose load factor exceeds 65%. For any ‘X’ % increase in the load factor over and above 65%, the rebate shall be allowed at the rate of ‘X’ % on the total energy charges corresponding to total energy consumption of the consumer subject to a maximum ceiling rebate of 25%.”

4.572 The above step is expected to benefit both the Licensee as well as consumers.

Voltage Rebate

4.573 The rebate mechanism provided for in the Tariff Order for FY 2025-26 is not being followed in letter and spirit by JBVNL. The Tariff Order dated 30.04.2025 (for FY 2025-26) provides for Voltage rebate as under:



Clause IV: Voltage Rebate

Voltage rebate* will be applicable on Energy Charges as per the JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time at the rate given below:

Consumer Category	Voltage Rebate*
HTS/HT Institutional- 33 kV	3.00 %
HTS/HT Institutional- 132 kV	5.00%

* Note:

- 1) It is clarified that, if a consumer who is eligible to get supply at 11kV as per classification as mentioned in Clause 4.3 of JSERC (Electricity Supply Code) Regulations, 2015 and then the consumer opts for connection at 33kV then consumer shall be eligible for voltage rebate of 3%. Similarly, if a consumer who is eligible to get supply at 33kV as per Clause 4.3 of JSERC (Electricity Supply Code) Regulations, 2015 and opts for connection at 132kV then consumer shall be eligible for voltage rebate of 5%. Further, no voltage rebate shall be applicable above voltage level of 132 kV. It is further clarified that the existing consumers at 11kV and 33kV opts for higher voltage, rebate shall be applicable for such consumers.

4.574 The interpretation by Jharkhand Bijli Vitran Nigam Limited (JBVNL) that a consumer currently connected at 33 KV who opts to upgrade to 132 KV would be eligible for a voltage rebate, while those who remain at the 33 KV level would not receive any rebate applicable to their class, is fundamentally flawed. This interpretation appears to mislead consumers by effectively denying them the rebate benefits that are rightly provided for in the tariff order.

4.575 The tariff order is designed to ensure fairness and incentivize efficiency in energy consumption. The rebates outlined are intended to encourage consumers to optimize their energy usage and, where appropriate, upgrade their connection voltage to enhance system efficiency. However, JBVNL's current stance could unfairly penalize consumers who choose not to upgrade, even though they are entitled to a rebate at the 33 KV level under the existing tariff structure. This approach is not only inconsistent with the intended spirit of the tariff order but could also create unnecessary financial burdens for consumers who may not have the resources or the need to upgrade to a higher voltage level.

4.576 In light of these concerns, it is respectfully requested that the Hon'ble Commission modify the relevant clause to clarify that consumers



connected at 33 KV are indeed entitled to the applicable rebate, regardless of whether they choose to upgrade to 132 KV. This modification will ensure that the tariff order is applied fairly and transparently, providing all eligible consumers with the rebates they deserve.

4.577 Furthermore, it is also requested that the Hon'ble Commission enforce strict timelines for the upgradation of voltage levels for consumers who opt to do so. Currently, JBVNL does not proactively facilitate this upgradation, which can delay consumers from realizing the rebates they are entitled to. By enforcing a timeline, the Commission can ensure that consumers receive the benefits of their decision to upgrade without undue delay, promoting a more efficient and consumer-friendly energy distribution system.

Petitioner's Submission

4.578 There is no reply received on this matter from the Petitioner.

I. Objector- Vaishnavi Steel Industries

Stakeholder's Submission

4.579 Stakeholders raised the issue of refund of the excess amount paid by the stakeholder to JUVNL pursuant to the Order and Judgement passed by the Hon'ble High Court of Jharkhand in L.P.A. No 385/2015 dated 26.09.2025.

4.580 It has now been approximately six months since the Hon'ble High Court passed its matter has already been placed before the department along with all required documents but no action has been initiated and the said refund is still awaited.

4.581 The primary request remains for refund of the excess amount arising from the final determination. It is also respectfully submitted that the refundable amount may kindly be released along with interest at the applicable rate in terms of Clause 10.7.4 of the JSERC Supply Code Regulations, as applicable.

4.582 It is reiterated that there is no objection if the department processes the refund directly to the stakeholder (the original consumer), without any adjustment in any other.

Petitioner Submission

4.583 There is no reply received on this matter from the Petitioner.

J. Objector- Bhaqwati Rice Mill

Stakeholder's Submission

4.584 सविनय निवेदन है कि हमें जानकारी प्राम हुई है कि बिजली विभाग द्वारा विद्युत करों में वृद्धि

का प्रस्ताव प्रस्तुत किया गया है. जिम पर दिनांक 19 फरवरी 2026 को जन सुनवाई आयोजित की गई है।

- 4.585 हम, Bhagwati Rice Mill, पिछले कई वर्षों से क्षेत्र में कृषि आधारित उद्योग के रूप में कार्यरत है एवं स्थानीय किसानों तथा श्रमिकों को रोजगार प्रदान कर रहे हैं। वर्तमान समय में चावल उद्योग अत्यंत कठिन आर्थिक परिस्थितियों से गुजर रहा है। कच्चे माल की लागत में वृद्धि, परिवहन खर्च, वित्तीय ब्याज दरों में बढ़ोतरी एवं बाजार में प्रतिस्पर्धा के कारण उद्योग पहले ही दबाव में है।
- 4.586 ऐसी स्थिति में बिजली दरों में प्रस्तावित वृद्धि हमारे उद्योग पर अतिरिक्त आर्थिक बोझ डालेगी। चूंकि राइस मिल एक विद्युत आधारित उद्योग है, अतः बिजली लागत हमारे कुल उत्पादन न्यय का एक महत्वपूर्ण हिस्सा है। टैरिफ वृद्धि से उत्पादन लागत में सीधी वृद्धि होगी, जिसने प्रतिस्पर्धात्मक क्षमता प्रभावित होगी तथा उद्योग के संचालन पर गंभीर संकट उत्पन्न हो सकता है।
- 4.587 यदि प्रस्तावित वृद्धि लागू की जाती है, तो इससे उद्योगों के बंद होने की स्थिति भी उत्पन्न हो सकती है, जिसका प्रतिकूल प्रभाव स्थानीय रोजगार एवं कृषि अर्थव्यवस्था पर पड़ेगा। अत आपसे विनम्र अनुरोध है कि वर्तमान परिस्थितियों को ध्यान में रखते हुए बिजली दर वृद्धि के प्रस्ताव पर पुनर्विचार किया जाए।

Petitioner Submission

4.588 There is no reply received on this matter from the Petitioner.

K. Objector- Maa Jagdamba Udyog

Stakeholder's Submission

- 4.589 सविनय निवेदन है कि हमें जानकारी प्राम हुई है कि बिजली विभाग द्वारा विद्युत करों में वृद्धि का प्रस्ताव प्रस्तुत किया गया है. जिम पर दिनांक 19 फरवरी 2026 को जन सुनवाई आयोजित की गई है।
- 4.590 हम, Maa Jagdamba Udyog, पिछले कई वर्षों से क्षेत्र में कृषि आधारित उद्योग के रूप में कार्यरत है एवं स्थानीय किसानों तथा श्रमिकों को रोजगार प्रदान कर रहे हैं। वर्तमान समय में चावल उद्योग अत्यंत कठिन आर्थिक परिस्थितियों से गुजर रहा है। कच्चे माल की लागत में वृद्धि, परिवहन खर्च, वित्तीय ब्याज दरों में बढ़ोतरी एवं बाजार में प्रतिस्पर्धा के कारण उद्योग पहले ही दबाव में है।
- 4.591 ऐसी स्थिति में बिजली दरों में प्रस्तावित वृद्धि हमारे उद्योग पर अतिरिक्त आर्थिक बोझ डालेगी। चूंकि राइस मिल एक विद्युत आधारित उद्योग है, अतः बिजली लागत हमारे कुल उत्पादन न्यय का एक महत्वपूर्ण हिस्सा है। टैरिफ वृद्धि से उत्पादन लागत में सीधी वृद्धि होगी, जिसने प्रतिस्पर्धात्मक क्षमता प्रभावित होगी तथा उद्योग के संचालन पर गंभीर संकट उत्पन्न हो सकता है।
- 4.592 यदि प्रस्तावित वृद्धि लागू की जाती है, तो इससे उद्योगों के बंद होने की स्थिति भी उत्पन्न हो सकती है, जिसका प्रतिकूल प्रभाव स्थानीय रोजगार एवं कृषि अर्थव्यवस्था पर पड़ेगा। अत आपसे विनम्र अनुरोध है कि वर्तमान परिस्थितियों को ध्यान में रखते हुए बिजली दर वृद्धि के प्रस्ताव पर



पुनर्विचार किया आए।

Petitioner Submission

4.593 There is no reply received on this matter from the Petitioner.

L. Objector- Sri Mahabir Industries

Stakeholder's Submission

4.594 सविनय निवेदन है कि हमें जानकारी प्राम हुई है कि बिजली विभाग द्वारा विद्युत करों में वृद्धि का प्रस्ताव प्रस्तुत किया गया है. जिम पर दिनांक 19 फरवरी 2026 को जन सुनवाई आयोजित की गई है।

4.595 हम, Shri Mahabir Industries, पिछले कई वर्षों से क्षेत्र में कृषि आधारित उद्योग के रूप में कार्यरत है एवं स्थानीय किसानों तथा श्रमिकों को रोजगार प्रदान कर रहे हैं। वर्तमान समय में चावल उद्योग अत्यंत कठिन आर्थिक परिस्थितियों से गुजर रहा है। कच्चे माल की लागत में वृद्धि, परिवहन खर्च, वित्तीय ब्याज दरों में बढ़ोतरी एवं बाजार में प्रतिस्पर्धा के कारण उद्योग पहले ही दबाव में है।

4.596 ऐसी स्थिति में बिजली दरों में प्रस्तावित वृद्धि हमारे उद्योग पर अतिरिक्त आर्थिक बोझ डालेगी। चूंकि राइस मिल एक विद्युत आधारित उद्योग है, अतः बिजली लागत हमारे कुल उत्पादन न्यय का एक महत्वपूर्ण हिस्सा है। टैरिफ वृद्धि से उत्पादन लागत में सीधी वृद्धि होगी, जिसने प्रतिस्पर्धात्मक क्षमता प्रभावित होगी तथा उद्योग के संचालन पर गंभीर संकट उत्पन्न हो सकता है।

4.597 यदि प्रस्तावित वृद्धि लागू की जाती है, तो इससे उद्योगों के बंद होने की स्थिति भी उत्पन्न हो सकती है, जिसका प्रतिकूल प्रभाव स्थानीय रोजगार एवं कृषि अर्थव्यवस्था पर पड़ेगा। अत आपसे विनम्र अनुरोध है कि वर्तमान परिस्थितियों को ध्यान में रखते हुए बिजली दर वृद्धि के प्रस्ताव पर पुनर्विचार किया जाए।

Petitioner Submission

4.598 There is no reply received on this matter from the Petitioner.

M. Objector- S. G. Agro Food Products

Stakeholder's Submission

4.599 सविनय निवेदन है कि हमें जानकारी प्राम हुई है कि बिजली विभाग द्वारा विद्युत करों में वृद्धि का प्रस्ताव प्रस्तुत किया गया है. जिम पर दिनांक 19 फरवरी 2026 को जन सुनवाई आयोजित की गई है।

4.600 हम, S. G. Agro Food Products, पिछले कई वर्षों से क्षेत्र में कृषि आधारित उद्योग के रूप में कार्यरत है एवं स्थानीय किसानों तथा श्रमिकों को रोजगार प्रदान कर रहे हैं। वर्तमान समय में चावल उद्योग अत्यंत कठिन आर्थिक परिस्थितियों से गुजर रहा है। कच्चे माल की लागत में वृद्धि, परिवहन खर्च, वित्तीय ब्याज दरों में बढ़ोतरी एवं बाजार में प्रतिस्पर्धा के कारण उद्योग पहले ही दबाव में है।

4.601 ऐसी स्थिति में बिजली दरों में प्रस्तावित वृद्धि हमारे उद्योग पर अतिरिक्त आर्थिक बोझ डालेगी।

चूंकि राइस मिल एक विद्युत आधारित उद्योग है, अतः बिजली लागत हमारे कुल उत्पादन न्यय का एक महत्वपूर्ण हिस्सा है। टैरिफ वृद्धि से उत्पादन लागत में सीधी वृद्धि होगी, जिसने प्रतिस्पर्धात्मक क्षमता प्रभावित होगी तथा उद्योग के संचालन पर गंभीर संकट उत्पन्न हो सकता है।

4.602 यदि प्रस्तावित वृद्धि लागू की जाती है, तो इससे उद्योगों के बंद होने की स्थिति भी उत्पन्न हो सकती है, जिसका प्रतिकूल प्रभाव स्थानीय रोजगार एवं कृषि अर्थव्यवस्था पर पड़ेगा। अत आपसे विनम्र अनुरोध है कि वर्तमान परिस्थितियों को ध्यान में रखते हुए बिजली दर वृद्धि के प्रस्ताव पर पुनर्विचार किया जाए।

Petitioner Submission

4.603 There is no reply received on this matter from the Petitioner.

N. Objector- Baijnath Sharma Rice Mill

Stakeholder's Submission

4.604 सविनय निवेदन है कि हमें जानकारी प्राम हुई है कि बिजली विभाग द्वारा विद्युत करों में वृद्धि का प्रस्ताव प्रस्तुत किया गया है. जिम पर दिनांक 19 फरवरी 2026 को जन सुनवाई आयोजित की गई है।

4.605 हम, Baijnath Sharma Rice Mill, पिछले कई वर्षों से क्षेत्र में कृषि आधारित उद्योग के रूप में कार्यरत है एवं स्थानीय किसानों तथा श्रमिकों को रोजगार प्रदान कर रहे हैं। वर्तमान समय में चावल उद्योग अत्यंत कठिन आर्थिक परिस्थितियों से गुजर रहा है। कच्चे माल की लागत में वृद्धि, परिवहन खर्च, वित्तीय ब्याज दरों में बढ़ोतरी एवं बाजार में प्रतिस्पर्धा के कारण उद्योग पहले ही दबाव में है।

4.606 ऐसी स्थिति में बिजली दरों में प्रस्तावित वृद्धि हमारे उद्योग पर अतिरिक्त आर्थिक बोझ डालेगी। चूंकि राइस मिल एक विद्युत आधारित उद्योग है, अतः बिजली लागत हमारे कुल उत्पादन न्यय का एक महत्वपूर्ण हिस्सा है। टैरिफ वृद्धि से उत्पादन लागत में सीधी वृद्धि होगी, जिसने प्रतिस्पर्धात्मक क्षमता प्रभावित होगी तथा उद्योग के संचालन पर गंभीर संकट उत्पन्न हो सकता है।

4.607 यदि प्रस्तावित वृद्धि लागू की जाती है, तो इससे उद्योगों के बंद होने की स्थिति भी उत्पन्न हो सकती है, जिसका प्रतिकूल प्रभाव स्थानीय रोजगार एवं कृषि अर्थव्यवस्था पर पड़ेगा। अत आपसे विनम्र अनुरोध है कि वर्तमान परिस्थितियों को ध्यान में रखते हुए बिजली दर वृद्धि के प्रस्ताव पर पुनर्विचार किया जाए।

Petitioner Submission

4.608 There is no reply received on this matter from the Petitioner.

O. Objector- Hidusthan Rice & Flour Mill

Stakeholder's Submission

4.609 Stakeholder submitted that Industries are already running in the hardship and there will be additional economic burden if tariff will be



hiked and industries may be shut down. Hence requested for review this petition with this point of view.

Petitioner Submission

4.610 There is no reply received on this matter from the Petitioner.

P. Objector- Hidusthan Rice & Flour Mill

Stakeholder's Submission

4.611 Stakeholder submitted that Industries are already running in the hardship and there will be additional economic burden if tariff will be hiked and industries may be shut down. Hence requested for review this petition with this point of view.

Petitioner Submission

4.612 There is no reply received on this matter from the Petitioner.

Q. Objector- King Rice Mills Pvt. Ltd.

Stakeholder's Submission

4.613 सविनय निवेदन है कि हमें जानकारी प्राम हुई है कि बिजली विभाग द्वारा विद्युत करों में वृद्धि का प्रस्ताव प्रस्तुत किया गया है. जिम पर दिनांक 19 फरवरी 2026 को जन सुनवाई आयोजित की गई है।

4.614 हम पिछले कई वर्षों से क्षेत्र में कृषि आधारित उद्योग के रूप में कार्यरत है एवं स्थानीय किसानों तथा श्रमिकों को रोजगार प्रदान कर रहे हैं। वर्तमान समय में चावल उद्योग अत्यंत कठिन आर्थिक परिस्थितियों से गुजर रहा है। कच्चे माल की लागत में वृद्धि, परिवहन खर्च, वित्तीय ब्याज दरों में बढ़ोतरी एवं बाजार में प्रतिस्पर्धा के कारण उद्योग पहले ही दबाव में है।

4.615 ऐसी स्थिति में बिजली दरों में प्रस्तावित वृद्धि हमारे उद्योग पर अतिरिक्त आर्थिक बोझ डालेगी। चूंकि राइस मिल एक विद्युत आधारित उद्योग है, अतः बिजली लागत हमारे कुल उत्पादन न्यय का एक महत्वपूर्ण हिस्सा है। टैरिफ वृद्धि से उत्पादन लागत में सीधी वृद्धि होगी, जिसने प्रतिस्पर्धात्मक क्षमता प्रभावित होगी तथा उद्योग के संचालन पर गंभीर संकट उत्पन्न हो सकता है।

4.616 यदि प्रस्तावित वृद्धि लागू की जाती है, तो इससे उद्योगों के बंद होने की स्थिति भी उत्पन्न हो सकती है, जिसका प्रतिकूल प्रभाव स्थानीय रोजगार एवं कृषि अर्थव्यवस्था पर पड़ेगा। अत आपसे विनम्र अनुरोध है कि वर्तमान परिस्थितियों को ध्यान में रखते हुए बिजली दर वृद्धि के प्रस्ताव पर पुनर्विचार किया जाए।

Petitioner Submission

4.617 There is no reply received on this matter from the Petitioner.

R. Objector - Shree Raj Udyog

Stakeholder's Submission

4.618 Stakeholder has submitted that it has been operating as an agriculture-based industry in the region for several years, providing employment to local farmers and laborers. The rice industry is currently facing extreme economic difficulties per se, rising raw material cost, transportation cost, financial interest rates, and market competition are already putting the industry under pressure. In such a situation, the proposed increase in



electricity tariffs will impose an additional financial burden on our industry. Since rice milling is an electricity-dependent industry, electricity costs represent a significant portion of our total production expenses. The tariff increase will directly increase production costs, impacting competitiveness and potentially jeopardizing the industry's operations and future. If the proposed increase is implemented, it could lead to the closure of industries, which would adversely impact local employment and the agricultural economy.

Petitioner Submission

4.619 There is no reply received on this matter from the Petitioner.

S. Objector – Sai Sponge (India) Private Limited

Stakeholder's Submission

4.620 सविनय निवेदन है कि आपके समक्ष बिजली विभाग द्वारा विद्युत दरों में वृद्धि का प्रस्ताव प्रस्तुत किया गया है. जिस पर आज सुनवाई आयोजित की गई है।

4.621 हम पिछले कई वर्षों से झीकपानी क्षेत्र में स्पंज आइरन उद्योग के रूप में कार्यरत हैं एवं स्थानीय श्रमिकों को रोजगार प्रदान कर रहे हैं। वर्तमान समय में स्पंज उद्योग अत्यंत कठिन आर्थिक परिस्थितियों से गुजर रहा है। कच्चे माल की लागत में वृद्धि, परिवहन खर्च, वित्तीय ब्याज दरों में बढ़ोतरी एवं बाजार में प्रतिस्पर्धा के कारण हमारा उद्योग पहले से ही दबाव में है। ऐसी स्थिति में बिजली दरों में प्रस्तावित वृद्धि हमारे उद्योग पर अतिरिक्त आर्थिक बोझ डालेगी। चूंकि स्पंज आइरन एक विद्युत-आधारित उद्योग है, अतः बिजली लागत हमारे कुल उत्पादन व्यय का एक महत्वपूर्ण हिस्सा है। टैरिफ वृद्धि से उत्पादन लागत में सीधी वृद्धि होगी, जिससे हमारी प्रतिस्पर्धात्मक क्षमता प्रभावित होगी तथा उद्योग के संचालन पर गंभीर संकट उत्पन्न हो सकता है।

4.622 यदि प्रस्तावित वृद्धि लागू की जाती है, तो इससे हमारे उद्योग के बंद होने की स्थिति भी उत्पन्न हो सकती है. जिसका प्रतिकृत प्रभाव हमारे ग्रामीण क्षेत्र के स्थानीय रोजगार एवं अर्थव्यवस्था पर पड़ेगा। अतः आपसे विनम्र अनुरोध है कि वर्तमान परिस्थितियों को ध्यान में रखते हुए बिजली दर वृद्धि के प्रस्ताव पर पुनर्विचार किया जाए और विशेषकर ग्रामीण क्षेत्रों में स्थित उद्योगों को राहत प्रदान की जाए।

4.623 Petitioner Submission

4.624 There is no reply received on this matter from the Petitioner.

T. Objector- Satyasai Farmtech Pvt. Ltd.

Stakeholder's Submission

4.625 सविनय निवेदन है कि हमें जानकारी प्राम हुई है कि बिजली विभाग द्वारा विद्युत दरों में वृद्धि का प्रस्ताव प्रस्तुत किया गया है. जिम पर दिनांक 19 फरवरी 2026 को जन सुनवाई आयोजित की गई है।

4.626 हम पिछले कई वर्षों से क्षेत्र में कृषि आधारित उद्योग के रूप में कार्यरत हैं एवं स्थानीय किसानों

तथा श्रमिकों को रोजगार प्रदान कर रहे हैं। वर्तमान समय में चावल उद्योग अत्यंत कठिन आर्थिक परिस्थितियों से गुजर रहा है। कच्चे माल की लागत में वृद्धि, परिवहन खर्च, वित्तीय ब्याज दरों में बढ़ोतरी एवं बाजार में प्रतिस्पर्धा के कारण उद्योग पहले ही दबाव में है।

4.627 ऐसी स्थिति में बिजली दरों में प्रस्तावित वृद्धि हमारे उद्योग पर अतिरिक्त आर्थिक बोझ डालेगी। चूंकि राइस मिल एक विद्युत आधारित उद्योग है, अतः बिजली लागत हमारे कुल उत्पादन न्यय का एक महत्वपूर्ण हिस्सा है। टैरिफ वृद्धि से उत्पादन लागत में सीधी वृद्धि होगी, जिसने प्रतिस्पर्धात्मक क्षमता प्रभावित होगी तथा उद्योग के संचालन पर गंभीर संकट उत्पन्न हो सकता है।

4.628 यदि प्रस्तावित वृद्धि लागू की जाती है, तो इससे उद्योगों के बंद होने की स्थिति भी उत्पन्न हो सकती है, जिसका प्रतिकूल प्रभाव स्थानीय रोजगार एवं कृषि अर्थव्यवस्था पर पड़ेगा। अत आपसे विनम्र अनुरोध है कि वर्तमान परिस्थितियों को ध्यान में रखते हुए बिजली दर वृद्धि के प्रस्ताव पर पुनर्विचार किया जाए।

Petitioner Submission

4.629 There is no reply received on this matter from the Petitioner.

U. Objector- Shree Balaji Agro Farm Industries Pvt. Ltd.

Stakeholder's Submission

4.630 सविनय निवेदन है कि हमें जानकारी प्राम हुई है कि बिजली विभाग द्वारा विद्युत करों में वृद्धि का प्रस्ताव प्रस्तुत किया गया है. जिम पर दिनांक 19 फरवरी 2026 को जन सुनवाई आयोजित की गई है।

4.631 हम पिछले कई वर्षों से क्षेत्र में कृषि आधारित उद्योग के रूप में कार्यरत है एवं स्थानीय किसानों तथा श्रमिकों को रोजगार प्रदान कर रहे हैं। वर्तमान समय में चावल उद्योग अत्यंत कठिन आर्थिक परिस्थितियों से गुजर रहा है। कच्चे माल की लागत में वृद्धि, परिवहन खर्च, वित्तीय ब्याज दरों में बढ़ोतरी एवं बाजार में प्रतिस्पर्धा के कारण उद्योग पहले ही दबाव में है।

4.632 ऐसी स्थिति में बिजली दरों में प्रस्तावित वृद्धि हमारे उद्योग पर अतिरिक्त आर्थिक बोझ डालेगी। चूंकि राइस मिल एक विद्युत आधारित उद्योग है, अतः बिजली लागत हमारे कुल उत्पादन न्यय का एक महत्वपूर्ण हिस्सा है। टैरिफ वृद्धि से उत्पादन लागत में सीधी वृद्धि होगी, जिसने प्रतिस्पर्धात्मक क्षमता प्रभावित होगी तथा उद्योग के संचालन पर गंभीर संकट उत्पन्न हो सकता है।

4.633 यदि प्रस्तावित वृद्धि लागू की जाती है, तो इससे उद्योगों के बंद होने की स्थिति भी उत्पन्न हो सकती है, जिसका प्रतिकूल प्रभाव स्थानीय रोजगार एवं कृषि अर्थव्यवस्था पर पड़ेगा। अत आपसे विनम्र अनुरोध है कि वर्तमान परिस्थितियों को ध्यान में रखते हुए बिजली दर वृद्धि के प्रस्ताव पर पुनर्विचार किया जाए।

Petitioner Submission

4.634 There is no reply received on this matter from the Petitioner.

V. Objector – Jharkhand Rajya Urja Mitra Sangh

Stakeholder's Submission

- 4.635 उपरोक्त विषयक के संबंध में संचित करना है कि आज दिनांक 27/02/ 2026 धनवाद मराईडेल बीसीसीएल मुख्यालय के मिलेनियम हॉल में झारखंड राज्य विद्युत विनियामक आयोग के द्वारा बिजली बिल बद्धि को लेकर जन सुनवाई लगाया गया है वर्ष 2026/2027 को लेकर।
- (a) जो की फिलहाल अभी उपभोक्ताओ से ग्रामीण क्षेत्र घरेलू पर यनित 6:70 पैसा फिक्स चार्ज 75 रूपया कमर्शियल 6:20 फिक्स चार्ज 120 kw
- (b) शहरी घरेलू पर यूनिट 6:85 पैसा। फिक्स चार्ज 100 रूपया कमर्शियल 6:70 फिक्स चार्ज 200 पर kW
- (c) LTIS पर यूनिट 6:10 फिक्स चार्ज 150 पर KVA अखबार में प्रकाशित खबर छपी थी की 60% बढ़ाई जाएगी जो सरासर गलत है।
- (d) पुरे झारखंड में मीटर का पठन-पाठन कर रहे उर्जा मित्र की शोषण जेवीवीएनएल के आधीन कार्य लिए हुए बिलिंग एजेन्सीओ के द्वारा किया जा रहा है।
- (e) धनबाद एरिया बोर्ड के अन्तर्गत EMD कम्पनी पूर्व दिनों 14 माह का वेतन लेकर भाग गई जिसे लेकर पुर्व दिनों श्रीमान के समक्ष जनसुनवाई के दरमियान रखा गया था जी श्रीमान ने उच्च न्यायालय के सरन में जाने की सुझाव दिए थे जीस पर संघ न्यायालय के सरन में है।
- (f) अभी आई हुई बिलिंग एजेन्सी फ्यूजन प्राइवेट लिमिटेड जो की जब से आई है EPF/ESIC/ में बंचित रखा हुआ है सभी को एवम में माह से वेतन भी नहीं दिया है किसी भी उर्जा मित्र को।
- (g) ग्रामीण और शहरी क्षेत्रों में बिजली उपभोक्ताओं का मीटर पठन-पाठन किए बिना सिस्टम से ही बिजली विपत्र निर्गत कर देती है जीस कारण अधिकांश उपभोक्ताओं का मीटर के पठन-पाठन से अधिक बिजली विपत्र आने के कारण उर्जा मित्र के साथ मारपीट होते रहता है सिस्टम से बिजली विपत्र बनाना बन्द होना चाहिए। ताकि पठन-पाठन के अनुसार बिजली विपत्र निर्गत हो और शुद्ध बिजली विपत्र मिले उपभोक्ताओं को
- (h) दुमका एरिया बोर्ड में बिलिंग एजेन्सी VAIBHU इंफ्राटेक हैदराबाद, अक्टूबर 2021 से लेकर अप्रैल 2023 तक काम करवाया है मर, उसके बाद दो महीने हड़ताल के बाद EEE जामताड़ा के आश्वासन पर बतौर ऊर्जा साथी के रूप में जुलाई 2023 से जुलाई

2024 तक काम कराया गया,

- (i) स्मार्ट मीटर पुरे राज्य में जोर-शोर से लगाया जा रहा है उस वजह से उर्जा मित्र बेरोजगार होने की खतरा उत्पन्न हो चुका है जेवीवीएनएन के आधीन विभिन्न एजेन्सीजों के माध्यम में लगभग 15 वर्षा में निष्ठा पूर्वक अपने दायित्व का निर्वाह कर रहे हैं एवं जरूर के अनुमार प्रतिश्रवश्यक होने पर लाईन बनी में ठीक कर देते है। श्रीमान सभी उर्जा मित्रों को मानव दिवस कमीओओं के रूप में समायोजित कर लिया जाए ताकि झारखंड के युवाओं बेरोजगार ना हो
- (j) श्रीमान पूर्व दिनों निरमा सव डिविजन के अन्तर्गत दिनांक 28/01/26 को महाराज ग्राम में बिजली बोरी के रोकथाम के लिए गई टीस जीम टीम में सामिल सहायक विद्युत अभियन्ता नितेश कुमार निरमा वन एवम कर्मचारीओ को असमाजिक तत्व के द्वारा घर कर मारपीट गाली-गलौज पत्थर में चोटिन किया गया था जीम लेकर गोबिन्दपुर थाना में कांड संख्या 42/2026 दर्ज किया गया था उसे लेकर अभी तक प्रशासनिक करवाई नहीं की गई है जीम वजह से उर्जा मित्र एवम कमीओ के बीच भय का माहौल बना हुआ है। उसे ले श्रीमान में आग्रह है की असमाजिक तत्व पर प्रशासनिक करवाई सुनिश्चित कराई जाए।

Petitioner Submission

4.636 There is no reply received on this matter from the Petitioner.

W. Objector – Makkhan Lal Paul

Stakeholder's Submission

4.637 Stakeholder submitted that Industries are already running in the hardship and there will be additional economic burden if tariff will be hiked and industries may be shut down. Hence requested for review this petition with this point of view.

Petitioner Submission

4.638 There is no reply received on this matter from the Petitioner.

View of the Commission

4.639 The Commission has considered the submission of the stakeholder and replies by the Petitioner, and deliberated and discussed it in the upcoming chapters in this Order.



Chapter 5: TRUE-UP FOR FY 2024-25



Chapter 5: TRUE-UP FOR FY 2024-25

- 5.1 In the instant petition the Petitioner has sought approval of Truing up for FY 2024-25 based on the Audited Accounts, taking into consideration the provisions of the Distribution Tariff Regulations, 2020 & Distribution Tariff Regulation (1st Amendment) 2023 and the methodology adopted by the Commission in the previous Orders.
- 5.2 The Commission on the basis of provisions of the Distribution Tariff Regulations, 2020 & Distribution Tariff Regulations, (1st Amendment) 2023 has determined the truing up for FY 2024-25 on consideration of:
- Audited accounts for FY 2024-25;
 - Methodology adopted by the Commission in previous Order;
 - Material on record submitted by the Petitioner.
- 5.3 The component-wise details filled by the Petitioner and the Commission's analysis and discussion is made in the upcoming paragraph.

Energy Sales

Petitioner's Submission

- 5.4 The Petitioner has submitted the energy sales based on the annual audited account for FY 2024-25. Further submitted the connected Load and number of consumer as shown below:

Table 17: Sales (in MUs) as submitted by the Petitioner.

Consumer Category	APR	Petition
Domestic	6,515.96	6,295.82
Commercial/Non Domestic	1,762.92	1,273.16
Public Lighting / SS	101.58	77.25
Irrigation / IAS	136.03	99.30
Industrial LT / LTIS	407.93	367.80
Industrial HT / HTS / S/ EHT	3,026.85	2,931.88
RTS/MES	64.29	60.46
Theft		
Total	12,015.56	11,105.67



Table 18: Connected Load (kVA) as submitted by the Petitioner.

Consumer Category	APR	Petition
Domestic	58,26,496	57,43,817
Commercial/Non Domestic	5,08,035	10,57,907
Public Lighting / SS	13,831	15,462
Irrigation / IAS	67,300	2,08,158
Industrial LT / LTIS	3,83,487	5,74,903
Industrial HT / HTS / S/ EHT	10,43,776	11,76,729
RTS/MES	42,854	57,644
Total	78,85,779	88,34,620

Table 19: Number of Consumer (Nos) as submitted by the Petitioner.

Consumer Category	APR	Petition
Domestic	47,35,334	48,10,658
Commercial/Non Domestic	3,02,029	4,21,241
Public Lighting / SS	434	730
Irrigation / IAS	75,592	1,10,613
Industrial LT / LTIS	21,083	20,147
Industrial HT / HTS / S/ EHT	2,412	2,545
RTS/MES	8	9
Total	51,36,892	53,65,944

5.5 The Petitioner has further submitted that in comparison to the approved energy sales for FY 24-25 by the Commission, there is a considerable decrease in the consumption in domestic category despite a nominal growth in the number of consumers for domestic category and implies that the segment reaches its saturation point after 100% electrification in this segment. The decrease in consumption in domestic category implies that consumers might be willingly decrease their consumption to avail Govt subsidy or by adoption of energy efficient appliances and some portion may be attributed to adoption of roof top solar for self-consumption. The consumption under all other categories are well under the projection figures. Commercial segment has not grown according to expectations and so does the other sectors including industrial and commercial sales

Commission's Analysis



- 5.6 The Commission has received the submission made by the Petitioner and observed that the energy sales for FY 2024-25 as 11,105.67 MU which is slightly lower than the approved value for APR of FY 2024-25 as per the tariff order dated April 30,2025. The Commission is of the view that the energy sales depends on the consumption, connected load and the number of consumers, which is an uncontrollable factor as per **clause 6.44** of JSERC Terms and Conditions for Determination of Distribution Tariff) Regulations 2020.
- 5.7 Accordingly, the Commission on scrutinizing the material, information, actual figure, audited books of account and details submitted by the Petitioner, approves the energy sales for FY 2024-25 which has been summarized in the table below:

Table 20: Energy Sales (MUs) as submitted by the Petitioner and approved by the Commission.

Consumer Category	APR	Petition	Approved
Domestic	6,515.96	6,295.82	6,295.82
Commercial/Non Domestic	1,762.92	1,273.16	1,273.16
Public Lighting / SS	101.58	77.25	77.25
Irrigation / IAS	136.03	99.30	99.30
Industrial LT / LTIS	407.93	367.80	367.80
Industrial HT / HTS / S/ EHT	3,026.85	2,931.88	2,931.88
RTS/MES	64.29	60.46	60.46
Other/Theft			
Total	12,015.56	11,105.67	11,105.67

Energy Balance

Petitioner's Submission

- 5.8 The Petitioner has submitted that energy availability for FY 2024-25 has been computed based on the actual Power Purchase and Sales as per the Audited Accounts for FY 2024-25.
- 5.9 The Petitioner has further submitted that the Power Purchase from various sources are segregated into different heads, while calculating the energy balance for FY 2024-25.
- (a) Power Purchase from Outside JUSNL Boundary (i.e.) Power sourced from NTPC, NHPC, PTC, APNRL, part of TVNL, SECI, UI and exchanges. For calculation purpose, the input of these power plants is considered input to the CTU (Central Transmission Utility)



periphery.

- (b) Energy Input Directly to State Transmission System or JUSNL - Input of power from TVNL, state owned power to JUSNL system and private power plant such as Inland Power limited and CTU input to the system.
- (c) Direct Input of Energy to Distribution System (i.e.) from DVC.
- (d) Energy input directly to JBVNL periphery from the various Solar IPPs.

- 5.10 The Petitioner has computed the energy available for sale/energy input as the addition between net energy sent to distribution system and direct input of energy to distribution system. Further it is submitted that JBVNL has calculated the energy balance in a revised manner taking into the metered data available at its input from the JUSNL and from the DVC periphery.
- 5.11 Further, the Petitioner has submitted that it has calculated interstate transmission losses by subtracting normative loss approved by the Commission for interstate transmission loss. The Inter-State Transmission Losses at 3% of all power purchase from external sources considering Point of Connection (PoC) withdrawal losses for Jharkhand and PoC injection losses of various power plants with which it has PPA. The loss calculation of 3% is based on average interstate loss calculation as approved by the Commission.
- 5.12 JBVNL, thereafter considers power available to JUSNL network from the PGCIL network. In addition to that, some power is directly injected to JUSNL system as mentioned in the table below. Intra state transmission loss is calculated based on energy received at the 33kV incoming transmission network in JBVNL and the input energy to JUSNL network from PGCIL and other power plants. Further, as per feeder metering data (ABT meter data) available with JBVNL, energy input to JBVNL system is found out from the input data received from all feeders from JUSNL. Transmission losses in JUSNL system is then calculated as the difference of energy input from JUSNL to JBVNL and energy received by JUSNL on its periphery. As per calculation from the metered data, the loss in the JUSNL system was calculated at 7.99%. Similarly, the energy loss in DVC network is calculated as the difference of energy scheduled by DVC and energy received in the JBVNL system as per metered data available. The loss in the DVC system is calculated at 4.30%. The distribution loss for FY 2024-25 was coming out to be 28.19%.
- 5.13 Based on the information provided above, Energy Balance of JBVNL for



FY 2024-25 is summarized below:

Table 21: Energy Balance (in MUs) as submitted by the Petitioner.

Particulars	APR	Petition
Power Purchase from Outside JBVNL Boundary/ CTU Periphery (MU)	9,880.59	11,125.69
Transmission Loss in External System/ CTU (%)	3.00%	3.00%
Loss in External System/CTU (MU)	296.42	333.77
Net Outside Power Available at STU/JUSNL Periphery (MU)	9,584.18	10,791.92
Energy Input Directly to State Transmission System (MU)	372.26	390.96
State-owned Generation (MU)	1,823.21	1,655.82
Energy Available at JUSNL for Onward Transmission (MU)	11,779.64	12,838.70
Transmission Loss at JUSNL system (%)	2.23%	7.99%
Transmission Loss at JUSNL system (MU)	262.69	1025.64
Net Energy Sent to Distribution System (MU)	11,516.95	11,813.06
Energy Schedule from DVC to Distribution System (MU)	3,997.66	3,799.45
Transmission Loss at DVC System (%)	3.00%	4.30%
Transmission Loss in System (MUs)	119.93	163.27
Direct Input of Energy from DVC to Distribution System (MU)	3,784.67	3,636.18
Direct Input Energy from State Solar System (MUs)	20.81	17.13
Total Energy Available for Sales (MU)	15,322.43	15,466.38
Total energy sold (MU)	11,055.39	11,105.67
Distribution loss%	13.00%	28.19%
Energy Required for distribution (MU)	12707.34	15466.38
Power disallowance at DISCOM Periphery (MU)	2,615.09	0.00
Revenue of disallowance energy	1381.72	
Total Power Purchase	16,094.53	16,989.06

Commission's Analysis

- 5.14 The Commission has observed that the Petitioner has claimed Distribution losses based on actuals at a level of 28.19% for FY 2024-25 which is inferior to the loss level in the APR order for FY 2024-25.
- 5.15 Accordingly, the Commission has noted that the level of losses recorded by the DISCOM are exceedingly high and require substantial overhauling.



The deteriorated state of the distribution network has resulted in a significant drain on both material and economic resources of the nation, which is a cause of concern.

- 5.16 In fact, Distribution Losses and Collection Efficiency are crucial operational parameters for DISCOMs. State Electricity Regulatory Commissions (SERCs) across states have recognized them as controllable parameters for DISCOMs. Similarly, under clause 6.44 of the JSERC Distribution Tariff Regulations 2020, the Commission acknowledges Distribution Loss and Collection Efficiency as controllable parameters.
- 5.17 In continuation with the Regulatory provisions and having recognized the issue pertaining to significant Distribution losses, the Commission had approved the Distribution loss trajectory keeping in mind the actual loss trajectory, capex infusion done by the State Utility over the years amongst the prominent items.
- 5.18 Subsequently, the Commission vide Order dated May 31, 2023 has approved the Distribution loss trajectory for each year of the Control period FY 2021-22 to FY 2025-26. The relevant extracts of the MYT Order are reproduced below:

“7.13 The Commission has observed that in 2nd MYT Control Period the distribution loss target for FY 2020-21 was 13%. Therefore, considering the prevailing scenario of the DISCOMs. The Commission has approved the distribution loss target of 13% on overall sales for each year of the Control Period. Further, the Petitioner shall be allowed to operate within distribution loss of 13% on overall sales for the Control Period without any incentive/penalty”.

- 5.19 In view of the aforesaid extract, it is observed that not abiding by the trajectory defined by the Commission and factoring into consideration the deviation in the retail ARR by the Licensee is disdainful. Further, the Commission on several occasion has directed the Petitioner to take appropriate action to decrease the distribution loss in line with the trajectory made by the Commission. Till date, there is no responsive action taken by the Petitioner to curb the said issue.
- 5.20 It has been observed that the Petitioner has claimed Intra-State Transmission Losses of **7.99%** for FY 2024-25 in the JUSNL system, which is inferior to the loss level as claimed by the Petitioner for FY 2023-24 as 6.41 %. As well as, the said transmission losses are significantly higher than the approved transmission loss of 2.23% as per the Tariff Order dated April 30, 2025. In this regard, the Petitioner is directed to submit a **joint reconciliation statement** with JUSNL, duly certifying the Intra-State Transmission Loss at the time of the tariff filing. Furthermore, it is observed that the Petitioner has calculated the Intra-State



Transmission Loss by subtracting the energy input from the JUSNL system to the distribution system at the 33 kV feeder level from the total energy available at the JUSNL transmission system.

- 5.21 The Commission observes that the Petitioner, has claimed a transmission loss of 4.30% for FY 2024-25 in the DVC system. In this context, the Commission had directed the Petitioner to submit a detailed and appropriate justification for the consideration of the same. However, the justification provided in response was found to be inadequate. The Petitioner failed to provide a convincing explanation to the satisfaction of the Commission. Nevertheless, the Commission is of the considered view that the transmission loss pertaining to the DVC system is a legitimate and recognized parameter, which was also taken into account by the Commission while determining the Annual Performance Review (APR) of DVC. Accordingly, the Commission, in the present Order, has considered the transmission loss at 3.00% for FY 2024-25, in line with the APR Order of DVC dated May 27, 2025.
- 5.22 The Commission is of the opinion that it would be imprudent if the cost of the Petitioner's inefficiency is passed-on to the consumers. Accordingly, the Commission has worked out energy availability for the FY 2024-25 on the basis of actual injection of power from Central, State-owned and other Generating Stations. Further, the loss in external system has been considered at the same level as approved by the Commission in its earlier Order, while the Intra-State Transmission Loss has been considered at 2.23% as per the MYT Order for JUSNL dated June 23, 2023. The energy availability from various sources has been summarized below.

Table 22: Energy Balance (MUs) as approved by the Commission.

Particulars	APR	Petition	Approved
Power Purchase from Outside JBVNL Boundary (MU) [A]	9,880.59	11,125.69	11,125.69
Loss in External System (%)	3.00%	3.00%	3.00%
Loss in External System (MU)	296.42	333.77	333.77
Net Outside Power Available (MU)	9,584.18	10,791.92	10,791.92
Energy Input Directly to State Transmission System (MU) [B]	372.26	390.96	390.96
State-owned Generation (MU) [C]	1,823.21	1,655.82	1,655.82
Energy Available for Onward Transmission (MU)	11,779.64	12,838.70	12,838.70
Transmission Loss (%)	2.23%	7.99%	2.23%



Particulars	APR	Petition	Approved
Transmission Loss (MU)	262.69	1025.64	286.30
Net Energy Sent to Distribution System (MU)	11,516.95	11,813.06	12,552.40
Energy Schedule from DVC to Distribution System (MU) [D]	3,997.66	3,799.45	3,799.45
Transmission Loss at DVC System (%)	3.00%	4.30%	3.00%
Transmission Loss in System (MUs)	119.93	163.27	113.98
Direct Input of Energy to Distribution System (MU)	3,784.67	3,636.18	3685.47
Direct Input Energy from State Solar System including Net Metering (MUs) [E]	20.81	17.13	18.40
Total Energy Available for Sales (MU)	15,322.43	15,466.38	16,255.00
Total energy sold (MU)	11,055.39	11,105.67	11,105.67
Distribution loss%	13.00%	28.19%	13.00%
Energy Required for distribution (MU)	12707.34	15466.38	12765.14
Power disallowance at DISCOM Periphery (MU)	2,615.09	0.00	3,491.13
Total Power Purchase (MU) = [A+B+C+D+E]	16,094.53	16,989.06	16,990.32

Power Purchase Cost

Petitioner's Submission

- 5.23 The Petitioner submitted that JBVNL is committed for optimal power purchase with a right mix of renewable energy in its portfolio. It is determined to optimize power purchase costs that is crucial for its operation to ensure financial sustainability and provide affordable electricity to consumers. Hence, it deploys advanced analytics model for demand forecasting and planning, focusses on long term contracts, planning for peak load management and diversification of energy mix for the state.
- 5.24 The Petitioner has further submitted that, it has firm allocations of power from central allocations like NTPC, NHPC, DVC and other sources such as TVNL, DVC(STOA), PTC, etc. In addition to these, power was also purchased from private stations like APNRL, Inland Power, some quantum from renewable sources during FY 2024-25.
- 5.25 The Petitioner submitted the power purchase cost as per the station wise details and actual data for FY 2024-25 as summarized in the table below



and prayed to approve the power purchase cost accordingly.

Table 23: Power Procurement Cost (Rs. Cr.) as submitted by the Petitioner.

S.No	Name of Generating Station		Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)
1.	NTPC	Farrakka I & II	748.38	327.43
		Farrakka III	420.09	200.52
		Khalagaon I	128.51	68.84
		Talcher	460.51	88.06
		Khalagaon II	76.94	28.16
		Barh I	499.87	277.75
		Barh II	129.25	60.20
		Korba	366.94	95.11
		Darlipalli I	1069.83	316.84
		N. Karnpura	2494.54	939.12
		Kanti Power	112.21	72.66
		Nabinagar	249.33	121.39
		LPSC	0.00	15.25
		Rebate	0.00	-3.59
			Grand Total	6756.40
2.	NHPC	Rangit	38.45	19.21
		Teesta	0.00	-13.21
		LPSC	0.00	0.41
		Total	38.45	6.42
3.	PTC	Chukha	107.44	32.65
		Tala	92.72	21.05
		Kurichu	0.00	0.02
		Mangdechhu	34.18	15.33
		DPS		
		Total	234.34	69.04
4.	Total Central Sector		7029.20	2683.20
5.	DV C	KTPS (OA)	4389.25	2024.13

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



S.No	Name of Generating Station	Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)	
	Stand by Power	26.66	14.43	
	UI (Deviation)	-605.95	-178.32	
	Trans. Charge		74.40	
	HT Points	0.12	0.96	
	Total	3799.45	1951.79	
6.	DVC (STOA)	0.00	5.82	
7.	TVNL	2023.43	777.44	
8.	UI Payable (Deviation)	145.59	204.63	
9.	Reactive Energy Charge		40.02	
10.	APNRL	Unit I	494.50	179.79
		Unit II	494.50	180.48
		APNRL (Add.)	531.33	195.15
		ERLDC APNRL	0.00	0.00
		Adjustment/Shakti Scheme		5.01
		Total	1520.32	565.45
11.	SOLAR	SECI (Tranche-I)	1059.27	284.58
		SECI (MNRE-II)	15.92	9.75
		State IPPs	17.13	30.76
		Total	1092.32	325.09
12.	Wind	PTC	558.08	197.00
		SECI	283.68	77.16
		Total	841.76	274.16
13.	INLAND	390.96	211.42	
14.	Grasim Industries	0.00	1.75	
15.	PTC-IEX (Purchase)	1042.02	783.57	
16.	PTC-IEX (Sale)	-868.79	-224.05	
17.	SRHPS (Generation)	150.93	23.36	
18.	UI Receivable	-178.12	-109.81	
19.	SER-DSM	0.00	0.00	



S.No	Name of Generating Station	Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)
20.	Supplementary Bills	0.00	0.00
21.	Total Power Purchase (excl. Transmission Charge)	16989.06	7508.82
22.	Less: Railway		-0.124292
23.	GBI Claim		21.39
24.	Net Power Purchase Cost (excl. Transmission Charge)		8092.43

Commission's Analysis

- 5.26 It is observed by the Commission that the Petitioner has procured power from various sources like Central allocation (i.e. NTPC, NHPC, DVC), private sector (i.e. APNRL, Inland Power, Grasim Industries, etc.), solar source (i.e. SECI, state IPPs), Wind source (i.e. PTC, SECI) taking into account the interconnection constraints to optimize its power purchase expenses.
- 5.27 With regard to the sale of surplus power, the Commission approves such transactions. Consequently, the corresponding purchase cost has been deducted from the overall power purchase cost. However, it is observed that there is a significant difference between the rate of IEX (Power Purchase) and the rate of IEX (Power Sell). In this regards, the Petitioner in the data-gap reply submitted that it had to buy high-rate power from exchanges during peak demand shortages due to inflexible long-term PPAs with fixed capacity charges and in compliance with provisioning of uninterrupted power to consumers and regulatory constraints on power supply to the consumers, specifically at summer seasons, festive seasons and other important occasions. However, it is compelled to sell power at low price due to excess availability of solar power at non-peak hours despite scheduling other power units at technical minimum. As there is less demand in the market during that time, the discovered price in exchanges remains subdued. RE power being must run status is scheduled first and there is no option but to sell power at times of less demand from consumers.
- 5.28 Furthermore, the Commission has noted that the Petitioners have included LPS (LPSC plus Surcharge) related to Generating station as components of their power purchase cost for FY 2024-25. However, the Commission is of the opinion that the Petitioners have been adequately provided with working capital to cover expenses related to power



purchase costs and other associated components. Accordingly, the Commission disallow the expense under the Late Payment Surcharge for Power purchase from various utilities.

- 5.29 With regard to scheduling of power, the Commission asked the Petitioner to provide the basis of considering the same. In this regard the Petitioner submitted that as per Clause 31.2 of the IEGC Regulations, 2023, day-ahead demand estimation was carried out using JBVNL's demand forecasting tool. Based on the forecasted demand and the sanctioned GNA corridor, requisitions for scheduling of generating stations having power allocation from the Central Government were submitted to SLDC by 8:00 AM, in accordance with Clause 49(1)(f) and 49(1)(g) of the IEGC Regulations.

All generating stations declared the entitled share of each beneficiary for the period from 00:00 hrs to 24:00 hrs, divided into 96-time blocks, by 7:00 AM on the (D-1) day, as stipulated under Clause 49(1)(b) of the IEGC Regulations. Based on the declared entitlements, requisitions for power scheduling were submitted to the SLDC to punch the requisition on WBES portal by 8:00 AM, following the merit order of individual generating units, excluding must-run renewable and hydro generating stations.

Further, in accordance with Clause 49.4(b) and 49.4(c) of the IEGC Regulations, requisitions may be revised up to 8:30 AM to ensure compliance with the GNA allocation limits. In the event of an outage of any generating unit, revisions to the requisition may be carried out after the 6th time block for the same day and from 2:00 PM onwards for the D-1 day.

- 5.30 Further, upon thorough scrutiny and analysis of the data, material, and information on record, the Commission has observed that the Petitioner has claimed a substantial cost under UI (Unscheduled Interchange). Consequently, the Petitioner is hereby directed to implement meticulous planning for electricity scheduling and procurement. Furthermore, the Commission emphasizes that henceforth, penal action will be taken if the UI charges exceed the scheduled energy range, in accordance with the provisions outlined in the Deviation Settlement Mechanism Regulation.
- 5.31 The Commission has observed that the Petitioner has fully complied with the RPO obligation. The shortfall in RPO target for FY 2024-25 was fulfilled by procuring REC. It is further observed that the Petitioner achieved 35.98% of its target for Distributed Renewable Energy, while that for Other Renewable Energy, 57.81% target was achieved.
- 5.32 In the data-gap reply, the Petitioner submitted the detailed breakup of Distributed Renewable Energy purchased and Other Renewable Energy



purchased. Which are summarized in following tables.

Table 24: Distributed Renewable energy generation in MU for FY 2024-25 (Quarter wise)

Distributed renewable energy generation	Q1	Q2	Q3	Q4	TOTAL
JBVNL SOLAR	0.028	0.030	0.061	0.636	0.755
PM SURY GHAR	0.000	0.000	0.039	0.170	0.209
Generation JREDA FY 24-25	1.232	2.077	4.567	5.434	13.310
Grid Connected Rooftop Solar (By JREDA under DRE) TILL MARCH FY 23-24	19.272	19.484	19.484	19.061	77.302
TOTAL	20.532	21.592	24.151	25.300	91.575
Canal Top Solar			0.019	0.095	0.114
Total Distributed Renewable Energy					91.690

Table 25: Other Renewable energy procurement in MU for FY 2024-25

Other Renewable Energy	Quantum purchased (MU)
NHPC (Hydel)	38.454965
PTC (Hydel)	234.01982
Solar	1092.320233
Wind	841.7569455
SRHPS (Generation)	150.932082
G-DAM/G-TAM Power Purchased from power Exchange	329.073
Total	2686.56

5.33 Further, based on above submission the Petitioner has submitted the RPO Compliance for FY 2024-25 as shown below:

Table 26: Renewable Purchase Obligation (in MUs) as submitted by petitioner.

S.No.	Particulars	Quantum
1.	Net Power Procured (MU)	16990.33
2.	less: Large Hydro Power procured (MU)	0.00



S.No.	Particulars	Quantum
3.	Power procured considered for RPO (MU)	16990.33
4.	Wind Target in (%)	0.67%
5.	Hydro target in (%)	0.38%
6.	Distributed Renewable Energy (%)	1.50%
7.	Other Renewable Energy (%)	27.35%
8.	Wind Target in (MU)	113.84
9.	Hydro target in (MU)	64.56
10.	Distributed Renewable Energy (MU)	254.85
11.	Other Renewable Energy (MU)	4,646.85
12.	Total Targeted RPO (MU)	5,080.11
13.	Wind Power Procured (MU)	0
14.	Hydro Power Procured (MU)	0.00
15.	Distributed Renewable Energy Procured (MU)	91.69
16.	Other Renewable Energy Procured (MU)	2686.56
17.	Total (MU)	2778.25
18.	No. of REC Purchased	24,45,341.00
19.	REC Purchased (MU)	2,445.34
20.	Annual Compliance with REC	5,223.59
21.	Surplus with REC (MU)	-143.48

- 5.34 Regarding the Renewable Power Purchase Obligation (RPO), the Commission again mandates the Petitioner to meet the RPO target established by the Commission in upcoming years in accordance with the provisions outlined in the JSERC (Jharkhand State Electricity Regulatory Commission) Renewable Energy Purchase Obligation and its Compliance Regulation, 2016 and 1st Amendments 2021.
- 5.35 Based on the facts and circumstance mentioned above, the Commission approves the power purchase cost after deduction of sale of surplus power as given below.

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Table 27: Power Procurement Cost (Rs Crore) as approved by the Commission.

S.No	Name of Generating Station		Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)
1	NTPC	Farrakka I & II	748.38	327.43
		Farrakka III	420.09	200.52
		Khalagaon I	128.51	68.84
		Talcher	460.51	88.06
		Khalagaon II	76.94	28.16
		Barh I	499.87	277.75
		Barh II	129.25	60.20
		Korba	366.94	95.11
		Darlipalli I	1069.83	316.84
		N. Karnpura	2494.54	939.12
		Kanti Power	112.21	72.66
		Nabinagar	249.33	121.39
		LPSC	0.00	0.00
		Rebate	0.00	-4.65
			Grand Total	6756.40
2	NHPC	Rangit	38.45	19.21
		Teesta	0.00	-13.21
		LPSC	0.00	0.00
		Total	38.45	6.01
3	PTC	Chukha	107.44	32.65
		Tala	92.72	21.05
		Kurichu	0.00	0.02
		Mangdechhu	34.18	15.33
		DPS	0.00	0.00
		Total	234.34	69.04
4	Total Central Sector		7029.20	2666.47
5	DVC	KTPS (OA)	4389.25	2024.13
		Stand by Power	26.66	14.43
		UI (Deviation)	-605.95	-178.32

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



S.No	Name of Generating Station		Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)
		Trans. Charge		74.40
		HT Points	0.12	0.96
		Total	3799.45	1951.79
6	DVC (STOA)		0.00	5.82
7	TVNL		2023.43	777.44
8	UI Payable (Deviation)		145.59	204.63
9	Reactive Energy Charge			40.02
10	APNRL	Unit I	494.50	179.79
		Unit II	494.50	180.48
		APNRL (Add.)	531.33	195.15
		ERLDC APNRL	0.00	0.00
		Adjustment/Shakti Scheme		5.01
		Total	1520.32	565.45
11	SOLAR	SECI (Tranche-I)	1059.27	284.58
		SECI (MNRE-II)	15.92	9.75
		State IPPs	17.13	30.76
		Total	1092.32	325.09
12	Wind	PTC	558.08	197.00
		SECI	283.68	77.16
		Total	841.76	274.16
13	INLAND		390.96	211.42
14	Grasim Industries		0.00	1.75
15	PTC-IEX (Purchase)		1042.02	783.57
16	PTC-IEX (Sale)		-868.79	-224.05
17	SRHPS (Generation)		150.93	23.36
18	UI Receivable		-178.12	-109.81
19	SER-DSM		0.00	0.00
20	Net Metering		1.15	0.44
21	Canal Top Solar, Sikidiri		0.11	0.00



S.No	Name of Generating Station	Total units Purchased (MU)	Total cost of Power Purchase (in Rs. Crore)
22	Less: LPS		0.00
23	Less: Railway		-0.124
24	GBI Claim		21.39
25	Net Power Purchase Cost (excl. Transmission Charge)		7472.08

Transmission Charge

Petitioner's Submission

5.36 The Petitioner has submitted that actual Inter and Intra-State transmission charges payable to PGCIL and JUSNL for FY 2024-25 respectively as given below:

Table 28: Transmission Charge (in Rs Cr.) as submitted by Petitioner.

Particulars	APR	Petition
Inter-State Transmission Charge (incl. Posoco ERLDC)	558.56	522.67
Intra-State Transmission Charge	382.02	375.42

Commission Analysis

5.37 With regard to transmission and load dispatch charges, the Commission has observed that the transmission and load dispatch charges are uncontrollable factors as per 'clause 6.44' of JSERC Distribution Tariff Regulations 2020.

5.38 Accordingly, the Commission after scrutinizing and analyzing the month wise transmission charge and load dispatch charge and on prudent check, approves the transmission and load dispatch charges as given below:

Table 29: Inter/Intra Transmission Charge (Rs. Cr.) as approved by Commission.

Particulars	Petition	Approved
Inter-State Transmission Charge (incl. Posoco ERLDC)	522.67	522.67
Intra-State Transmission Charge	375.42	375.42



Capital Expenditure and Capitalization

Petitioner's Submission

5.39 The Petitioner has submitted the capital expenditure (capex) as per the Audited Accounts for FY 2024-25 as given below:

Table 30: Actual Capital Expenditure (Rs. Crore) as submitted by petitioner

Particulars	APR	Petition
Opening CWIP (A)	285.12	285.12
Capex during the year (B)=(D)-(A)+(C)	740.04	1305.16
Transfer to GFA (C)	554.01	799.55
Closing CWIP (D)	471.15	790.73

5.40 The Petitioner has further submitted that the capitalization for FY 2024-25 as per audited account is provided in the table below:

Table 31: Actual capitalization (Rs Cr.) as submitted by the Petitioner

Particulars	APR	Petition
Opening GFA	22396.91	22424.11
GFA Addition	554.01	799.55
Closing GFA	22950.92	23223.66

Commission Analysis

5.41 The Commission has observed that the Petitioner failed to submit the scheme-wise Capital Expenditure tuned to Rs 1305.16 Cr for FY 2024-25. In this regard, the Commission in its discrepancies note, had directed the Petitioner to submit the scheme-wise Capital Expenditure for FY 2024-25. In reply to the discrepancy note the Petitioner has submitted the scheme-wise capitalization details (i.e. the assets that is added to GFA) rather than the scheme-wise Capital Expenditure details. Accordingly, the Commission, on scrutinizing and analyzing the submission in discrepancy note and the materials on record, approves the Capital expenditure of Rs 1305.16 crore as per '**note 3A & 3B**' of Annual Audited Account as shown below:

Table 32: Capital Expenditure (Rs. Cr.) as approved by the Commission

Sr. No.	Scheme	CAPEX
1.	12th plan	1.72



Sr. No.	Scheme	CAPEX
2.	ADP	362.81
3.	DDUGJY	30.19
4.	Deposit	127.13
5.	General	1.49
6.	IPDS	1.23
7.	JASBAY	95.65
8.	JPSIP	93.56
9.	NON RE	2.28
10.	O&M	25.48
11.	RAPDRP	14.12
12.	RE	6.94
13.	SAUBHAGYA	2.63
14.	Smart metering	34.32
15.	TOTAL	799.55

- 5.42 Further, the Commission observed that the opening GFA values submitted by the Petitioner for FY 2024-25 differ from the closing GFA approved for FY 2023-24. In response to a discrepancy note issued by the Commission, the Petitioner clarified that the variation arose due to a restatement of the audited accounts. Meanwhile, for the purpose of this order, the Commission, keeping in mind that the details of restatement are not provided by the Petitioner so far —after due diligence—has provisionally accepted the opening GFA values for FY 2024-25 as the lesser of (a) the values submitted by the Petitioner for FY 2024-25, and (b) the closing values for FY 2023-24 as previously approved. Any necessary adjustments or deviations may be addressed in a subsequent order subject to the submission of requisite details with regards to the said issue. Accordingly, the Petitioner is directed to file a fresh petition for the financial years affected by such restatements.
- 5.43 Based on above excerpts, after prudence check the Commission approves the capital expenditure and capitalization as per the audited accounts (**note 3A& 3B**) as detailed below:

Table 33: Actual Capital Expenditure (Rs. Crore) as approved by the Commission

Particulars	APR	Petition	Approved
Opening CWIP (A)	285.12	285.12	285.12



Particulars	APR	Petition	Approved
Capex during the year (B)=(D)-(A)+(C)	740.04	1305.16	1305.16
Transfer to GFA (C)	554.01	799.55	799.55
Closing CWIP (D)	471.15	790.73	790.73

Table 34: Closing GFA (Rs Crore) as approved by the Commission.

Scheme wise	APR	Petition	Approved
Opening GFA	22396.91	22424.11	22396.91
GFA Addition	554.01	799.55	799.55
Closing GFA	22950.92	23223.66	23196.46

Consumer Contribution, Grants and Subsidies

Petitioner's Submission

5.44 The Petitioner has submitted that the additions in GFA are created from various source of financing including Debt, Equity (D&E), Consumer Contribution and Grants (CCG) etc. The CCG has been considered based on the actual, however the Debt and Equity are estimated based on norms and principles adopted by the Commission in its earlier orders.

Table 35: Consumer contribution and grants (Rs. Crore) as submitted by the Petitioner

Particulars	APR	Petition
Consumer Contribution Grants opening	13181.84	12636.63
Addition: Government Grants	764.07	281.45
Addition: Consumer Contribution	35.42	157.73
Closing consumer contribution Grants	13981.33	13075.81

Commission Analysis

5.45 The Commission has observed that the Petitioner has claimed the Capitalization of Rs. 799.55 Crore for the FY 2024-25 in accordance with the audited accounts. Further, the Petitioner has considered addition of Grants (and Consumer Contribution) amounting to Rs. 439.18 Crore based on the actual Capital Grants received and adjusted for Amortization of the Grants.

5.46 At the very outset, the approach of the Petitioner is incorrect as the admission of Interest expenses and Depreciation is based on the Capital Cost net off grants and consumer contribution. The provisions of the



Distribution Tariff regulations 2020 also aligns with the above approach. The extracts of the Distribution Tariff Regulations 2020 are as follows:

“Capital Cost

10.11 *The amount funded through Consumer Contribution, Grants or Deposit Works for connection to the distribution system of the Licensee shall be deducted from the original cost of the scheme for the purpose of calculating the amount under debt and equity under these Regulations.*

.....
Interest on Loan Capital

10.28 *The above interest computation shall exclude interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee.*

.....
Depreciation

10.34 *Depreciation shall be calculated every year, on the amount of original cost of the fixed assets as admitted by the Commission;*

Provided that depreciation shall not be allowed on assets funded by consumer contribution and capital subsidies/grants. Provision for replacement of such assets shall be made in the capital investment plan;”

5.47 Based on the aforesaid, it is clear that the Depreciation, Interest on Loan are to be admitted on the Capital Cost net off grants. However, the Petitioner has netted off the grant component by adjusting the amortization towards grants as well, which is not in accordance with the Distribution Tariff Regulations 2020.

5.48 Accordingly, the Commission has pointed out the **Note 17** of the audited account of FY 2024-25 in respect of Grants/Consumer Contribution, which is as under:

“Note 17: Government Grants

Note:

i. *During the financial year 2024-25, the company received a total of Rs. 92684.00 Lakh (P.Y: Rs. 88735.17 Lakh) as capital grant; Rs. 20943.00 Lakh (P.Y: Rs. 12328.17 Lakh) from PFC (Central Government Scheme) and Rs. 71741.00 Lakh (P.Y.: Rs. 76407.00 Lakh) from State Government for various projects under different schemes and amortized capital grant by Rs. 57539.50 Lakh (P.Y: Rs. 54852.62 Lakh.) during the said period. During the year, grant*



received from Rs. 6999.43 Lakh was surrendered. This resulted in net positive movement during the year of Rs. 28145.07 Lakh (P.Y.: Rs. 21554.38 Lakh)”

- 5.49 Likewise, the Commission has also observed that the Consumer Contribution claimed by the Petitioner for FY 2024-25 is inconsistent with the amount booked in audited account. **Note 20: Other Current Financial Liabilities** of the Audited Account depicted that the additions to Consumer Contribution is Rs 150.81 crore computed as a difference between opening and closing of “**Receipts under Deposit Head**”. Further, the Commission has treated the closing value of consumer contributions for FY 2023–24, as approved in the True-up Tariff Order dated April 30, 2025, as the opening value for FY 2024–25.
- 5.50 On analyzing the extract from the audited account, the Commission approves the consumer contribution/ government grants/deposit works as Rs 856.85 crore for FY 2024-25 as given below:

Table 36: Consumer contribution and grants (Rs. Crore) as approved by Commission.

Particulars	APR	Petition	Approved
Consumer Contribution Grants opening	13181.84	12636.63	13181.84
Addition: Government Grants	764.07	281.45	856.85
Addition: Consumer Contribution	35.42	157.73	150.81
Closing consumer contribution Grants	13981.33	13075.81	14189.50

Calculation of normative GFA, Loan and Equity

Petitioner’s Submission

- 5.51 The Petitioner has calculated Normative GFA from Debt & Equity, Loan and Equity as per approach adopted by the Commission in its previous Tariff Orders.
- 5.52 The Petitioner has bifurcated GFA and accumulated depreciation into component from Debt & Equity (D&E) and from Consumer contribution grants (CCG) as per approach by the Commission followed in previous Tariff Orders. The Petitioner has thereafter applied the normative debt-equity ratio of 70:30 on GFA out of D&E to calculate Normative Equity as per JSERC Distribution Tariff Regulation, 2020.
- 5.53 After netting Normative Equity from closing GFA (out of Debt & Equity), the Petitioner has deducted, accumulated depreciation pertaining to D&E component from the resultant to arrive at normative closing debt as computed hereunder:



Table 37: Source of funding of GFA (Rs Crore) as submitted by the Petitioner.

Particulars	Petition
Opening GFA (A)	22424.11
CCG towards Opening CWIP (B)	158.66
CCG towards Opening GFA (C)	12477.97
Opening GFA Less CCG (D = A- C)	9946.14
Closing GFA (E)	13075.81
CCG towards Closing GFA (F)	12,645.26
Closing GFA Less CCG (Out of D&E) (G= E-F)	10,578.40
Accumulated Depreciation (H)	8,248.27
Accumulated Depreciation Out of D&E (I =H*G/E)	3,757.09
Closing Normative Equity (J = G* 30%)	3,173.52
Closing Normative Loan (K = G-I-J)	3,647.79

Commission Analysis

- 5.54 The Commission has considered the closing balance of consumer contribution and grants of FY 2023-24 as opening consumer contribution and grants for FY 2024-25.
- 5.55 The Commission has considered consumer contribution and grants as per note 17 para(i) and note 20 of the audited accounts respectively. The normative net loans are estimated after deducting the accumulated depreciation from the value of gross loans.
- 5.56 For funding normative debt-equity, the Commission has considered the normative debt-equity ratio of 70:30 as provided in the Distribution Tariff Regulations, 2020. Moreover, consumer contribution grants and subsidies for capital assets are first netted off from gross fixed assets and the normative debt-equity ratio is applied on the remaining gross fixed assets only.
- 5.57 In line with the aforesaid discussion, the Commission approves the admissible GFA, CCG, debt-equity as given below:

Table 38: Source of funding of GFA (Rs Crore) as approved by the Commission.

Particulars	Approved
CCG towards CWIP	165.70
CCG towards GFA	13016.14
Opening GFA (less CCG)	9380.77



Particulars	Approved
GFA Addition (less CCG)	93.94
Closing GFA less CCG	9474.71
Accumulated Depreciation	7069.77
Acc. Dep. towards GFA	2887.69
Normative Loan (Closing)	3744.61
Normative Equity (Closing)	2842.41

Operation and Maintenance Expenses (O&M)

Petitioner's Submission

- 5.58 The Petitioner has submitted that operational and maintenance expenses comprise of Employee expenses, Repair & Maintenance expenses and Administrative & General expenses.
- 5.59 Further, the Petitioner has submitted that the employee expenses comprise of salaries, dearness allowance, bonus, leave encashment, staff welfare expenses and terminal benefits in the form of pension & gratuity. Accordingly, the Petitioner has submitted employee expenses for FY 2024-25 based on the Audited Accounts as given below.
- 5.60 The Petitioner has also submitted that for the FY 2024-25, there is an increase in the employee cost due to provisioning of terminal benefits of Rs 131.12 Cr in FY24-25. Such increase in the provisions has significantly increased the employee cost for the year FY 24-25.

Table 39: Employee cost (Rs Cr.) as submitted by the Petitioner.

Particulars	APR	Petition
Employee Expenses	266.03	276.30
Terminal Expenses	0.00	131.12
Total Employee Expenses	266.03	407.42

- 5.61 The Petitioner has submitted that the Administrative & General (A&G) expenses for FY 2024-25 is as per the Audited Account as provided in the table below.



Table 40: A&G Expense (Rs Crore) as submitted by the Petitioner.

Particulars	APR	Petition
A&G Expenses	120.42	119.95

5.62 The Petitioner has submitted that the Repair & Maintenance (R&M) expenses for FY 2024-25 is as per the Audited Accounts as provided in the table below.

Table 41: R&M Expenses (Rs Crore) as submitted by the Petitioner.

Particulars	APR	Petition
R&M Expenses	342.77	452.70

Commission Analysis

5.63 The Commission has outlined **clause 10.3 to clause 10.7** of JSERC Distribution Tariff Regulations, 2020 for the approval of operation and maintenance expense as reproduced below:

“Operation and Maintenance Expenses

10.3 Operation and Maintenance (O&M) Expenses shall include:

- a) Salaries, wages, pension contribution and other employee costs;*
- b) Administrative and General Expenses;*
- c) Repairs and Maintenance Expenses.*

10.4 The O&M Expenses for the Base Year of the Control Period shall be approved by the Commission taking into account the audited accounts of FY 2015-16 to FY 2019-20, Business Plan filed by the Licensee, estimates of the actual for the Base Year, prudence Check and any other factor considered appropriate by the Commission.

10.5 The O&M expenses permissible towards ARR of each year of the Control Period shall be approved based on the formula shown below:

$$O\&M_n = (R\&M_n + EMP_n + A\&G_n) + \text{Terminal Liabilities}$$

Where,

R&M_n – Repair and Maintenance Costs of the Licensee for the nth



year;

EMP_n – Employee Costs of the Licensee for the nth year excluding terminal liabilities;

A&G_n – Administrative and General Costs of the Licensee for the nth year.

10.6 The above components shall be computed in the manner specified below:

$$a) R\&M_n = K * GFA * (INDX_n / INDX_{n-1})$$

Where,

‘K’ is a constant (expressed in %) governing the relationship between R&M costs and Gross Fixed Assets (GFA) and shall be calculated based on the % of R&M to GFA of the preceding year of the Base Year in the MYT Order after normalising any abnormal expenses;

‘GFA’ is the opening value of the gross fixed asset of the nth year;

$$b) EMP_n + A\&G_n = [(EMP_{n-1}) * (1 + G_n) + (A\&G_{n-1}) * (INDX_n / INDX_{n-1})]$$

Where,

EMP_{n-1} – Employee Costs of the Licensee for the (n-1)th year excluding terminal liabilities;

A&G_{n-1} – Administrative and General Costs of the Licensee for the (n-1)th year excluding legal/ litigation expenses;

INDX_n – Inflation factor to be used for indexing the employee cost and A&G cost. This will be a combination of the Consumer Price Index (CPI) and the Wholesale Price Index (WPI) for immediately preceding year before the base year;

G_n – is a growth factor for the nth year and it can be greater than or lesser than zero based on the actual performance. Value of G_n shall be determined by the Commission in the MYT Order for meeting the additional manpower requirement based on the Distribution Licensee’s Filing, benchmarking and any other factor that the Commission feels appropriate;



$$c) \text{INDX}_n = 0.55 * \text{CPI}_n + 0.45 * \text{WPI}_n;$$

Note 1: For the purpose of estimation, the same $\text{INDX}_n/\text{INDX}_{n-1}$ value shall be used for all years of the Control Period. However, the Commission will consider the actual values in the $\text{INDX}_n/\text{INDX}_{n-1}$ at the end of each year during the Annual Performance Review exercise and true up the employee cost and A&G expenses on account of this variation, for the Control Period;

Note 2: Any variation due to changes recommended by the Pay Commission, wage revision agreement, etc., will be considered separately by the Commission;

Note 3: Terminal Liabilities will be approved as per actual submitted by the Licensee along with documentary evidence such as actuarial studies.

10.7 The Distribution Licensee, in addition to the above details shall also submit the detailed break-up of the Legal/Litigation Expenses for the previous Years (FY 2015- 16 to FY 2019-20) along with the details and documentary evidence of incurring such expenses. The Commission shall approve the legal expenses as per the relevant provisions of the Jharkhand State Litigation Policy based on the necessary documentary evidence submitted for the Control Period and shall carry out due prudence check of legal expenses at the time of truing up.”

- 5.64 Base on the above excerpt, the Commission had calculated the inflation factor as 3.12% for FY 2024-25.
- 5.65 The Commission has also observed that the Petitioner has not submitted the details of Additional Manpower recruited during FY 2024-25. Hence, in absence of such data, the Commission has considered the growth factor as nil for Computation of employee expenses.
- 5.66 Based on the facts & circumstances observed in the petition, the Commission approves the normative employee expenses for FY 2023-24 by taking the actual value of inflation factor (3.72%) and growth factor (0%).

Table 42: Normative Employee Expenses (Rs Crore) as approved by the Commission.

Particulars	UoM	Approved
Employee Cost of Previous Year	Rs. Cr.	251.36
Inflation Factor	%	3.12%
Growth Factor	%	0.00%



Particulars	UoM	Approved
Normative Employee Expenses	Rs. Cr.	259.20

5.67 The Commission approves the normative A&G Expenses for FY 2024-25, based on the approved normative A&G Expenses for FY 2023-24 and actual inflation factor as 3.12% for FY 2024-25.

Table 43: Normative A&G Expenses (Rs Crore) as approved by the Commission.

Particulars	UoM	Approved
A&G previous year	Rs. Cr.	113.78
Inflation Factor	%	3.12%
Normative A&G Expenses	Rs. Cr.	117.33

5.68 For the purpose of evaluating the normative R&M Expenses, the Commission has taken the approved opening value of Gross Fixed Assets for FY 2024-25 and by multiplying the 'k' factor of 1.22% as approved in the MYT Order dated May 31, 2023 and inflation factor of 3.12%.

Table 44: Normative R&M Expenses (Rs Crore) as approved by the Commission.

Particulars	UoM	Approved
GFA	Rs. Cr.	22396.91
K-Factor	%	1.22%
Inflation Factor	%	3.12%
Normative R&M Expense	Rs. Cr.	333.96

5.69 Based on the above discussion, the Commission approves the normative operational and maintenance expense as given below.

Table 45: Normative O&M Expenses (Rs Crore) as approved by the Commission.

Particulars	Approved
Normative Employee Expense	259.20
Normative A&G Expenses	117.33
Normative R&M Expenses	333.96
Net Normative Operation & Maintenance Expenses	710.49

5.70 The Commission has observed that the Petitioner has claimed expenses towards Terminal Benefit amounting to Rs 131.12 Crore based on certain

expenses booked in the Audited Account.

- 5.71 In accordance with clause 10.6 (note 3) of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, the liability towards terminal benefit is admissible based on either of:
- Amount Payable as per Actuarial studies
 - Actual amount paid/deposited in the Trust Fund
- 5.72 The Commission has observed that the actual amount paid/ deposited in the Trust fund is also not provided by the Petitioner. Further the Petitioner has merely depicted the provisions for Trust fund towards Terminal liabilities, while the Regulations allows the trust fund for Terminal benefits based on actual amount. Furthermore, the claim made by Petitioner is inconsistent with the provisions towards terminal benefits booked in the Audited Accounts.
- 5.73 Furthermore, the Commission has found that the **Para xvii of “Annexure A”** of the Independent Auditors’ Report on “*Standalone Ind AS Financial Statements*” of the Petitioner indicates that the provisions towards terminal benefits is Rs. 130.96 Crore against the Petitioner’s claim which is Rs. 131.12 Crore. The same has been indicated below for kind reference.

Sl No.	Particulars	For the Year ended 31 st March 2025	For the Year ended 31 st March 2024
1	Loss as per Statement of Profit & Loss	(199,969.04)	(264308.76)
	Deduction for non-cash expenses:		
2	Depreciation & Amortisation	100156.82	96,489.77
3	Provision for Doubtful Debts	210.22	1,170.80
4	Provision for Terminal benefits	13,095.90	8,071.91
5	Total Deduction - (2+3+4)	113,462.94	105,732.48
	Addition for non-cash income and cash expense:		
6	Amortisation of Grant	57,539.50	54,852.62
7	Payments made against Terminal benefits as per actuarial reports	24,291.12	22,332.35
8	Total Addition - (6+7)	81,830.62	77,184.97
9	Net Adjustment to loss - (5-8)	31,632.32	28,547.52
10	Calculated Cash loss - (1+9)	(168,336.72)	(235,761.24)

- 5.74 In view of the above excerpt and analysis, the Commission approves the



terminal liabilities of Rs 130.96 crore for FY 2024-25 as per **Para xvii of “Annexure A”** and **‘summary os per actuarial report’ of note 2.4.**

- 5.75 Further, the Commission on scrutinizing the material on record, approves the actual O&M expenses for FY 2024-25 as per annual audited account as given below:

Table 46: Total actual O&M Expenses (Rs Crore) as approved by the Commission.

Particulars	Petition	Approved
Employee Expenses	276.30	276.30
A&G Expenses	119.95	119.95
R&M	452.70	452.70
Actual Operational Expenses	848.95	848.95
Terminal benefits	131.12	130.96

- 5.76 Further, the Commission has outlined **‘clause 6.48’** to **‘clause 6.53’** of JSERC Distribution Tariff Regulations 2020 for the approval of incentive and penalty as reproduced below:

“6.48 Various elements of the ARR of the Licensee will be subject to incentive and penalty framework as per the terms specified in this section. The overall aim shall be to incentivise better performance and penalise poor performance, compared to the performance norms/benchmarks specified by the Commission.

6.49 The gains/losses shall be computed on aggregate basis for controllable items such as Operation & Maintenance Expenses (excluding Terminal Liabilities), Distribution Losses and Collection Efficiency considered collectively on annual basis. The computations shall be based on the data submitted by the Licensee in the Annual Performance Review and audited annual accounts and shall be subject to prudence check by the Commission.

*6.50 In case of aggregate gains, the **aggregate gain** shall be shared between the Licensee and the consumers in the ratio of 50:50 respectively.*

6.51 The gains to be shared shall be passed on to the consumers through Tariff during the Annual Performance Review for each year of the Control Period.

*6.52 In case of **any loss on account of underperformance** with respect to the controllable parameters, the Licensee shall bear the entire losses and **no proportion of losses shall be passed on to***



the consumers.

6.53 In addition, the net savings due to refinancing of Loans by the Distribution Licensee shall be shared between the **Users and the Licensee**, as the case may be, in the ratio of **50:50**.

- 5.77 Based on the above excerpt, the Commission approves the sharing of gain/(loss) on controllable parameter i.e. Operational & Maintenance expense for FY 2024-25 as shown below.

Table 47: O&M Expenses (Rs Crore) after sharing of gain/(loss) as approved by the Commission.

Particulars	Approved
Normative O&M Expenses	710.49
Actual O&M Expenses	848.95
Net Gain/(Loss)	(138.46)
Sharing of Gain/(Loss)	0.00
Terminal benefits	130.96
O&M Expenses after sharing of Gain/(Loss)	979.91

Depreciation

Petitioner's Submission

- 5.78 The Petitioner has submitted that as per JSERC distribution tariff regulations 2020, the Commission may, in the absence of the Fixed Assets Register (FAR), calculate Depreciation (%) arrived by dividing the Depreciation and the Average Gross Fixed Assets as per the latest available Audited Accounts of the Distribution Licensee.
- 5.79 As far as FAR for JBVNL is considered, the physical verification of all assets has been completed and duly authenticated by competent authority up to FY 2023 and asset verification for FY 2023-24 and FY 2024-25 is currently completed and authentication is under process. It is expected to be completed and ready by the end of March 2026. However, for the FY24-25, depreciation was calculated based on the norms set as approved by the Hon'ble Commission in absence of FAR. The depreciation rate for the FY24-25 comes out to be 4.39%.
- 5.80 The Petitioner has submitted that it has arrived at the opening and closing GFA of FY 2024-25, created out of debt and equity (D&E), by deducting CCG portion deployed towards opening and closing GFA. The Petitioner has applied the depreciation rate as per audited account in line with JSERC Distribution Tariff Regulations 2020 on the average GFA



excluding CCG and accordingly calculations are made to arrive at the total depreciation being claimed as part of the true-up exercise.

- 5.81 The Petitioner has claimed Rs 450.33 Crore towards Depreciation for the FY 2024-25 considering the rate of depreciation of 4.39% as given below:

Table 48: Depreciation (in Rs. Crore) as submitted by the Petitioner.

Particulars	APR	Petition
Opening GFA (Less CCG) (Rs. Cr.)	9380.77	9946.14
Closing GFA (Less CCG) (Rs. Cr.)	9250.83	10578.40
Average GFA excluding Consumer Contributions and Grants (Rs. Cr.)	9528.40	10262.27
Depreciation Rate (%)	4.38%	4.39%
Depreciation Cost (Rs. Cr.)	417.82	450.33

Commission Analysis

- 5.82 The Commission has outlined **clause 10.34 to clause 10.40** of JSERC Distribution Tariff Regulations 2020 for the approval of Depreciation as reproduce below:

“Depreciation

10.34 Depreciation shall be calculated every year on the amount of original cost of the fixed assets as admitted by the Commission: Provided that depreciation shall not be allowed on assets funded by Consumer Contribution and Capital Subsidies/Grants. Provision for replacement of such assets shall be made in the Capital Investment Plan.

10.35 Depreciation for each year shall be determined based on the methodology as specified in these Regulations along with the rates and other terms specified in these Regulations.

10.36 Depreciation shall be calculated annually, based on the straight-line method at the rates specified at Appendix-I. The base value for the purpose of depreciation shall be original cost of the asset:

Provided that the Distribution Licensee shall ensure that once the individual asset is depreciated to the extent of seventy (70) percent of the Book Value of that asset, remaining depreciable value as on March 31 of the year closing shall be spread over the balance useful life of the asset.



10.37 Depreciation shall be charged from the first year of commercial operation of the asset. In case, the operation of the asset is for a part of the year, depreciation shall be charged on a pro-rata basis.

10.38 The residual value of assets shall be considered as 10% and depreciation shall be allowed to a maximum of 90% of the original cost of the asset. Land is not a depreciable asset and its cost shall be excluded while computing 90% of the original cost of the asset. Provided that the salvage value for IT equipment and software shall be considered as NIL and 100% value of the assets shall be considered depreciable;

10.39 The Commission may, in the absence of the Fixed Assets Register, calculate Depreciation (%) arrived by dividing the Depreciation and the Average Gross Fixed Assets as per the latest available Audited Accounts of the Distribution Licensee. The Depreciation (%) so arrived shall be multiplied by the Average GFA approved by the Commission for the relevant Financial Year to arrive at the Depreciation for that Financial Year.

10.40 In case of de-capitalization of assets, the cumulative depreciation shall be adjusted by taking into account the depreciation recovered through tariff corresponding to the decapitalized asset during its useful services.”

- 5.83 Based on the above excerpts, the Commission is of the view that the depreciation shall not be allowed on assets funded by consumer contribution and capital subsidies/grants. Excluding the consumer contribution deployed towards GFA as approved in this Order, the Commission has determined the depreciation on the GFA created out of debt and equity for FY 2024-25. The rate of depreciation has been considered at 4.39% as per the Petitioner’s methodology. The Commission has calculated the Depreciation on Average GFA (less Average CCG) as per the JSERC Distribution Tariff Regulations, 2020. Accordingly, the Commission approves the depreciation for FY 2024-25 as summarized below:

Table 49: Depreciation (Rs Crore) as approved by the Commission.

Particulars	Approved
Opening GFA (Less CCG) (Rs. Cr.)	9380.77
Closing GFA (Less CCG) (Rs. Cr.)	9474.71
Average GFA excluding CCG (Rs. Cr.)	9427.74



Particulars	Approved
Depreciation Rate (%)	4.39%
Depreciation Cost (Rs. Cr.)	413.82

Interest on Loan

Petitioner's Submission

- 5.84 The Petitioner has submitted that it has considered the opening debt for FY 2024-25 equal to closing value of FY 2023-24. Further, Closing debt for FY 2024-25 has been calculated in line with the JSERC Tariff Regulations, 2020.
- 5.85 In accordance with JSERC Tariff Regulations, 2020, the Petitioner has considered the repayment of loan for FY 2024-25 equal to Depreciation as calculated above.
- 5.86 Further, the Petitioner has considered the rate of interest on long-term loan as per the JSERC Distribution Tariff Regulations, 2020, clause no 10.26 and 10.27 of the JSERC Distribution Tariff Regulations, 2020.
- 5.87 The Petitioner has taken the rate of interest on long term loan as 10.30%. Interest cost is thus calculated by taking the normative values as approved by the Commission on the loan portfolio at the opening of FY24-25.
- 5.88 The Petitioner has further submitted that it has incurred Bank and Finance charges to the tune of Rs. 4.459 Crore as per Annual Accounts for FY 2024-25 towards expenditures like Bank charges, finance charges, etc. The Petitioner has submitted that Bank charges mainly include amount paid against bill discounting, amount of Commission paid against LC (which is 0.35%), annual maintenance charges etc. levied by banks on working capital limits.

Table 50: Interest on Loan and Bank Charge (Rs. Crore) as submitted by the Petitioner

Particulars	APR	Petition
Opening Balance	3778.74	3736.37
Deemed Addition during the year	257.86	361.75
Deemed Repayments during the year	408.5	450.33
Closing Balance	3628.11	3647.79
Average balance during the Year	3703.43	3692.08
Interest Rate	10.50%	10.30%



Particulars	APR	Petition
Interest Expense	388.86	380.28
Bank & Finance Charge	-	4.46

Commission's Analysis

5.89 The Commission has outlined the '**clause 10.16, clause 10.17, clause 10.21 to clause 10.29**' of JSERC Distribution Tariff Regulations 2020 for the approval of interest of loan and finance charge as reproduced below:

"10.16 Existing Schemes - In case of capital expenditure schemes capitalised prior to April 01, 2021, the debt-equity ratio as allowed by the Commission for determination of tariff for the period ending March 31, 2021 shall be considered.

10.17 New Schemes – For capital expenditure schemes capitalised after April 01, 2021:

a) A normative debt-equity ratio of 70:30 shall be considered for the purpose of determination of Tariff;

b) In case the actual equity employed is in excess of 30%, the amount of equity for the purpose of tariff determination shall be limited to 30%, and the balance amount shall be considered as normative loan;

c) In case the actual equity employed is less than 30%, the actual debt-equity ratio shall be considered;

d) The premium, if any raised by the Licensee while issuing share capital and investment of internal accruals created out of free reserve, shall also be reckoned as paid up capital for the purpose of computing return on equity, provided such premium amount and internal accruals are actually utilized for meeting capital expenditure.

Note 1: Any expenditure admitted on account of committed liabilities within the original scope of work and the expenditure deferred on techno-economic grounds but falling within the original scope of work shall be serviced in the normative debt-equity ratio specified in these Regulations;

Note 2: Any expenditure on replacement of old assets or on



renovation and modernization or life extension shall be considered on normative debt-equity ratio specified in these Regulations after writing off the entire book value of the original assets from the capital cost of the new asset;

Note 3: Any expenditure admitted by the Commission for determination of tariff on account of new works not in the original scope of work shall be serviced in the normative debt-equity ratio specified in these Regulations.

10.21 The loans arrived at in the manner indicated in Clauses 10.16 and 10.17 shall be considered as gross normative loan for calculation of interest on loan.

10.22 The normative loan outstanding as on April 01, 2021 shall be worked out as the gross loan by deducting the cumulative repayment as admitted by the Commission up to March 31, 2021 from the gross normative loan.

10.23 The repayment for each year of the Control Period shall be deemed to be equal to the depreciation allowed for that year.

10.24 In case of de-capitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on pro-rata basis and the adjustment should not exceed cumulative depreciation recovered up to the date of de-capitalization of such assets.

10.25 Notwithstanding any moratorium period availed by the Licensee, the repayment of loan shall be considered from the first year of operation of the scheme/asset.

10.26 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each year applicable to the Licensee: Provided that if there is no actual loan for a particular year but normative loan is still outstanding, then the rate of interest shall be considered on normative basis and shall be equal to the Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points.

10.27 The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.

10.28 The above interest computation shall exclude interest on loan



amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee.

10.29 The Licensee shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the users and the net savings shall be shared between the users and the Licensee, as the case may be, in the ratio of 50:50”

- 5.90 In accordance with clause 10.16 and clause 10.17, as mentioned above, the Commission has calculated the loan considering the debt-equity ratio. The loan arrived at in this manner is considered as gross normative loan for calculation of interest on loan.
- 5.91 In accordance with clause 10.23 as mentioned above, the Commission approves the debt repayment equal to depreciation for the same financial year.
- 5.92 The Commission approves the interest rate on loan at 10.30%, being the lower of: (a) the SBI Base Rate as applicable on 1st April of FY 2024–25 plus 200 basis points, in accordance with Clause 10.26 of the Regulations; and (b) the interest rate claimed by the Petitioner.
- 5.93 The Commission has observed that the Petitioner has claimed Bank Charge to the tune of Rs. 4.46 Crore which is significantly high. The actual Bank charges for the FY 2023-24 were Rs 2.38 Crore. In this regard, the Commission in the data gap and Technical Validation Session asked the Petitioner to submit a detailed break-up of the bank charge amounting to Rs. 4.46 crore. Additionally, the Petitioner was directed to provide the specific regulation under which this amount has been claimed. In reply to the said query the Petitioner failed to provide satisfactory reason and proper justification. Further the Petitioner has not exhibited any rationale for such significant increase in Bank charge. Accordingly, the Commission does not approve any bank charge in the instant petition for FY 2024-25.
- 5.94 In accordance with **clause 10.28** as mentioned above, the Commission, for the calculation of interest on loan amount, normative or otherwise, has excluded the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee as given below:

Table 51: Interest on Loan and Bank & Finance Charges (in Rs Crore) as approved by the



Commission

Particulars	APR	Petition	Approved
Opening Balance	3778.74	3736.37	3778.74
Deemed Addition during the year	257.86	361.75	379.69
Deemed Repayments during the year	408.5	450.33	413.82
Closing Balance	3628.11	3647.79	3744.61
Average balance during the Year	3703.43	3692.08	3761.68
Interest Rate	10.50%	10.30%	10.30%
Interest Expense	388.86	380.28	387.45
Bank & Finance Charge	-	4.46	-

Interest on Consumer Security Deposits

Petitioner's Submission

5.95 The Petitioner has submitted that Rs 150.895 Crore has been accumulated towards interest on consumer security deposits as on 1st April 2024 on the security deposits received from consumers. The interest amount on consumer security deposits was provided at SBI base rate of 10.25% as on 1st April, 2024.

5.96 Table 52: Interest on CSD (Rs Crore) as submitted by the Petitioner.

Particulars	APR	Petition
Consumer deposit		1472.15
Interest Rate		10.25%
Int. on CSD	25.78	150.895

Commission's Analysis

5.97 The Commission has outlined **clause 10.33** of JSERC Distribution Tariff Regulations 2020 for approval of interest on consumer security deposit as reproduced below:

"Interest on Consumer Security Deposits

6.49 **Interest paid** on consumer security deposits shall be as specified by the Commission in 'Jharkhand (Electricity Supply Code) Regulations, 2020' and as amended or replaced from time to time."

5.98 On scrutinizing and analyzing the annual audited accounts of FY 2024-



25, the Commission has observed that JBVNL is not discharging Interest on Consumer Security Deposit to the consumers. The consumer's security deposit details are provided at '**Note 16**' of the Audited Financial Statements. The interest payable on Consumer Security Deposit as on 31.03.2025 is Rs. 764.34 Crores and that as on 31.03.2024 is Rs. 661.64 Crores. Further, the addition to Interest accrued on Security Deposit during the FY 2024-25 is Rs. 145.25 Crores (ref '**Note 29**' of the Audited Accounts).

5.99 However, this is observed that as per '**Note 16**' (point ii) of the audited account the Petitioner has only adjusted/credited interest of 42.55 Cr. to the consumer ledgers during the year FY 2024-25.

5.100 Accordingly, the Commission, on prudent check has computed the Interest on Consumer Security Deposit for FY 2024-25 as given below:

Table 53: Interest on CSD (Rs. Crore) as approved by the Commission

Particulars	Approved	Source
Opening payable interest on Consumer Security Deposit [A]	661.64	Note 16
Interest on Consumer Security Deposit Addition during the year [B]	145.25	Note 29
Closing payable interest on Consumer Security Deposit [C]	764.34	Note 16
Actual Interest on Consumer Security Deposit paid by the Petitioner [D= A+B-C]	42.55	

Return on Equity

Petitioner's Submission

5.101 The Petitioner has considered the opening balance of normative equity for 2024-25 as per the closing balance for the FY 2023-24.

5.102 In accordance with provisions of JSERC Distribution Tariff Regulations, 2020 the Petitioner has considered Closing equity for FY 2024-25 using normative debt equity ratio (70:30).

5.103 In accordance with provisions of JSERC Distribution Tariff Regulations, 2020 the Petitioner has considered that the rate of Return on Equity (RoE) as 14.50%.

Table 54: Return on Equity (Rs Crore) as submitted by the Petitioner.

Particulars	APR	Petition
Opening Equity (Normative)	2814.23	2975.74



Particulars	APR	Petition
Equity Addition (Normative)	-38.98	197.78
Closing Equity (Normative)	2775.25	3173.52
Average Equity	2794.74	3074.63
Rate of Return	14.50%	14.50%
Return on Equity	405.24	445.82

Commission's Analysis

- 5.104 On consideration of the Distribution Tariff Regulations, 2020, the Commission has considered the Opening Equity base for FY 2024-25 as the Closing Equity base for FY 2023-24.
- 5.105 Further the Commission has considered the normative equity addition during the financial years as 30% of the approved capitalization after deducting assets funded out of Consumer Contribution received.
- 5.106 In accordance with clause 10.19 of the Distribution Tariff Regulations, 2020, the Commission has allowed a rate of return of 14.5% on average equity.

Table 55: Return on Equity (Rs Crore) as approved by the Commission.

Particulars	APR	Petition	Approved
Opening Equity (Normative)	2814.23	2975.74	2814.23
Equity Addition	-38.98	197.78	28.18
Closing Equity (Normative)	2775.25	3173.52	2842.41
Average Equity	2794.74	3074.63	2828.32
Rate of Return	14.50%	14.50%	14.50%
Return on Equity	405.24	445.82	410.11

Interest on Working Capital

Petitioner's Submission

- 5.107 Citing the regulatory provisions regarding the working capital requirement of the utility, the Petitioner has submitted that the current structure of the working capital that allows 1% GFA as maintenance spares and 2 months' receivables to fund the working capital of the utility and thereby deducting the 1 month of cost of power purchase and security deposit for the year, is not sufficient to cover the working capital



of the utility that is increasing year on year. It is pertinent to highlight that the Petitioner has to make timely payment to the generators and cater to other running expenses. In addition to that, power procurement has gone up over the years due to automatic pass through of the FPPPA (Fuel Price and Power Purchase Adjustment) from the generators. Though, FPPPA is also automatically passed through in the bills of the consumer, the maximum limit as prescribed by the Commission poses a challenge to the Petitioner to recover the complete amount.

- 5.108 Further, it is submitted that the Petitioner faces management of liquid cash due to long outstanding dues from the government departments, payment defaults of consumers. Hence, it is high time, the regulations regarding requirement of working capital be considered by the Hon'ble Commission to provide for higher provisioning for the working capital requirement as per "Model Regulations for multiyear Distribution tariff" by Forum of Regulators. As such, the order of APSRC on OP No 55 of 2023 dated 05 February 2024 may be referred by the Commission where in clause 11 of the principal regulation was amended to provide for working capital for 45 days of expected power purchase plus 60 days of average FPPCA of that current year minus amount held as security deposit from retail supply of consumers.
- 5.109 However, for the FY24-25, the Petitioner has calculated normative working capital requirement for FY 2024-25 in line with the JSERC Tariff Regulations, 2020.
- 5.110 Rate of Interest on Working Capital (IoWC) has been considered to be equal to the Base Rate of SBI as applicable on the 1st April of the respective year plus 350 Basis Points as per Regulation JSERC Distribution Tariff Regulations, 2020.
- 5.111 As per the regulation, total working capital requirement comes out to be negative for the Petitioner. Hence, total working capital for the Petitioner is assumed as zero for the FY 24-25, So, the interest cost on working capital is zero for FY 24-25. However, it is an established fact that working capital can never be negative in any case for any organization.
- 5.112 Accordingly, the Petitioner has computed the working capital requirement and interest thereof as given below:

Table 56: Interest on Working Capital (Rs Crore) as submitted by the Petitioner.

Particulars	APR	Petition
Maintenance Spares (@1% GFA)	93.81	224.24
2 months' Receivables	1330.22	1787.54
Less: 1 month Power Purchase Cost	544.61	652.33



Particulars	APR	Petition
Less: Consumer Security Deposit	1144.80	1472.15
Total Working Capital requirement	-265.39	0.00
Interest rate on WC	12.00%	11.70%
Interest on Working Capital	-31.850	0.00

Commission's Analysis

5.113 The Commission has outlined the '**clause 10.31 & clause 10.32**' of JSERC Distribution Tariff Regulations 2020 for the approval of Interest on Working Capital is reproduced below:

"10.31 Working capital for the Retail Supply of Electricity for the Control Period shall comprise:

a) Maintenance spares at 1% of Opening GFA for Retail Supply Business; plus

b) Two months equivalent of the expected revenue from sale of electricity at the prevailing tariffs; minus

c) Amount held as security deposits under Clause (a) and Clause (b) of sub-section (1) of Section 47 of the Act from consumers and Distribution System Users net of any security held for Wheeling Business; minus

d) One-month equivalent of cost of power purchased including the Inter-State and Intra-State Transmission Charges and Load Despatch Charges, based on the annual power procurement plan.

10.32 Rate of interest on working capital shall be equal to the Bank Rate as on September 30 of the financial year in which the MYT Petition is filed plus 350 basis points. At the time of true up, the interest rate shall be adjusted as per the actual rate prevailing on April 01 of the financial year for which true up exercise has been undertaken."

5.114 With regard to the inclusion of 60 days of average FPPCA cost in the Interest on Working Capital (IoWC), the Commission is of the considered view that such cost is not envisaged as a component of working capital under the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020.



- 5.115 The Commission has considered the rate of interest on working capital as per clause 10.32 of JSERC (Terms and condition for determination of Distribution Tariff) Regulation, 2020.
- 5.116 Based on the above excerpt, the Commission has computed the interest on working capital for FY 2024-25 as summarized below:

Table 57: Interest on Working Capital (in Rs. Crore) as approved by the Commission

Particulars	Approved
Maintenance Spares @1% of Opening GFA of Wheeling and Retail Business	93.81
Revenue from Wheeling and Retail Supply Charges-2 month	1311.43
Less: Power Purchase Cost for One Month Retail Business	510.64
Less: Average Security Deposit	1472.15
Total Working Capital Requirement	-577.55
Rate of Interest (SBI 1 yr MCLR plus 350 b.p)	12.15%
Total Interest on Working capital	-70.17

- 5.117 Since the computed working capital is turning negative. The Commission is not allowing any working capital for FY 2024-25.

Non-Tariff Income (NTI)

Petitioner's Submission

- 5.118 The Petitioner has submitted the Non-Tariff Income (Other Income) of for FY 2024-25, based on the audited annual accounts.
- 5.119 The Petitioner has further submitted that while computing the actual Non-Tariff income (Other Income) for FY 2024-25, the financing cost for corresponding receivables has to be reduced as accrued Delayed Payment Surcharge (DPS) is considered as NTI. The Petitioner has already incurred power purchase costs on such outstanding receivables and DPS is levied as financing cost of such receivables. However, the Petitioner is allowed only 2 months of receivables on allowance of working capital. For the receivables beyond the period, DPS is applicable and as DPS is considered to be additional income for the Petitioner financing cost of such receivables are allowed in line with the judgement of Hon'ble APTEL dated 12.07.2011 in case No. 142 & 147 of 2009. This has been allowed in several other states including Bihar. The Commissions of various states have taken a stand for allowing DPS as a non-tariff income and provide for such financing cost to be deducted from total NTI.
- 5.120 Furthermore, it is submitted that receipt from consumer for capital works



should not be included as part of NTI as this is an expense towards asset creation and already amortized in GFA on which depreciation is calculated. For accounting purpose, this has been shown in other income in audited account for balancing purpose only. Considering this as part of NTI would result in double accounting. Hence, it is requested to exclude it from the NTI components. Also, in accordance with the regulations issued by other SERCs and model regulations by the FOR, DPS income from consumers should not be a part of the non-tariff income for discoms and LPS paid to Gencos/Transcos is recognized as an expense in the ARR which is not the case in Jharkhand. Hence, it is requested to treat these parameters accordingly.

5.121 Accordingly, the Petitioner has submitted the Non-tariff income for FY 2024-25 as summarized below:

Table 58: Non-Tariff Income (Rs Crore) as submitted by the Petitioner.

Particulars	APR	Petition
Interest Income from Investment in Fixed Deposits	53.44	17.35
D.P.S from Consumer	403.52	391.54
Interest on advance to Supplier/Contractor		
Interest from Bank (Other than FD)	24.44	12.14
Income from Staff Welfare activities		
Supervision Charges	7.84	10.68
Miscellaneous Receipt	16.22	21.56
Rebate on power purchase		
Transformer Rent	6.18	7.16
Wheeling Charges / Fuel surcharge/outside sale		333.99
Receipt from Consumers for capital works		
Miscellaneous Charges from Consumers		
Sale of scrap		0.00
Total NTI	511.64	794.42
Interest rate for Receivables financing		11.70%
Corresponding Receivables against DPS		3262.80
Interest on Receivables against DPS		381.75
Net NTI to be considered	511.64	412.68



Commission's Analysis

5.122 The Commission has outlined the '**clause 10.53 & clause 10.54**' of JSERC Distribution Tariff Regulations 2020, for the approval of Non-Tariff Income is reproduced below:

“Non-Tariff Income

10.53 The amount of Non-Tariff Income relating to the Distribution Business as approved by the Commission shall be deducted from the ARR in determining the Retail Supply Tariff and Wheeling Charges of the Distribution Business:

Provided that the Distribution Licensee shall submit full details of its forecast of Non-Tariff Income to the Commission in such form as may be stipulated by the Commission.

10.54 The Non-Tariff Income shall include:

- a) Income from rent of land or buildings;*
- b) Income from sale of scrap;*
- c) Income from investments;*
- d) Interest accrued on advances to suppliers/contractors;*
- e) Interest income on loans/advances to employees;*
- f) Income from rental of staff quarters;*
- g) Income by rental from contractors;*
- h) Income by hire charges from contractors and others;*
- i) Income from delayed payment surcharge, supervision charges, etc.;*
- j) Supervision charges for capital works;*
- k) Income from recovery against theft and/ or pilferage of electricity;*
- l) Income from advertisements;*
- m) Income from sale of tender documents;*
- n) Profit from sale of Assets (i.e. difference of Sale value and Book*



value of Asset);

o) Any other Non-Tariff Income:

Provided that the interest earned from investments made out of Return on Equity corresponding to the regulated Business of the Distribution Licensee shall not be included in Non-Tariff Income.

Provided that the onus to substantiate, to the satisfaction of the Commission, that such investments have been out of Return on Equity shall be on the Licensee.”

5.123 Based on the above excerpt, the Commission has observed that the Petitioner has not considered certain element of non-tariff income recorded in the audited account. The said item is “Sale of scrap” as reflected in ‘**note 25**’ of the audited account.

5.124 The Commission does not consider the revenue from wheeling charge/ fuel surcharge/ outside sale under Non-Tariff Income as the same has already been considered in the power purchase part of this order. The Commission is of the opinion that there is no provision in JSERC (Terms & Condition of Determination Distribution Tariff) Regulations 2020 with respect to approval of financing cost for corresponding receivables under **clause 10.53 & clause 10.54**.

5.125 The Commission further opines that the Working Capital requirement as stipulated in the provision of JSERC (Distribution Tariff) Regulations 2020 and amendment thereof is being allowed as per normative to cater the day to day working capital requirements of the Utilities. Hence, the Commission does not approve the financing cost for corresponding receivables.

5.126 Accordingly, on prudent check the Commission approves the NTI as per above outlined regulation as shown below.

Table 59: Non-Tariff Income (Rs Crore) as approved by the Commission.

Particulars	APR	Petition	Approved
Interest Income from Investment in Fixed Deposits	53.44	17.35	17.35
D.P.S from Consumer	403.52	391.54	391.54
Interest on advance to Supplier/Contractor			
Interest from Bank (Other than FD)	24.44	12.14	12.14
Income from Staff Welfare activities			
Supervision Charges	7.84	10.68	10.68
Miscellaneous Receipt	16.22	21.56	21.56



Particulars	APR	Petition	Approved
Rebate on power purchase			
Transformer Rent	6.18	7.16	7.16
Wheeling Charges / Fuel surcharge/outside sale		333.99	considered in PP
Receipt from Consumers for capital works			
Miscellaneous Charges from Consumers			0.0047
Sale of Scrap		0.00	5.97
Total NTI	511.64	794.42	466.41
Interest rate for Receivables financing		11.70%	
Corresponding Receivables against DPS		3262.80	
Interest on Receivables against DPS		381.75	
Net NTI to be considered	511.64	412.68	466.41

Disallowances on account of Excessive AT&C Losses

Commission Analysis

- 5.127 The Commission is of the view that it had already set the targets for the Collection efficiency in Section **“Targets for Distribution Losses and Collection Efficiency”** of the Distribution Tariff Regulations, 2020 and as such the submission of the Petitioner regarding sudden change seems to be out of order. The Commission thus directs the Petitioner to abide by the targets set by the Commission and any provision for lower collection efficiency will not be allowed.
- 5.128 Accordingly, the additional power purchase cost incurred due to higher Distribution losses, beyond the targeted level, has been disallowed and is treated as **‘Disincentive for non-achievement of Distribution loss targets’** for FY 2024-25. The Commission has adopted similar approach as adopted by it in the previous Order dated April 30, 2024 in the computation of non-achievement of T&D loss reduction targets.
- 5.129 Based on the above excerpt, the Commission, recognizing its responsibility to ensure fair and efficient energy pricing, has incorporated the power purchase costs for must-run power plants into tariffs. Nonetheless, in exercising thorough scrutiny, the Commission has prudently intervened to disallow excessive energy sale, corresponding power purchase costs associated specifically with thermal power plants exhibiting high ECR (Energy Charge Rate) and respective transmission



charge on pro-rata basis. Additionally, the Commission also disallows the corresponding transmission charge on pro-rata basis as tabulated below.

Table 60: Disallowance Distribution Loss (Rs Crore) as approved by the Commission.

Generating Station	Annotation	Total Unit disallowed (MU)	Rate (in Rs/kWh)	Disallow Cost
Farraka I & II	A	748.38	5.47	409.45
Farrakka III	B	420.09	5.87	246.56
Khalagaon I	C	128.51	6.45	82.93
Barh I	D	499.87	6.65	332.54
Barh II	E	129.25	5.75	74.37
N. Karnpura	F	134.81	4.86	65.53
Kanti Power	G	112.21	7.57	84.96
Nabinagar	H	249.33	5.96	148.72
Total	I=(A+B+C+D+E+F+G+H)	2421.19		1444.44
DVC (Standby Power)	J	26.66	5.41	14.43
PTC-IEX (Purchase)	K	1042.02	7.52	783.57
Net total Disallow	L=I+J+K	3491.13		2243.05

Revenue

Petitioner's Submission

5.130 The Petitioner has submitted the revenue from sale of Power as per Annual Audited Accounts to be Rs. 7,998.298 Crore towards electricity sales. Accordingly, the Petitioner prayed to the Commission to approve the same.

Commission's Analysis

5.131 On Scrutiny and analysis of the Audited Accounts submitted by the Petitioner, and on prudent check the Commission approves the revenue as summarized below:

Table 61: Revenue (Rs Crore) as approved by the Commission.

Particulars	Petition	Approved
Revenue	7,998.29	7,998.29



Summary of Annual Revenue Requirement and Gap/(Surplus)

Petitioner's Submission

5.132 Based on the components of the ARR discussed in the above part of this Order, the final ARR submitted by the Petitioner for FY 2024-25 is tabulated hereunder:

Table 62: Summary of ARR (Rs. Crore) as submitted by the Petitioner.

Particulars	APR	Petition
Total Power Purchase Expense	6535.33	8726.06
<i>Power Purchase Expense</i>	6976.47	7827.97
<i>Less: Disallowance due to excess Distribution Loss</i>	1381.72	0.00
<i>Inter-state transmission charges</i>	558.56	522.67
<i>Intra-state transmission Charge</i>	382.02	375.42
Operations and Maintenance Expenses	729.23	980.08
<i>Employee Expense</i>	266.03	276.30
<i>Terminal Liability</i>		131.12
<i>Administration & General Expense</i>	120.42	119.95
<i>Repair & Maintenance Expense</i>	342.77	452.70
Depreciation	408.50	450.33
Return on Equity	405.24	445.82
Interest on Long Term Loan	388.86	380.28
Interest on Consumer Security Deposit	25.78	150.89
Interest on Working Capital Loan	0.00	0.00
Bank & Finance Charge		4.46
Total Expenses	8492.94	11137.93
Less: Non-Tariff Income	511.64	412.68
Add: Provision for Doubtful Debt		
ARR after NTI	7981.30	10725.26
ARR Recoverable	7981.30	10725.26
Revenue from Sales of power at existing tariff	8922.08	7998.29
Gap/(Surplus) at Existing Tariff	(940.78)	2726.96

Commission's Analysis



5.133 On consideration of the submission and details furnished by the Petitioner, the Commission approves the ARR and Gap/(Surplus) for FY 2024-25 which is summarized hereunder.

Table 63: Summary of ARR (Rs Crore) as approved by the Commission.

Particulars	Approved
Net Power purchase cost	6127.73
<i>Power Purchase Cost</i>	7472.08
<i>Less: Disallowance due to excess Distribution Loss</i>	2243.05
<i>Inter-State Transmission Charges</i>	522.67
<i>Intra-State Transmission Charges</i>	375.42
O&M Expenses	979.91
<i>Employee Expenses</i>	276.30
<i>Terminal liabilities</i>	130.96
<i>A&G Expenses</i>	119.95
<i>R&M Expenses</i>	452.70
Depreciation	413.82
Return on Equity	410.11
Interest on Long Term Loan	387.45
Interest on Consumer Security Deposit	42.55
Interest on Working Capital Loan	0.00
Bank & Finance Charge	-
Total Expenditure	8360.96
Less: Non-Tariff Income	466.41
ARR after NTI	7894.55
Less: Penalties	0.00
Net ARR	7894.55
Revenue from Sales of power at existing tariff	7998.29
Gap/(Surplus) at Existing Tariff	(103.75)

5.134 The Commission will approve the treatment of the Gap/(Surplus) at existing tariff in **Chapter 9** of this Order.



Chapter 6: ANNUAL PERFORMANCE REVIEW FOR FY 2025-26



Chapter 6: ANNUAL PERFORMANCE REVIEW FOR FY 2025-26

6.1 As per Clause 13.2 of the Tariff Regulations, 2020:

“13.2 The Licensee shall submit the Annual Performance Review report as part of annual review on actual performance as per the timelines specified in the Section A 24 of these Regulations to assess the performance vis-à-vis the targets approved by the Commission at the beginning of the Control Period. This shall include annual statements of its performance and accounts including audited/authenticated accounts and the tariff worked out in accordance with these Regulations.”

6.2 The Commission, on the basis of the provisions of the Distribution Tariff Regulations, 2020 has determined the Annual Performance Review (APR) for FY 2025-26 on consideration of:

- Distribution Tariff Regulations, 2020;
- Material on record.

6.3 The component-wise details filled by the Petitioner’s and the Commission’s analysis and discussion is made in the upcoming paragraph.

Consumer Number, Connected Load, Energy Sales

Petitioner Submission

6.4 The Petitioner has submitted that in order to arrive at the number of Consumers for the FY 2025-26, JBVNL has considered effective consumers of FY 2025-26 (actual values for 5 months up to August 2025) and escalated the same as per trend and with nominal growth accordingly to arrive at the effective Consumers segment wise at the end of FY 2025-26.

6.5 The Petitioner has submitted that it has considered active consumers for the FY 2024-25 and compared the same with the active consumers for the FY 2025-26 (up to August 2025) to have a projection of total active consumers for the year 2025-26. The growth factor was considered nominally looking at the actual consumers and the variation for consumer numbers in the actual figures for 5 months in the FY 25-26 for determination of segment wise consumer number, connected load and sales.

6.6 The Petitioner further submitted that load per consumer is calculated on



actual basis for the data available for FY25-26 and estimated segment wise for calculation of connected load for FY25-26. These estimates are compared with FY 2024-25 and actual figures for FY 2025-26 for each category of consumers to determine estimated sales for the FY 2025-26.

- 6.7 The Petitioner submitted that as per estimated determinants, around 90% of consumers pertain to the domestic category only, comprising 66.7% of overall connected load and contributes to 54.2% of energy sales for the Petitioner.

Table 64: Consumer Number, Connected Load, Energy Sales as submitted by the Petitioner.

Consumer Category	Consumer (No.)	Connected Load (kW)	Sales (MUs)
Domestic	5015471	7878683	6854.64
Commercial/Non Domestic	468836	1635716	1419.43
Public Lighting / SS	869	59418	84.97
Irrigation / IAS	137295	276320	85.15
Industrial LT / LTIS	30822	236409	380.68
Industrial HT / HTS / S/ EHT	2789	1643049	2828.62
RTS/MES	9	50067	54.41
Total	5656091	12779662	11707.90

Commission Analysis

- 6.8 On scrutinizing the material, information, actual figure and details submitted by the Petitioner, the Commission approves the estimated energy sales, connected load and number of consumers for FY 2025-26 which has been summarized in the table below:

Table 65: Category-Wise Energy estimated energy Sales (MUs) as approved by the Commission.

Consumer Category	ARR	Petition	Approved
Domestic	6,991.59	6,854.64	6,854.64
Commercial/Non Domestic	2,022.83	1,419.43	1,419.43
Public Lighting / SS	111.74	84.97	84.97
Irrigation / IAS	149.63	85.15	85.15
Industrial LT / LTIS	416.09	380.68	380.68
Industrial HT / HTS / S/ EHT	3,307.68	2,828.62	2,828.62



Consumer Category	ARR	Petition	Approved
RTS/MES	64.29	54.41	54.41
Total	13,063.85	11,707.90	11,707.90

Table 66: Category-Wise Energy estimated connected Load (kVA) as approved by the Commission.

Consumer Category	ARR	Petition	Approved
Domestic	61,15,965	78,78,683	78,78,683
Commercial/Non Domestic	12,11,425	16,35,716	16,35,716
Public Lighting / SS	17,008	59,418	59,418
Irrigation / IAS	2,28,973	2,76,320	2,76,320
Industrial LT / LTIS	5,86,401	12,36,409	12,36,409
Industrial HT / HTS / S/ EHT	12,89,783	16,43,049	16,43,049
RTS/MES	57,645	50,067	50,067
Total	95,07,200	1,27,79,662	1,27,79,662

Table 67: Category-Wise estimated number of consumer as approved by the Commission.

Consumer Category	ARR	Petition	Approved
Domestic	50,80,569	50,15,471	50,15,471
Commercial/Non Domestic	4,79,881	4,68,836	4,68,836
Public Lighting / SS	803	869	869
Irrigation / IAS	1,21,675	1,37,295	1,37,295
Industrial LT / LTIS	20,550	30,822	30,822
Industrial HT / HTS / S/ EHT	2,798	2,789	2,789
RTS/MES	9	9	9
Total	57,06,285	56,56,091	56,56,091

Energy Balance

Petitioner's Submission

6.9 The Petitioner submitted that power input from various sources to JBVNL boundary has been segregated into different heads, while calculating the energy balance for the control period. Power sourced from outside and direct input to distribution system can be segregated as below:

- Power Purchase from Outside JUSNL Boundary (i.e.) Power sourced



from NTPC, NHPC, PTC, APNRL, part of TVNL, SECI, UI and exchanges. For calculation purpose, the input of these power plants are considered input to the CTU (Central Transmission Utility) periphery.

- Energy Input Directly to State Transmission System or JUSNL is considered as part Input of power from TVNL, state owned power to JUSNL system and private power plant such as Inland Power limited and CTU input to the system.
- Direct Input of Energy to Distribution System (i.e.) from DVC (as scheduled by DVC)
- Energy input directly to JBVNL periphery from the various Solar IPPs.

6.10 It is submitted that the Petitioner has computed the energy available for sale/energy input as the addition between net energy sent to distribution system and direct input of energy to distribution.

6.11 The Petitioner has calculated transmission losses (Both inter and intra State based on actual transmission losses for FY 2024-25, by subtracting total input energy received at 33 kV from total energy purchased from various power plants. JBVNL thereafter considers Inter-State Transmission Losses at 3% of all power purchase from external sources considering Point of Connection (PoC) withdrawal losses for Jharkhand and PoC injection losses of various power plants with which it has PPA. Thereafter, JBVNL segregates Intra State Transmission Loss by subtracting Inter-State Transmission losses from total Transmission losses. JBVNL has considered the intra state transmission loss at the same level for the FY 2024-25 for estimation of FY 2025-26.

6.12 Based on the information submitted above, the Petitioner has considered the Energy Balance for 2025-26 as provided in the Table below:

Table 68: Energy Balance (in MUs) as submitted by the Petitioner.

Particulars	ARR	Petition
Power Purchase from Outside JBVNL Boundary (MU)	10,506.73	11,912.36
Loss in External System (%)	3.00%	3.00%
Loss in External System (MU)	315.20	357.37
Net Outside Power Available (MU)	10,191.53	11,554.99
Energy Input Directly to State Transmission System (MU)	390.87	412.68



Particulars	ARR	Petition
State-owned Generation (MU)	2,007.63	1,788.27
Energy Available for Onward Transmission (MU)	12,590.02	13,755.94
Transmission Loss (%)	2.23%	7.99%
Transmission Loss (MU)	280.76	1099.10
Net Energy Sent to Distribution System (MU)	12,309.27	12,656.84
Energy Schedule from DVC to Distribution System (MU)	4,552.26	3,570.78
Transmission Loss at DVC System (%)	0.03	4.30%
Transmission Loss in System (MUs)	136.57	153.45
Direct Input of Energy to Distribution System (MU)	4,309.72	3,417.33
Direct Input Energy from State Solar System (MUs)	21.85	15.42
Total Energy Available for Sales (MU)	16,640.83	16,089.59
Total energy sold (MU)	12,908.44	11,707.90
Distribution loss%	13.00%	27.23%
Energy Required for distribution (MU)	14837.29	16089.59
Power disallowance at DISCOM Periphery (MU)	1,803.55	0.00
Total Power Purchase	17,479.33	

Commission's Analysis

- 6.13 It is observed that the loss levels recorded by DISCOM are extremely poor and the network needs severe overhauling. Such dilapidated network is leading to the drain of the material and economic resources of the nation which is worry-some.
- 6.14 Factually, since the Distribution Losses and Collection efficiency are a critical operational parameter of the DISCOM, SERCs across the states have provided for the same as a controllable parameter for the DISCOMs. Likewise, the Commission under 'clause 6.44' of JSERC Distribution Tariff Regulations 2020 provides the Distribution Loss and Collection Efficiency being a Controllable parameter.
- 6.15 In continuation with the Regulatory provisions and having recognized the issue pertaining to significant Distribution losses, the Commission has approved the Distribution loss trajectory keeping in mind the actual loss trajectory, capex infusion done by the State Utility over the years amongst the prominent items.



6.16 Subsequently, the Commission vide Order dated May 31, 2023 had approved the Distribution loss trajectory for each year of the Control period FY 2021-22 to FY 2025-26. The relevant extracts of the MYT Order are reproduced below:

“7.13 The Commission has observed that in 2nd MYT Control Period the distribution loss target for FY 2020-21 was 13%. Therefore, considering the prevailing scenario of the DISCOMs. The Commission has approved the distribution loss target of 13% on overall sales for each year of the Control Period. Further, the Petitioner shall be allowed to operate within distribution loss of 13% on overall sales for the Control Period without any incentive/penalty”.

6.17 In view of the aforesaid, it is submitted that not abiding by the trajectory defined by the Commission and factoring into consideration the deviation in the retail ARR by the Licensee is disdainful.

6.18 The Petitioner has also included the loss on account of injection from DVC Transmission system. The transmission loss claimed is 7.99% for DVC Transmission system and 4.30% for JUSNL Transmission system.

6.19 The Commission is of the opinion that it would be imprudent if the cost of the Petitioner’s inefficiency is passed onto the consumers. Accordingly, the Commission has worked out energy availability for the FY 2025-26 on the basis of estimated generation of power from Central, State-owned and other Generating Stations. Further, the loss in external system has been considered at the same level as approved by the Commission in its earlier Order, while the Intra-State Transmission Loss has been considered at 2.23% as per the Tariff Order for JUSNL, on similar lines, the loss in DVC Transmission system has been restricted to 3%. The energy availability from various sources has been summarized below:

Table 69: Energy Requirement (MUs) as approved by the Commission.

Particulars	ARR	Petition	Approved
Power Purchase from Outside JBVNL Boundary (MU)	10,506.73	11,912.36	11,912.36
Loss in External System (%)	3.00%	3.00%	3.00%
Loss in External System (MU)	315.20	357.37	357.37
Net Outside Power Available (MU)	10,191.53	11,554.99	11,554.99
Energy Input Directly to State Transmission System (MU)	390.87	412.68	412.68
State-owned Generation (MU)	2,007.63	1,788.27	1,788.27



Particulars	ARR	Petition	Approved
Energy Available for Onward Transmission (MU)	12,590.02	13,755.94	13,755.94
Transmission Loss (%)	2.23%	7.99%	2.23%
Transmission Loss (MU)	280.76	1099.10	306.76
Net Energy Sent to Distribution System (MU)	12,309.27	12,656.84	13,449.18
Energy Schedule from DVC to Distribution System (MU)	4,552.26	3,570.78	3,570.78
Transmission Loss at DVC System (%)	0.03	4.30%	3.00%
Transmission Loss in System (MUs)	136.57	153.45	107.12
Direct Input of Energy to Distribution System (MU)	4,309.72	3,417.33	3463.65
Direct Input Energy from State Solar System (MUs)	21.85	15.42	15.42
Total Energy Available for Sales (MU)	16,640.83	16,089.59	16,928.26
Total energy sold (MU)	12,908.44	11,707.90	11,707.90
Distribution loss %	13.00%	27.23%	13.00%
Energy Required for distribution (MU)	14837.29	16089.59	13457.36
Power disallowance at DISCOM Periphery (MU)	1,803.55	0.00	3,470.90
Total Power Purchase	17,479.33		17,699.51

Power Purchase Cost

Petitioner's Submission

6.20 The Petitioner has estimated the power purchase quantum for FY 2025-26 based on the following facts and assumptions:

- **Purchase of Units during first 5 months from April 25 to August 25 of current financial year:** Power Purchase quantum has been considered as per bills raised by respective generating companies.
- **Trend for Purchase of Units in Previous Financial Year:** Purchased units during the same period last year is calculated and the percentage of total purchased units is calculated based on last FY24-25. The power purchase of remaining seven months in



current Financial Year have been estimated as per purchase ratio of the five months of previous Financial Year FY 2024-25. (Power Purchase up to August 2025 is considered for projection for FY25-26)

- **Power Requirement in FY 2025-26:** Based on estimated Sales and Energy balance for FY 2025-26 (as detailed in below section), power requirement for FY 25-26 has been calculated.
- **Purchase through short-term sources:** No new power purchase from IEX (PTC) or UI mechanism has been estimated in remaining six months due to proper planning of power procurement in the long term. However, the Petitioner would like to appraise the Commission to allow itself to go for short term power procurement, if any, required at the time of urgency in future.
- In this year, **PTPS-I (Patratu thermal power plant, unit-1 for 800MW)** has been synchronized to the grid and is being scheduling power to JBVNL. JBVNL has 85% allocation of power from PTPS.
- Due to scheduling of PTPS-1 from November 2025, necessary curtailments have been planned in other power stations based on the variable cost of power and maintaining the technical minimum required for the power plants. For scheduling purpose, 55% is considered as technical minimum for the power plants.

6.21 The Petitioner has further submitted that the per unit transmission charges have been increased for JUSNL in its last tariff order. The effect of the same has been considered for the FY25-26:

- **Transmission and Scheduling Charges:** Actual Transmission and scheduling Charges for PGCIL for FY 2024-25 has been escalated by 4% to arrive at corresponding figure for FY 2025-26.
- **Supplementary Bills:** Supplementary bills based on actuals of FY 2025-26 (for 6 months up to September 25) has been considered.

6.22 Based on the above facts and assumptions, source-wise estimated Power



Purchase quantum and cost as per the original Petition for FY 2025-26 as shown hereunder:

Table 70: Power Purchase quantum and cost as submitted by the Petitioner.

Sr. No.	Name of Generating Companies		Allocation (MW)	Estimated Purchase for FY 2025-26(MU)	Estimated purchase cost for FY 2025-26 cost in Cr.
1	NTPC	Total	2522	8051.50	3450.72
2	NHPC	Total	55.76	38.46	14.53
3	PTC (Hydel)	Total	154.87	514.62	138.78
4	DVC	Total	600	3570.78	1922.2
5	TVNL		420	1234.92	596.82
6	UI Payable (Deviation)			64.55	91.56
7	Reactive Energy Charge				
8	APNRL	Total	188.85	1631.83	485.48
9	Solar	Total	576	1069.36	318.74
10	Wind	Total	300	873.76	286.35
11	Inland Power Ltd. (IPL)		63	339.36	172.3
12	IEX/ PXIL	Purchase	-	632.904	498.53
		Sell	-	-244.33	-60.51
13	UI Receivable		-	-104.25	-59.99
(a) 14	Trans. Charge	PGCIL	-		543.58
		Posoco (ERLDC)	-		
		JUSNL	-		522.73
15	Net Unit and cost		-	17675.04	8921.83

6.23 The Petitioner submitted that as per, JSERC (Renewable Energy Purchase Obligation and its compliance) (Second Amendment) Regulations, 2025 dated 15th March 2024, the RPO target is revised as follows:



Table 71: Renewable Purchase Obligation in percentage for FY 2025-26

Financial Year	Wind Renewable Energy	Hydro Renewable Energy	Distributed Renewable Energy	Other Renewable Energy	Total
2025-26	1.45%	1.22%	2.10%	28.24%	33.01%

- 6.24 The Petitioner submitted that with no-doubt the targets are very aggressive in nature to drive faster implementation of renewable energy projects. However, it will put severe pressure on the financially distressed distribution companies like JBVNL. With maximum capacity (thermal) already tied up with long term PPA, the upcoming demand of the JBVNL could be from these sources of energy. However, JBVNL has to analyze the impact of such a huge quantity of intermittent power to the transmission system and its effect on the whole system.
- 6.25 Also, switching from thermal to RE instantly to fulfil the RPO obligation would put additional financial burden to the JBVNL as it has to bear the fixed component of thermal capacity that is not scheduled. So, the transition needs to be done in an effective and sustainable way. In this regard, JBVNL on one hand looking forward to purchase Renewable energy through various means as well as reduce its dependency from thermal power plants.
- 6.26 Further, it was submitted that the earlier categorization under different RE component has changed. The wind RE component under this formulation will be met only from Wind Power Projects (WPPs) Commissioned after the 31st March, 2024. The hydro RE component shall be met only by energy produced from Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], Commissioned after the 31st March, 2024. The distributed renewable energy component shall be met only from the energy generated from renewable energy projects that are less than 10 MW in size and shall include solar installations under all configurations (net metering, gross metering, virtual net metering, group net metering, behind the meter installations and any other configuration) notified by the Central Government. The other renewable energy component may be met by energy produced from any renewable energy power project other than specified in Note 1, 2 and 3 and shall comprise energy from all WPPs and Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], including free power, Commissioned before the 1st April, 2024. The change in RPO obligation structure has changed completely the way RE was purchased before.
- 6.27 For the wind RE, Hydro RE, distributed RE sources, for RPO compliance to take effect, power procurement must happen from the projects, that



are to be Commissioned after 31st March 2024. For this financial year, meeting these targets are difficult as there are not enough generators with whom PPAs can be made. JBVNL is making every effort to identify such sources to get into long term arrangement to meet its RPO. For other sources, where solar and wind are major sources of RE generation before March 31,2024, the status has been provided below.

- 6.28 Currently, JBVNL has tied up with SECI for 700 MW of Solar power with SECI, out of which JBVNL is receiving 450 MW of solar power and 250 MW is under pipeline. Similarly, cumulative 500 MW of wind power has been tied up with SECI and PTC, out of which, JBVNL is only receiving 300 MW of wind power, and 200 MW of wind power is under pipeline. JBVNL is committed to sustainable development with a focus on renewable energy purchase and development in association with RPO regulations. Hence, its purchase from Renewable energy sources remains intact and it would endeavor to purchase more power from renewable energy sources in future. Moreover, the Petitioner is exploring various alternatives including conducting competitive bidding for RPO fulfilment.
- 6.29 In addition to above, JREDA is installing various solar installations in the state. It is expected that JBVNL will be procuring these RE power from JREDA. JREDA has already installed 52MW of grid connected rooftop power plant in Govt. buildings and 11MW of rooftop solar in residential society. A total of 73.2MW was already installed by JREDA and 641MW of solar is in pipeline.
- 6.30 Also, in Jharkhand Solar Policy 2022, Government of Jharkhand has set target of 4000 MW till FY 2026-27 of solar power in State and JREDA has been made as nodal agency to run various programmes like, Implementation of Solar Park, Canal Top Solar, Floating Solar, etc from 2022-23 to 2026-27. From above mentioned programme, JBVNL will procure power from Solar Power Plant without competitive bidding up to 5 MW.
- 6.31 Further, floating solar plant of 100 MW on Getalsud Dam has been planned with SECI. The PPA with SECI has been approved by the Commission. The work has been allotted to L&T by SECI and the progress for the project is well within scheduled timeline by 30th March 2026 (COD). It is expected that power from Getalsud floating solar project will be scheduling from April 1st, 2026.
- 6.32 Under PM Kusum Yojana 30 MW of solar installation has been targeted till 2025-26. Renewable Purchase Obligation estimated for FY 2025-26 has been mentioned as below –

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Table 72: Renewable Purchase Obligation (in MUs) for FY 2025-26 as submitted by the Petitioner.

Sr. No.	Particular	FY 2025-26
	Gross Power Procured (MU)	17675.00
1	Net Power Procured (MU)	17675.00
2	less: Large Hydro Power procured (MU)	0.00
3	Power Purchase considered for RPO (MU)	17675.00
4	Wind Target in (%)	1.45%
5	Hydro target in (%)	1.22%
6	Distributed Renewable Energy (%)	2.10%
7	Other Renewable Energy (%)	28.24%
8	Wind Target in (MU)	256.29
9	Hydro target in (MU)	215.64
10	Distributed Renewable Energy (MU)	371.18
11	Other Renewable Energy (MU)	4,991.42
12	Total Targeted RPO (MU)	5,834.52
13	Wind Power Procured (MU)	873.76
14	Hydro Power Procured (MU)	0.00
15	Distributed Renewable Energy Procured (MU)	
16	Other Renewable Energy Procured (MU)	
15	Total	
16	Wind target deficit (MU)	
17	Hydro target deficit (MU)	
18	Distributed Renewable Energy Deficit (MU)	
19	Other Renewable Energy Deficit (MU)	
20	Total deficit	

Commission Analysis

6.33 The Commission has observed that the Petitioner failed to fulfill the estimate of revised RPO target as set by the Commission through JSERC (Renewable Energy Purchase Obligation and its compliance) (Second



- Amendment) Regulations, 2025 dated 15.03.2024. It is further observed that the Petitioner has considered 873.76 MU of wind power procurement towards fulfillment of the wind-specific RPO target for FY 2025-26. However, as per the Second Amendment to the applicable RPO Regulations, the wind RPO component is required to be met exclusively from Wind Power Projects (WPPs) Commissioned after 31st March, 2024.
- 6.34 In this regard, it is noted that JBVNL has been procuring approximately 300 MW of wind power through PTC and SECI, which were Commissioned in December 2018 and March 2019, respectively. Since these projects were Commissioned prior to 31st March, 2024, the said wind power procurement does not qualify for fulfillment of the wind-specific RPO component under the amended Regulations.
- 6.35 The Commission has adopted the same approach as that of the Petitioner to project the total quantum and cost of power purchased for FY 2025-26. It is observed that the Petitioner has provided the power purchase quantum for first five months (i.e. April 2025 to August 2025). Therefore, the Commission based on the actual data for first five months of the FY 2025-26, has estimated the power purchase quantum for the whole Financial year 2025-26, subject to final truing up based on actual with production of power procurement bills.
- 6.36 Further, it is observed that due to scheduling of Patratu Thermal Power Station, Unit-1 from November 2025, the Petitioner has done necessary curtailments in other power stations based on the variable cost of power and maintaining the technical minimum required for the power plants. For scheduling purpose, 55% has been considered as technical minimum for the power plants. In this line, it is observed that after Commissioning of PTPS allocation, from existing allocated capacity of Farakka III, 50MW will not be scheduled by NTPC from December 2025 and this power will be free to be sold in the power market as merchant capacity of NTPC. Moreover, there will be no fixed charge for the JBVNL as a result of withdrawal of capacity by NTPC by its own.
- 6.37 **Solar (including SECI (Trenche-1), SECI (MNRE-II), State IPPs (MNRE-1)):** On Scrutinizing the details submitted by the Petitioner, the Commission has taken into account the power procurement rate for SECI (Trenche-1), SECI (MNRE-II) source at a weightage average rate of last 3 years with escalation of 5% for FY 2025-26. Further with regard to state IPP (MNRE-1) the Commission has considered the same rate as that of true-up for FY 2024-25, subject to final truing up based on actual with production of power procurement bills.
- 6.38 **Power Requirement in FY 2025-26:** Based on estimated Sales and Energy balance for FY 2025-26 (as detailed in below section), excess power available for sale in open market has been calculated.



- 6.39 **Purchase through short-term sources:** It is observed that UI payable is 64.55 MU in first five months (i.e. April 2025 to August 2025) of FY 2025-26. While, UI receivable for the same period is 104.25 MU. However, no new power purchase from IEX (PTC) or UI mechanism has been estimated in remaining seven months. However, the same may be purchased in case of emergency and shall be subject to subsequent true-up.
- 6.40 **IEX (Purchase/Sell):** It has been observed by the Commission that the Petitioner has procured 632.90 MU and sold 244.33 MU in IEX in first five months (i.e. April 2025 to August 2025) of FY 2025-26. However, no new power Purchase/sell i.e. deficit/surplus power in the Open Market has been estimated in remaining seven months of FY 2025-26. In this regard the Commission is of the view that the Power Purchase Cost is one of the major cost components in the ARR. Accordingly, in the instant pray, the Commission is not approving Purchase/Sell of any surplus power.
- 6.41 It is also observed that no power has been procured from SRHPS (Generation).
- 6.42 Based on the aforesaid observation, the Commission approves the Power Purchase Cost for FY 2025-26 subject to true up which has been summarized in the table below:

Table 73: Power Purchase quantum and cost as approved by the Commission.

S.N.	Name of Generating Stations	Allocation (MW)	Allocated Quantum (MU)	Total Cost for FY 2025-26 (Rs. Cr.)	
1	NTPC	Farrakka I &II	119.35	488.782	195.22
		Farrakka III	56.71	251.940	116.75
		Khalagaon I	18.34	136.545	51.84
		Talcher	66.68	496.51	127.45
		Khalagaon II	10.21	75.99	41.37
		Barh I	86.26	598.637	335.95
		Barh II	20.49	152.539	86.05
		Korba	50.00	372.30	100.81
		Darlipalli I	151.43	1127.54	348.75
		N. Karnpura	533.39	3070.91	1198.22
		Kanti Power	16.10	106.80	58.09
		Nabinagar	33.96	214.34	104.87

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



S.N.	Name of Generating Stations	Allocation (MW)	Allocated Quantum (MU)	Total Cost for FY 2025-26 (Rs. Cr.)	
		LPSC		0.00	
		Rebate		0.00	
		PTPS Unit-1	680.00	1206.57	685.33
		Total	1842.91	8299.40	3450.72
2	NHPC	Rangit	7.42	38.46	14.53
		Teesta V	48.34	0.00	0.00
		LPSC			0.00
		Total	55.76	38.46	14.53
3	PTC (Hydel)	Chukha	27.99	157.440	47.86
		Tala	116.89	315.130	71.53
		Kurichu	0.55	0.000	0.00
		Mangdechhu	9.44	42.050	19.38
		Total	154.87	514.62	138.78
4	Total Central Sector	2053.54	8852.47	3604.04	
5	DVC	KTPS (OA)	600	3797.46	1964.97
		Standby Power	-	40.28	20.86
		UI (Deviation)	-	-266.96	-63.62
		Trans. Charge	-		0.00
		HT Points			0.00
		DVC (KTPS)	600	3570.76	0.00
		DVC (STOA)	-		0.00
		Total	600	3570.76	1922.20
6	TTPS, Tenughat	420	1234.92	596.82	
7	UI Payable (Deviation)		64.55	91.56	
8	Reactive Energy Charge			0.00	
9	APNRL	Unit I	122.80	457.33	157.76
		Unit II		457.33	158.36
		66 MW	66.00	470.85	169.37
		ERLDC APNRL			0.00

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



S.N.	Name of Generating Stations		Allocation (MW)	Allocated Quantum (MU)	Total Cost for FY 2025-26 (Rs. Cr.)
		Total	189	1385.515	485.48
10	SOLAR	SECI (Tranche-I)	450	1039.277	282.05
		SECI (MNRE-II)	10	14.664	8.99
		State IPPs (MNRE-I)	16	15.422	27.71
		Total	476	1069.36	318.74
11	Wind	PTC	200	601.115	212.19
		SECI	100	272.647	74.16
		Total	300	873.763	286.35
12	Inland Power Ltd. (IPL)		63	339.36	172.30
13	IEX/ PXIL	Purchase		0.00	0.00
		Sell		0.00	0.00
14	Total Purchase		4101.54	17390.71	7477.50
15	SRHPS (Generation)		130	0.00	0.00
16	Grand Total		4231.54	17390.71	7477.50
17	UI Receivable			-104.25	-59.99
18	SER-DSM				
19	Trans. Charge	PGCIL			556.16
		POSOCO (ERLDC)			2.40
		JUSNL			382.02
20	Net Unit (Exc. Transmission charges)			17286.46	7417.51

Transmission Charge

Petitioner's Submission

6.43 The Petitioner has submitted that transmission charges payable to JUSNL have been computed based on the approved transmission tariff for JUSNL for the FY 24-25 at Rs. 0.38 per unit. The estimated quantum to be wheeled from JUSNL network is around 13755.94MU. The large deviation in the estimated cost of intra state charges are due to such revision of charges for JUSNL by the Hon'ble Commission. For the



interstate transmission charges for FY25-26, the actual transmission charges for FY24-25 are escalated at 4% for FY 25-26.

Table 74: Transmission Charge (in Rs. Crore) as submitted by Petitioner.

Particulars	ARR	Petition
Inter-State Transmission Charge (incl. Posoco ERLDC)	575.32	543.58
Intra-State Transmission Charge	393.48	522.73

Commission Analysis

- 6.44 For approval of intrastate Transmission charge, the Commission has considered the charges as Rs 0.38 per unit for FY 2025-26 as approved in JUSNL Tariff Order for FY 2025-26.
- 6.45 Further, the Commission has taken the Inter-State Transmission Charges for FY 2025-26 by escalating the Interstate transmission charge for FY 2024-25 as projected by the Petitioner subject to true up. The below table summarized the Inter/Intra-state Transmission Charge:

Table 75: Transmission Charge (in Rs Crore) as approved by the Commission.

Particulars	Approved
Inter-State Transmission Charge (incl. POSOCO ERLDC)	543.58
Intra-State Transmission Charge	522.73

Capital Expenditure and Capitalization

Petitioner's Submission

- 6.46 The Petitioner has submitted a brief discussion regarding the expected expenditure scheduled for FY 2025-26. The Petitioner has submitted that under following scheme, capital expenditure will be undertaken.
- 6.47 **Revamped Distribution Sector Scheme:** The introduction of Revamped Distribution Sector Scheme by MoP aims to curb down the overall AT&C losses of utilities. The JBVNL has opted the Revamped scheme and all the major works of the Discom will now come under this scheme. The Revamped scheme is under process, and it will be the major scheme to be implemented by the Petitioner. The Scheme aims to reduce the Aggregate Technical & Commercial (AT&C) losses to pan-India levels of 12-15% and Average Cost of Supply (ACS)- Average Revenue Requirement (ARR) gap to zero by 2024-25. The Scheme has two major components: Part 'A' – Financial support for Prepaid Smart Metering & System Metering and upgradation of the Distribution Infrastructure and Part 'B'



- Training & Capacity Building and other Enabling & Supporting Activities. Financial assistance to DISCOMs is provided for upgradation of the Distribution Infrastructure and for Prepaid Smart Consumer Metering & System Metering based on meeting pre-qualifying criteria and achieving basic minimum benchmark in reforms.
- 6.48 **Annual Development Plan:** This is being prepared by the JBVNL for departmental works and the capital outlay is sanctioned by the government according to its budget outlay for the financial year in consideration. For FY25-26, there is an outlay of Rs 449.67 Cr for ADP.
- 6.49 **Mukhyamantri Ujjwal Jharkhand Yojna:** Jharkhand Government has started a new scheme “Mukhyamantri Ujjwal Jharkhand Yojna” to cover all un-electrified and partial electrified Tolas in Rural as well as Urban areas.
- 6.50 Considering the above capital expenditure schedule for FY 2025-26, the Petitioner has projected revised CWIP and creation of GFA for FY25-26.

Table 76: Estimated Scheme wise capital investment (in Rs Crore) as submitted by the Petitioner.

Scheme	Estimated for FY 2025-26
Revamped Distribution Sector Scheme (RDSS)	1409.00
<i>Loss Reduction</i>	1400.00
<i>PMA</i>	9.00
Annual Development Plan (ADP)	449.77
Mukya Mantri Ujjwal Jharkhand Yojana	500.00
Jharkhand Power System Improvement Project (JPSIP)	182.59
<i>Smart Metering Dhanbad</i>	
<i>IT Hardware and software Upgradation</i>	
<i>Software for Power Management</i>	
<i>IT Project Management</i>	
<i>Business Process Upgradation</i>	
<i>Upgradation of Training Centre</i>	
<i>Energy Accounting (Ranchi and Jamshedpur)</i>	
Smart metering Dhanbad	47.34
PVTG (Particularly Vulnerable Tribal Group)	75.12
Total	2664

- 6.51 On Considering the above Capital Expenditure for FY 2025-26, the



Petitioner has projected the Revised CWIP and creation of GFA as submitted below:

Table 77: Actual Capital work in progress (Rs. Crore) as submitted by Petitioner

Particulars	ARR	Petition
Opening CWIP (A)	471.15	790.73
Capex during the year (B)=(D)-(A)+(C)	740.04	2,821.55
Transfer to GFA (C)	654.54	1,816.16
Closing CWIP (D)	556.65	1,796.12

6.52 Further, the Petitioner claimed the CCG funding for FY 2025-26, based on the closing CCG funding of FY 2025-26, which is provided in the Table below:

Table 78: Consumer Contribution and Govt. grant as submitted by the Petitioner

Particulars	As per ARR approved FY 25-26	Petition
Opening CCG	13981.33	13075.81
addition: Govt Grant	764.07	875.45
addition: Cons Contribution	35.42	157.73
Closing CCG	14780.82	14108.99

Commission Analysis

6.53 The Commission has observed that the Petitioner claimed Rs. 2821.55 Cr as capital expenditure during the year FY 2025-26 under various heads as described above. This is further observed that the said Capex is inclusive of Govt. Grant of Rs. 875.45 Cr and Consumer Contribution as Rs. 157.73 Cr. On scrutinizing and analyzing the material on record and on prudent check, the Commission, in the instant order, approves the capital expenditure amounting to Rs. 2814.63 Cr, which includes the approved Govt grant of Rs. 875.45 Cr (same as claimed by the Petitioner) as well as Rs. 150.81 Cr. Consumer Contribution (equal to true-up value for FY 2024-25) subject to true up.

6.54 The Commission approves the capitalization for FY 2025-26 based on the actual capitalization during FY 2024-25, as a percentage of the Opening CWIP and Capital Expenses incurred during FY 2024-25 (which comes out to be 50.28%) and multiplying the same by the sum of Opening CWIP and Capex approved during FY 2025-26.



Table 79: Capital work in progress (Rs. Crore) as approved by the Commission

Particulars	ARR	Petition	Approved
Opening CWIP (A)	471.15	790.73	790.73
Capex during the year (B)=(D)-(A)+(C)	740.04	2821.55	2814.63
Transfer to GFA (or Capitalization) (C)	654.54	1816.16	1812.68
Closing CWIP (D)	556.65	1796.12	1792.69

Table 80: Estimated capitalization (Rs. Crore) as approved by the Commission

Particulars	ARR	Petition	Approved
Opening GFA	22950.92	23223.66	23196.46
GFA Addition	654.54	1816.16	1812.68
Closing GFA	23605.46	25039.82	25009.13

Table 81: Consumer Contribution and Govt. Grant (Rs. Crore) as approved by the Commission.

Particulars	ARR	Petition	Approved
Consumer Contribution Grants opening	13981.33	13075.81	14189.50
Addition: Government Grants	764.07	875.45	875.45
Addition: Consumer Contribution	35.42	157.73	150.81
Closing consumer contribution Grants	14780.82	14108.99	15215.76

- 6.55 The Commission has estimated the closing balance of CWIP, GFA and consumer contribution & grants of FY 2024-25 as the opening values for FY 2025-26.
- 6.56 Further, the Commission has adopted the approach for calculation of Normative Loan and Equity as done earlier in this order. For estimating the sources of finance required to fund the closing GFA, the Commission has reduced the GFA by the CCG available with the Petitioner.
- 6.57 For funding of the above mentioned GFA, the Commission has considered the normative debt-equity ratio of 70:30 as provided in Distribution Tariff Regulations, 2020. Moreover, consumer contribution grants and subsidies for capital assets are first netted off from gross fixed assets and the normative debt-equity ratio is applied on the remaining gross fixed assets only.
- 6.58 In line with the aforesaid discussion, the Commission approves the admissible GFA, CCG, debt-equity as given below:



Table 82: Source of funding of GFA (Rs. Crore) as approved by the Commission.

Particulars	ARR	Petition	Approved
CCG towards CWIP	281.25	430.55	467.75
CCG towards GFA	13700.08	12645.26	13721.74
Opening GFA (less CCG)	9250.83	10578.40	9474.71
GFA Addition (less CCG)	-85.67	1296.74	1336.39
Closing GFA less CCG	9165.16	11875.14	10811.11
Accumulated Depreciation	7468.22	8740.93	7514.98
Acc. Dep. towards GFA	2899.64	4145.39	3248.62
Normative Loan (Closing)	3515.97	4167.21	4319.15
Normative Equity (Closing)	2749.55	3562.54	3243.33

Operation and Maintenance Expenses

Petitioner's Submission

- 6.59 The Petitioner has submitted that the Operation and Maintenance Expenses (O&M expenses) comprises of Employee Expenses, Repair & Maintenance Expenses and Administrative & General Expenses.
- 6.60 The Petitioner has calculated the employee cost for FY 2025-26 by escalating the employee cost of FY 2024-25 as submitted above in Chapter for audited True-Up for FY 2024-25 by the inflation factor of 3.69 % and the methodology provided under Clause 10.6 (b) and (c) of JSERC MYT Regulations, 2020. For terminal benefits, Rs 135.96 Cr is provisioned for the FY 2025-26.

Table 83: Employee cost (Rs Crore) as submitted by the Petitioner.

Particulars	ARR	Petition
Employee Expenses	281.57	286.48
Terminal Expenses	0	135.96
Total Employee Expenses	281.57	422.44

- 6.61 In line with the Clause 10.6 (b) and (c) of JSERC MYT Regulations 2020, the A&G expenses for FY 2025-26 has been calculated by escalating A&G expense of FY 2024-25 by inflation factor of 3.69%.



Table 84: A&G Expense (Rs Crore) as submitted by the Petitioner.

Particulars	ARR	Petition
A&G Expenses	127.45	124.37

6.62 In line with the Regulation 10.6 (a) of JSERC MYT Regulations 2020, the R&M expenses for FY 2025-26 have been estimated by applying K-factor of 2.02% computed based on audited account data of FY 2024-25. Further the Petitioner has considered Indexation Factor of 3.69 % as per Regulation 10.6 (a) of JSERC MYT Regulations 2020 for projecting Repair & Maintenance Expenditure in next Control Period.

Table 85: R&M Expenses (Rs Crore) as submitted by the Petitioner

Particulars	ARR	Petition
R&M Expenses	371.76	468.84

Commission Analysis

6.63 The Commission has outlined **clause 10.3 to clause 10.7** of JSERC Distribution Tariff Regulations, 2020 in the True-up chapter of this order for the approval of operation and maintenance expense.

6.64 Based on the above, the Commission had calculated the inflation factor as 2.13 % for FY 2025-26.

6.65 Further, the Commission observed that the Petitioner has submitted the Growth factor as (0%). Hence, based on the regulation, the Commission has considered the growth factor as nil for Computation of employee expenses.

6.66 Based on the facts & circumstances of the petition, the Commission approves the normative employee expenses for FY 2025-26 by taking the actual value of inflation factor (2.13 %) and growth factor (0%).

Table 86: Normative Employee Expenses (Rs Crore) as approved by the Commission

Particulars	UoM	Approved
Normative Employee Cost of Previous Year	Rs. Cr.	259.20
Inflation Factor	%	2.13%
Growth Factor	%	-
Normative Employee Expenses	Rs. Cr.	264.71

6.67 The Commission approves the normative A&G Expenses for FY 2025-26, based on the approved normative A&G Expenses for FY 2024-25 and actual inflation factor as 2.13%.



Table 87: Normative A&G Expenses (Rs Crore) as approved by the Commission.

Particulars	UoM	Approved
Normative A&G previous year	Rs. Cr.	117.33
Inflation Factor	%	2.13%
Normative A&G Expenses	Rs. Cr.	119.82

6.68 For the purpose of estimating the normative R&M Expenses, the Commission has taken the approved opening value of Gross Fixed Assets for FY 2025-26 and by multiplying the 'k' factor of 1.22% as approved in the MYT Order dated May 31, 2023 and inflation factor of 2.13%.

Table 88: Normative R&M Expenses (Rs Crore) as approved by the Commission.

Particulars	UoM	Approved
GFA	Rs. Cr.	23196.46
K-Factor	%	1.22%
Inflation Factor	%	2.13%
Normative R&M Expense	Rs. Cr.	353.25

6.69 In accordance with **clause 10.6 (note 3)** of the Distribution Tariff Regulation, 2020, the Commission doesn't approve the terminal liabilities for FY 2025-26 in the instant order, and will be approved at the time of True-up, as per audited account, subject to prudent check.

6.70 Based on the above discussion, the Commission approves the normative operational and maintenance expense as given below.

Table 89: Normative O&M Expenses (Rs Crore) as approved by the Commission.

Particulars	Petitioner	Approved
Normative Employee Expense	286.48	264.71
Terminal Liabilities	135.96	0.00
Normative A&G Expenses	124.37	119.82
Normative R&M Expenses	468.84	353.25
Net Normative Operation & Maintenance Expenses	1015.66	737.78

Depreciation

Petitioner's Submission

6.71 The Petitioner has estimated the Depreciation for FY 2025-26 in line with the approach adopted in audited true-up for FY 2024-25.



6.72 The Petitioner has first arrived at the opening and closing GFA, created out of D&E, by deducting the CC&G portion deployed towards opening and closing GFA. The Petitioner has calculated the same depreciation rate (4.39 %) as of FY 2024-25 for projection as per Regulation 10.39 of JSERC Distribution Tariff Regulations, 2020 to arrive at the total depreciation. Regulation 10.39 of JSERC Distribution Tariff Regulations, 2020 states that

“10.39 The Commission may, in the absence of the Fixed Assets Register, calculate Depreciation (%) arrived by dividing the Depreciation and the Average Gross Fixed Assets as per the latest available Audited Accounts of the Distribution Licensee. The Depreciation (%) so arrived shall be multiplied by the Average GFA approved by the Commission for the relevant Financial Year to arrive at the Depreciation for that Financial Year.”

6.73 The depreciation claimed by the Petitioner is tabulated as follows:

Table 90: Depreciation (Rs. Crore) as submitted by the Petitioner

Particulars	ARR	Petition
Opening GFA (Less CCG) (Rs. Cr.)	9250.83	10,578.40
Closing GFA (Less CCG) (Rs. Cr.)	9165.16	11,875.14
Average GFA excluding Consumer Contributions and Grants (Rs. Cr.)	9208	11,226.77
Depreciation Rate (%)	4.38%	4.39%
Depreciation Cost (Rs. Cr.)	403.77	492.66

Commission Analysis

6.74 In accordance with **clause 10.34 to clause 10.40** of Distribution Tariff Regulations, 2020, depreciation shall not be allowed on assets funded by consumer contribution and capital subsidies/grants. Excluding the consumer contribution deployed towards GFA as approved in this Order, the Commission has determined the depreciation on the GFA created out of debt and equity for FY 2025-26. The rate of depreciation has been considered at 4.39%, same as approved in true-up of FY 2024-25. The Commission has calculated the Depreciation on average GFA (less Average CCG) as per the Distribution Tariff Regulations, 2020. Accordingly, the Commission approves the depreciation for FY 2025-26 as summarized below.



Table 91: Depreciation (Rs Crore) as approved by the Commission.

Particulars	Approved
Opening GFA (Less CCG) (Rs. Cr.)	9474.71
Closing GFA (Less CCG) (Rs. Cr.)	10811.11
Average GFA excluding CCG (Rs. Cr.)	10142.91
Depreciation Rate (%)	4.39%
Depreciation Cost (Rs. Cr.)	445.21

Interest on Loan

Petitioner's Submission

- 6.75 The opening debt for FY 2025-26 has been considered equal to closing value of FY 2024-25 as submitted above in chapter regarding audited True-up for FY 2024-25.
- 6.76 Closing debt for FY 2025-26 has been calculated in line with the Regulation 10.22 of the JSERC Tariff Regulations, 2020.
- 6.77 As per the Regulation 10.23 of the JSERC Tariff Regulations, 2020 repayment of loan for FY 2025-26 has been considered equal to Depreciation as calculated above.
- 6.78 Further, the rate of interest on long-term loan has been considered as per the JSERC Distribution Tariff Regulations, 2020. Clause no 10.26 of the JSERC Distribution Tariff Regulations, 2020 states that

“10.26 The rate of interest shall be the weighted average rate of interest calculated on basis of the actual loan portfolio at the beginning of each year applicable to the Licensee: Provided that if there is no actual loan for a particular year but normative loan is still outstanding, then the rate of interest shall be considered on normative basis and shall be equal to the Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points”

- 6.79 Further, the rate of interest on long-term loan on the loan portfolio for the FY25-26 is calculated. Interest on long term loan is provided in the Table below:

Table 92: Interest on Loan and Bank Charge (Rs. Crore) as submitted by the Petitioner.

Particulars	ARR	Petition
Opening Balance	3628.11	3,647.79
Deemed Addition during the year	291.63	1,012.08

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Particulars	ARR	Petition
Deemed Repayments during the year	403.77	492.66
Closing Balance	3515.97	4,167.21
Average balance during the Year	3572.04	3,907.50
Interest Rate	10.50%	10.20%
Interest on Loan	375.06	398.56

Commission's Analysis

- 6.80 The Commission has considered '**clause 10.16, clause 10.17, clause 10.21 to clause 10.29**' of JSERC Distribution Tariff Regulations 2020 earlier in this order for the approval of interest on loan and finance charge.
- 6.81 In accordance with '**clause 10.16 and clause 10.17**' as mentioned above, the Commission has calculated the loan considering the debt-equity ratio. The loan arrived at in this manner is considered as gross normative loan for calculation of interest on loan.
- 6.82 In accordance with '**clause 10.23**', the Commission approves the debt repayment equal to depreciation for the same financial year. The Commission also observes that the Petitioner has claimed a Bank and Finance Charge of Rs. 4.46 Cr. which has been negated by the Commission in the current order as there is no provision for allowing Bank and Finance charges in JSERC Distribution Tariff Regulations 2020.
- 6.83 The Commission has observed that the Petitioner has considered the interest rate of loan as 10.20% based on its actual loan portfolio, which is approved by the Commission in the instant order subject to true-up based on actuals.
- 6.84 In accordance with '**clause 10.28**' as mentioned above, the Commission has excluded interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee as given below:

Table 93: Interest on Loan (in Rs Crore) and Bank & Finance Charge (Rs. Crore) as approved by the Commission.

Particulars	ARR	Petition	Approved
Opening Balance	3628.11	3647.79	3744.61
Deemed Addition during the year	291.63	1012.08	1019.75



Particulars	ARR	Petition	Approved
Deemed Repayments during the year	403.77	492.66	445.21
Closing Balance	3515.97	4167.21	4319.15
Average balance during the Year	3572.04	3907.50	4031.88
Interest Rate	10.50%	10.20%	10.20%
Interest Expense	375.06	398.56	411.25

Interest on Consumer Security Deposits

Petitioner's Submission

- 6.85 To estimate the interest on consumer security deposit for FY 2025-26, the Petitioner has assumed an escalation of 5% over the accumulated consumer security of FY 2024-25 as per audited accounts.
- 6.86 Further, the applicable interest rate as per JSERC Supply Code Regulations, 2020 has been applied to estimate the Interest on consumer deposit for FY 2025-26. The interest rate considered is the SBI Base Rate prevailing (10.25%) as claimed in the MYT petition. Interest on Consumer Security Deposit computed for FY 2025-26 is as under:

Table 94: Interest on CSD (Rs Crore) as submitted by the Petitioner.

Particulars	Petition
Opening IoCSD	1545.75
Interest Rate	10.25%
Interest on CSD	158.44

Commission's Analysis

- 6.87 The Commission has outlined the '**clause 10.33**' of JSERC Distribution Tariff Regulations 2020 earlier in this order for approval of interest on consumer security deposit.
- 6.88 The Commission has observed that the Petitioner in the instant petition has claimed interest on Consumer Security Deposit to the tune of Rs 158.44 crore.
- 6.89 In this regard, reliance is placed on the actual security deposit paid by the Petitioner during the FY 2024-25. From the Audited Accounts of FY 2024-25, it could be observed that Petitioner is not discharging Interest on Consumer Security Deposit to the consumers. The consumer's security deposit details are provided at '**Note 16**' of the Audited Financial



Statements. The interest payable on Consumer Security Deposit as on 31.03.2025 is Rs. 764.34 Crores and that as on 31.03.2024 is Rs. 661.64 Crores. Further, the addition to Interest accrued on Security Deposit during the FY 2024-25 is Rs. 145.25 Crores (ref **'Note 29'** of the Audited Accounts). However, this is observed that as per **'Note 16'** (point ii) of the audited account the Petitioner has only adjusted/credited interest of 42.55 Cr. to the consumer ledgers during the year FY 2024-25. Accordingly, the Commission has considered the interest on security deposit for FY 2025-26 equal to FY 2024-25 as shown below:

Table 95: Interest on CSD (Rs. Crore) as approved by the Commission

Particulars	Approved
Opening value of interest on Consumer Security Deposit	661.64
Interest on Consumer Security Deposit Addition	145.25
Closing value of interest on Consumer Security Deposit	764.34
Interest on Consumer Security Deposit	42.55

Return on Equity

Petitioner's Submission

- 6.90 The Petitioner has considered the opening balance of normative equity for FY 2025-26 as per the closing balance for the FY 2024-25 as submitted above in chapter regarding True-up for FY 2024-25.
- 6.91 Closing equity for FY 2025-26 has been calculated using normative debt equity ratio (70:30) as per the provisions of Regulation 10.16 of JSERC Distribution Tariff Regulations, 2020.
- 6.92 Further, the rate of Return on Equity (RoE) is considered to be 14.50% as per the provisions of Regulation 10.19 of JSERC Distribution Tariff Regulations, 2020 as per the table below.

Table 96: Return on Equity (Rs Crore) as submitted by the Petitioner.

Particulars	ARR	Petition
Opening Equity (Normative)	2775.25	3173.52
Equity Addition (Normative)	-25.7	389.02
Closing Equity (Normative)	2749.55	3562.54
Average Equity	2762.4	3368.03
Rate of Return	14.50%	14.50%
Return on Equity	400.55	488.36



Commission's Analysis

- 6.93 On consideration of the Distribution Tariff Regulations, 2020, the Commission approves Opening Equity base for FY 2025-26 as the Closing Equity base of FY 2024-25. Further, the Commission approves normative Equity addition during the financial years as 30% of the approved capitalization after deducting assets funded out of Consumer Contribution received.
- 6.94 In accordance with '**clause 10.19**' of the Distribution Tariff Regulations, 2020, the Commission approves the rate of return of 14.50% on equity.

Table 97: Return on Equity (Rs Crore) as approved by the Commission.

Particulars	ARR	Petition	Approved
Opening Equity (Normative)	2775.25	3173.52	2842.41
Equity Addition	-25.70	389.02	400.92
Closing Equity (Normative)	2749.55	3562.54	3243.33
Average Equity	2762.40	3368.03	3042.87
Rate of Return	14.50%	14.50%	14.50%
Return on Equity	400.55	488.36	441.22

Interest on Working Capital

Petitioner's Submission

- 6.95 The Petitioner has estimated the working capital requirement for FY 2025-26 in line with the Regulation 10.29 and 10.30 of the JSERC Tariff Regulations, 2020. However, the Petitioner has requests the Commission to have provisions for Fuel and Power Purchase Cost Adjustment (FPPCA) and power purchase in future regulations so that the liquidity fund management issue of the Petitioner can be addressed fairly. The details of the same has been highlighted in the true up petition.
- 6.96 For the FY 2025-26, rate of IoWC has been considered to be equal to the SBI MCLR (for 1-year period) prevailing as on 1 April, 2024 plus 350 Basis Points as per Regulation 10.31 of the JSERC Distribution Tariff Regulations, 2020 as per the table below.

Table 98: Interest on Working Capital (Rs Crore) as submitted by the Petitioner.

Particulars	ARR	Petition
Maintenance Spares (@1% GFA)	92.51	232.24

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Particulars	ARR	Petition
2 months' Receivables	1496.75	1901.85
Less: 1 month Power Purchase Cost	625.62	654.63
Less: Consumer Security Deposit	1144.8	1545.75
Total Working Capital requirement	-181.16	0.00
Interest rate on WC	12.00%	11.45%
Interest on Working Capital	-21.74	0.00

Commission's Analysis

6.97 Considering the '**clause 10.31 & clause 10.32**' of JSERC Distribution Tariff Regulations 2020 for the approval of Interest on Working Capital, the Commission has computed the interest on working capital for FY 2025-26 as summarized below:

Table 99: Interest on Working Capital (in Rs. Crore) as approved by the Commission.

Particulars	Approved
Maintenance Spares (@1% GFA)	94.75
2 months' Receivables	1376.87
Less: 1 month Power Purchase Cost	554.13
Less: Consumer Security Deposit	1472.15
Total Working Capital requirement	-554.66
Interest rate on WC	12.15%
Interest on Working Capital	-67.39

6.98 The Commission observes that based on computation, the interest on working capital comes out to be negative. Hence, based on the details for working capital as mentioned in the true-up chapter of this order, the Commission is considering **Nil** interest on working capital for FY 2025-26, subject to final values at the time of true up.

Non-Tariff Income (NTI)

Petitioner's Submission

6.99 The Non-Tariff Income (Other Income) of JBVNL for FY 2025-26 has been calculated taking the factors considered for NTI as per distribution tariff regulations 2020.



- 6.100 It is also pertinent to note that receipt from consumer for capital works should not be included as part of NTI as this an expense towards asset creation and already amortized in GFA on which depreciation is calculated. For accounting purpose, this has been shown in other income in audited account for balancing purpose only. Considering this as part of NTI would result in double accounting. Hence, it is requested to exclude it from the NTI.
- 6.101 Also, in accordance with the regulations issued by other SERCs and model regulations by the FOR, DPS income from consumers should not be a part of the NTI for DISCOMS and LPS paid to Gencos/Transcos is recognized as an expense in the ARR which is not the case in Jharkhand. Hence, it is requested to treat these parameters accordingly. Rebate on power purchase is considered a part of power procurement cost and hence, not considered in NTI. Also, JBVNL do not foresee any interest on advance to supplier or contractor, hence not included any income towards this as part of NTI.

Table 100: Non-Tariff Income (Rs Crore) as submitted by the Petitioner.

Particulars	ARR	Petition
Interest Income from Investment in Fixed Deposits	53.44	17.35
D.P.S from Consumer	403.52	0
Interest on advance to Supplier/Contractor	0.00	0
Interest from Bank (Other than FD)	24.44	12.14
Income from Staff Welfare activities	0.00	0
Supervision Charges	7.84	10.68
Miscellaneous Receipt	16.22	21.56
Rebate on power purchase	0	0
Transformer Rent	6.18	7.16
Wheeling Charges / Fuel surcharge/outside sale	0.00	0
Receipt from Consumers for capital works	0.00	0
Sale of scrap	0.00	0
Total NTI	511.64	68.90

Commission's Analysis

- 6.102 The Commission has outlined the 'clause 10.53 & clause 10.54' of JSERC Distribution Tariff Regulations 2020 earlier in true-up chapter for the approval of Non-Tariff Income.



- 6.103 Based on the above, the Commission has observed that the Petitioner's approach for excluding Delayed payment surcharge and rebate on power purchase from NTI is inappropriate and non-maintainable.
- 6.104 Accordingly, on prudent check the Commission approves the NTI as per above outlined regulation as shown below.

Table 101: Non-Tariff Income (Rs Crore) as approved by the Commission

Particulars	Approved in True Up	Petition	Approved
Interest Income from Investment in Fixed Deposits	17.35	17.35	17.35
D.P.S from Consumer	391.54	0	391.54
Interest from Bank (Other than FD)	12.14	12.14	12.14
Supervision Charges	10.68	10.68	10.68
Miscellaneous Receipt	21.56	21.56	21.56
Transformer Rent	7.16	7.16	7.16
Miscellaneous Charges from Consumers	0.0047	0	0.0047
Sale of Scrap	5.97	0	5.97
Total NTI	466.41	68.90	466.41

- 6.105 This is to be noted that the value of 'DPS from Consumers' for FY 2025-26 has been considered at the same level as reflected in the audited accounts (Note 25) for FY 2024-25, subject to true-up based on actuals.

Disallowances on account of Excessive AT&C Losses

Petitioner Submission

- 6.106 The Petitioner would like to further reiterate that several administrative measures has been undertaken to curb the AT&C losses along with the technical measures such as smart meter implementation, focusing on billing efficiency and collection efficiency improvement. It is submitted that the Commission has approved 99% collection efficiency for FY 2025-26, which is on extremely higher side and even the most efficient State utilities in the country are not able to achieve it.
- 6.107 In order to reduce the losses JBVNL has implemented Feeder Metering and is in the process of ensuring complete metering of DTs and convert ~18.5 lacs smart meter prepaid Consumers to enable energy auditing through different central and state funded schemes. Further, Petitioner is also taking other measures like Name and Shame Campaign, preparation of MIS for performance monitoring and management, Feeder



Improvement Program for network strengthening, Physical segregation of feeders, Installation of AMR meters, providing electricity access to unconnected households, Implementation of ERP systems, Installation of AB Cables, Feeder Segregation, Revenue Intelligence Cell Formation, etc. Moreover, to enhance the collection efficiency, consumers are facilitated with multiple collection avenues such as Mobile App (JBVNL Consumer self-care), online bill payment through JBVNL website, BBPS, E-wallet (through UM), ATP machines etc.

- 6.108 Further, JBVNL has migrated to a centralized Android based mobile photo spot billing (with collection facility) platform, having complete control over consumer billing database. In order to ensure 100% billing coverage, certain number of consumers have been assigned to each Urja Mitra, that also acts as a JBVNL Touch-point for billing, collection and various other consumer services. In cases where the performance of Billing agency is not up to the benchmark, JBVNL General Manager (Revenue) is empowered to depute new billing agencies from Empaneled Billing vender. The centralized billing database and software tool has dedicated dashboards for JBVNL, agencies and UMs, for real-time progress and performance monitoring and enhancing billing and collection. To improve the billing coverage, JBVNL has recently introduced for a system for Urja Mitras where there is system of awards and penalties for best and worst performing Urja Mitras.
- 6.109 The Petitioner is prone to difficulties of T&D losses and collection inefficiencies due to difficult terrains and large rural consumers with limited paying capacity, in overall consumer mix. Further, under Universal Supply Obligation (USO), the Petitioner is obliged to provide quality power without any interruption or reduction in power supply in areas with poor collection efficiencies. Also, the line lengths of 11kV feeders are more as compared to 33kV lines resulting higher line loss in the system.
- 6.110 However, the Petitioner is committed to align its AT&C loss target with the RDSS trajectory approved from the Ministry of power and is progressing towards implementation of various schemes under RDSS.

Commission Analysis

- 6.111 The Commission is of the view that it had already set targets for the Collection efficiency in Section “**Targets for Distribution Losses and Collection Efficiency**” of the Distribution Tariff Regulations, 2020 and as such the submission of the Petitioner regarding sudden change seems to be out of order. The Commission thus directs the Petitioner to abide by the targets set by the Commission and any provision for lower collection efficiency will not be allowed.



6.112 Accordingly, the additional power purchase cost incurred due to higher Distribution losses, beyond the targeted level, has been disallowed and is treated as '**Disincentive for non-achievement of Distribution loss targets**' for FY 2025-26.

6.113 Based on above excerpt, the Commission, recognizing its responsibility to ensure fair and efficient energy pricing, has incorporated the power purchase costs for must-run power plants into tariffs. Nonetheless, in exercising judicious scrutiny, the Commission has prudently intervened to disallow excessive energy sale, corresponding power purchase costs associated specifically with thermal power plants exhibiting high ECR (Energy Charge Rate) and respective transmission charge on pro-rated basis. Additionally, the Commission also disallows the corresponding transmission charge on pro-rata basis as tabulated below:

Table 102: Disallowance Distribution Loss (Rs Crore) as approved by the Commission

Generating Station	Annotation	Total Unit disallow (MU)	Rate (in Rs)	Disallow Cost
Barh I	A	598.64	5.61	335.95
Barh II	B	152.54	5.64	86.05
Kanti Power	C	106.80	5.44	58.09
Khalagaon II	D	75.99	5.44	41.3718
Total	E= (A+B+C+D)	933.96		1834.20
KTPS (OA)	F	2496.66	5.17	1291.88
Standby Power	G	40.28	5.18	20.8578
Net total Disallow	H=E+F+G	3470.89		1834.20

Revenue

Petitioner's Submission

6.114 The Petitioner has estimated the revenue from sale of Power at existing tariff to be Rs. 92200.69 Crore for FY 2025-26 towards electricity sales.

Commission's Analysis

6.115 The Commission has provisionally approved the Revenue from sale of power as per the Petitioner's submission, subject to actual values at the time of true up.



Table 103: Revenue (Rs Crore) as approved by the Commission.

Particulars	Petition	Approved
Revenue	9200.69	9200.69

Summary of Annual Revenue Requirement and Gap/(Surplus)

Petitioner's Submission

6.116 Based on the components of the ARR discussed in the above part, the final ARR submitted by the Petitioner for FY 2025-26 is as below:

Table 104: Summary of ARR (Rs. Crore) as submitted by the Petitioner

Particulars	APR	Petition
Total Power Purchase Expense	7262.20	8921.83
<i>Power Purchase Expense</i>	6555.10	7855.53
<i>Intrastate transmission charges</i>	358.82	543.58
<i>Interstate transmission Charge</i>	348.28	522.73
Operations and Maintenance Expenses	780.78	1015.66
<i>Employee Expense</i>	281.57	286.48
<i>Administration & General Expense</i>	0.00	135.96
<i>Repair & Maintenance Expense</i>	127.45	124.37
<i>Terminal Liability</i>	371.76	468.84
Depreciation	434.40	492.66
Interest on Long Term Loan	400.55	488.36
Interest on Working Capital Loan	375.06	398.56
Interest on Consumer Security Deposit	25.78	158.44
Bank/ Finance Charges	-21.74	0.00
Return on Equity Capital		4.46
Total Expenditure	9257.03	11479.98
<i>Less: Non-Tariff Income</i>	511.64	68.90
Net: Aggregate Revenue Requirement	8745.39	11411.08
Annual Revenue Requirement		11411.08
<i>Total Revenue</i>		9200.69
Net Gap/(Surplus)		2210.39



Commission's Analysis

6.117 On consideration of the submission and details furnished by the Petitioner, the Commission approves the ARR and Gap/(Surplus) for FY 2025-26 which is summarized below.

Table 105: Summary of ARR (Rs Crore) as approved by the Commission.

Particulars	Petition	Approved
Total Power Purchase Expense	8921.83	6649.61
<i>Power Purchase Expense</i>	7855.53	7417.51
<i>Less: Disallowance due to excess Distribution Loss</i>	0.00	1834.20
<i>Intrastate transmission charges</i>	543.58	543.58
<i>Interstate transmission Charge</i>	522.73	522.73
Operations and Maintenance Expenses	1015.66	737.78
<i>Employee Expense</i>	286.48	264.71
<i>Terminal Liability</i>	135.96	0.00
<i>Administration & General Expense</i>	124.37	119.82
<i>Repair & Maintenance Expense</i>	468.84	353.25
Depreciation	492.66	445.21
Return on Equity	488.36	441.22
Interest on Long Term Loan	398.56	411.25
Interest on Consumer Security Deposit	158.44	42.55
Interest on Working Capital Loan	0.00	0.00
Bank & Finance Charge	4.46	-
Total Expenses	11479.98	8727.62
<i>Less: Non-Tariff Income</i>	68.90	466.41
Add: Provision for Doubtful Debt		
ARR after NTI	11411.08	8261.21
Less Penalties		0.00
ARR Recoverable	11411.08	8261.21
Revenue from Sales of power at existing tariff	9200.69	9200.69
Gap/(Surplus) at Existing Tariff	2210.39	(939.48)



6.118 The Commission has approved the treatment of the Gap/(Surplus) at existing tariff in **Chapter 9** of this Order.



Chapter 7: APPROVAL OF BUSINESS PLAN FOR CONTROL PERIOD FROM FY 2026-27 TO FY 2030-31



Chapter 7: APPROVAL OF BUSINESS PLAN FOR CONTROL PERIOD FROM FY 2026-27 TO FY 2030-31

7.1 The Petitioner is required to file the Business Plan for approval before the Commission as per Clause 6.9, Clause 6.10 and Clause 6.11 of Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025. The relevant Clauses are reproduced below:

“Business Plan

6.9 *Each Licensee shall file for the Commission’s approval a Business Plan approved by an authorized signatory, as per the timelines specified in **Section A 24** of these Regulations.*

6.10 *The Business Plan shall be filed separately for the Retail Supply and Wheeling Business. As specified in Clause 6.7 of these Regulations, in the absence of segregated accounts for the two Businesses, the Licensee shall prepare an allocation statement and submit the same with the Business Plan.*

6.11 *The Business Plan shall be for the entire Control Period and shall inter-alia contain:*

a) **Capital Investment Plan** for the entire Control Period commensurate with load growth, distribution loss reduction trajectory and quality improvement measures proposed in the Business Plan. The Capital Investment Plan should also include corresponding capitalisation schedule and financing plan;

The Distribution Licensee shall also submit scheme-wise capital structure and cost of financing (interest on debt) and return on equity, Grant, Deposit Works along with terms of the existing loan agreements, etc., as a part of Capital Investment Plan;

b) **Sales/Demand Forecast** for each consumer category and sub-categories for each year of the Control Period;

c) **Power Procurement Plan** based on the sales forecast and distribution loss trajectory for each year of the Control Period. The Power Procurement Plan shall also include energy efficiency, RPO fulfilment, and demand side management measures;

d) A set of targets proposed for other controllable items such as **distribution losses, collection efficiency, working capital requirement, quality of supply targets** (viz., SAIFI, SAIDI and



MAIFI as per the JSERC (Distribution Licensees' Standards of Performance) Regulations, 2015, and subsequent amendments), etc. The targets shall be consistent with the capital investment plan proposed by the Licensee;

- e) **Human Resource Plan** with manpower planning including details of the estimated year wise manpower addition and retirements for the Control Period to meet the growth in demand/consumers;
- f) **Proposals** for Non-Tariff Income with item-wise description and details;
- g) **Proposals** in respect of income from Other Business; and

Business Plan shall also contain the requisite information for the preceding Control Period:

Provided that requisite information for the preceding Control Period shall include year-wise audited data on Scheme-wise capital investment, distribution loss trajectory, quality improvement measures undertaken, category-wise number of consumers, connected load and sales, source-wise power procurement quantum and cost, Employee, R&M and A&G Expenses along with detailed break up and any other information used for preparing projections of various performance parameters and other components during the Control Period. In case of a new Licensee, such information is required to be submitted for the period of operations up to the start of the Control Period.”

- 7.2 The Petitioner has submitted that the proposed Business Plan contains all the requisite information for the preceding Control Period. This requisite information shall include year-wise audited data on Scheme-wise capital investment, distribution loss trajectory, quality improvement measures undertaken, category-wise number of consumers, connected load and sales, source-wise power procurement quantum and cost, Employee, R&M and A&G Expenses along with detailed break up and any other information used for preparing projections of various performance parameters and other components during the Control Period
- 7.3 In accordance to the above said Regulations and based on the available data from the last control period (i.e) from the FY 2021-22 to FY 2025-26, the Petitioner has filed the Business Plan for the Control Period from FY 2026-27 to FY 2030-31 for approval before the Commission on December 1, 2025.
- 7.4 The Petitioner has further submitted that as the accounts are not



segregated for the wheeling and retailing businesses, JBVNL has prepared an allocation plan and submitted the same with this business plan.

- 7.5 The Business Plan submitted by the Petitioner before the Commission can broadly be classified into four heads as mentioned below for the Control Period from FY 2026-27 to FY 2030-31:
- a) Demand and Sales Forecast;
 - b) Power Purchase Plan;
 - c) Capital Investment Plan;
 - d) Human Resource Plan.
- 7.6 The Commission has approved the Business Plan for the Control Period from FY 2026-27 to FY 2030-31, in line with the relevant Regulations specified above.
- 7.7 The component-wise description of the Petitioner's submission and the Commission's analysis thereof is provided hereunder.

Demand and Sale Forecast

Petitioner's Submission

- 7.8 The Petitioner submitted that it has projected the Sub-Category wise sales and consumer growth for the next control period based on the historical figures considered from FY 2020-21 to FY 2024-25 and the figures up to September 2026. The Compound Annual Growth Rates (CAGR) of last 6 years is calculated to know the trend of consumer growth in each category and sub category of consumers. However, the Petitioner submits that CAGR figures for consideration of future consumers need to be carefully studied based on various parameters such as electrification of consumers, coverage, earlier schemes, consumer shifting to other licensees such as DVC, growth of industrial and commercial category of consumers and urbanization. So, while CAGR is calculated to find out general trend, the consumer projection has been done on the basis of a mix of CAGR and the survey opinion from the field from the executives of field offices for JBVNL.
- 7.9 The Petitioner submitted that the assessment of field officers is considered as they are best positioned to judge the increment of consumers in their area given the geographical location, hilly terrains, industrial and commercial nature and shifting of consumers from one place to another. A judgement based approach is considered while projective the future consumer base of JBVNL.



- 7.10 Further, it was submitted by the Petitioner that in the past years, the number of domestic category consumers have not increased significantly as connections have already saturated due to various schemes and achievement of full electrification. The incremental numbers will only be coming from new connections from newly developed construction.
- 7.11 Furthermore, the Petitioner submitted that the EV category consumers are one additional category of consumers added to the list as per the projection of consumers. As the penetration of EV consumers (both 2 wheelers and 4 wheelers) are increasing day by day, a special category of consumers are added to the list. At the first stage, it is envisaged that OMC (Oil Marketing companies) will be creating the charging infrastructure at their existing petrol pumps and would be charging to the consumers.
- 7.12 Public EV Charging Stations (PCS) and Battery Swapping/Charging Stations are typically classified under a dedicated “EV charging” or “EVCS” tariff category, separate from domestic, commercial or industrial categories in many states including Jharkhand.
- 7.13 Private/home charging for individual EV owners is normally billed under the applicable domestic tariff slab, not under the public EV category. Central guidelines require distribution licensees to provide LT connection to EV charging stations up to a sanctioned load of about 150 kW, if a separate LT connection is applied for that EV charging station. Above this load (or where technical conditions so require), EV charging stations are connected at HT supply voltage and fall under the HT EV category. Based on the connections applied to JBVNL under that category, the projection of consumers for the next control period is done.
- 7.14 Considering the above facts, the no. of consumer, connected load and Sales as projected by the Petitioner for the Control Period are as follows:

Table 106: Number of Consumers Projection as submitted by the Petitioner for Control Period (Nos)

Categories	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Domestic	5191244	5375816	5569731	5773572	5987962
Commercial/Non Domestic	515201	566844	624438	688751	760656
Public Lighting / SS	956	1051	1157	1272	1400
Irrigation / IAS	157889	181573	208809	240130	276149
Industrial LT / LTIS	35446	40762	46877	53908	61995
Industrial HT / HTS /HTSS/ Institutional	2994	3203	3426	3665	3921

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Categories	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
EV-CS LT/HT	193	195	197	199	201
Total	5903923	6169444	6454634	6761498	7092284

Table 107: Connected Load Projection as submitted by the Petitioner for Control Period (kVA)

Categories	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Domestic	8195180	8549979	8903280	9276409	9670654
Commercial/Non Domestic	1827923	2046655	2292754	2571504	2887505
Public Lighting / SS	65359	71859	79045	86949	95644
Irrigation / IAS	317768	365434	420249	483286	555779
Industrial LT / LTIS	1421870	1634984	1880231	2162266	2486606
Industrial HT / HTS /HTSS/ Institutional	18,08,130	19,31,187	20,62,865	22,03,761	23,54,519
EV-CS LT/HT	12,663	12,790	12,917	13,046	13,177
Total	1,36,48,892.65	1,46,12,886.05	1,56,51,340.16	1,67,97,219.89	1,80,63,882.89

Table 108: Sales Projection as submitted by the Petitioner for Control Period (MUs)

Categories	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Domestic	7,144.88	7,472.16	7,797.26	8,141.17	8,505.12
Commercial/Non Domestic	1,584.52	1,772.24	1,983.27	2,222.12	2,492.69
Public Lighting / SS	93.47	102.76	113.04	124.34	136.78
Irrigation / IAS	97.93	151.02	173.67	199.73	229.69
Industrial LT / LTIS	437.78	559	643	740	851
Industrial HT / HTS /HTSS/ Institutional	3,081.03	3,658.75	3,885.85	4,153.66	4,440.22
EV-CS LT/HT	13.36	13.85	13.99	14.13	14.27
Total	12,452.95	13,730.11	14,610.76	15,595.31	16,669.87

Commission's Analysis

7.15 The Commission has observed that the Petitioners have relied on the actual data pertaining to FY 2020-21 to FY 2024-25 and the figures up to September 2026 for projection of number of consumers, connected load and sales for the Control Period FY 2026-27 to FY 2030-31. In order



to project number of consumers, connected load and sales for the Control Period from FY 2026-27 to FY 2030-31, the Commission has adopted the same approach and considered the historical data from FY 2021-22 to FY 2025-26. Based on the actual last five years' data, the Commission has analyzed category wise, 4 Years CAGR, 3 Years CAGR, 2 Years CAGR and Year-on-Year growth rate and compared the same with the growth rates considered by the Petitioners for projections.

7.16 Based on the above analysis, the Commission observes that the CAGR considered by the Petitioner for three consumer categories—namely Commercial/Non-Domestic, Industrial HT/HTS/HTSS, and Industrial LT/LTIS—is on the higher side. Accordingly, for projecting sales during the Control Period for these consumer categories, the Commission has considered the lowest value among the computed category-wise year-on-year CAGRs (i.e., 4-year CAGR, 3-year CAGR, and 2-year CAGR). Based on this approach, the CAGRs considered are 10.16%, 8.01%, and 3.50%, respectively.

7.17 The No. of Consumers, Connected Load and Sales approved for the control period from FY 2026-27 to FY 2030-31 by the Commission are as follows:

Table 109: Number of Consumers Projection as approved by the Commission for Control Period (Nos)

Categories	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Domestic	5191244	5375816	5569731	5773572	5987962
Commercial/Non Domestic	515201	566844	624438	688751	760656
Public Lighting / SS	956	1051	1157	1272	1400
Irrigation / IAS	157889	181573	208809	240130	276149
Industrial LT / LTIS	35446	40762	46877	53908	61995
Industrial HT / HTS /HTSS	2985	3194	3417	3656	3912
Institutional (RTS & MES)	9	9	9	9	9
EV-CS LT/HT	193	195	197	199	201
Total	5903923	6169444	6454634	6761498	7092284

Table 110: Connected Load Projection as approved by the Commission for Control Period (kVA)

Categories	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Domestic	8195180	8549979	8903280	9276409	9670654

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Categories	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Commercial/Non Domestic	1827923	2046655	2292754	2571504	2887505
Public Lighting / SS	65359	71859	79045	86949	95644
Irrigation / IAS	317768	365434	420249	483286	555779
Industrial LT / LTIS	1421870	1634984	1880231	2162266	2486606
Industrial HT / HTS /HTSS	1758062	1881119	2012797	2153693	2304451
Institutional (RTS & MES)	50068	50068	50068	50068	50068
EV-CS LT/HT	12,663	12,790	12,917	13,046	13,177
Total	1,36,48,892.65	1,46,12,886.05	1,56,51,340.16	1,67,97,219.89	1,80,63,882.89

Table 111: Sales projection as approved by the Commission for Control Period (MUs)

Categories	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Domestic	7144.88	7472.16	7797.26	8141.17	8505.12
Commercial/Non Domestic	1563.65	1745.50	1952.30	2184.77	2447.89
Public Lighting / SS	93.47	102.76	113.04	124.34	136.78
Irrigation / IAS	97.93	151.02	173.67	199.73	229.69
Industrial LT / LTIS	394.00	453.10	578.91	665.74	765.60
Industrial HT / HTS /HTSS	3055.33	3269.20	3886.70	4132.48	4421.75
Institutional (RTS & MES)	54.41	60.45	60.45	60.45	60.45
EV-CS LT/HT	13.36	13.85	13.99	14.13	14.27
Total	12417.01	13268.05	14576.33	15522.82	16581.55

Operational Parameters/Measurable Key Performance Indicators

Petitioner's Submission

- 7.18 The Petitioner has submitted that currently JBVNL has high Distribution Losses up to the level of 28% causing a huge operational and financial loss to the utility. The Petitioner has to purchase excess power to make up for the excess loss which is not allowed in power purchase cost by regulators.
- 7.19 It is submitted that, as projected, the energy requirement at the State periphery is likely to increase from 16089 MU in FY 25-26 to nearly 19603 MU in FY 30-31 and the Distribution Losses are expected to reduce from



27.23% in FY25-26 to around 15% in FY30-31, owing to the numerous measures proposed by the State utility.

- 7.20 The Petitioner has further cited various reasons such as socio-economical background of the population in Jharkhand, geographical terrain of the state, extensive low-tension lines, rampant energy theft, etc. for low billing efficiency and high AT&C Losses. Further, the Petitioner has also explained several mitigation mechanisms to overcome these challenges.
- 7.21 Further, the Petitioner in response to the first data discrepancy notes submitted the details of measurable Key Performance Indicators (KPIs) such as SAIDI, SAIFI, outage duration, supply reliability, outage duration etc, as per clause 10.19 of Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025.
- 7.22 Accordingly, the year on year targets for reducing AT&C losses, Distribution Losses, increasing collection efficiency and other KPIs as proposed by the Petitioner for the Control Period are provided in the table below.

Table 112: Targets for Distribution Losses, AT&C Losses, Collection Efficiency, Billing Efficiency and other KPIs as submitted by the Petitioner

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Distribution Losses	25.60%	21.15%	19.34%	17.24%	14.97%
Billing Efficiency	74.40%	78.85%	80.66%	82.76%	85.03%
Collection Efficiency	99.00%	99.00%	99.00%	99.00%	99.00%
AT & C Losses	26.34%	21.94%	20.15%	18.07%	15.82%
SAIFI (Rural) in Nos. /year	239	235	231	227	224
SAIDI (Rural) in Hrs. /Year	215	211	208	204	202
SAIFI (Urban) in Nos. /Year	184	180	177	174	172
SAIDI (Urban) in Hrs. /Year	177	173	170	168	165
Average Outage Duration (Hr/month) (Rural)	17.95	17.61	17.31	17.03	16.80
Average Outage Duration (Hr/month) (Urban)	14.71	14.43	14.19	13.96	13.77
Supply Reliability (%)	97.55%	97.59%	97.63%	97.67%	97.69%

Commission's Analysis

- 7.23 The Commission has observed that in 3rd MYT Control Period the

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



distribution loss target for the base year FY 2025-26 was 13%. Therefore, considering the prevailing scenario of the DISCOMs. The Commission has approved the distribution loss target of 13% on overall sales for each year of the Control Period. Further, the Petitioner shall be allowed to operate within distribution loss of 13% on overall sales for the Control Period without any incentive/penalty.

7.24 Further, the Commission approves the Collection efficiency targets for JBVNL for the Control Period as per Clause 6.39 of Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025.

7.25 Accordingly, the approved trajectory for Distribution Losses, AT&C Losses, Collection Efficiency, Billing Efficiency and other KPIs are shown in the table below.

Table 113: Approved Targets by the Commission for Distribution Losses, AT&C Losses, Collection Efficiency and Billing Efficiency for the Control Period

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Distribution Losses	13%	13%	13%	13%	13%
Billing Efficiency	74.40%	78.85%	80.66%	82.76%	85.03%
Collection Efficiency	99.00%	99.00%	99.00%	99.00%	99.00%
AT & C Losses	26.34%	21.94%	20.15%	18.07%	15.82%
SAIFI (Rural) in Nos. /year	239	235	231	227	224
SAIDI (Rural) in Hrs. /Year	215	211	208	204	202
SAIFI (Urban) in Nos. /Year	184	180	177	174	172
SAIDI (Urban) in Hrs. /Year	177	173	170	168	165
Average Outage Duration (Hr/month) (Rural)	17.95	17.61	17.31	17.03	16.80
Average Outage Duration (Hr/month) (Urban)	14.71	14.43	14.19	13.96	13.77
Supply Reliability (%)	97.55%	97.59%	97.63%	97.67%	97.69%

7.26 The Commission clarifies that the Petitioner may claim an additional Return on Equity (RoE) of 0.5% as per clause 10.19 of Jharkhand State Electricity Regulatory Commission (Terms and Conditions for



Determination of Distribution Tariff) Regulations, 2025, at the time of true-up, subject to demonstrating its performance exceeding the operational parameters/ measurable Key Performance Indicators (KPIs) as approved above.

- 7.27 Furthermore, it is clarified that, in the event the Commission notifies the 'Standards of Performance Regulations' during the Control Period, the provisions and targets specified therein shall prevail over and supersede the targets indicated in the above table.

Power Purchase Plan

Energy Balance

Petitioner's Submission

- 7.28 The Petitioner submitted that it has worked out the Energy Balance for the Control Period considering the energy available, energy sales and T&D loss projections. For the purpose of power purchase, the available allocated capacity of various central generating stations and own generating stations has been considered.
- 7.29 The Petitioner submitted that power purchased from various sources has been segregated into different heads, while calculating the energy balance for the control period.
- Power Purchase from Outside JSEB Boundary/CTU Periphery-sourced from NTPC, NHPC, PTC, APNRL, part of TVNL, NVVNL, SECI and RE (Wind)
 - Energy Input Directly to State Transmission System (JUSNL)- from state owned and private generating stations- Input of power from TVNL directly to State Transmission System and Inland Power Limited
 - Energy Input through Renewables sources to JBVNL system- Input from Solar IPPs selected through JREDA.
 - Direct Input of Energy to Distribution System- DVC and Solar IPPs.
- 7.30 The Petitioner submitted that power purchase from various sources are segregated into different heads, while calculating the energy balance for the control period. Power Purchase from Outside JBVNL boundary (i.e. power injected from central transmission utility) comprises of all power purchased through central allocations, APNRL, STOA and a portion of TVNL (this amount from TVNL varies according to power injected to grid



at Bihar Shariff), while a majority portion of power from TVNL is injected directly to state transmission system. After transmission loss in CTU system, the power is being injected to state transmission system (JUSNL) in addition to power injection from Inland Power Limited and State generating stations. From JUSNL network, after incurring transmission loss at JUSNL periphery, the rest power is being injected to JBVNL grid. The loss is being determined from the energy meter available at JUSNL and JBVNL boundary. Similarly, the power that is scheduled by DVC and being input to the JBVNL system is also metered. The difference between input energy to JBVNL system and that of scheduled energy from DVC is considered as loss in DVC system. The total input energy is being added on the JBVNL boundary to get the input energy to the JBVNL system for billing purpose.

7.31 Based on the information provided above, Energy Balance of JBVNL for the period FY 2026-27 and FY 2030-31 has been projected.

Commission's Analysis

7.32 The Commission has projected the energy requirement for Distribution for the Control Period FY 2026-27 to FY 2030-31 after grossing up the approved energy sales by the distribution loss target of 13% for each year of the Control Period.

7.33 The energy required for distribution as approved by the Commission for the Control Period, based on the approved energy sales and distribution losses is summarized below:

Table 114: Energy Requirement for Distribution as approved by the Commission (MU)

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Energy Sales	12417.01	13268.05	14576.33	15522.82	16581.55
Distribution Loss (%)	13%	13%	13%	13%	13%
Distribution Loss (MU)	1855.42	1982.58	2178.07	2319.50	2477.70
Energy Required for Distribution (MU)	14272.43	15250.63	16754.40	17842.32	19059.25

7.34 The Commission has worked out energy availability for the Control Period on the basis of actual generation from tied-up power plants from Central, State-owned and other Generating Stations. Further, the loss in external system has been considered at the same level as approved by the Commission in its earlier Order, while the Intra-State Transmission Loss has been considered at 2.23% as per the Tariff Order for JUSNL dated 23.06.2023 and at 3% as per the Tariff Order for DVC dated 30.01.2023.



7.35 The Energy Sales, Distribution Loss and Energy Requirement based on approved Sales for the Control Period, is shown in the following table

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Table 115: Energy balance of JBVNL for the control period FY 2026-27 to 2030-31 as approved by the Commission (MU)

Particulars	FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30		FY 2030-31	
	Petition	Approved	Petition	Approved	Petition	Approved	Petition	Approved	Petition	Approved
Power Purchase from Outside JSEB Boundary (MU)	12,386.82	12,386.82	13,051.33	13,051.33	13,742.65	13,742.65	14,465.26	14,465.26	15,209.42	15,209.42
Loss in External System (%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Loss in External System (MU)	371.60	371.60	391.54	391.54	412.28	412.28	433.96	433.96	456.28	456.28
Net Outside Power Available (MU)	12,015.22	12,015.22	12,659.79	12,659.79	13,330.37	13,330.37	14,031.30	14,031.30	14,753.14	14,753.14
Energy Input Directly to State Transmission System (MU)	414.17	414.17	430.86	430.86	448.23	448.23	466.29	466.29	485.08	485.08
State-owned Generation (MU)	1,794.75	1,794.75	1,867.08	1,867.08	1,942.32	1,942.32	2,020.60	2,020.60	2,102.03	2,102.03
Energy Available for Onward Transmission at JUSNL Periphery (MU)	14,224.15	14,224.15	14,957.74	14,957.74	15,720.92	15,720.92	16,518.19	16,518.19	17,340.25	17,340.25
Transmission Loss at JUSNL system (%)	7.99%	2.23%	7.99%	2.23%	7.99%	2.23%	7.99%	2.23%	7.99%	2.23%
Transmission Loss at JUSNL system (MU)	1136.51	317.20	1195.12	333.56	1256.10	350.58	1319.80	368.36	1385.49	386.69
Net Energy Sent to Distribution System by JUSNL (MU)	13,087.64	13,906.95	13,762.61	14,624.18	14,464.82	15,370.35	15,198.39	16,149.83	15,954.76	16,953.56
Energy Schedule from DVC to Distribution System (MU)	3,797.46	3,797.46	3,797.46	3,797.46	3,797.46	3,797.46	3,797.46	3,797.46	3,797.46	3,797.46
Transmission Loss at DVC System (%)	4.30%	3.00%	4.30%	3.00%	4.30%	3.00%	4.30%	3.00%	4.30%	3.00%

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Transmission Loss in DVC System (MUs)	163.19	113.92	163.19	113.92	163.19	113.92	163.19	113.92	163.19	113.92
Direct Input of Energy to Distribution System by DVC (MU)	3,634.27	3683.54	3,634.27	3683.54	3,634.27	3683.54	3,634.27	3683.54	3,634.27	3683.54
Direct Input Energy from State Solar System (MUs) including Net Metering	15.42	15.42	15.42	15.42	15.42	15.42	15.42	15.42	15.42	15.42
Total Energy Available for Sales (MU)	16,737.33	17,605.90	17,412.54	18,323.14	18,114.26	19,069.30	18,848.08	19,848.79	19,604.46	20,652.52
Total energy sold (MU)	12,452.95	12,417.01	13,730.11	13,268.05	14,610.76	14,576.33	15,595.31	15,522.82	16,669.87	16,581.55
Distribution loss%	25.60%	13.00%	21.15%	13.00%	19.34%	13.00%	17.24%	13.00%	14.97%	13.00%
Energy Required for distribution (MU)	16737.33	14272.43	17412.54	15250.63	18114.27	16754.40	18848.08	17842.32	19604.45	19059.25
Power disallowance at Discom Periphery (MU)		3,333.48	0.00	3,072.51	0.00	2,314.90		2,006.47	0.00	1,593.27
Revenue of disallowance energy		1484.92		1446.90		1177.05		1089.62		938.33
Total Power Purchase (MU)	18,408.63	18,408.63	19,162.16	19,162.16	19,946.08	19,946.08	20,765.03	20,765.03	21,609.41	21,609.41



Power Purchase Quantum and Cost

Petitioner's Submission

7.36 The Petitioner submitted that it has projected the power purchase quantum for next Control Period based on following facts, assumptions and methodology:

- **Present status as on 20 November 2025:** The total allocated capacity, including central allocation, in Jharkhand as on November 20, 2025 is 3989MW, that consists of 600MW allocated from KTPS for the DVC command area as well as 680 MW power allocation from PTPS-1. Owing to the proximity to large coal reserves, the fuel mix of the allocated generation capacity is largely skewed towards thermal, with more than 70% of the installed (and allocated) capacity available is from coal based generation plants only. For the upcoming control period, power from PTPS-2 and Sikidri canal top power plant will also include. The Patratu Vidyut Utpadan Nigam Limited (PVUNL), a joint venture of NTPC Limited and Jharkhand Bijli Vitran Nigam has already Commissioned PTPS-1. The Phase 1 first unit (800 MW) was Commissioned on November 5, 2025 and PTPS-2 is expected to Commission in August 2026. The Getalsud floating solar Photovoltaic Power Plant is a grid-connected project of 100MW in Ranchi district, Jharkhand and is expected to be commissioned in April 2026.
- **Power purchase quantum projection for FY 25-26 to FY 30-31:** For making power purchase quantum projection for FY 25-26 to FY 30-31, the existing energy availability is considered along with projects that will be surrendered as part of agreement between NTPC and JBVNL. First 800 MW unit of PTPS-1 is now operational, with commercial dispatch ongoing. JBVNL receives around 85% of the power generated as per the PPA, significantly strengthening its energy self-reliance and reducing dependence on central allocations. The power scheduled from PTPS-1 will lead to surrender of some of the NTPC centrally allocated power plants and curtailment of certain units based on Merit Order Despatch Schedule as mandated by the State regulatory Commission Apart from PTPS1, JBVNL will get additional 100 MW solar power from floating solar plant at Getalsud dam (Sikidrii, near Ranchi) and its COD is expected in April 2026. This 100MW solar plant would add on to the RE power portfolio of JBVNL significantly and will help JBVNL to achieve its RPO targets onwards from FY 2026-27 apart



from the already tied up capacity with SECI.

- **Implementing the MoD:** The JBVNL strictly follows the Merit Order Despatch Schedule as directed by the JSERC. Thus, even if 85% of power is allocated from PTPS, JBVNL would strictly follow the MOD system and necessary curtailment of the power will be done from PTPS also for its scheduling. Accordingly, the power purchase planning for the remaining financial years of the control period from FY 2026-27 to FY 2030-31 is envisaged with necessary adjustments and curtailments of certain units of central as well as IPP and state power plants. While implementing the MoD, the Petitioner has estimated utilization of its allocated capacity of must-run plants i.e. the Solar and Non-Solar Renewable Energy generating stations. With the PTPS-1 in scheduled mode and other units are in the pipeline, the Petitioner does not expect any further unfulfilled demand to be met through open market channels and other mechanisms like UI. At most, any emergency situation can only be met through un planned real-time market purchase which would be duly intimated to the Commission, if such situation arises in future.
- **Short Term Open Access (STOA):** In view of excess power available through-out the Control Period, JBVNL feels it would be feasible to sell power in open market so as to recover variable cost of power scheduled and also certain amount of fixed cost of the plants from which power has been scheduled so that overall power purchase cost may decrease. Further it may need to sell power to avoid paying under-drawal surcharge and compensation charges of a generating station in case power is being surrendered beyond a certain limit. Also, with PTPS online, there will be power surplus for JBVNL and it may look forward to sell the surplus power in the short term market for further gain. Hence, no power purchase from IEX (PTC) or UI mechanism has been projected as power supply quantum for future years would be sufficient to meet the demand in upcoming years. Although JBVNL has contracted adequate capacity and don't need to rely on short-term power for supplying power to consumers. However still in case of emergency like outage of large plants, it may offtake power from Bilateral route or power exchange.
- **Power procurement quantum projection methodology:** JBVNL has projected the power purchase quantum for next Control Period based on energy demand for the future and RPO obligations.



However, as the demand is growing at a slower pace due to less industrialisation and commercialisation in the state and majority of the HT consumers migrating to DVC, the power purchase projection has been made in very conservative manner so as to meet the average and peak energy demand of the state. The actual energy demand of JBVNL for FY24-25 is approximately 11,954 Million Units (MU) with a peak demand around 2,700 MW. Considering the demand, JBVNL has considered the power purchase in aligning with its demand. The Petitioner has considered the actual power purchase from 2017-18 to FY 2023-24 for determination of CAGR over these years and considers the growth rate for future projection of the power procurement for the next control period (i.e.) from FY 2025-26 to FY 2030-31. Capacity allocation from the central power plants as done by the Ministry of Power for the state of Jharkhand and the JBVNL is bound by the allocated capacity. However, curtailment is planned based on the stacking of power plants in order of its variable cost and while curtailing, a technical minimum of 55% scheduling is considered as basic minimum for any power plant. Curtailment will be done based on the variable cost of the power plant including the fuel price adjustment charges. Based on this, a plan has been developed putting all power plants (both central, state and IPPs) on variable charges for curtailment. However, as dependency is high on DVC for its consumers align under the parallel area of distribution, careful planning is done while curtailing power from Koderma thermal power station. The demand from the DVC area is met from the Koderma power station, so curtailment is minimum in the case of DVC.

- **Deallocation of NTPC Korba and Farakka III Plants:** JBVNL was allocated capacity from NTPC Korba and Farakka III plants in lieu of loss of allocation of Patratu Thermal Power Stations. However, after Commissioning of PUVNL allocation, from existing allocated capacity of Farakka III, 50MW will not be scheduled by NTPC from December 2025 and this power will be free to be sold in the power market as merchant capacity of NTPC. Moreover, there will be no fixed charge for the JBVNL as a result of withdrawal of capacity by NTPC by its own. Also, the full allocated capacity of Korba power plant will be surrendered. For other plants of NTPC, minimum technical schedule will be considered first according to the MOD and then full capacity will be scheduled accordingly to meet the demand. This schedule will be followed for entire control period from FY26-27 to FY30-31.



- **Inclusion of Patratu Power Plant:** Once fully Commissioned and integrated, Patratu's inclusion will substantially add to JBVNL's long-term thermal power availability. This will potentially reduce dependency on short-term market purchases and higher-cost external power by providing a significant base load within the state. However, it may cause a temporary increase in coal-based power share in the portfolio unless simultaneously balanced by renewable capacity expansion. Over medium to long term, the addition will also provide JBVNL greater negotiation leverage and cost control in power procurement.
- **Renewable Purchase Obligations:** JBVNL has tied up with Solar Energy Corporation of India (SECI) mainly to meet its Renewable Purchase Obligation (RPO) at a lower power purchase cost and to diversify its power mix with solar and wind energy. JBVNL has contracted about 700 MW of solar power with SECI, of which roughly 450 MW is already being supplied and the balance is under implementation, and it has also tied up around 500 MW of wind power (part operational, part in pipeline) through SECI and other intermediaries. This long-term procurement (typically 25-year PSAs) helps hedge against fossil fuel price volatility and is expected to gradually improve compliance with RPO targets and reduce average power purchase cost compared to older, costlier thermal sources. However, its actual RE share (a little over 11% in FY 2024-25) remains below the trajectory needed to reach national RPO benchmarks. Further, it has already tied up with SECI for procuring 100MW power from floating solar project in Getalsud. The PPA has already been approved by JSERC.
- **Power purchase rate and cost:** Power Tariff for existing power plants except renewables as determined for FY 2025-26 has been escalated by 5% per annum to arrive at power tariff for next Control Period. Tariff of Renewable plants having levelized tariff have been considered equal to tariff applicable in FY 2025-26. Actual Transmission and scheduling Charges for FY 2025-26 has been escalated by 4% to arrive at corresponding figure for the next control period.

Commission's Analysis

7.37 As per the procurement mix submitted by the Petitioner, the Commission has observed that even after the scheduled addition of 100 MW of RE power from upcoming Getalsud floating solar, the actual RE share of



JBVNL remains below the trajectory needed to reach RPO target for each year of the Control Period as set by the Commission as per JSERC (Renewable Energy Purchase Obligation and its compliance) (Second Amendment) Regulations, 2024, dated 15.04.2024. Further it is observed that power procurement projection from rooftop solar has not been considered by the Petitioner. In this regards query was asked in data-gap.

- 7.38 The Commission has considered the Petitioner's submission for projection of power procurement from RE sources for the Control Period FY 26-27 to FY 30-31. The Commission has observed that the Petitioner was able to achieve the RPO targets in FY 2024-25 by purchasing REC. However, the Commission is not approving any provision for REC purchase currently in case of shortfall and the same shall be trued up in the subsequent Orders based on the actual REC purchased by the Petitioner for meeting the RPO targets for each year of the Control Period.
- 7.39 The Commission has noted that the Petitioner has proposed to sell the surplus power in the Open Market, especially with the fact that with PTPS online, there will be power surplus for JBVNL and it may look forward to sell the surplus power in the short term market for further gain. The Commission in the instant Order is not approving any surplus for the Control Period. However, the Petitioner is encouraged to sell surplus power provided that the same results in reducing the fixed charge burden on the consumers. Further, any losses on account of sale of surplus power shall be approved by the Commission after prudence check, subject to truing up.
- 7.40 The Commission observed that PTPS-I was Commissioned on November 5, 2025. While, the expected date of Commissioning of PTPS-II is Aug 2026. After the inclusion of Patratu Power plant, out of the existing allocated capacity of NTPC Farakka Stage-III, a capacity of 50 MW shall not be scheduled for the Petitioner with effect from December 2025. The said capacity shall thereafter be free to be sold in the power market by NTPC at its discretion. Consequently, no fixed charges corresponding to the aforesaid 50 MW capacity shall be payable by the Petitioner.
- 7.41 The Commission further noted that the entire allocated capacity from NTPC Korba Power Station is proposed to be surrendered by the Petitioner. Accordingly, no fixed or variable charges in respect of the surrendered capacity shall be considered for approval, subject to submission of documentary evidence.
- 7.42 With respect to the remaining NTPC generating stations, the Commission observed that scheduling shall be undertaken strictly in accordance with the Merit Order Despatch (MoD) principle. The minimum technical schedule shall be considered first, wherever applicable, and thereafter



scheduling up to the allocated capacity shall be undertaken only to the extent required to meet the approved demand of the Petitioner.

- 7.43 Considering the above facts, the Commission has considered the allocation for Central Generating Stations (CGS) as per the Petitioner's submission for the Control Period. Further, allocation for IPP and New Generating Stations have been considered as per their PPA, respective tariff orders and Petitioner's submission.
- 7.44 The Commission has considered the Fixed Charges for Central/Inter-State Generating Stations (Thermal and Hydro) as per latest available MYT/Tariff Orders issued by CERC for individual Stations and for IPPs as per latest available MYT Orders issued by JSERC for individual stations with any escalation of 5% during the Control Period.
- 7.45 The Commission has considered the energy charges on the basis of actual energy charges paid per unit by the Petitioner for FY 2024-25 and escalated by 5% twice, to arrive at the energy charges for FY 2026-27 and escalated by 5% each year of the remaining Control Period.
- 7.46 The Commission has observed that the actual distribution loss as proposed by the Petitioner is higher than the proposed distribution loss. The Petitioner has submitted that the projected surplus energy is notional in nature and is proposed as adjustment in the Power Purchase Cost. The Commission has considered the normative distribution loss of 13% and approved the Power Purchase Cost accordingly. The Commission has not allowed any Surplus power purchase or sale of the same. It has further approved the above power purchase quantum from each generator by applying Merit Order Despatch (MOD) as per Clause 10.43 of the Tariff Regulations, 2025, as under:

“10.43 While approving the cost of power purchase, the Commission shall determine the quantum of power to be purchased from various sources in accordance with the principles of merit order despatch based on a ranking of all approved sources of supply in the order of their variable cost of power purchase. All power purchase costs will be considered legitimate unless it is established that the merit order principle has been violated or power has been purchased at unreasonable rates;”

- 7.47 Accordingly, the summary of Power Purchase Cost approved by the Commission is as below:

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Table 116: Power Purchase quantum and cost of JBVNL for the control period FY 2026-27 to 2030-31 as approved by the Commission

Sr. No	Generating Station	Power Purchase Quantum (MU)					Power Purchase Cost (Rs. Crore)					
		FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	
1	Farrakka	488.78	488.78	488.78	488.78	488.78	204.99	215.23	226.00	237.30	249.16	
2	Farrakka III	49.93	49.93	49.93	49.93	49.925	24.29	25.51	26.78	28.12	29.53	
3	Barh I	353.27	353.27	353.27	353.27	353.273	208.17	218.58	229.50	240.98	253.03	
4	Barh II	83.90	83.90	83.90	83.90	83.896	49.69	52.18	54.79	57.53	60.40	
5	Khalagaon I	75.10	75.10	75.10	75.10	75.100	29.94	31.44	33.01	34.66	36.39	
6	Nabinagar	139.06	139.06	139.06	139.06	139.056	71.44	75.01	78.76	82.70	86.84	
7	Kanti Power	65.95	65.95	65.95	65.95	65.947	37.66	39.55	41.53	43.60	45.78	
8	Patratu Unit I	2645.56	2837.97	3198.73	3605.18	4022.700	1,577.81	1,777.19	2,103.26	2,489.04	2,916.17	
9	Patratu Unit II	1763.71	2798.04	3208.34	3603.93	4021.257	1,051.88	1,752.19	2,109.59	2,488.18	2,915.12	
10	Khalagaon II	41.79	41.79	41.79	41.79	41.79	23.89	25.09	26.34	27.66	29.04	
11	N. Karanpura	2188.38	2188.38	2188.38	2188.38	2188.38	896.56	941.39	988.46	1,037.89	1,089.78	
12	Talcher	302.87	302.87	302.87	302.87	302.87	81.63	85.72	90.00	94.50	99.23	
13	Korba	0.00	0.00	0.00	0.00	0.00	-	-	-	-	-	
14	Darlipalli	687.80	687.80	687.80	687.80	687.80	223.38	234.54	246.27	258.59	271.51	
15	Rangit	38.46	38.46	38.46	38.46	38.46	15.26	16.02	16.82	17.66	18.55	
16	Teesta	0.00	0.00	0.00	0.00	0.00	-	-	-	-	-	
17	Chukha	0.00	0.00	0.00	0.00	0.00	-	-	-	-	-	
18	Tala	315.13	315.13	315.13	315.13	315.13	75.11	78.87	82.81	86.95	91.30	
19	Kurichu	0.00	0.00	0.00	0.00	0.00	-	-	-	-	-	
20	Mangdechhu	42.05	42.05	42.05	42.05	42.05	20.35	21.37	22.44	23.56	24.74	

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Sr. No	Generating Station	Power Purchase Quantum (MU)					Power Purchase Cost (Rs. Crore)					
		FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	
21	DVC	KTPS (OA)	3797.46	3797.46	3797.46	3797.46	3797.46	2,063.22	2,166.38	2,274.70	2,388.43	2,507.86
22		Standby Power	0.00	0.00	0.00	0.00	0.00	-	-	-	-	-
23		UI (Deviation)	0.00	0.00	0.00	0.00	0.00	-	-	-	-	-
24		HT Point	0.00	0.00	0.00	0.00	0.00	-	-	-	-	-
25	TVNL		1720.03	1234.92	1234.92	1234.92	1234.92	872.83	657.99	690.89	725.44	761.71
26	UI Payable (Deviation)		0.00	0.000	0.000	0.000	0.000	-	-	-	-	-
27	APRNL	Unit I	387.01	387.01	387.01	387.01	387.01	140.18	147.18	154.54	162.27	170.38
28		Unit II	387.01	387.01	387.01	387.01	387.01	140.71	147.74	155.13	162.88	171.03
29		66 MW	297.38	297.38	297.38	297.38	297.38	112.32	108.11	113.51	119.19	125.15
30	State	SECI (700)	1039.28	1039.28	1039.28	1039.28	1039.28	282.05	282.05	282.05	282.05	282.05
31		SECI (10)	14.66	14.66	14.66	14.66	14.66	8.99	8.99	8.99	8.99	8.99
32		State	15.42	15.42	15.42	15.42	15.42	27.71	27.71	27.71	27.71	27.71
33	Wind	PTC	601.16	601.16	601.16	601.16	601.16	212.19	212.19	212.19	212.19	212.19
34		SECI	272.65	272.65	272.65	272.65	272.65	74.16	74.16	74.16	74.16	74.16
35	Inland Power Ltd.		258.00	281.46	281.46	281.46	281.46	137.54	157.55	165.43	173.70	182.39
36	Grasim India Ltd		0.00	0.00	0.00	0.00	0.00	-	-	-	-	-
37	Power	Purchase	0.00	0.00	0.00	0.00	0.00	-	-	-	-	-
38		Sell	0.00	0.00	0.00	0.00	0.00	-	-	-	-	-
39	SRHPS (Generation)		150.00	150.00	150.00	150.00	150.00	24.41	25.63	26.91	28.26	29.67
	Total		10,625.93	11,543.41	12,545.56	13,640.55	14,837.30	8,746.95	9,664.14	10,621.16	11,672.77	12,828.43



Transmission Charges

Petitioner's Submission

7.48 The Petitioner submitted that actual Transmission and Scheduling Charges for FY 2025-26 has been escalated by 4% to arrive at corresponding figure for the next control period.

Commission's Analysis

7.49 For Intra-state and Inter-State Transmission Charges are approved as per the claims of the Petitioner subject to true-up.

Table 117: Transmission charges for the control period FY 2026-27 to 2030-31 as approved by the Commission (Rs. Crore)

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Energy Wheeled in Transmission Network (MU)	14224.15	14957.74	15720.92	16518.19	17340.25
Transmission Charges (Rs./kWh)	0.38	0.38	0.38	0.38	0.38
Intra-State Transmission Charges	524.62	545.76	567.76	590.64	614.44
Inter-State Transmission Charges	565.32	587.93	611.45	635.91	661.34

Capital Investment Plan and Capitalization

Petitioner's Submission

7.50 The Petitioner submitted that it is aspiring to establish itself as a modern day utility in the State which is capable of providing reliable and affordable power to all consumers in the State. In last Control Period, JBVNL has already succeeded in electrifying 100% villages in the state under SAUBHAGYA. In the future years, JBVNL needs to become a commercial successful organization by billing all the electricity it purchases and collecting bills from the consumers. JBVNL plans to do the same by using smart meters and IT intervention and with new technologic upgradations.

7.51 The Petitioner is also planning to strengthen its infrastructure to improve bottlenecks and provide reliable power to consumers. In order to achieve



these larger objectives, JBVNL has prepared a comprehensive capital investment plan to install smart meters, strengthen rural infrastructure, IT software and hardware upgradation and installing SCADA system to automate distribution function.

7.52 The capital investments of the Petitioner can largely be categorized in following areas:

- (a) Investments in new distribution infrastructure to provide electricity access and support the demand requirements.
- (b) System augmentation and strengthening including renovation and modernization to maintain the performance of the existing system
- (c) Feeder Segregation to ensure that rural and agricultural consumers can be segregated to improve the hours of supply to the rural consumers.
- (d) Improve the Operational efficiency of the system and bring about cost benefit

7.53 The capital works of JBVNL are majorly carried out under following major category of schemes:

- (a) Revamped Distribution Sector Scheme (RDSS)
- (b) World Bank Funded Scheme Jharkhand Power System Improvement Project (JPSIP)
- (c) Annual Development Plan prepared by JBVNL for departmental works
- (d) Mukya Mantri Ujjwal Jharkhand Yojana
- (e) PVTG (Particularly Vulnerable Tribal Group)

7.54 Under each of these schemes of central government, and multilateral funded project, the capital outlay is proposed by JBVNL in form of the DPRs prepared in line with the objectives of each schemes, based on which the capital outlay is sanctioned by the concerned government/ ministry/ department. It is important to mention that these schemes vary from each other in terms of funding structure, as the amount of funds provided as grants, debt and equity to be infused by central government/ state government are different.

7.55 The capital expenditure plan discusses in details the key objectives under each of the capital investment schemes, the funds layout, proposed



infrastructure and cost benefit analysis of the capital expenditure plan. The summary of projected Capital Expenditure Plan for the Control Period from FY 2026-27 to FY 2030-31 is shown below:

Table 118: Capital Expenditure as submitted by the Petitioner (Rs. Crore)

Scheme	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Revamped Distribution Sector Scheme (RDSS)	-	-	-	-	-
<i>Loss Reduction</i>	1,506.47	-	-	-	-
<i>Smart Metering</i>	-	-	-	-	-
<i>PMA</i>	9.00	4.57	-	-	-
Annual Development Plan (ADP)	495.00	570.00	685.00	820.00	980.00
Mukya Mantri Ujjwal Jharkhand Yojana	832.00	-	-	-	-
JSBAY -RE	-	-	-	-	-
RDSS Mordenisation	-	-	-	-	-
<i>(i) System Augmentation & Mordenisation (Infra Line Network)</i>	824.06	1,648.12	1,648.12	-	-
<i>(ii) System Augmentation & Mordenisation (SCADA)</i>	11.79	23.59	23.59	-	-
<i>(iii) Other (Central/State Sponsored Scheme)</i>	-	-	-	500.00	500.00
Jharkhand Power System Improvement Project (JPSIP)	182.59	-	-	-	-
Smart metering Dhanbad	47.34	-	-	-	-
SMS And WhatsApp	-	-	-	-	-

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Scheme	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Services					
PVTG (Particularly Vulnerable Tribal Group)	-	-	-	-	-
Total	3,908	2,246	2,357	1,320	1,480

7.56 The Petitioner submitted that It has planned to undertake stricter control of the capitalization issues and ensure that the internal processes are streamlined in a manner that once the works get completed, it gets transferred to GFA. Capitalization schedule of capex incurred in various years of next Control Period is tabulated below:

Table 119: Capitalization Schedule in percentage for capex as submitted by the Petitioner (Rs. Crore)

Capitalization Year	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31
Capex Estimated						
FY 2025-26	70%	20%	10%			
FY 2026-27		40%	30%	30%		
FY 2027-28			40%	30%	30%	
FY 2028-29				40%	30%	30%
FY 2029-30					50%	50%
FY 2030-31						100%

Commission's Analysis

7.57 The Commission has scrutinized the information provided in MYT Business Plan where the Petitioner has provided justification for all the proposed schemes for the Control Period.

7.58 Regarding the new schemes, the Commission has scrutinized the Detailed Scheme Wise Reports along with the projected completion schedule as provided by the Petitioner along with detailed justification and necessity of the schemes.

7.59 The Commission approves capitalisation of 50.28% (equal to the capitalization percentage of base year) for each year of the Control Period.

7.60 In view of the above mentioned facts the Commission provisionally approves the Capital Expenditure and Capitalisation as mentioned below. However, the Petitioner was directed to submit the approval of Capital Expenditure Plan along with justification and cost benefit analysis as well

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



as the spill over schemes, duly approved by CEC/Board to the Commission before carrying out actual operations at the ground. The Commission will carry out a thorough examination at the time of APR/Truing up of the Capital Investment and approval certificate while approving of the same.

- 7.61 The approved Capital Expenditure Plan and Capitalization for each year of the Control Period from FY 2026-27 to FY 2030-31 has been summarized in the tables below: -

Table 120: Capital Expenditure as approved by the Commission (Rs. Crore)

Scheme	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Revamped Distribution Sector Scheme (RDSS)	-	-	-	-	-
<i>Loss Reduction</i>	1,506.47	-	-	-	-
<i>Smart Metering</i>	-	-	-	-	-
<i>PMA</i>	9.00	4.57	-	-	-
Annual Development Plan (ADP)	495.00	570.00	685.00	820.00	980.00
Mukya Mantri Ujjwal Jharkhand Yojana	832.00	-	-	-	-
JSBAY -RE	-	-	-	-	-
RDSS Mordenisation	-	-	-	-	-
<i>(i) System Augmentation & Mordenisation (Infra Line Network)</i>	824.06	1,648.12	1,648.12	-	-
<i>(ii) System Augmentation & Mordenisation (SCADA)</i>	11.79	23.59	23.59	-	-
<i>(iii) Other (Central/ State Sponsored Scheme)</i>	-	-	-	500.00	500.00
Jharkhand Power System Improvement	182.59	-	-	-	-



Scheme	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Project (JPSIP)					
Smart metering Dhanbad	47.34	-	-	-	-
SMS And WhatsApp Services	-	-	-	-	-
PVTG (Particularly Vulnerable Tribal Group)	-	-	-	-	-
Total	3,908	2,246	2,357	1,320	1,480

Human Resource Plan

Petitioner's Submission

7.62 The Petitioner submitted that for the next control period from FY26-27 to FY30-31, the manpower addition for the upcoming years will be zero and there will be retirement of man power. This implies that with limited resources for JBVNL, dependency would be more on contractual man power and consultants. However, with implementation of technological interventions, it is expected that the operation will be automated to a larger extent.

Commission's Analysis

7.63 Considering the submission of the Petitioner, the Commission approves 0% growth rate for each year of the Control period.



Chapter 8: DETERMINATION OF TARIFF FOR THE MYT CONTROL PERIOD FROM FY 2026-27 TO FY 2030-31



Chapter 8: DETERMINATION OF TARIFF FOR THE MYT CONTROL PERIOD FROM FY 2026-27 TO FY 2030-31

- 8.1 The Commission has scrutinized the Petition filed by the Petitioner for determination of Distribution Tariff for the MYT Control Period i.e. FY 2026-27 to 2030-31, in accordance with JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations 2025.
- 8.2 The Commission has approved the ARR for the Control Period i.e. FY 2026-27 to FY 2030-31 and has dealt with Petitioner's Tariff Proposal for FY 2026-27 taking into consideration:
- (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025;
 - Information placed on record;
 - Methodology adopted by the Commission in its earlier Orders.
- 8.3 The Commission has discussed and approved the Number of Consumers, Connected Load, Sales, Distribution losses, Energy Balance, Power Purchase Quantum and Cost, Capital Expenditure Plan, Capitalisation, Consumer Contribution and Grant and Human Resource for the Control Period i.e. FY 2026-27 to FY 2030-31 in Section 7 of this Order. Therefore, the same has not been discussed in this Section for the sake of brevity
- 8.4 In this Section the remaining components of ARR of the Control Period have been discussed. The component-wise description of the Petitioner's submission and the Commission's analysis thereon is given below.

Operation & Maintenance Expenses

Petitioner's Submission

- 8.5 The Petitioner has submitted that The O&M cost comprises of a) Salaries, wages, pension contribution and other employee costs; b) Administrative and General Expenses; c) Repairs and Maintenance Expenses along with terminal abilities. The treatment of the same and escalation is provided for in the regulation and the same has been taken into consideration for determining the same. The O&M expense is projected based on clause 10.3 to clause no 10.7 of distribution tariff regulations 2025.
- 8.6 The Petitioner calculated the employee cost for next control period by escalating the employee cost of FY 2025-26 as submitted above in APR for FY 2025-26 by the inflation factor of 3.69%.



- 8.7 The Petitioner submitted that for calculating the R&M expense, K factor determination is important as per the regulation. As per the Commission, the adjusted K factor is provided for projecting the R&M expense which is a factor of Gross Fixed Asset.
- 8.8 The A&G expenses for next control period is calculated based on the indexation factor provided.
- 8.9 Based on above discussion, the O&M expense for the next control period is provided below:

Table 121: O&M expenses as submitted by the Petitioner for FY 26-27 to FY 30-31 (Rs. Crore)

S. No.	Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
1	Employee expenses	297.04	308.00	319.35	331.12	343.33
2	A&G Expenses	128.96	133.71	138.64	143.75	149.05
3	Repair and Maintenance Expenses	524.16	585.86	641.84	696.14	738.69
4	Terminal Benefits	140.97	146.16	151.55	157.14	162.93
5	Total	1,091.13	1,173.73	1,251.38	1,328.15	1,394.00
6	K factor	2.09	2.09	2.09	2.09	2.09

Commission's Analysis

- 8.10 To project the O&M expenses for the control period, the Commission placed reliance on clause 10.3 to 10.7 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025. The relevant excerpts of the Regulation are reproduced below: -

“Operation and Maintenance Expenses

10.3 Operation and Maintenance (O&M) Expenses shall include:

- a) Salaries, wages, pension contribution and other employee costs;*
- b) Administrative and General Expenses;*
- c) Repairs and Maintenance Expenses.*

10.4 The O&M Expenses for the Base Year of the Control Period shall be approved by the Commission taking into account the audited accounts of FY 2020-21 to FY 2024-25, Business Plan filed by the Licensee, estimates of the



actual for the Base Year, prudence checks and any other factor considered appropriate by the Commission.

10.5 The O&M expenses permissible towards ARR of each year of the Control Period shall be approved based on the formula shown below:

$$\mathbf{O\&M_n = (R\&M_n + EMP_n + A\&G_n) + Terminal Liabilities}$$

Where,

R&M_n – Repair and Maintenance Costs of the Licensee for the nth year;

EMP_n – Employee Costs of the Licensee for the nth year excluding terminal liabilities;

A&G_n – Administrative and General Costs of the Licensee for the nth year.

10.6 The above components shall be computed in the manner specified below:

$$a) R\&M_n = K * GFA * (INDX_n / INDX_0)$$

Where,

‘k’ is a constant (expressed in %) governing the relationship between R&M costs and Gross Fixed Assets (GFA) and shall be calculated based on the % of R&M to GFA of the preceding year of the Base Year in the MYT Order after normalising any abnormal expenses;

‘GFA’ is the opening value of the gross fixed asset of the nth year;

$$b) EMP_n + A\&G_n = [(EMP_{n-1}) * (1 + G_n) + (A\&G_{n-1})] * (INDX_n / INDX_{n-1})$$

Where,

EMP_{n-1} – Employee Costs of the Licensee for the (n-1)th year excluding terminal liabilities;

A&G_{n-1} – Administrative and General Costs of the Licensee for the (n-1)th year excluding legal/litigation expenses;

INDX_n – Inflation factor to be used for indexing the employee cost and A&G cost. This will be a combination of the Consumer Price Index (CPI) and the Wholesale Price Index (WPI) for



immediately preceding year before the base year;

G_n – is a growth factor for the nth year and it can be greater than or lesser than zero based on the actual performance. Value of G_n shall be determined by the Commission in the MYT Order for meeting the additional manpower requirement based on the Distribution Licensee's Filing, benchmarking and any other factor that the Commission feels appropriate;

Provision: Cost or initiatives or other one-time expenses as proposed by the Distribution Licensee subject to the prudence check and is validated by the Commission.

c) $INDX_n = 0.55 * CPI_n + 0.45 * WPI_n;$

Note 1: For the purpose of estimation, the same $INDX_n/INDX_{n-1}$ value shall be used for all years of the Control Period. However, the Commission will consider the actual values in the $INDX_n/INDX_{n-1}$ at the end of each year during the Annual Performance Review exercise and true up the employee cost and A&G expenses on account of this variation, for the Control Period;

Note 2: Any variation due to changes recommended by the Pay Commission, wage revision agreement, etc., will be considered separately by the Commission;

Note 3: Terminal Liabilities will be approved as per actual submitted by the Licensee along with documentary evidence such as actuarial studies.

10.7 The Distribution Licensee shall submit the detailed break-up of the Legal/Litigation Expenses incurred during the Control Period (FY 2026-27 to FY 2030-31) along with the details and documentary evidence such as invoices, fee receipts, case references, and proof of payment. The Commission shall assess the admissibility of such expenses based on the provisions of the Jharkhand State Litigation Policy and allow recovery of expenses subject to prudence check at the time of true-up. Provided that the legal expenses shall be considered on a case-by-case basis, subject to prudence check at the time of True-up, and only upon production of valid proof of payment for the actual amount claimed.

8.11 For the MYT Control Period, the Commission has projected the O&M Expenses for each component of O&M Expenses as per the Distribution



Tariff Regulations 2025.

- 8.12 The Commission has approved the component wise O&M Expenses only provisionally and these estimates will be subject to true up during the Annual Performance Review/True up based on the actuals as per audited accounts

Employee Expenses

- 8.13 The Commission has determined the Base value for Normative Employee Expenses excluding terminal benefits.
- 8.14 The Commission has computed the normative O&M expenses considering the methodology specified in the aforesaid Regulation. For approval of Employee Expenses for the Control Period, following approach has been adopted:
- The base year Normative Employee-expenses (i.e. expenses for FY 2025-26), as calculated and discussed in Chapter 6 of this order, are escalated with Growth factor (as discussed below) and inflation factor of 2.99% (derived by taking average of last 3 Years Inflation factor, i.e. from FY 2023-24 to FY 2025-26) to arrive at normative employee expenses for FY 2026-27 and for each subsequent years of the control period.
 - Clause 10.6(b) of Distribution Tariff Regulations, 2025 provides provision for determination of Growth factor (G(n)) to compute the increase in Employee Expenses for meeting the additional manpower requirement based on the Distribution Licensee's filing, benchmarking and any other factor that the Commission deems appropriate. Accordingly, the Commission has considered Growth factor based on manpower approved for the Control Period i.e. FY 2026-27 to FY 2030-31 as discussed in Section: 7, Sub-Section: "Human Resource Plan" of this Order. The Growth factor considered for the control period shall be subject to prudent check at the time of APR/True up.
 - Further, the Commission has approved the normative Employee Expenses excluding terminal benefits subject to a prudent check at the time of APR/True up.
 - The Commission has further approved the employee expenses for the control period as the minimum of (a) Normative employee expenses as computed by the Commission and (b) Employee expenses as claimed by the Petitioner, subject to prudence check as per audited account at the time of true-up.



Terminal benefits

8.15 For, MYT, the Commission has approved the terminal benefits separately same as claimed by the Petitioner, subject to prudence check as per audited account and as per relevant clause of the regulation at the time of true-up.

A&G Expenses

8.16 Based on the methodology adopted for projection of Employee Expenses, A&G Expenses have also been projected for each subsequent year of the Control Period by escalating the Normative A&G expenses of the base year with inflation factor of 2.99% as discussed above.

8.17 The Commission has further approved the A&G expenses for the control period as the minimum of (a) Normative A&G expenses as computed by the Commission and (b) A&G expenses as claimed by the Petitioner, subject to prudence check as per audited account at the time of true-up.

R&M Expenses

8.18 In accordance with the provisions of Regulation 10.6(a) of JSERC Distribution Tariff Regulations, 2025, the Commission approves the 'k' factor based on the actual ratio of the opening Gross Fixed Assets and R&M Expenses for the preceding year of the Base year (i.e. for FY 2024-25) as 2.02% for the Control Period.

8.19 The Commission has computed the normative R&M Expenses for each year of the Control Period considering the approved opening GFA of respective year and multiplied it with the 'k' factor of 2.02% and again multiplied with inflation factor of 2.99% (as discussed above) to arrive at normative R&M Expenses for the 1st year of the Control Period, subject to a prudent check at the time of APR/True up.

8.20 The Commission has further approved the R&M expenses for the control period as the minimum of (a) Normative R&M expenses as computed by the Commission and (b) R&M expenses as claimed by the Petitioner, subject to prudence check as per audited account at the time of true-up.

8.21 This is again clarified that the Commission has not approved any terminal benefits and the same shall be approved at the time of true-up based on actuals.

8.22 Based on the above, the Commission approves Operation and Maintenance Expenses for the Control Period as shown in the table below:

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Table 122: O&M expenses as approved by the Commission for FY 26-27 to FY 30-31 (Rs. Crore)

S. No.	Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
1	Employee expenses	272.62	280.77	289.16	297.80	306.70
2	A&G Expenses	123.40	127.09	130.89	134.80	138.82
3	Repair and Maintenance Expenses	519.98	585.86	641.84	696.14	738.69
4	Terminal Benefits	140.97	146.16	151.55	157.14	162.93
5	Total	1056.97	1139.88	1213.44	1285.87	1347.14
6	K factor (%)	2.02	2.02	2.02	2.02	2.02
7	Inflation Factor (%)	2.99	2.99	2.99	2.99	2.99
8	Growth Factor (%)	0.00	0.00	0.00	0.00	0.00

Depreciation

Petitioner's Submission

8.23 The Petitioner has submitted that The depreciation has been computed annually based on straight line method by applying weighted average rate of depreciation on the average GFA. This has been calculated as per the clause 10.34 to 10.40 of distribution tariff regulations 2025.

8.24 The Petitioner has first arrived at the opening and closing GFA, created out of debt and equity, by deducting the CC&G portion deployed towards opening and closing GFA. The Petitioner has applied the same depreciation rate as in FY24-25 (true up value) for the next control period for estimation purpose.

8.25 The depreciation expense for MYT Control Period is provided below: -

Table 123: Depreciation as submitted by the Petitioner for FY 26-27 to FY 30-31 (Rs. Crore)

S. No.	Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
1	GFA Considered for Dep - Excl. GFA out of CC and Grants	12831.75	14474.21	15852.56	17185.46	18457.22
2	Depreciation Rate	4.39%	4.39%	4.39%	4.39%	4.39%
3	Depreciation Cost	563.09	635.16	695.65	754.14	809.95

Commission's Analysis



- 8.26 The Commission placed reliance on the relevant extract of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025 for the computation of Depreciation, which is reproduced below.

“Depreciation

10.34 Depreciation shall be calculated for each year of the control period on the original cost of the fixed assets of the corresponding year as admitted by the Commission:

Provided that depreciation shall not be allowed on assets funded by Consumer Contribution and Capital Subsidies/Grants. Provision for replacement of such assets shall be made in the Capital Investment Plan.

10.35 Depreciation for each year shall be determined based on the methodology as specified in these Regulations along with the rates and other terms specified.

*10.36 Depreciation shall be calculated annually, based on the straight-line method at the rates specified at **Appendix-I**. The base value for the purpose of depreciation shall be original cost of the asset:*

Provided that the Distribution Licensee shall ensure that once the individual asset is depreciated to the extent of seventy (70) percent of the Book Value of that asset, remaining depreciable value as on March 31 of the year closing shall be spread over the balance useful life of the asset.

10.37 Depreciation shall be charged from the first year of commercial operation of the asset. In case, the operation of the asset is for a part of the year, depreciation shall be charged on a pro-rata basis.

10.38 The residual value of assets shall be considered as 10% and depreciation shall be allowed to a maximum of 90% of the original cost of the asset. Land is not a depreciable asset and its cost shall be excluded while computing 90% of the original cost of the asset.

Provided that the salvage value for IT equipment and software shall be considered as NIL and 100% value of the assets shall be considered depreciable;

10.39 The Commission may, in the absence of the Fixed Assets Register, calculate Depreciation in percentage (%) arrived by dividing the Depreciation and the Average Gross Fixed Assets



as per the latest available Audited Accounts of the Distribution Licensee. The Depreciation (%) so arrived shall be multiplied by the Average GFA approved by the Commission for the relevant Financial Year to arrive at the Depreciation for that Financial Year.

10.40 In case of de-capitalization of assets, the cumulative depreciation shall be adjusted by taking into account the depreciation recovered through tariff corresponding to the decapitalized asset during its useful services.”

- 8.27 Since the Petitioner has not provided the Fixed Asset Register (FAR), the Commission has determined the weighted average depreciation rate as per clause 10.39 of the Distribution Tariff Regulations, 2025.
- 8.28 For this, the Commission has considered Opening and Closing GFA of FY 2024-25 to arrive at average GFA. The gross depreciation as per the audited account of FY 2024-25 is divided by the average GFA to determine weighted average depreciation rate, which came out to be 4.39%. This rate has been adopted as the weighted average depreciation rate for each year of the Control Period to determine the depreciation cost. The computation of depreciation rate as considered by the Commission for approval of depreciation for the Control Period is as shown below:

Table 124: Computation of depreciation rate for the Control Period (Rs. Crore)

Particulars	GFA Opening as on 01.04.2024	GFA Closing as on 31.03.2025	Average GFA	Gross Depreciation as per audited account
Land and Land Rights	915.36	915.27	915.32	0.00
Buildings	11890.84	12449.39	12170.11	324.25
Plant & Machinery	579358.29	590152.75	584755.52	24560.10
Lines and Cable Network	1560846.08	1613135.57	1586990.83	66663.76
Meters	55670.96	72421.34	64046.15	7502.77
Vehicles	319.77	353.67	336.72	5.55
Furniture & Fixture	386.48	386.48	386.48	17.23
Office Equipment	996.34	1083.81	1040.07	61.60
Spare Units/Service Units	2609.45	2609.45	2609.45	24.82



Particulars	GFA Opening as on 01.04.2024	GFA Closing as on 31.03.2025	Average GFA	Gross Depreciation as per audited account
Assets taken over from pending final valuation	208.38	208.38	208.38	0.00
other civil works (Roads, Boundary walls etc.)	26231.69	26679.71	26455.70	709.70
Hydraulic	42.17	42.17	42.17	1.78
Batteries	0.38	0.38	0.38	0.06
IT Equipment		1584.88	1584.88	237.73
License and Software	214.69	317.91	266.30	47.48
Total	2239690.88	2322341.15	2281808.45	100156.82
Weighted Average Depreciation rate				4.39%

- 8.29 According to Provision of Clause 10.34 of the Distribution Tariff Regulations, 2025, depreciation shall not be allowed on assets funded by consumer contribution and capital subsidies/grants. Considering the consumer contribution deployed towards GFA approved in this Order, the Commission has determined the depreciation on the GFA created out of debt and equity excluding the consumer contribution and grants for each year of the Control Period. The rate of depreciation has been considered at 4.39% as approved in this Order. The Commission has further calculated the Depreciation cost of each year of the Control Period by multiplying the Average GFA with the depreciation rate as approved above, as per the Tariff Regulations.
- 8.30 **The Commission further directs the Petitioner to finish the physical verification of all assets in order to maintain the Fixed Assets Register (FAR) considering the depreciation rates as specified in JSERC Distribution Tariff Regulations, 2025 and submit the status report to the Commission along with FAR in the next tariff filing.**
- 8.31 The depreciation expense as approved by the Commission for the next control period is shown in the table below:



Table 125: Depreciation as approved by the Commission for FY 26-27 to FY 30-31 (Rs. Crore)

S. No.	Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
1	Average GFA (As approved Commission)	11783.39	13433.22	14798.90	16117.53	17375.30
2	Depreciation Rate	4.39%	4.39%	4.39%	4.39%	4.39%
3	Depreciation Cost	517.22	589.63	649.58	707.46	762.66

Interest on Loan and Finance Charges

Petitioner's Submission

8.32 The Petitioner submitted that it has computed interest on loan capital as per clause 10.21 to clause 10.28 of the Distribution Tariff Regulations, 2025

8.33 As per the normative set by the Commission, the interest on the long term loan for the next control period is calculated below:

Table 126: Interest on long term loan as proposed by JBVNL for FY 26-27 to FY 30-31 (Rs. Crore)

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Opening Loan	4167.21	5068.07	5697.74	6290.52	6724.89
Loan Addition	1463.95	1264.84	1288.43	1188.51	1174.24
Loan Repayment	563.09	635.16	695.65	754.14	809.95
Closing Loan	5068.07	5697.74	6290.52	6724.89	7089.18
Average Loan	4617.64	5382.90	5994.13	6507.70	6907.03
Interest Rate	10.20%	10.20%	10.20%	10.20%	10.20%
Interest on Loan	471.00	549.06	611.40	663.79	704.52

Commission's Analysis

8.34 The Commission considers the relevant part of the Distribution Tariff Regulations, 2025 related to Interest on Loan, which is mentioned below.

“Interest on Loan Capital



10.21 The loans arrived at in the manner indicated in Clauses 10.16 and 10.17 shall be considered as gross normative loan for calculation of interest on loan.

10.22 The normative loan outstanding as on April 01, 2026 shall be worked out as the gross loan by deducting the cumulative repayment as admitted by the Commission up to March 31, 2025 from the gross normative loan.

10.23 The repayment for each year of the Control Period shall be deemed to be equal to the depreciation allowed for that year.

10.24 In case of de-capitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on pro-rata basis and the adjustment should not exceed cumulative depreciation recovered up to the date of de-capitalization of such assets.

10.25 Notwithstanding any moratorium period availed by the Licensee, the repayment of loan shall be considered from the first year of operation of the scheme/asset.

10.26 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each year applicable to the Licensee: Provided that Rate of Interest shall not exceed Bank Rate as on April 01 of the respective year of the Control Period plus two hundred (200) basis points. Provided that if there is no actual loan for a particular year but normative loan is still outstanding, then the rate of interest shall be considered on normative basis and shall be equal to the Bank Rate as on April 01 of the respective year of the Control Period plus two hundred (200) basis points.

10.27 The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.

10.28 The above interest computation shall exclude interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Distribution Licensee.

10.29 The Licensee shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the users and the



net savings shall be shared between the users and the Licensee, as the case may be, in the ratio of fifty: fifty (50:50).

- 8.35 In accordance with the above mentioned excerpts of the regulation, the Commission has computed the normative loan addition during each year of the Control period as equal to 70% of the approved capitalization after deducting assets funded out of CC. The normative repayment is deemed to be equal to the approved net depreciation during the Financial Year.
- 8.36 The Opening loan for FY 2026-27 has been considered as the closing loan approved by the Commission in the APR Order of FY 2025-26. As per Clause 10.23, the Debt repayment has been considered equal to the depreciation allowed in the respective year of the Control Period.
- 8.37 Further, the Commission has approved the interest on normative loan as 10.20%, same as proposed by the Petitioner for each year of the Control Period, subject to true up.
- 8.38 The following table summarizes the Interest and Finance Charges (IFC) as approved by the Commission for the Control period.

Table 127: Interest on long term loan as approved by the Commission for FY 26-27 to FY 30-31 (Rs. Crore)

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Opening Loan	4319.15	5263.44	5904.20	6516.90	6980.11
Loan Addition	1461.51	1230.39	1262.28	1170.66	1166.47
Loan Repayment	517.22	589.63	649.58	707.46	762.66
Closing Loan	5263.44	5904.20	6516.90	6980.11	7383.91
Average Loan	4791.30	5583.82	6210.55	6748.50	7182.01
Interest Rate	10.20%	10.20%	10.20%	10.20%	10.20%
Interest on Loan	488.71	569.55	633.48	688.35	732.56

Interest on Consumer Security Deposit

Petitioner's Submission

- 8.39 The Petitioner submitted that in order to estimate the interest on consumer security deposit for MYT Control Period, the Petitioner has assumed an escalation of 5% over the accumulated consumer security over the previous years.
- 8.40 Further, the applicable interest rate as per JSERC Supply Code



Regulations, 2015 has been applied to estimate the Interest on consumer deposit for the next Control Period. As per regulation:

“10.33 The interest payable on consumer security deposits shall be governed by the provisions of the Jharkhand State Electricity Regulatory Commission (Electricity Supply Code) Regulations, 2015, as amended by the First Amendment Regulations, 2018, and the Second Amendment Regulations, 2024, or as may be further amended or substituted by the Commission from time to time.”

8.41 The interest rate for consumer security deposit has been taken as 10.25% for the next control period.

Table 128: Interest on CSD as submitted by the Petitioner for FY 26-27 to FY 30-31 (Rs. Crore)

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Closing CSD	1623.04	1704.19	1789.40	1878.87	1972.82
Interest Rate	10.25%	10.25%	10.25%	10.25%	10.25%
Int. on CSD	166.36	174.68	183.41	192.58	202.21

Commission’s Analysis

8.42 The Commission has observed that the Petitioner doesn’t discharge the total claimed interest on consumer security deposit to its respective consumers as already mentioned in the True-up and APR chapter of this order.

8.43 Accordingly, the Commission has approved the Interest on CSD same as the value approved in FY 2025-26 for all the years of the Control period as shown below, subject to truing up based on actuals:

Table 129: Interest on CSD as approved by the Commission for FY 26-27 to FY 30-31 (Rs. Crore)

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Int. on CSD	42.55	42.55	42.55	42.55	42.55

Bank and Finance Charges

Petitioner’s Submission

8.44 The Petitioner submitted that it has estimated the Bank and Finance charges for the next control period from FY26-27 to FY 30-31 to the tune



of Rs 4.459 Cr which is same as that of audited annual accounts for FY 2024-25 towards expenditures like bank charges, finance charges, etc. The Petitioner has not escalated this portion, and it is assumed that the Petitioner will limit its bank and finance charges under Rs 4.459Cr.

- 8.45 The Petitioner has further clarified that the Commission to be paid for LC is a mandatory charge payable on availing the benefit. LC is a non-fund-based limit which is a mechanism to pay power purchase vendors timely. It is similar to interest cost on fund based working capital loans.

Commission's Analysis

- 8.46 The Commission takes note of the submission of the Petitioner. It is noted that as per clause 10.2 of the JSERC Distribution Tariff Regulations, 2025, Bank charge will be a part of ARR for the Retail Supply Business of the Licensees for each year of the Control Period and shall be allowed subject to prudent check.
- 8.47 However, the Commission observes that bank and finance charges are contingent upon actual borrowing, utilization of credit facilities and prevailing interest rates. In the absence of audited actuals and complete supporting documents enabling prudence check, the Commission is not inclined to approve any bank and finance charges for the Control Period at this stage. The same shall be examined and considered at the time of true-up, based on actuals and upon submission of relevant documentary evidence.

Interest on Working Capital (IoWC)

Petitioner's Submission

- 8.48 The Petitioner has estimated the working capital requirement for MYT Control Period in line with the Regulation clause no. 10.30 and 10.32 of the distribution tariff regulations 2025
- 8.49 Rate of IoWC has been considered to be equal to the SBI MCLR (for 1-year period) prevailing as on 30th September 2025 plus 350 Basis Points. The Petitioner has estimated the working capital requirement and interest thereof, as provided in the Table below:

Table 130: Interest on working capital as submitted by the Petitioner for FY 26-27 to FY 30-31 (Rs. Crore)

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Maintenance Spares (@1% GFA)	250.40	279.87	306.61	332.55	352.88



Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
2 months' Receivables	2113.03	2340.15	2567.32	2807.77	3060.53
Less: 1 month Power Purchase Cost	728.91	805.35	885.10	972.73	1069.04
Less: Consumer Security Deposit	1623.04	1704.19	1789.40	1878.87	1972.82
Total Working Capital requirement	11.47	110.48	199.43	288.71	371.56
Interest rate on WC	11.45%	11.45%	11.45%	11.45%	11.45%
Interest on Working Capital	1.31	12.65	22.84	33.06	42.54

Commission's Analysis

8.50 The Commission has outlined the relevant excerpts of the Distribution Tariff Regulations, 2025 related to Interest on working capital as follows:

“Interest on Working Capital

10.30 Working capital for the Wheeling Business for the Control Period shall comprise:

- a) Maintenance spares at one percent (1%) of Opening GFA of Wheeling Business; plus*
- b) Two months equivalent of the expected revenue from wheeling charges at the prevailing tariffs; minus*
- c) Amount, if any, held as security deposits.*

10.31 Working capital for the Retail Supply of Electricity for the Control Period shall comprise:

- a) Maintenance spares at one percent (1%) of Opening GFA for Retail Supply Business; plus*
- b) Two months equivalent of the expected revenue from sale of electricity at the prevailing tariffs; minus*
- c) Amount held as security deposits under Clause (a) and Clause (b) of subsection (1) of Section 47 of the Act from consumers and Distribution System Users net of any security held for Wheeling Business; minus*
- d) One-month equivalent of cost of power purchased including the Inter-State and Intra-State Transmission*

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Charges and Load Despatch Charges, based on the annual power procurement plan.

10.32 Rate of interest on working capital shall be equal to the Bank Rates on September 30 of the financial year in which the MYT Petition is filed plus three hundred and fifty (350) basis points. At the time of true-up, the interest rate shall be adjusted as per the actual rate prevailing on April 01 of the financial year for which truing up exercise has been undertaken.”

- 8.51 The interest rate on working capital for each year of the Control Period has been taken as 11.45%, same as claimed by the Petitioner.
- 8.52 The Commission observes that the Interest on Working Capital (IoWC), as computed, comes out to be negative for FY 2026–27 to FY 2028–29 of the Control Period, whereas it is positive for FY 2029–30 and FY 2030–31. Accordingly, the Commission approves '**Nil**' Interest on Working Capital for FY 2026–27 to FY 2028–29, and approves the computed IoWC for FY 2029–30 and FY 2030–31 as tabulated below.

Table 131: Interest on working capital as approved by the Commission for FY 26-27 to FY 30-31 (Rs. Crore)

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Maintenance Spares (@1% GFA)	108.11	127.56	141.11	154.87	167.48
2 months' Receivables	1692.58	1906.71	2172.68	2414.47	2684.66
Less: 1 month Power Purchase Cost	666.87	751.71	865.66	967.52	1085.30
Less: Consumer Security Deposit	1472.15	1472.15	1472.15	1472.15	1472.15
Total Working Capital requirement	-338.32	-189.59	-24.02	129.67	294.69
Interest rate on WC	11.45%	11.45%	11.45%	11.45%	11.45%
Interest on Working Capital (As Computed)	-38.74	-21.71	-2.75	14.85	33.74
Interest on Working Capital (Approved)	0.00	0.00	0.00	14.85	33.74

Return on Equity

Petitioner's Submission

- 8.53 The Petitioner submitted that as per clause no 10.19 to 10.20, of the



distribution tariff regulations 2025, there is a change in computation of return on equity.

8.54 The Petitioner has considered the same in calculating the ROE for the next control period from FY 26-27 to FY 30-31. Further, the rate of Return on Equity (RoE) is considered to be 14.50% up to FY 25-26 and thereafter on additional equity rate of 15% is taken for consideration

8.55 The RoE as submitted by the Petitioner is tabulated as follows:

Table 132: Return on Equity as submitted by the Petitioner for FY 26-27 to FY 30-31 (Rs. Crore)

RoE	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Opening Balance	3562.54	4136.51	4548.01	4963.52	5347.75
Addition	573.97	411.50	415.51	384.23	378.83
Closing Balance	4136.51	4548.01	4963.52	5347.75	5726.58
Average Equity	3849.53	4342.26	4755.77	5155.64	5537.17
Rate of Equity on equity before FY 26-27	14.50%	-	-	-	-
Rate of Equity-on-equity addition after FY 26-27	15.00%	15.00%	15.00%	15.00%	15.00%
Return On Equity	602.66	664.39	726.72	784.35	841.17

Commission's Analysis

8.56 The Commission has outlined the relevant excerpts of the Distribution Tariff Regulations, 2025 related to return on equity, as follows:

“Return on Equity

10.19 The base rate of Return on Equity (RoE) shall be 14.50% (post-tax) for assets capitalised prior to April 01, 2026

and

15.00% (post-tax) for assets capitalised from April 01, 2026, provided that in addition to the base RoE, the Commission may allow an additional 0.50% RoE for assets capitalised from April 01, 2026, to the Distribution Licensee that demonstrably ensures uninterrupted supply of electricity to Universal Supply Obligated Entities, including, but not limited to, Religious Institutions, Government Hospitals, Educational Establishments, Public Water Supply and Sanitation Services, Street Lighting Systems, critical infrastructure facilities, and renewable energy integration projects, eligibility for such additional RoE shall be linked to specific,



measurable Key Performance Indicators (KPIs), including but not limited to SAIDI, SAIFI, outage duration, and supply reliability percentage to the above categories, as verified through independent certification by the State Load Despatch Centre (SLDC) and/or a Statutory Auditor or any third-party agency as approved by the Commission.

10.20 The Licensee to provide Return on equity for each year shall be allowed on equity employed in assets in use considering the following:

- a) Equity employed in accordance with Clause 10.16 of these Regulations on assets (in use) capitalised as on the beginning of the year; and
- b) Fifty Percent (50%) of the equity projected to be employed in accordance with Clause 10.17 of these Regulations on assets (in use) Commissioned during the year.

The Distribution Licensee shall furnish all requisite data, information, and supporting documents pertaining to the respective Financial Year by 30th November of the year in which the Petition is to be filed. Non-submission of the complete data within the stipulated timeline shall render the Licensee ineligible to claim carrying cost for the corresponding period, unless condoned by the Commission with recorded reasons.

- 8.57 In accordance to the Distribution Tariff Regulations, 2025, the Commission has computed the normative Equity addition during the respective year of the Control Period as being equal to 30% of the approved capitalization after deducting assets funded out of CC and grants.
- 8.58 The Opening Equity for FY 2026-27 has been considered as the closing Equity approved by the Commission in APR of FY 2025-26 in the instant order.
- 8.59 Further, as per Clause 10.19 of the JSERC Distribution Tariff Regulations, 2025, the Commission has approved Return on Equity at 14.50% for assets capitalised prior to April 01, 2026 and 15.00% for assets capitalised from April 01, 2026
- 8.60 The Commission has considered the Income tax as nil, subject to a prudent check at the time of Truing up.
- 8.61 The table below summarizes the Return on Equity as approved by the Commission for the Control Period.



Table 133: Return on Equity as approved by the Commission for FY 26-27 to FY 30-31 (Rs. Crore)

RoE	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Opening Balance	3243.33	3826.70	4233.23	4646.12	5024.40
Addition	583.37	406.52	412.89	378.29	376.37
Closing Balance	3826.70	4233.23	4646.12	5024.40	5400.78
Average Equity	3535.02	4029.96	4439.67	4835.26	5212.59
Rate of Equity on equity before FY 26-27	14.50%	14.50%	14.50%	14.50%	14.50%
Rate of Equity-on-equity addition after FY 26-27	15.00%	15.00%	15.00%	15.00%	15.00%
Return On Equity	514.04	544.53	575.49	603.86	632.09

Non-Tariff Income (NTI)

Petitioner's Submission

- 8.62 The Petitioner submitted that the Non-Tariff Income (NTI) for FY 26-27 to FY30-31 has been considered at the level of FY25-26. It is also pertinent to note that receipt from consumer for capital works should not be included as part of NTI as this an expense towards asset creation and already amortized in GFA on which depreciation is calculated. For accounting purpose, this has been shown in other income in audited account for balancing purpose only. Considering this as part of NTI would result in double accounting. Hence, the Commission is requested to exclude this category from NTI.
- 8.63 The Petitioner has also submitted that in accordance with the regulations issued by other SERCs and model regulations by the Forum of Regulator, DPS income from consumers should not be a part of the non-tariff income for discoms and LPS paid to Gencos/Transcos is recognized as an expense in the ARR which is not the case in Jharkhand. Hence, it is requested to treat these parameters accordingly. Rebate on power purchase is considered a part of power procurement cost and hence, not considered in NTI. Also, JBVNL do not foresee any interest on advance to supplier or contractor, hence not included any income towards this as part of NTI.
- 8.64 As the receivables on financing cost of accrued DPS is not provided for, the Petitioner has not taken DPS component as part of Non-Tariff Income.



8.65 NTI as submitted by the Petitioner is outlined below:

Table 134: Non-Tariff Income as submitted by the Petitioner for FY 26-27 to FY 30-31 (Rs. Crore)

Non-Tariff Income	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Interest Income from Investment in Fixed Deposits	17.35	17.35	17.35	17.35	17.35
D.P.S from Consumer	-	-	-	-	-
Interest from Bank (Other than FD)	12.14	2.14	12.14	12.14	12.14
Supervision Charges	10.68	10.68	10.68	10.68	10.68
Miscellaneous Receipt	21.56	1.56	21.56	21.56	21.56
Transformer Rent	7.16	7.16	7.16	7.16	7.16
Wheeling Charges / Fuel surcharge / Outside Sale	-	-	-	-	-
Total	68.90	68.90	68.90	68.90	68.90
Net NTI to be considered	68.90	68.90	68.90	68.90	68.90

Commission's Analysis

8.66 The relevant Regulations related to Non-Tariff Income (NTI) of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025 is mentioned below.

Non-Tariff Income

10.53 The amount of Non-Tariff Income relating to the Distribution Business as approved by the Commission shall be deducted from the ARR in determining the Retail Supply Tariff and Wheeling Charges of the Distribution Business:

Provided that the Distribution Licensee shall submit full details of its forecast of Non-Tariff Income to the Commission in such form as may be stipulated by the Commission.

10.54 The Non-Tariff Income shall include:

- a) Income from rent of land or buildings;*
- b) Income from sale of scrap;*
- c) Income from investments;*
- d) Interest accrued on advances to suppliers/contractors;*



- e) Interest income on loans/advances to employees;
- f) Income from rental of staff quarters;
- g) Income by rental from contractors;
- h) Income by hire charges from contractors and others;
- i) Income from delayed payment surcharge, supervision charges, etc.;
- j) Supervision charges for capital works;
- k) Income from recovery against theft and/or pilferage of electricity;
- l) Income from advertisements;
- m) Income from sale of tender documents;
- n) Profit from sale of Assets (i.e. difference of Sale value and Book value of Asset);
- o) Any other Non-Tariff Income:

Provided that the interest earned from investments made out of Return on Equity corresponding to the regulated Business of the Distribution Licensee shall not be included in Non-Tariff Income.

Provided that the onus to substantiate, to the satisfaction of the Commission, that such investments have been out of Return on Equity shall be on the Licensee.

- 8.67 The Commission has carefully examined the submissions of the Petitioner regarding the treatment of Non-Tariff Income (NTI), including Delay Payment Surcharge (DPS), Late Payment Surcharge (LPS), receipts from consumers for capital works, rebate on power purchase, and other related items. for each year of the Control Period.
- 8.68 At the outset, the Commission concurs with the Petitioner that receipts from consumers towards capital works are not in the nature of recurring income, but are contributions towards asset creation. Such receipts are capitalized as part of the Gross Fixed Assets (GFA). Including these receipts as part of NTI would lead to double counting. Accordingly, the Commission excludes “receipts from consumers for capital works” from NTI. Further, with respect to “rebate on power purchase”, the Commission notes that such rebate directly reduces the power procurement cost and is appropriately netted off against power purchase expenses. Hence, the same is not required to be treated as part of NTI.
- 8.69 However, with respect to Delay Payment Surcharge (DPS) recovered from



consumers, the Commission does not agree with the Petitioner's contention that DPS should be excluded from NTI. The Commission observes that DPS is a revenue receipt arising due to delayed payment by consumers and is not linked to any cost incurred by the licensee. As per settled regulatory principles, any income that is incidental to the licensed business and not directly attributable to tariff-approved expenditure is required to be treated as Non-Tariff Income and shared with consumers.

- 8.70 Moreover, the Commission is of considered view that LPS should not be recognized as a pass-through expense in ARR, as such LPS arises due to delayed payments attributable to operational and financial inefficiencies of the licensee.
- 8.71 Considering the above facts, the Commission has provisionally approved the NTI for each year of the Control Period, equal to the NTI as approved by the Commission in the base year (i.e. in the APR of FY 2025-26) subject to truing up based on actuals.
- 8.72 NTI as approved by the Commission for the Control Period is summarized in the following table.

Table 135: Non-Tariff Income as approved by the Commission for FY 26-27 to FY 30-31 (Rs. Crore)

Non-Tariff Income	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Interest Income from Investment in Fixed Deposits	17.35	17.35	17.35	17.35	17.35
D.P.S from Consumer	391.54	391.54	391.54	391.54	391.54
Interest on advance to Supplier/Contractor	0.00	0.00	0.00	0.00	0.00
Interest from Bank (Other than FD)	12.14	12.14	12.14	12.14	12.14
Income from Staff Welfare activities	0.00	0.00	0.00	0.00	0.00
Supervision Charges	10.68	10.68	10.68	10.68	10.68
Miscellaneous Receipt	21.56	21.56	21.56	21.56	21.56
Rebate on power purchase	0.00	0.00	0.00	0.00	0.00
Transformer Rent	7.16	7.16	7.16	7.16	7.16
Receipt from Consumers for capital works	0.00	0.00	0.00	0.00	0.00
Miscellaneous Charges	0.0047	0.0047	0.0047	0.0047	0.0047

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Non-Tariff Income	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
from Consumers					
Sale of scrap	5.97	5.97	5.97	5.97	5.97
Total NTI	466.41	466.41	466.41	466.41	466.41

Summary of ARR for the MYT Control Period from FY 2026-27 to FY 2030-31

Petitioner's Submission

8.73 Based on the components of the ARR discussed in the above sub-sections, the projected ARR for the control period (FY 2026-27 to FY 2030-31) has been projected by the Petitioner as shown in the Table below:

Table 136: Summary of ARR for the Control Period as submitted by the Petitioner (Rs. Crore)

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Total Power Purchase Expense	9836.89	10797.84	11800.37	12899.32	14104.21
<i>Power Purchase Expense</i>	8746.95	9664.14	10621.16	11672.77	12828.43
<i>Inter-state transmission charges</i>	524.62	545.76	567.76	590.64	614.44
<i>Intra-state transmission Charge</i>	565.32	587.93	611.45	635.91	661.34
Operations and Maintenance Expenses	1,091.13	1,173.73	1,251.38	1,328.15	1,394.00
<i>Employee Expense</i>	297.04	308.00	319.35	331.12	343.33
<i>Terminal Liability</i>	140.97	146.16	151.55	157.14	162.93
<i>Administration & General Expense</i>	128.96	133.71	138.64	143.75	149.05
<i>Repair & Maintenance Expense</i>	524.16	585.86	641.84	696.14	738.69
Depreciation	563.09	635.16	695.65	754.14	809.95
Interest on Long Term Loan	471.00	549.06	611.40	663.79	704.52

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Interest on Working Capital Loan	11.47	110.48	199.43	288.71	371.56
Interest on Consumer Security Deposit	166.36	174.68	183.41	192.58	202.21
Bank/ Finance Charges	4.46	4.46	4.46	4.46	4.46
Return on Equity Capital	602.66	664.39	726.72	784.35	841.17
Total Expenditure	12747.07	14109.80	15472.83	16915.50	18432.08
<i>Less: Non-Tariff Income</i>	68.90	68.90	68.90	68.90	68.90
Net: Aggregate Revenue Requirement	12678.17	14040.91	15403.93	16846.60	18363.19
Annual Revenue Requirement	12678.17	14040.91	15403.93	16846.60	18363.19
<i>Total Revenue</i>	9794.76	10446.96	11124.51	11877.82	12700.51
<i>Revenue from Intrastate sales / Sale of Power</i>	9794.76	10446.96	11124.51	11877.82	12700.51
Net Gap/(Surplus)	2883.41	3593.95	4279.42	4968.78	5662.67

Commission's Analysis

8.74 The Commission has approved the ARR for the Control Period from FY 2026-27 to FY 2030-31 based on the components approved in this Order. The following table summarizes the ARR for the Control Period as approved by the Commission:

Table 137: Summary of ARR for the Control Period as approved by the Commission (Rs. Crore)

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Total Power Purchase Expense	8002.40	9020.50	10387.98	11610.29	13023.62
<i>Power Purchase Expense</i>	8746.95	9664.14	10621.16	11672.77	12828.43
<i>Less: Disallowance due to excess Distribution Loss</i>	1834.49	1777.33	1412.39	1289.02	1080.59

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
<i>Intrastate transmission charges</i>	565.32	587.93	611.45	635.91	661.34
<i>Interstate transmission Charge</i>	524.62	545.76	567.76	590.64	614.44
Operations and Maintenance Expenses	1056.97	1139.88	1213.44	1285.87	1347.14
<i>Employee Expense</i>	272.62	280.77	289.16	297.80	306.70
<i>Terminal Liability</i>	140.97	146.16	151.55	157.14	162.93
<i>Administration & General Expense</i>	123.40	127.09	130.89	134.80	138.82
<i>Repair & Maintenance Expense</i>	519.98	585.86	641.84	696.14	738.69
Depreciation	517.22	589.63	649.58	707.46	762.66
Return on Equity Capital	514.04	544.53	575.49	603.86	632.09
Interest on Long Term Loan	488.71	569.55	633.48	688.35	732.56
Interest on Consumer Security Deposit	42.55	42.55	42.55	42.55	42.55
Interest on Working Capital Loan	0.00	0.00	0.00	14.85	33.74
Bank/ Finance Charges	-	-	-	-	-
Total Expenditure	10621.88	11906.64	13502.51	14953.23	16574.37
<i>Less: Non-Tariff Income</i>	466.41	466.41	466.41	466.41	466.41
ARR after NTI	10,155.47	11,440.23	13036.10	14486.82	16107.96
OP-1 Liquidation	677.23	677.23	677.23	677.23	637.43
ARR Recoverable	10,832.70	12117.46	13713.33	15164.05	16745.39

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Revenue from Sales of power at existing tariff	10466.45				
Net Gap/(Surplus)	366.25				

8.75 The Commission has approved the treatment of the Gap/(Surplus) for FY 2026-27 at Approved tariff in **Chapter 9** of this Order.



Chapter 9: REVENUE GAP AND ITS TREATMENT



Chapter 9: REVENUE GAP AND ITS TREATMENT

Treatment of Revenue Gap/(Surplus)

Commission Analysis

9.1 Based on the approved ARR and revenue from existing tariff, the Commission has approved the Revenue Gap/(Surplus) for FY 2026-27 as shown below:

Table 138: Revenue Gap/(Surplus) (in Rs Crore) as approved by the Commission for FY 2026-27 at existing Tariff.

Particulars	FY 26-27
	Approved
Opening Cumulative Revenue Gap / (Surplus)	4075.61
Revenue Gap / (Surplus) created during the Year	366.25
Closing Gap at end of the Year	4441.86
Rate of Interest	11%
Carrying Cost on Opening Balance	448.32
Carrying cost on Additional Gap Created during the Year	40.29
Total Gap	4930.46

9.2 The Commission observes that in FY 2026-27 revenue gap stands at Rs. 4930.46 crores at new approved tariff Order.

Revenue Gap/(Surplus)

Petitioner Submission

9.3 The Petitioner submitted that as per the Commission's order dated 07/10/2025, on case no Case (Tariff) No. 09 of 2017, 13 of 2017 & 03 of 2022, the Hon'ble Commission has ordered reversal of penalty on earlier orders on the deduction of 2% of ARR. The cumulative penalty of Rs 733.69 Cr was added back to the gap. Hence, the opening revenue gap for FY 24-25 becomes Rs 4991.67Cr

9.4 The Petitioner has submitted that accumulated Revenue Gap from True-up, APR and ARR for FY 2024-25 to FY 2026-27 at tariff Order April 30, 2023 without considering carrying cost is as under:



Table 139: Accumulated Revenue Gap with carrying cost at proposed Tariff for FY 2026-27

Particulars	Revenue Gap FY 2024-25	Revenue Gap estimated FY 2025-26	Revenue Gap estimated FY 2026-27
Opening Revenue Gap	4991.67	8,718.88	12,078.69
Revenue Gap / (Surplus) created during the Year	2963.35	2210.39	2883.41
Closing Gap at end of the Year	7955.02	10929.27	14962.10
Rate of Interest	11.80%	11.70%	11.70%
Carrying Cost on Opening Balance	589.02	1,020.11	1,413.21
Carrying cost on Additional Gap Created during the Year	174.84	129.31	168.68
Total Gap including carrying cost	8,718.88	12,078.69	16,543.99

9.5 The Petitioner prays to the Commission to approve the cumulative revenue gap till FY 2026-27 (Rs. 16543.99 Cr) as proposed by the Petitioner, and pass on the impact of the same in the tariff order to be issued subsequently.

Commission Analysis

9.6 As per the Commission's order dated 07/10/2025, on Case (Tariff) No. 09 of 2017, 13 of 2017 & 03 of 2022, the Commission ordered for reversal of penalty on earlier orders for FY 2015-16 to FY 2022-23 for the deduction of 2% of ARR. The cumulative penalty pertains to Rs 733.69 Cr.

9.7 Further, it is observed that as per the tariff order dated 30.04.2025, the cumulative revenue gap as on 31.03.2024 is 4257.98 Cr.

9.8 Furthermore, in compliance with the directions of the Hon'ble APTEL dated 29.08.2025 in OP No. 1 of 2025, issued pursuant to the Hon'ble Supreme Court judgment dated 06.08.2025, where the regulatory gap is required to be liquidated within the stipulated timeframe, the Commission in its affidavit dated 22.11.2025, submitted the roadmap to liquidate the regulatory gap in following manner. The relevant excerpts of the affidavit are shown below.

11 That, the Discoms wise submission of the Respondent Commission is as under:

i. Jharkhand Bijli Vitran Nigam Ltd (JBVNL): That there us

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



revenue gap of Rs. 4267.98 Cr. as on 31.03.2024. The revenue gap was liquidated by 940.78 Cr in FY 2024-25 and by 1341.97 Cr in FY 2025-26 as per Tariff Order issued. However, an impact of Rs. 733.69 Cr is created due to reversing of 2% penalty imposed by the Commission as per the direction of this Hon'ble Tribunal. Hence the total revenue gap as on 31.03.2026 is Rs. 2708.92 Cr.

The Commission intends to liquidate the revenue gap of Rs. 2708.92 Cr. The tentative liquidation roadmap from FY 2026-27 to FY 2030-31, including carrying cost is as under:

FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31
	677.23	677.23	677.23	637.43
677.23	(433.43+ 243.8*)	(485.44+ 191.79*)	(543.73+ 133.54*)	(569.13+ 68.3*)

*Carrying Cost

- 9.9 Accordingly, on scrutinizing and analyzing the material, data, information available on record and on prudent check the Commission has considered the total closing revenue Gap of FY 2023-24 amounting to Rs. 4267.98 Cr. as the opening revenue Gap for FY 2024-25. Moreover, as per the roadmap submitted by the Commission for liquidation of revenue gap (which is inclusive of 2% reversal of penalty), Rs. 677.23 Cr for FY 2026-27 as mentioned in the excerpt of above affidavit, has been added in the ARR of FY 2026-27.
- 9.10 Based on the approved value of Truing up for FY 2024-25 and APR for FY 2025-26 the cumulative Revenue Gap/(Surplus) approved by the Commission till FY 2025-26 is given below:

Table 140: Cumulative Gap/(Surplus) (in Rs Crore) as approved by the Commission.

Particulars	FY 2024-25	FY 2025-26
Opening Gap/(Surplus)	4257.98	4611.20
Revenue Gap/(Surplus) created during the Year	(103.75)	(939.48)
Closing Gap/(Surplus) at the end of the year	4154.23	3671.72
Rate of Interest	11%	11%
Carrying Cost on Opening Balance	468.38	507.23
Carrying cost on additional Gap/(Surplus)	(11.41)	(103.34)

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Particulars	FY 2024-25	FY 2025-26
created during the year		
Total Revenue Gap/(Surplus)	4611.20	4075.61

9.11 Based on the approved ARR and revenue from new approved tariff, the Commission approves the Revenue Gap/(Surplus) for FY 2026-27 as shown below:

Table 141: Cumulative Gap/(Surplus) (in Rs Crore) as approved by the Commission.

Particulars	FY 2026-27
Opening Gap/(Surplus)	4075.61
Revenue Gap/(Surplus) created during the Year	366.25
Closing Gap/(Surplus) at the end of the year	4441.86
Rate of Interest	11%
Carrying Cost on Opening Balance	448.32
Carrying cost on additional Gap/(Surplus) created during the year	40.29
Total Revenue Gap/(Surplus)	4930.46

9.12 The Tariff Schedule approved by the Commission for FY 2026-27 is detailed in **Chapter 13** of this Order.



Chapter 10: DETERMINATION OF WHEELING CHARGE, WHEELING LOSSES AND CROSS SUBSIDY SURCHARGE FOR FY 2026-27.



Chapter 10: DETERMINATION OF WHEELING CHARGE, WHEELING LOSSES AND CROSS SUBSIDY SURCHARGE FOR FY 2026-27.

- 10.1 As per clause 2.2 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025, the Commission shall determine wheeling tariff, cross-subsidy surcharge, additional surcharge and other Open Access (OA) related charges. The relevant extract of the Regulations has been reproduced below:

“2.2

...

Provided further that where any category of consumer has been permitted open access under Section 42 of the Act, the Commission shall determine the wheeling tariff, cross-subsidy surcharge, additional surcharge and other open access related charges in accordance with these Regulations and JSERC (Intra State Open Access) Regulations, 2016, as amended from time to time”.

- 10.2 As per the Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Intra-State Open Access) Regulations, 2016, the Open Access (OA) charge includes Wheeling Charges, Wheeling Losses, Cross Subsidy Surcharge, and Additional Surcharge. The subsequent para summarizes the Commission’s analysis thereof:

Wheeling Charges

- 10.3 According to ‘**clause 6.5 to 6.8**’ of the Distribution Tariff Regulations, 2025, the Petitioner is required to segregate the accounts of the Licensed Business into Wheeling Business and Retail Supply Business. In the absence of segregated accounts, the Petitioner is required to submit an allocation statement duly approved by the Board of Directors, accompanied by an explanation of the basis and methodology used for segregation. The relevant extract of the Regulations has been reproduced hereunder:

“Segregation of Retail Supply and Wheeling Business

6.5 The Licensee shall segregate the accounts of the Licensed Business into Wheeling Business and Retail Supply Business.

6.6 The ARR for Wheeling Business shall be used to determine Wheeling Tariff and the ARR for Retail Supply Business shall be



used to determine Retail Supply Tariff.

6.7 For such period until accounts are segregated, the Licensee shall prepare an Allocation Statement to apportion costs and revenues to respective business. The Allocation Statement, approved by the Board of Directors of the Licensee, shall be accompanied with an explanation of the basis and methodology used for segregation, which should be consistent over the Control Period.

6.8 In case clear and reasoned methodology for allocation is not submitted by the Distribution Licensee, the Commission may consider the segregation as approved for the previous Control Period as specified below or may decide on the manner in which such allocation can be done:

Table 142: Segregation Ratio as submitted by Petitioner.

Particulars	Share of Retail Supply	Share of Wheeling Business
O&M Cost		
Employee cost	40%	60%
A&G Expense	50%	50%
R&M Cost	10%	90%
Power purchase (Inc. Trans. Charges and RPO)	100%	0%
Interest on security deposit	100%	0%
Interest Cost	10%	90%
Interest on working capital	90%	10%
Depreciation	10%	90%
Return on Equity	10%	90%
Less: NTI	90%	10%

10.4 The segregation of ARR into Wires and Supply Business as approved by the Commission for FY 2026-27 is shown below:



Table 143: Segregation of ARR (Rs. Crore) as approved by the Commission.

Particulars	Share of Retail Supply	Share of Wheeling Business	ARR for FY 2026-27	Share of Retail Supply (Rs Cr)	Share of Wheeling Business (Rs Cr)
O&M Cost					
Employee cost	40%	60%	272.62	109.05	163.57
A&G Expense	50%	50%	123.40	61.70	61.70
R&M Cost	10%	90%	519.98	52.00	467.98
Power purchase (Inc. Trans. Charges and RPO)	100%	0%	8,002.40	8,002.40	0.00
Interest on security deposit	100%	0%	42.55	42.55	0.00
Interest Cost	10%	90%	488.71	48.87	439.84
Interest on working capital	90%	10%	0.00	0.00	0.00
Depreciation	10%	90%	517.22	51.72	465.49
Return on Equity	10%	90%	514.04	51.40	462.63
Less: NTI	90%	10%	-466.41	-419.77	-46.64
Total ARR			10,014.50	7,999.92	2,014.58

10.5 In the absence of an asset register, and in order to estimate the ratio of fixed assets at various voltage levels, the Commission has considered the network details of Petitioner as on record with the Commission on the premise that the high voltage and low voltage assets have been created simultaneously. Thus, the depreciation of all HT and LT assets is assumed to be at the similar level.

10.6 The Commission has observed that the Petitioner has failed to submit the details of Power Sub-station (PSS) capacity/quantity and estimated costs. In this regard, the Commission has directed the Petitioner to submit the details of Power Sub-station (PSS) capacity/quantity and estimated costs. In reply to discrepancies note the Petitioner has partially submitted the aforesaid data vide letter no. 193 File no. CE(C&R)/Rev./2358/2019/P-II dated August 22, 2024 as tabulated hereunder.

Table 144: Estimated Cost of PSS (Rs Lakh) as approved by the Commission

PSS (capacity)	Quantity	Cost/ PSS	Total cost
10 MVA	235	62.65	14,722.75
7.5 MVA	2		-

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PSS (capacity)	Quantity	Cost/ PSS	Total cost
7.15 MVA	-		-
5 MVA	1,084	41.67	45,170.28
3.15 MVA	102		-
3 MVA	7		-
1.6 MVA	235	62.65	14,722.75

Table 145: Estimated Cost of 33kV, 11 kV and LT lines (in Rs Lakh) as approved by the Commission

Line Length	Quantity	Cost/ Km	Total cost
33 kV Incoming (in km.)	9,616	26.07	2,50,689.12
33 kV Outgoing (in km.)	2,976	26.07	77,584.32
11 kV Length (in km.)	72,422	7.24	5,24,335.28
LT Length (in km.)	2,31,300	4.45	10,29,285.00

Table 146: Estimated Cost of DTRs (Rs. Lakh) as approved by the Commission

DTR (capacity)	Quantity	cost/ DTR	Total cost
1000 KVA	15		
750 KVA	36		-
500 KVA	683	14.48	9,889.84
400 KVA	49	10.06	492.94
315 KVA	83	10.36	859.88
250 KVA	583	8.32	4,850.56
200 KVA	11,217	6.52	73,134.84
150 KVA	1,043		-
100 KVA	28,248	4.76	1,34,460.48
63 KVA	24,203	4.06	98,264.18
25 KVA	72,215	3.27	2,36,143.05

10.7 Based on the above data, the estimated present cost of assets, apportioned into different voltage levels is depicted in the table below:

Table 147: Voltage-wise Asset Ratio as approved by the Commission for FY 2025-26.

Voltage levels	Total cost	Ratio
33 kV	3,88,166.47	16%

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11 kV	5,24,335.28	21%
LT	15,87,380.77	63%

10.8 Based on the voltage wise asset bifurcation, the Wires Business ARR at respective voltage levels, is depicted in the table below:

Table 148: Voltage-wise ARR (Rs. Crore) of wire business as approved by the Commission

Voltage levels	Asset Segregation	Asset Segregation	Segregation of ARR
LT	15,873.81	63%	1,279.22
11 kV	5,243.35	21%	422.55
33 kV and above	3,881.66	16%	312.81
Total	24,998.83		2,014.58

10.9 The Wires Business ARR for different voltage levels as approved by the Commission has been apportioned between lower voltage levels in the ratio of voltage-wise energy sales and stacked accordingly in line with the methodology adopted by the Petitioner earlier in the Order. The consumer voltage and category wise energy sales as approved by the Commission has been allocated to different voltage levels as depicted in the table below:

Table 149: Voltage-wise Energy sale (MU) as approved by the Commission.

Category	Voltage level	Voltage-wise Sales	Aggregated sales
Domestic	LT	7,119	7,145
	11 kV	26	
	33 kV and Above	-	
Commercial/Non Domestic	LT	1,564	1,564
	11 kV	-	
	33 kV and Above	-	
Irrigation / IAS	LT	98	98
	11 kV	-	
	33 kV and Above	-	
Industrial	LT	311	3,449
	11 kV	1,342	
	33 kV and Above	1,797	



Category	Voltage level	Voltage-wise Sales	Aggregated sales
Institution	LT	26	148
	11 kV	19	
	33 kV and Above	102	
Total sales	All voltage level	12,403.65	12,403.65

10.10 Accordingly, the voltage wise energy sales ratio, as approved by the Commission is provided in the table below:

Table 150: Sale Ratio as approved by the Commission.

Voltage Level	Sales	Sales Ratio
LT	9,118.08	74%
11 kV	1,386.98	11%
33 kV and Above	1,898.60	15%
Total	12,403.65	

10.11 The voltage wise Wires Business ARR (allocated earlier in the ratio of fixed assets), is now stacked from higher to lower voltage levels, based on energy sales ratio, as tabulated below:

Table 151: Cost Stacking (Rs. Crore) as approved by the Commission.

Voltage level	Voltage-wise ARR Allocation	Cost Staking on the basis of energy sales		
		LT	11 kV	33 kV
LT	1,279.22	1,279.22		
11 kV	422.55	366.76	55.79	
33 kV and Above	312.81	229.95	34.98	47.88
Total	2,014.58	1,875.93	90.77	47.88

10.12 Based on the above, the voltage-wise Wheeling Charges for FY 2025-26 as approved by the Commission has been tabulated below:

Table 152: Wheeling Tariff as approved by the Commission.

Voltage Categories	ARR (Rs. Crore)	Sales (MU)	Wheeling Tariff (Rs./kWh)
LT	1,875.93	9,118	2.06
11 kV	90.77	1,387	0.65



Voltage Categories	ARR (Rs. Crore)	Sales (MU)	Wheeling Tariff (Rs./kWh)
33 kV and above	47.88	1,899	0.25

Voltage-wise Cost of Supply

10.13 The cost of supply is defined as the sum of all costs including the cost of power incurred by a distribution utility to supply electricity to a group of consumers.

10.14 The cost of supply is an essential parameter to arrive at the cross-subsidy levels. Further, Section 61(g) of the Electricity Act, 2003, as amended on June 15, 2007, states that.

“Section 61. (Tariff regulations)

The Appropriate Commission shall, subject to the provisions of this Act, specify the terms and conditions for the determination of tariff, and in doing so, shall be guided by the following, namely: -

.....

(g) that the tariff progressively reflects the cost of supply of electricity and also, reduces cross-subsidies in the manner specified by the Appropriate Commission;

....”

10.15 Also, **clause 8.3** of the Tariff Policy, 2016 states that the Commission should determine a roadmap so that tariffs are brought within $\pm 20\%$ of the average cost of supply. The relevant excerpts of the Policy have been reproduced below:

“8.3 Tariff design: Linkage of tariffs to cost of service

.....

(2) For achieving the objective that the tariff progressively reflects the cost of supply of electricity, the Appropriate Commission would notify a roadmap such that tariffs are brought within $\pm 20\%$ of the average cost of supply.

.....”



- 10.16 Further, if strict commercial principles are to be followed, then the tariffs for each category of consumers is to be set based on the cost of supply for each category. However, it is difficult to determine the same pertaining to the issues of data adequacy.
- 10.17 The Commission is of the view that waiting indefinitely for the required data is not prudent and therefore has decided to initiate the computation of voltage wise cost of supply based on the data made available by the Petitioner as of now, which, to a great extent would reflect the actual voltage wise cost of supply.
- 10.18 In view of the same, the Commission has decided to follow the methodology proposed by the Hon'ble APTEL for the computation of voltage wise cost of supply in its Order dated May 10, 2012. The key interpretations made by the Hon'ble APTEL has been summarized below:
- Identical consumers connected at different nodes in the distribution network need not be differentiated.
 - In the absence of segregated network costs, it would be prudent to work out the voltage-wise cost of supply taking into account the distribution losses at different voltage levels.
 - The Power Purchase cost, which is the major component of tariff can be segregated for different voltage levels taking into account the transmission and distribution losses, both commercial and technical, for the relevant voltage level and upstream system.
 - All consumer categories connected to the same voltage will have the same cost of supply.
- 10.19 The Commission, based on the methodology proposed by the Hon'ble APTEL has computed the voltage wise cost of supply as detailed below.
- 10.20 Apportionment of Sales: The approved sales for the FY 2026-27 have been apportioned to different voltage levels, as tabulated below:

Table 153: Voltage-wise Energy sale (MU) as approved by the Commission.

Category	Voltage level	Voltage-wise Sales	Aggregated sales
Domestic	LT	7,119	7,145
	11 kV	26	
	33 kV and Above	-	
Commercial/Non	LT	1,564	1,564



Category	Voltage level	Voltage-wise Sales	Aggregated sales
Domestic	11 kV	-	
	33 kV and Above	-	
Irrigation / IAS	LT	98	98
	11 kV	-	
	33 kV and Above	-	
Industrial	LT	311	3,449
	11 kV	1,342	
	33 kV and Above	1,797	
Institution	LT	26	148
	11 kV	19	
	33 kV and Above	102	
Total sales	All voltage level	12,403.65	12,403.65

10.21 Voltage **wise Technical losses:** As per para 33 of the APTEL Order dated May 10, 2012

“33. The technical distribution system losses in the distribution network can be assessed by carrying out system studies based on the available load data. Some difficulty might be faced in reflecting the entire distribution system at 11 KV and 0.4 KV due to vastness of data. This could be simplified by carrying out field studies with representative feeders of the various consumer mix prevailing in the distribution system.”

10.22 The Commission has considered the technical loss levels at 13% for FY 2024-25 as approved in the relevant chapter of this Order and accordingly computed the voltage wise losses at different levels as tabulated below:

Table 154: Voltage-wise loss as approved by the Commission.

Voltage Level	Dist. loss level	Sales (MU)	Input (MU)	Tech Loss (MU)
33 kV	3.00%	1,898.60	1,957.32	58.72

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11kV	8.00%	1,386.98	1,507.59	120.61
LT	15.05%	9,118.08	10,733.92	1,615.84
Total		12,403.65	14,257.07	1,853.42

10.23 As per para 34 of APTEL order dated May 10, 2012

“34. Thus Power Purchase Cost which is the major component of tariff can be segregated for different voltage levels taking into account the transmission and distribution losses, both commercial and technical, for the relevant voltage level and upstream system.

10.24 Accordingly, the Commission has computed the power purchase quantum at different voltage levels, as tabulated below:

Table 155: Voltage-wise Power as approved by the Commission for FY 2026-27

Voltage Level	Dist. loss level	Sales	Input	Tech Loss	Commercial Loss	Total Power Purchase
33 kV	3.00%	1,898.60	1,957.32	58.72	-	1,957.32
11kV	8.00%	1,386.98	1,507.59	120.61	-	1,507.59
LT	15.05%	9,118.08	10,733.92	1,615.84	-	10,733.92
		12,403.65	14,257.07	1,853.42	-	14,257.07

*Note: Commercial Loss considered as 0% as per the AT&C Loss Trajectory approved by the Commission

10.25 Allocation of power purchase cost for different voltage levels: The Net power purchase cost approved by the Commission has been allotted to different voltage levels as tabulated below:

Table 156: Voltage-wise Power purchase cost as approved by the Commission for FY 2026-27.

Volt Level	Dist. loss level	Sales (MU)	Input (MU)	Net APPC (Rs./kWh)	Voltage-wise PP Cost (Rs./kWh)
33 kV	3.00%	1,898.60	1,957.32	4.35	4.49
11kV	8.00%	1,386.98	1,507.59	4.35	4.73
LT	15.05%	9,118.08	10,733.92	4.35	5.12
Total		12,403.65	14,198.82	4.35	4.98

10.26 Network Cost: As per para 34 of the APTEL Order dated May 10, 2012

“34.....



As segregated network costs are not available, all the other costs such as Return on Equity, Interest on Loan, depreciation, interest on working capital and O&M costs can be pooled and apportioned equitably, on pro-rata basis, to all the voltage levels including the appellants' category to determine the cost of supply.

....”

10.27 As per the above methodology, the Commission has calculated a uniform network cost for all the categories as tabulated below:

Table 157: Network Cost as approved by the Commission for FY 2026-27.

Particulars	Share of Wheeling Business
Share of Wheeling Business of ARR (Rs. Cr.)	2,014.58
Total Sales (MU)	12,403.65
Network Cost (Rs./kWh)	1.62

10.28 The voltage wise cost of supply for FY 2026-27 as approved by the Commission has been tabulated below:

Table 158: VCoS approved by the Commission for FY 2026-27

Volt Level	Voltage-wise PP Cost (Rs./kWh)	Network Cost (Rs./kWh)	VCoS (Rs./kWh)
33 kV	4.49	1.62	6.11
11kV	4.73	1.62	6.35
LT	5.12	1.62	6.75
Total	4.98	1.62	6.61

Cross Subsidy Surcharge

10.29 The Commission has determined the Cross-Subsidy Surcharge as per the methodology outlined in the National Tariff Policy 2016. The methodology keeps the interest of distribution companies as well as consumers in mind while determining a mathematical formula, thus ensuring that the competition in electricity through open access is not constrained.

“10.62 The surcharge payable by consumers opting for open access on the network of the Licensee will be determined by the Commission as per the following formula:

$$S = T - [C / (1 - (L / 100)) + D + R]$$



Where, *S* is the surcharge;

T is the Tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation;

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation;

D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level;

L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level;

R is the per unit cost of carrying regulatory assets:

Provided that the surcharge shall not exceed 20% of the tariff applicable to the category of the consumers seeking open access.”

- 10.30 The Commission has considered the Voltage-wise losses as approved in the previous chapter and grossed it up with approved Transmission losses of 2.23% for calculation of “L”.
- 10.31 Weighted average purchase cost at the DISCOMs for CSS computation works out to be Rs 4.35 per unit by considering the Power Purchase Cost of Rs. 8,002.40 Crore (including transmission charges) and Power Purchase Quantum of 18,388.17 MU as approved by the Commission at the Distribution Periphery.
- 10.32 The Tariff Policy stipulates that the CSS shall not exceed 20% of the tariff applicable to the category of the consumers seeking Open Access. Accordingly, the CSS approved by the Commission for FY 2026-27 is summarized below:

Table 159: Cross Subsidy Surcharge approved by the Commission (Rs/kWh)

Category	ABR (T)	APPC (C)	Losses (L)	Charges (D)	Reg. Assets (R)	CSS
HT Services (11 kV)	9.77	4.35	10.05%	0.65	0.00	1.95
HT Services (33 kV and Above)	9.77	4.35	5.16%	0.25	0.00	1.95

- 10.33 All consumers who wish to avail Open Access will be levied no charge for the use of distribution network other than wheeling charge and CSS.



Chapter 11: GREEN ENERGY TARIFF



Chapter 11: GREEN ENERGY TARIFF

11.1 The Ministry of Power, Government of India has notified “the Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022. On 6th June 2022 (amended on 27th Jan 2023) to facilitate use of Renewable Energy by the consumers and further accelerate India’s RE program’s. SERC’s/JERC’s vide letter dated 10.10.2022 were informed to take appropriate action for determination of Green Tariff under Rule 4 (2) (C) (c).

Petitioner Submission

11.2 The JSERC’s Green Energy Open Access Regulation 2024 aims to facilitate the procurement and use of renewable energy. It mandates that distribution licensees and consumers have the right to procure green energy through open access, thereby encouraging the integration of renewable energy into the state’s energy mix. The primary objective of this proposal is for the introduction of a Green Energy Tariff by JBVNL to promote the use of renewable energy among its consumers, in compliance with the Green Energy Open Access Regulation 2024.

11.3 The regulation defines ‘Green Energy Open Access Consumer (GEOA)’ shall mean any person who has contract demand or sanctioned load of 100 kW and above, either through single connection or through multiple connections aggregating 100 kW or more located in same electricity division of a distribution licensee, (captive consumers shall not have any load limit) who is supplied with electricity from RE sources for his own use by a licensee or the Government or by any other person engaged in the business of supplying electricity to the public under this Act or any other law for the time being in force, and includes any person whose premises are for the time being connected for the purpose of receiving renewable energy with the works of a licensee, the Government or such other entity, as the case may be. Provided that in case of captive consumers there shall not be any load limitation;

11.4 Clause 4.2, point no 3 of the said regulation specifically details about the procurement of green energy from distribution licensee.

11.5 Any consumer may elect to purchase Green Energy either upto a certain percentage of the consumption or its entire consumption and they may place a requisition for this with their distribution licensee, which shall procure such quantity of green energy and supply it and the consumer shall have the flexibility to give separate requisition for solar and non-solar.

11.6 According to above rules, the consumer may purchase on a voluntary



basis, more renewable energy, than he is obligated to do and for ease of implementation, this may be in steps of Twenty-five per cent and going up to Hundred per cent. The green energy purchased from distribution licensee or from Renewable Energy sources other than distribution licensee in excess of Renewable Purchase Obligation of obligated entity shall be counted towards Renewable Purchase Obligation compliance of the distribution licensee.

- 11.7 The tariff for the green energy shall be determined separately by the Commission, which shall comprise of the average pooled power purchase cost of the renewable energy, cross-subsidy surcharges if any, and service charges covering the prudent cost of the distribution licensee for providing the green energy;
- 11.8 Any requisition for green energy from a distribution licensee shall be for a minimum period of one year;
- 11.9 There are various methods of RE procurement existing in the Indian market. One of these innovative methods is the purchase of electricity through green energy tariff. That would create a demand of green energy to be purchased by the distribution utilities. Green tariff is a price structure offered by an electricity distribution company (DISCOM) which enables a consumer to purchase electricity bundled with RE attributes. Further, Green Power Tariff will have the following advantages:
- Consumers will have the option to opt for Green Energy under a Green Power Tariff since it is entirely voluntary.
 - Such procurement will form part of the power purchase requirement of Discoms and may be utilized to meet its RPO requirement as well in case of shortfall.
 - Distribution Licensees will issue a monthly certificate to the consumer stating that 100% of their power requirement has been met through green energy.
 - Consumers can opt for DISCOM proposal for Green Power Tariff when they want the green credit without installing their own solar systems.
- 11.10 The Commission in its last order dated April 30, 2025, Order on True-up for FY 2023-24, Annual Performance Review for FY 2024-25, and Aggregate Revenue Requirement & Tariff for FY 2025-26 for Jharkhand Bijli Vitran Nigam Limited (JBVNL) approved Green Energy Tariff as Rs 0.60/kWh (50% of Rs. 1.21 per unit) to the Consumer opting for meeting its power requirement through RE Sources.
-



- 11.11 The Commission in its order has itself calculated that the Difference between RE & Non-RE Power (Variable Cost) at Rs 1.21 per unit. However, it has approved only 50% of the same (Rs 0.60 per unit) for green energy tariff.
- 11.12 Considering the fact that there is considerable increase in distribution cost, high RPO targets with costly RECs procurement for non-fulfilment of RPO obligations, it is requested that the difference amount between RE and Non-RE power variable cost may please be allowed at 100% to be recovered from green energy tariff.
- 11.13 Therefore, the Commission is requested to approve a green tariff of Rs.1.21/kWh for consumers opting for green energy for their consumption for FY 2026-27.

Commission Analysis

- 11.14 In accordance with the Section 86(1)(e) of the Electricity Act, 2003, the Commission is mandated to promote adoption of Renewable Energy (RE). Therefore, the Commission has introduced Green Energy Tariff in this Order as an optional/voluntary arrangement for the consumers who are willing to procure RE Power from DISCOMs for the purpose of reducing their carbon footprint and seeking certification to this effect.
- 11.15 Such Green Tariff would be in addition to regular tariff approved in this Tariff Order. The Commission observes that the concept of Green Tariff has been well appreciated by many stakeholders across the state as it provides opportunity for consumers willing to meet their power requirement through green energy sources, however, the concept is still at nascent stage with limited participation.
- 11.16 For the calculation of the Green Energy Tariff, the Commission has introduced a formula that considers the difference between the weighted average rate of renewable energy (RE) power and the weighted average rate of the energy charge (variable charge) of non-renewable energy (Non-RE) sources.
- 11.17 Based on the above discussion the weighted average rate of renewable energy (RE) Power and the weighted average rate of energy charge (Variable Charge) of non-renewable (Non-RE) sources as tabulated hereunder:

Table 160: Analysis of cost from Renewable Energy as approved by the Commission.

Particulars	FY27 (Projected)
	Rs/kWh
Weightage Average Pooled Price of RE (A)	3.01



Table 161: Analysis of Variable of power purchase from conventional source as approved by the Commission.

Particulars	FY27 (Projected)
	Rs/kWh
Weightage Average Pooled Price of Non RE (B)	4.92

Table 162: Difference between RE and Non-RE (A-B) in Rs/kWh as approved by the Commission.

Particulars	FY27 (Projected)
	Rs/kWh
Difference between RE & Non-RE Power (Variable Cost) (A-B) in Rs./kWh	1.91

- 11.18 Based on the above computation the Commission approves Green Energy Tariff as Rs 0.95/kWh (50%*Rs. 1.91 per unit) to the Consumer opting for meeting its power requirement through RE Sources. Such Green Energy Tariff would be in addition to regular tariff approved in this Order.
- 11.19 All Consumer shall be eligible for opting Renewable Energy power on payment of Green Power Tariff.
- 11.20 The Consumer will have option to select the quantum of green power to be purchased in the step of 10% and going up to 100% of the consumption.
- 11.21 The Distribution Licensee will levy Green Power Tariff only for percentage of consumption opted by the Consumer.
- 11.22 The Distribution License shall issue Annual Certificate to consumers stating percentage of power requirement of such consumer has been sourced through RE Sources.
- 11.23 The total tariff earned under “Green Energy Tariff” will be considered as a part of the revenue/tariff income of the Petitioner. Further, the Petitioner must file all details along with each ARR/Tariff filings with a list of consumers opting for it. Also, the Petitioner to ensure that the total consumption of these consumers must be met by renewable energy source.



Chapter 12: RETAIL TARIFF FOR FY 2026-27



Chapter 12: RETAIL TARIFF FOR FY 2026-27

Petitioner's Submission

12.1 The Summary of Tariff proposed by the Petitioner is provided below:

Category/ Sub-Category	Slabs	EC	FC
Domestic (DS)	DS-R	10.20 / kWh	125.00 / kW/ Month
	DS-U	10.30 / kWh	150.00 / kW/ Month
	DS HT	9.50 / kVAh	250.00 / kVA / Month
Commercial (Non-Domestic)	NDS – R	10.60 / kWh	150.00 / kW / Month
	NDS – U	11.00 / kWh	250.00 / kW / Month
	NDS- HT	11.00/kVAh	500.00 /kVA/Month
LTIS	LTIS	9.10 / kVAh	200 / kVA / Month
IAS	IAS-(Pvt)	9.00 / kWh	50.00 / HP / Month
	IAS-(Govt)	10.00 / kWh	50.00 / HP/ Month
HTS-I (Industrial)		9.50 / kVAh	500 / kVA / Month
HTSS (Industrial)		9.25 / kVAh	500 / kVA / Month
HT Institutional Services	RTS	9.50 / kVAh	500 / kVA / Month
	MES	9.50 / kVAh	500 / kVA / Month
SS	Metered	10.00 / kWh	400 / kVA / Month
EV-CS LT	Solar Hours	8.30 /kVAh	-
	Non Solar Hours	12.46/kVAh	-
EV- CS HT	Solar Hours	8.30 /kVAh	-
	Non Solar Hours	12.46/kVAh	-



Commission Analysis

- 12.2 It is observed that the Petitioner has proposed a new high-tension slab in the Commercial (Non-Domestic) Category, i.e. NDS-HT.
- 12.3 It is also observed that the Petitioner proposed the “unit” of fixed charges in domestic category from Rs. /connection/month to connected load basis, i.e. Rs. /kW/month.
- 12.4 In this regard, the Commission has examined the proposal of the Petitioner to change the unit of Fixed Charges in the Domestic category from Rs./connection/month to Rs./kW/month based on connected load. The Commission observes that the Domestic consumer category largely comprises small and medium household consumers where connected load is often not accurately declared or periodically updated. Linking fixed charges to connected load may therefore lead to billing complexities, verification issues, and potential consumer disputes. Further, the existing structure of Rs./connection/month ensures simplicity, transparency, and ease of billing, both for consumers and the distribution licensee. It also avoids the need for frequent field verification of connected load and ensures administrative convenience and uniform applicability across the Domestic consumer base. Accordingly, in the interest of consumer convenience, billing simplicity, and regulatory consistency, the Commission decides to retain the unit of Fixed Charges for the Domestic category as Rs./connection/month instead of Rs./kW/month as proposed by the Petitioner.
- 12.5 Based on the above discussions, the summary of Tariff approved by the Commission for FY 2026-27 is computed hereunder:

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Consumer Category	Consumer/Sub Category	Existing Tariff				Approved Tariff			
		Energy Charge		Fixed Charge		Energy Charge		Fixed Charge	
		Unit	Rate	Unit	Rate	Unit	Rate	Unit	Rate
Domestic	Rural	Rs/kWh	6.70	Rs/Conn./Mon	75.00	Rs/kWh	7.20	Rs/Conn./Mon	75.00
	Urban	Rs/kWh	6.85	Rs/Conn./Mon	100.00	Rs/kWh	7.40	Rs/Conn./Mon	100.00
	HT	Rs/kVAh	6.40	Rs/kVA/Mon.	150.00	Rs/kVAh	7.20	Rs/kVA/Mon.	150.00
Commercial	Rural(Morethan5kW)	Rs/kWh	6.20	Rs/kW/Mon	120.00	Rs/kWh	6.70	Rs/kW/Mon	120.00
	Urban(Morethan5kW)	Rs/kWh	6.70	Rs/kW/Mon	200.00	Rs/kWh	7.30	Rs/kW/Mon	200.00
	HT					Rs. / kVAh	8.00	Rs./kVA/Month	400.00
IAS		Rs/kWh	5.30	Rs/hp/Mon	50.00	Rs/kWh	5.30	Rs/hp/Mon	50.00
Industrial	Low Tension Industrial Supply	Rs/kVAh	6.10	Rs/kVA/Mon.	150.00	Rs/kVAh	6.60	Rs/kVA/Mon.	150.00
	High Tension Industrial Supply	Rs/kVAh	5.90	Rs/kVA/Mon.	400.00	Rs/kVAh	6.40	Rs/kVA/Mon.	400.00
	High Tension Special Service	Rs/kVAh	5.25	Rs/kVA/Mon.	400.00	Rs/kVAh	5.80	Rs/kVA/Mon.	400.00
Institutional	Streetlight	Rs/kWh	7.00	Rs/kW/Mon	250.00	Rs/kWh	7.60	Rs/kW/Mon	250.00
	RTS	Rs/kVAh	5.80	Rs/kVA/Mon.	400.00	Rs/kVAh	6.50	Rs/kVA/Mon.	400.00
	MES	Rs/kVAh	5.80	Rs/kVA/Mon.	400.00	Rs/kVAh	6.50	Rs/kVA/Mon.	400.00
	Other Distribution Licensee	Rs/kVAh	5.80	Rs/kVA/Mon.	400.00	Rs/kVAh	6.50	Rs/kVA/Mon.	400.00
EV-CS LT/HT	Solar Hours	Rs/kWh	7.31			Rs/kWh	7.00		

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Consumer Category	Consumer/Sub Category	Existing Tariff				Approved Tariff			
		Energy Charge		Fixed Charge		Energy Charge		Fixed Charge	
		Unit	Rate	Unit	Rate	Unit	Rate	Unit	Rate
	Non Solar Hours	Rs/kWh	8.77			Rs/kWh	8.70		



Chapter 13: TARIFF SCHEDULE



Chapter 13: TARIFF SCHEDULE

APPLICABLE FROM 01.04.2026

Consumer Tariff

Ceiling Tariff

The Tariffs approved below are Ceiling Tariffs and the Licensee is at liberty to Supply at lower and more competitive rates based on the requirement of the Consumers. However, this reduced recovery shall be attributable to the Licensee and shall not be recoverable in the ARR.

Domestic Service- Rural and Urban

Applicability:

This schedule shall apply to private residential premises for domestic use for household electric appliances such as Radios, Fans, Televisions, Desert Coolers, Air Conditioner, etc., including motor pumps for lifting water for domestic purposes and other household electrical appliances not covered under any other schedule.

This rate is also applicable for supply to religious institutions such as Temples, Gurudwaras, Mosques, Church, Burial/Crematorium grounds, Rural Drinking Water Schemes and other recognized charitable institutions, where no rental/fees are charged for the energy needs and for its products and services.

This rate is also applicable for all consumers with contracted demand of up to 5 kW mixed, commercial, industrial, educational institutions, drinking water schemes or for any other purpose, except streetlight connections and agriculture/allied connections

Category of Services:

Domestic Service-Rural: areas not covered by Nagar Nigam, Nagar Parishad and Nagar Panchayat.

Domestic Service -Urban: areas covered by Nagar Nigam, Nagar Parishad and



Nagar Panchayat.

Service Character:

- a) For Rural: AC, 50 Cycles, Single Phase at 230 Volts, Three Phase at 400 Volts.
- b) For Urban: AC, 50 Cycles, Single Phase at 230 Volts, Three Phase at 400 Volts.

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
Rural	Rs/Conn./Month	75	Rs/kWh	7.20
Urban	Rs/Conn./Month	100	Rs/kWh	7.40

As the Fixed Charges are applicable per connection basis, there is little relevance of load for Tariff purpose, the Petitioner should not normally inspect consumer premises on the pretext of load verification.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Prompt Payment Rebate: In accordance with **Clause VIII:** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.



Domestic Service - HT

Applicability:

This schedule shall apply to private residential premises for domestic use for household electric appliances such as Radios, Fans, Televisions, Desert Coolers, Air Conditioner, etc., and including motor pumps for lifting water for domestic purposes and other household electrical appliances not covered under any other schedule.

Category of Services:

This Schedule shall apply for domestic connection in Housing Colonies/ Housing Complex/Houses of multi storied buildings purely for residential use for single point metered supply, with power supply at 33kV or 11kV voltage level. DS-HT consumers, who supply power to individual households, the average per unit charges billed to an individual consumer shall not exceed 105% of average per unit cost paid to the Petitioner. This additional 5% allowed reflects the internal distribution losses in housing complex and administrative and distribution costs.

Service Character:

(i) For HT: AC, 50 Cycles, at 11kV or 33kV

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
DS-HT	Rs/kVA/Month	150	Rs/kVAh	7.20

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 75% of Contract Demand whichever is higher. The penalty on exceeding Billing Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Delayed Payment Surcharge: In accordance with **Clause III:** Delayed Payment Surcharge of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Prompt Payment Rebate: In accordance with **Clause VIII:** Prompt Payment Rebate of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.



Irrigation & Agriculture Service (IAS)

Applicability:

This schedule shall apply to all consumers for use of electrical energy for Agriculture purposes including tube wells and processing of the agricultural produce, confined to Chaff-Cutter, Thresher, Cane crusher and Rice-Hauler, when operated by the agriculturist in the field or farm and does not include Rice mills, Flour mills, Oil mills, Dal mills.

Service Character:

AC 50 Cycles, Single Phase at 230 volts /Three Phase at 400 volts

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
IAS	Rs/hp/Month	50	Rs/kWh	5.30

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Prompt Payment Rebate: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.



Commercial Services

Applicability:

This schedule shall apply to all consumers, using electrical energy for light, fan and power loads for non-domestic purposes like shops, hospitals (govt. or private), nursing homes, clinics, dispensaries, restaurants, hotels, clubs, guest houses, marriage houses, public halls, show rooms, workshops, central air conditioning units, offices (govt. or private), commercial establishments, cinemas, X-ray plants, schools and colleges (govt. or private), boarding/ lodging houses, libraries (govt. or private), research institutes (govt. or private), railway stations, fuel-oil stations, service stations (including vehicle service stations), All India Radio / T.V. installations, printing presses, commercial trusts/societies, Museums, poultry farms, banks, theatres, common facilities in multi-storied commercial office/buildings, *Dharmshalas*, public Electric Vehicles Charging stations and such other installations not covered under any other tariff schedule whose contracted demand is less than or equal to 100 kVA (or equivalent in terms of HP or kW). The equivalent HP for 100 kVA shall be 114 HP and the equivalent kW for 100 kVA shall be 85 kW.

This schedule shall also be applicable to electricity supply availed through separate (independent) connections for the purpose of advertisements, hoardings and other conspicuous consumption such as external flood light, displays, neon signs at public places (roads, railway stations, airports, etc.), departmental stores, commercial establishments, malls, multiplexes, theatres, clubs, hotels and other such entertainment/leisure establishments whose Connected Load/Contracted Demand is less than or equal to 100 kVA (or equivalent in terms of HP or kW). The equivalent HP for 100 kVA shall be 114 HP and the equivalent kW for 100 kVA shall be 85 kW.

Service Category:

Commercial Service-Rural: Areas not covered by area indicated for Commercial Service Urban.

Commercial Service-Urban: Areas covered by Nagar Nigam, Nagar Parishad,



Nagar Panchayat.

Service Character:

Rural: AC 50 Cycles, Single phase at 230 Volts or Three Phase at 400 Volts.

Urban: AC 50 Cycles, Single phase at 230 Volts or Three Phase at 400 Volts.

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
Rural	Rs/kW/Month	120	Rs/kWh	6.70
Urban	Rs/kW/Month	200	Rs/kWh	7.30

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 50% of Contract Demand whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Installation of Shunt Capacitors: In accordance with **Clause VI: Installation of Shunt Capacitors** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Prompt Payment Rebate: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.



Commercial Service - HT

Applicability:

This schedule shall apply to all commercial consumers (except schools and colleges (govt. or private)) as defined above who avails supply at 100 kVA and above connection at voltage level of 6.6 kV and above.

Category of Services:

For such commercial consumers defined above who avail supply at 100 kVA and above connection at voltage level of 6.6 kV and above.

Service Character:

(i) CS – HT - AC 50 Cycles, 3 Phase at 6.6 kV / 11 kV / 33 kV / 132 kV / 220 kV / 400 kV

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
CS-HT	Rs/kVA/Month	400	Rs/kVAh	8.00

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 85% of the Contract Demand whichever is higher. The penalty on exceeding Billing Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Delayed Payment Surcharge: In accordance with **Clause III:** Delayed Payment Surcharge of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Prompt Payment Rebate: In accordance with **Clause VIII:** Prompt Payment Rebate of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.



Low Tension Industrial Services

Applicability:

Low Tension Industrial Service (LTIS): This schedule shall apply to all industrial / processing units or agro industrial processes having a contracted load less than or equal to 100 kVA (or equivalent in terms of HP or kW). The equivalent HP for 100 kVA shall be 114 HP and the equivalent kW for 100 kVA shall be 85 kW

Service Character:

Low Tension Industrial Service (LTIS): AC, 50 Cycles, Single Phase supply at 230 Volts or Three Phase Supply at 400 Volts.

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
LTIS	Rs/kVA/Month	150	Rs/kVAh	6.60

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 50% of Contract Demand whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order. In case Recorded Demand is more than 100 kVA/85 kW for any month for more than three instances within a Financial Year, the average of the Maximum Demand recorded during such instances shall be treated as the new Contract Demand for the purpose of billing of future months and the consumer will have to get into a new Agreement under the HTS category.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.



Installation of Shunt Capacitors: In accordance with **Clause VI: Installation of Shunt Capacitors** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Prompt Payment Rebate: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.



HT Services

Applicability:

All the consumers drawing power at voltage level at 6.6 kV and above except Domestic-HT consumers and HT- Institutional Consumers. High Tension Special Service (HTSS): This tariff schedule shall apply to all consumers who have a contracted demand of 300 KVA and more for induction/arc Furnace. In case of induction/arc furnace consumers (applicable for existing and new consumers), the contract demand shall be based on the total capacity of the induction/arc furnace and the equipment as per manufacturer technical specification and not on the basis of measurement. This tariff schedule will not apply to casting units having induction furnace of melting capacity of 500 Kg or below.

Service Character:

High Tension Service (HTS): 50 Cycles, Three Phase at 6.6 kV/ 11 kV/33 kV/132 kV/220 kV/400 kV.

High Tension Special Service (HTSS): 50 Cycles, Three Phase at 11 kV/33 kV/132 kV/220 kV/400 kV

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
HTS	Rs/kVA/Month	400	Rs/kVAh	6.40
HTSS	Rs/kVA/Month	400	Rs/kVAh	5.80

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 75% of Contract Demand, whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Load Factor Rebate: In accordance with **Clause V: Load Factor Rebate** of



Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Voltage Rebate: In accordance with **Clause IV: Voltage Rebate** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Prompt Payment Rebate: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

TOD Tariff: In accordance with **Clause VII: ToD Tariff** as provided in section on Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.



Street Light

This tariff schedule shall apply for use of Street Lighting system.

Applicability:

This tariff schedule shall apply for use of Street Lighting system, including single system in corporation, municipality, Notified Area Committee, panchayats etc., and also in areas not covered by municipalities and Notified Area Committee provided the number of lamps served from a point of supply is not less than 5.

Service Character:

Street Light Service (SS): AC, 50 cycles, Single phase at 230 Volts or Three phase at 400 Volts

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
Streetlight	Rs/kW/Month	250	Rs/kWh	7.60

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Prompt Payment Rebate: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.



HT Institutional Services

This tariff schedule shall apply for use of Railway Traction, Military Engineering Services and Other Distribution Licensees.

Applicability:

Railway Traction (RTS) and Military Engineering Services (MES): This tariff schedule shall apply for use of railway traction and Military Engineering Services (MES) for a mixed load in defence cantonment and related area.

Other Distribution Licensees: This tariff schedule shall apply to other distribution licensees procuring power from the Licensee for the sole purpose of supplying it to its consumers. It is clarified that such tariff shall not be applicable for the quantum of power utilized in industrial units owned by it or its parent or affiliate company.

Service Character:

Railway Traction Service (RTS): AC, 50 cycles, Single, two or three phase at 25 kV/ 132 kV.

Military Engineering Services (MES): AC, 50 cycles, three phase at 6.6 kV and above.

Other Distribution Licensees: AC, 50 cycles, three phase at 6.6 kV and above

Tariff:

Category	Fixed Charge		Energy Charge	
	Unit	Rate	Unit	Rate
HTIS	Rs/kVA/Month	400	Rs/kVAh	6.50

Billing Demand: The Billing Demand shall be the Maximum Demand recorded during the month or 75% of Contract Demand, whichever is higher. The penalty on exceeding Contract Demand will be applicable in accordance with **Clause I: Penalty for exceeding Billing/ Contract Demand** of Terms & Conditions of



Supply as provided in **Chapter 14** of this Tariff Order.

Load Factor Rebate: In accordance with **Clause V: Load Factor Rebate** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Voltage Rebate: In accordance with **Clause IV: Voltage Rebate** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Delayed Payment Surcharge: In accordance with **Clause III: Delayed Payment Surcharge** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

Prompt Payment Rebate: In accordance with **Clause VIII: Prompt Payment Rebate** of Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

TOD Tariff: In accordance with **Clause VII: ToD Tariff** as provided in section on Terms & Conditions of Supply as provided in **Chapter 14** of this Tariff Order.

RPO Compliance: RPO Compliance for Sale to Other Licensees, RTS and MES shall be made by the first Licensee which sells the power viz., in case TSL has procured such quantum of power from JBVNL then the onus to comply with RPO will be with JBVNL only.



Temporary Connections

Applicability:

The Temporary tariff shall be applicable as per the following conditions:

- a) Temporary tariff shall be equivalent to 1.5 times of the applicable fixed and energy charges for temporary connections falling in each prescribed tariff category with all other terms and conditions of tariff remaining the same.
- b) Temporary connections may be given with normal meters with security deposit as per JSERC (Electricity Supply Code) Regulations, 2015 and amendments thereof.
- c) Temporary connections may also be given with prepaid meters with minimum prepaid balance equivalent to 45 days of sale of power, which shall be based on the assessment formula as per JSERC (Electricity Supply Code) Regulations, 2015 and amendment thereof.

Tariff:

Category	Fixed Charge	Energy Charge
	Rate	Rate
HTIS	1.5 times of the applicable Fixed Charge	1.5 times of applicable Energy Charge



Tariff to be paid by the Licensee for Gross/Net Metering of rooftop Solar PV projects

The Commission had notified the JSERC (Rooftop Solar PV Grid Interaction Systems and Net/Gross Metering) Regulations, 2015, on November 10, 2015, and further notified its 1st amendment as JSERC (Rooftop Solar PV Grid Interaction Systems and Net/Gross Metering) (1st Amendment) Regulations, 2019. The Tariff for sale of surplus power by Gross/Net metering of Rooftop Solar PV for FY 2023-24 for such eligible consumers of the Petitioner shall be as under:

Gross Metering: Rs. 4.16/kWh

Net Metering: Rs. 3.80/kWh

The tariff approved as above for FY 2023-24 shall remain effective till the issue of subsequent Tariff Order/Individual Order as the case may be.

Schedule of Miscellaneous Charge

The Miscellaneous Charge will be applicable as per the Tariff Order dated May 31, 2023 till further Order.



Tariff for EV Charging

The Commission has noted the tariff for different categories of EV charging consumers as proposed by the Petitioner and has come to following opinion:

- I. EV charging infrastructure refers to the network of public and private charging stations designed to recharge electric vehicles (EVs). It plays a critical role in supporting the widespread adoption of EVs by ensuring drivers have reliable access to electricity, whether at home, work, or on the go.
- II. Further, EV charging tariffs refer to the pricing structure for charging electric vehicles at public or private charging stations. These tariffs vary based on factors like the type of charger, the location, and the time of day.
- III. As per the guidelines of Ministry of Power's revised consolidated guidelines and standards regarding charging infrastructure for EV issued on April 27, 2023, the cost of supply by DISCOM to a public charging station will be 0.8 times of ACoS during solar hours and 1.2 times of ACoS during non-solar hours. Solar hours mean 9:00 AM to 4:00 PM time and nonsolar means remaining period of the day.
- IV. Further, EV charging tariffs refer to the pricing structure for charging electric vehicles at public or private charging stations. These tariffs vary based on factors like the type of charger, the location, and the time of day. Accordingly, the Commission approve EV tariff for Public Charging Stations as follows:

	Category	Demand Charge	Energy Charge
Public Charging Station	Peak Hours (during solar hours 9 AM to 4 PM)	Nil	Rs. 7.00 / kWh
Public Charging Station	Off Peak Hours (during non-solar hours, remaining period of day)	Nil	Rs. 8.70 / kWh



Chapter 14: TERMS AND CONDITON OF SUPPLY



Chapter 14: TERMS AND CONDITON OF SUPPLY

Clause I: Penalty for exceeding Billing/ Contract Demand

In case the Recorded/Actual Demand exceeds 110% of the Contract Demand, the consumer shall pay penal charges. The penal charges would be charged as follows: If the Recorded Demand exceeds 110% of Contract Demand, then the Demand Charge up to Contract Demand will be charged as per the normal Tariff rate. The remaining Recorded Demand over and above the Contract Demand will be charged at 1.5 times the normal Tariff rate. In case Recorded Demand is higher than the Contract Demand by the quantum and for the duration as specified in the JSERC (Electricity Supply Code) Regulations, 2015, as amendment from time to time, the Contract Demand shall be revised as per the procedure specified therein.

Clause II: Jharkhand Electricity Duty

The charges in this tariff schedule do not include charges on account of State Electricity Duty/Surcharge to the consumers under the State Electricity Duty Act and the rules framed there under as amended from time to time and any other Statutory levy or directive of court which may take effect from time to time.

Clause III: Delayed Payment Surcharge

The Delayed Payment Surcharge shall be applicable as specified in Clauses 10.75 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025, as amended from time to time. In case, the Licensee defaults in generating and delivering bills on monthly basis, Delayed Payment Surcharge will not be charged for the period of default by Licensee. The consumer should not be deprived of any subsidy/benefit, which could have been otherwise accrued to the consumers, i.e., energy units/amount (in case of unmetered) billed has to be apportioned on average monthly basis for the whole billing duration.

Clause IV: Voltage Rebate

Voltage rebate* will be applicable on Energy Charges as per the JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time at the rate given below:

Consumer Category	Voltage Rebate*
HTS/HT Institutional- 33 kV	3.00 %
HTS/HT Institutional- 132 kV	5.00%

* Note:



- 1) It is clarified that, if a consumer who is eligible to get supply at 11kV as per classification as mentioned in Clause 4.3 of JSERC (Electricity Supply Code) Regulations, 2015 and then the consumer opts for connection at 33kV then consumer shall be eligible for voltage rebate of 3%. Similarly, if a consumer who is eligible to get supply at 33kV as per Clause 4.3 of JSERC (Electricity Supply Code) Regulations, 2015 and opts for connection at 132kV then consumer shall be eligible for voltage rebate of 5%. Further, no voltage rebate shall be applicable above voltage level of 132 kV. It is further clarified that the existing consumers at 11kV and 33kV opts for higher voltage, rebate shall be applicable for such consumers.
- 2) The above rebate will be available only on monthly basis and consumer with arrears shall not be eligible for the above rebate. However, the applicable rebate shall be allowed to consumers with outstanding dues, wherein such dues have been stayed by the appropriate Courts.

Clause V: Load Factor Rebate

The Load factor rebate shall be allowed to all the consumers whose load factor exceeds 65%. For any 'X' % increase in the load factor over and above 65%, the rebate shall be allowed at the rate of 'X' % on the total energy charges corresponding to total energy consumption of the consumer subject to a maximum ceiling rebate of 15%. The above rebate will be available only on monthly basis and consumer with arrears shall not be eligible for the above rebate. However, the applicable rebate shall be allowed to consumers with outstanding dues, wherein such dues have been stayed by the appropriate Courts.

Clause VI: Installation of Shunt Capacitors

Connections with inductive load/motors as specified in Clauses 8.2.34 and 8.2.35 of the JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time, shall be installed with Shunt Capacitors to meet the Power Factor requirements. For existing consumer, the Petitioner should first serve one month's notice to all such consumers who do not have or have defective shunt capacitors. In case the consumers do not get the capacitor installed/replaced within the notice period, the consumer shall be levied a surcharge at 5% on the total billed amount charge (metered or flat), till they have installed the required capacitors.

Clause VII: ToD Tariff

TOD tariff shall be applicable as an option to HTS and HT Institutional Consumers as follows: -



- Off Peak Hours: 10:00 PM to 06:00 AM: 85% of normal rate of energy charge
- **Normal Hours: 10:00 AM to 06:00 PM:** 100% of normal rate of energy charge
- Peak Hours: 06:00 AM to 10:00 AM and 06:00 PM to 10:00 PM: 120% of normal rate of energy charge Clause

VIII: Prompt Payment Rebate

The due date for making payment of energy bills or other charges shall be as specified in Clauses 10.1.5 of the JSERC (Electricity Supply Code) Regulations, 2015, as amended from time to time. Prompt Payment Rebate shall be allowed for payment of bills by the Consumers in accordance with Clauses 10.80 of the JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025, as amended from time to time. Further no rebate shall be allowed after due date irrespective of the mode of payment.

Clause IX: Rebate for Prepaid Metering

The Commission has introduced rebate to prepaid meters at 3% of the Energy Charges for the respective Consumer Category. For such consumers, the Petitioner shall refund the entire Security Deposit within one month from the date of installation of such prepaid meters.

Clause X: Rebate for Delayed Billing

The Commission has introduced rebate in case of delayed billing to consumers to promote prompt billing by the Licensees. In case the bill is not received for two continuous billing cycles, a rebate at the rate of 1.00% on the bill amount per month for delay beyond two months or part thereof shall be applicable subject to a ceiling of 3%. The Utility shall not be eligible to claim such Rebate as a part of ARR. The same shall be treated as a Compensation for the consumers out of the RoE of the Licensee. This clause shall be applicable to all consumers.

Clause XI: Other Terms and Conditions

Reduction in Fixed Charges Recovery of Complete Fixed/Demand Charges from consumers shall be based on the availability of hours of supply recorded by meters installed in the consumer's premises. JBVNL would include the same in the consumer's bill and recover the Fixed Charges only in proportion to the hours of supply as per the meter. The cut off hours for complete recovery from Fixed/Demand Charges shall be 21 hours per day for LT consumers and 23



hours per day for HT Consumers.

Provided that interruption due to grid failure in Inter-State and Intra-State Transmission System, interruption due to prevention of accidents due sudden changes in weather conditions such as hail storm or intensive rainfall as declared by India Meteorological Department (IMD) or by State Government and planned outages/Rostering in the network to be uploaded on its website seven days in advance with a copy to the Commission and an intimation to the respective consumers shall be excluded while computing scheduled supply hours.

Provided that any reduction in recovery of Fixed/Demand Charges on account of lower than stipulated hours of supply shall not be claimed as a part of the ARR. Any reduction in the Fixed/Demand Charges shall be considered as a compensation to be paid to the Consumer by the Licensee.

The Commission in its earlier Order dated October 01, 2020 issued following directives: -

“The Commission directs the Petitioner to submit a report on implementation of the above for all categories except for LT- Domestic, within 30 days of issue of this Order and implement the same from the billing cycle following the issuance of this Order. For LT-Domestic the Petitioner shall implement the same with effect from January 01, 2021.

However, till the time the above mechanism is implemented (i.e., December 31, 2020) for LT-Domestic, earlier mechanism for recovering fixed charge on the basis of the below mechanism specified in its earlier Order dated February 28, 2019 shall be applicable.

$$FCr = FC \times (20-Y)/20$$

FC = Total Fixed Charges for the consumer for the Billing Period.

FCr = Fixed Charges recoverable by the Petitioner for the Billing Period.

Y = Average duration of no supply of power beyond 4 hours per day as recorded for the previous quarter.

The Petitioner is directed to adjust from the monthly fixed charges as per the above specified mechanism based on the SAIDI recorded in the previous quarter.”

In view of the above, the Commission reiterate its direction that the Petitioner



shall submit a report on implementation of the above, within 30 days of issuance of this Order and implement the same from the subsequent billing cycle.

Point of Supply

The Power supply shall normally be provided at a single point for the entire premises. In certain categories like coal mines power may be supplied at more than one point on the request of consumer subject to technical feasibility. But in such cases metering and billing shall be done separately for each point.

Dishonored Cheques

In terms of Regulation 10.10.5 of the JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time, in the event of dishonoured cheque for payment against a particular bill, the Licensee shall charge a minimum of Rs. 300 or 0.5% of the billed amount, whichever is higher. In addition to the same, the Delay Payment Surcharge shall be levied extra as per the applicable terms and conditions of Delay Payment Surcharge.

Stopped/Defective Meters

In case of existing consumers with previous consumption pattern, the provisional average bill shall be issued as per Clause 10.3.1 of the JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time.

In case of meter being out of order from the period before which no pattern of consumption is available, the provisional average bill shall be issued on the basis of Sanctioned/Contract Load on following Load Factor applicable to respective categories:

Consumer Category	Load Factor
Domestic	0.15
Non-Domestic	0.20
LTIS	0.20
DS-HT	0.15
HT Consumer <132 kV	0.30
HT Consumer >132 kV	0.20

Sale of Energy

No consumer shall be allowed to sell the electricity purchased from the Licensee to any other person/entity. In case of DS-HT consumers, who supply power to individual households, the average per unit charge billed to an individual



consumer shall not exceed 105% of average per unit cost paid to the Petitioner. This additional 5% allowed reflects the internal distribution losses in housing complex and administrative and distribution costs.

Release of New Connections

No new connections shall be provided without appropriate meter.

Conversion Factors

The following shall be the conversion factors, as and where applicable: (PF=0.85 to 0.95):

1 kiloWatt (kW) = 1.176 kiloVolt Ampere (kVA)

1 kiloWatt (kW) = 1/0.746 Horse Power (HP)

1 Horse Power (1 HP) = 0.878 kiloVolt Ampere (kVA)

Fuel & Power Purchase Cost Adjustment (FPPCA)

Applicable as per JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2025 and as amended by the Commission from time to time.



Chapter 15: STATUS OF EARLIER DIRECTIVES



Chapter 15: STATUS OF EARLIER DIRECTIVES

15.1 The directives issued by the Commission in its earlier Orders, its compliance by the Petitioner and further view of the Commission on compliance is tabulated below:

Directives	Status	Views of the Commission
Framework for Resource Adequacy		
<p>The Petitioner was directed to complete its adherence to Jharkhand State Electricity Regulatory Commission (Framework for Resource Adequacy) Regulations, 2024 notified on November 5, 2024. Furthermore, the Petitioner is directed to submit the completion report outlining the steps undertaken to adopt the Regulations within three months of issuance of this order.</p>	<p>As per JSERC (Framework for Resource Adequacy) Regulations 2024, JBVNL has completed the following activities: JBVNL is in coordination with JUSNL to finalize Resource Adequacy Report and the data from field is being compiled for load assessment. Forecasts of electricity demand for up to 10 years, with relevant agencies to enable Central Electricity Authority and Grid India/NLDC to undertake LT-NRAP and ST-NRAP studies, respectively, as per CEA RA Guidelines. (Shared the 10 year forecast data to STU JUSNL) Demand assessment and forecasting, load forecasting is done regularly by JBVNL and is sent to ERLDC Hourly demand is forecasted in JBVNL and shared with concerned departments.</p>	<p>The Commission takes note of the submission of the Petitioner and advise the Petitioner to ensure the proper demand assessment and forecast.</p>
Service Reliability		
<p>The Petitioner was directed to develop a targeted action plan for improving service reliability in high-consumption corridors and submit the same to this Commission within 3 months of issuance of this Order</p>	<p>Historically higher electricity consumption corridors are due to industrial activity and urbanization. Specific industrial zones or densely populated urban areas could be considered high-consumption corridors. However, in Jharkhand such corridors are very less under JBVNL as there is no specific industrial zone here. Understanding and addressing these high consumption corridors is essential for optimizing electricity distribution infrastructure, promoting energy</p>	<p>Since no action plan has been submitted by the Petitioner as stipulated timelines and major reliance for better service is placed on RDSS scheme, the Commission directs the Petitioner to complete works under RDSS scheme in the stipulated timelines and submit progress report to the Commission quarterly.</p>



Directives	Status	Views of the Commission
	<p>efficiency, and ensuring sustainable energy management in the long run. JBVNL for its short term to long term plan have identified certain corridors that can be taken as high consumption corridors and worked on the service reliability issues in these areas that include providing 24x7 power to such areas. These are basically industrial areas where industrial feeders are present.</p> <p>As per RDSS, all feeders are monitored under NFMS (National feeder Management System). As on July 2025, out of 920 feeders monitored under NFMS under JBVNL system, full data received from 643 feeders. 7 industrial feeders are continuously monitored. In September to November 2024, 24 hours' power supplied to these feeders. However, for the month of June and May 2025, the power supplied to those areas hovered between 19 to 21 Hrs due to break downs related to extreme weather conditions. For service reliability, JBVNL has taken several steps such as feeder segregation from mixed load to only industrial load</p>	
Fixed Asset Register		
<p>The Commission had directed the Petitioner to maintain the Fixed Assets Register (FAR) considering the depreciation rates as specified in JSERC Distribution Tariff Regulations and submit the status report to the Commission along with FAR in the next tariff filing. The Petitioner is directed to specifically comply with the observations of the statutory authorities/auditors on the matter of Verification & Monitoring of Fixed Assets/CAPEX/Inventory and Maintenance of proper records</p>	<p>JBVNL has completed its fixed asset register up to FY 2022-23 and concluded the physical verification of assets and the reconciliation of the same with finance department completed along with the valuation of assets. However, it is pending for Board of Director approval. Currently, the plan for conducting additional physical verification of assets upto FY 25-26 is under process which will be concluded shortly.</p>	<p>The Commission observes that the Petitioner has not been able to comply with directive of the Commission even after completion of more than 1 Year.</p> <p>The Commission takes serious note of the same and further directs the Petitioner to complete the physical verification of the assets as soon as</p>

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Directives	Status	Views of the Commission
preferably in digital form for observance of statutory provisions. The Petitioner should also put in place a robust Integrated Accounts & Financial Management System to minimize the time for preparation of Annual Accounts & filing of Petitions/Business Plans/APR in time		possible and report to the Commission.
Scrap and Stores		
The Petitioner was earlier directed to submit the itemized details of scraps and store items along with the estimated values within 3 months from the issue of earlier order. The Petitioner had submitted the itemized details. Furthermore, the Petitioner is directed to complete the auction of recognized items at the earliest and submit completion report to the Commission before the next tariff filing petition.	All the recognised scrap items are being auctioned with the help of MSTC by JBVNL. The details as on dated July 8, 2025 are attached as in Annexure-5. (Refer letter no 2300/CE(C&R) dated 14/07/2025)	The Commission has noted the submission of the Petitioner and directs the Petitioner to do the same in future.
Loan into Grant		
The Commission observed that Petitioner has not been able to convert its loan to grant, even though they are enjoying a perpetual moratorium. In this regards, the Petitioner is directed to steadfastly approach the Govt of Jharkhand to take forward the steps already taken to convert the Government loan into Government Grant and complete the exercise within one (1) year of issuance of this order.	The Petitioner has surrendered/repaid the loan received from State Govt. through book adjustment amounting to Rs 8414.41 Cr. (almost 43% of total loan received) till 31.03.2024 out of total loan of Rs 19640.02 Cr. received till 31.03.2024. It is to apprise that Out of Rs 8414.41 Cr paid, Rs 1534 Cr. is being converted into equity and Rs 459.98 Cr is converted into grant in the year 2023-24. Further, a meeting was proposed by Finance Department, Government of Jharkhand vide letter no. 2503 dated 29.10.2024 was cancelled on 18.11.2024 to discuss the equity position of the companies. JBVNL was planning to discuss the proposal of conversion of remaining loans and interest into equity which is more beneficial, however, the meeting got postponed. Copy of the letter	The Commission has noted the submission of the Petitioner.

True-up for FY 2024-25, APR for FY 2025-26, and Approval of Business Plan & MYT ARR for Control Period from FY 2026-27 to FY 2030-31 and Tariff determination for FY 2026-27



Directives	Status	Views of the Commission
	is enclosed as Annexure to the Petition. So, company is in active contention of the proposal and will update the Hon'ble Commission about its subsequent development.	
Billing Determinants		
The Commission has observed that the Petitioner has not provided the detailed slab wise billing determinant (number of consumers, connected load and energy sales) along with revenue for ARR period for FY 2024-25. The Commission taking note of the non-compliance, directs the Petitioner to provide the detailed slab/sub-slab wise billing determinants along within revenue in one month from issuance of this order failing which will lead to the proceedings of the non-compliance of directive as per Regulations/Act.	The detailed slab wise billing determinants with revenue was already provided to the Hon'ble Commission..	The Commission has noted the submission of the Petitioner.
RDSS Scheme Update		
The Petitioner has submitted CAPEX schemes under the RDSS scheme such as Loss Reduction, Modernization and Smart Metering. In this regards, the Petitioner is directed to submit the target timelines and quantum of work to be under taken and a monthly progress report to be submitted to the Commission	The progress report of RDSS works was already provided. Please refer to our letter no 2300/CE(C&R) dated 14/07/2025.	The Commission has noted the submission of the Petitioner.
Interest on Security Deposit		
There is lack of clarity on the interest of security deposited that has been given to the consumers. Petitioners in its submission should clearly demonstrate how much interest on security deposit was required to be given and how much interest has been actually disbursed. The Petitioner is directed to submit yearly consumer count and their connected load across	The interest due and disbursed till June 2025 (Provisional) was provided in earlier mail. The status update on the interest paid is provided in annexure-7	The Commission notes the submission of the Petitioner



Directives	Status	Views of the Commission
various categories.		
Telecom Business Plan		
<p>There are several upcoming opportunities for the Licensees to enhance their non-tariff income particularly from the broadband and 5G telecom companies for installation of their equipment on the electric poles and infrastructure of the licensees. The Petitioner is once again directed to develop a business plan in accordance with JSERC (Facilitation of Telecommunication Network) Regulation 2023 in this regard and submit the same for the approval along with tariff of the Commission</p>	<p>JBVNL is in the process of making a robust business plan for the same where it envisages to increase its non-tariff income. As JBVNL has got very less time before filing this petition as compared to the previous order, the same will be submitted in due course of time.</p> <p>For utilization of assets, fair bidding was done for leasing of such assets. The income of the same was shown in miscellaneous receipts that is part of NTI.</p>	<p>The Petitioner to expedite the preparation of Business Plan. The same be submitted to Commission within 3 months of issuance of this order.</p>
DSM Account		
<p>The Petitioner is directed to submit DSM account details separately from the power purchase within one month of issuance of this order</p>	<p>The details of the DSM account details is provided in Annexure to the Petition.</p>	<p>The Commission has noted the submission of the Petitioner.</p>
Rooftop Solar		
<p>To promote rooftop solar installation and provide net metering services to consumers, the Petitioner is directed to increase their outreach program to promote the PM Suryaghar Yojana and ensure net metering to all the beneficiaries of rooftop solar program through robust software and hardware system.</p>	<p>To promote the PM Suryaghar, JBVNL has sought funding from IEC (Information, Education, and Communication) activities under PM Surya Ghar: Muft Bijli Yojana to raise awareness about rooftop solar installations. The net metering for the rooftop solar installation is underway and progressing steadily.</p>	<p>The submission of the Petitioner is noted by the Commission. However, in order to increase sourcing of green energy, the Petitioner to increase its efforts in promoting the Central better green</p>
Billing Software Modifications		
<p>The Petitioner is directed to incorporate suitable changes / modification in its billing software for automatic pass-through of fixed charge amount for the period of non-availability of power to the consumers</p>	<p>The same is in the planning stage. The application for the same is being developed by the billing software agency currently. After successful pilot testing, this will be implemented for all smart meter consumers.</p>	<p>The submission of the Petitioner is noted by the Commission</p>



Chapter 16: DIRECTIVES



Chapter 16: DIRECTIVES

- 16.1 The Petitioner is directed to complete its adherence to Jharkhand State Electricity Regulatory Commission (Framework for Resource Adequacy) Regulations, 2024 notified on November 5, 2024. Furthermore, the Petitioner is directed to submit the completion report outlining the steps undertaken to adopt the Regulations within three months of issuance of this order.
- 16.2 The Petitioner is directed to develop a targeted action plan for improving service reliability in high-consumption corridors and submit the same to this Commission within 3 months of issuance of this Order.
- 16.3 The Commission directs the Petitioner to maintain the Fixed Assets Register (FAR) considering the depreciation rates as specified in JSERC Distribution Tariff Regulations and submit the status report to the Commission along with FAR in the next tariff filing. The Petitioner is directed to specifically comply with the observations of the statutory authorities/auditors on the matter of Verification & Monitoring of Fixed Assets/CAPEX/Inventory and Maintenance of proper records preferably in digital form for observance of statutory provisions. The Petitioner should also put in place a robust Integrated Accounts & Financial Management System to minimize the time for preparation of Annual Accounts & filing of Petitions/Business Plans/APR in time. Furthermore, the Petitioner to prepare regulatory accounts and submit the same within 6 months of issuance of this order.
- 16.4 The Petitioner is directed to steadfastly approach the Govt. of Jharkhand to take forward the steps already taken to convert the Government loan into Government Grant and complete the exercise within six months of issuance of this order.
- 16.5 The Petitioner has submitted CAPEX schemes under the RDSS scheme such as Loss Reduction, Modernization and Smart Metering and progress report. However, the Commission observes the scheme is getting delayed leading delay in achievements of targets and reaping of benefits by the Consumers of JBVNL. In this regards, JBVNL to expedite work and submit updated targets within 3 months of issuance of this order.
- 16.6 The Petitioner is directed to expedite the return of interest on Consumer security deposit and submit the report with next tariff Petition.
- 16.7 In regards to the RPO compliance of the Petitioner, it is directed to expedite the negotiations with the Power producers and conclude the discussion such that the Petitioner can fulfil its RPO obligation in future and reduce its past overhangs.



- 16.8 The Petitioner is directed to expedite the modification in its billing software for automatic pass-through of fixed charge amount for the period of non-availability of power to the consumers.
- 16.9 The Petitioner is directed to establish a new Consumer Grievance Redressal Forum (CGRF) at Dhanbad to facilitate expeditious redressal of consumer grievances in the area. Until the establishment of the said CGRF, the Petitioner shall make necessary arrangements to ensure that the CGRF at Hazaribagh holds sittings at Dhanbad at least twice a week on a temporary basis.
- 16.10 The Commission observes that JBVNL needs to undertake structured Demand Side Management (DSM) initiatives to promote energy efficiency and reduce peak demand. Accordingly, the Petitioner is directed to prepare and submit a comprehensive DSM Plan in accordance with the provisions of the Electricity Act, 2003 and the applicable DSM Regulations, within three months from the date of this Order. The Plan shall identify priority consumer segments, proposed DSM programmes, estimated energy savings, and implementation timelines. The Petitioner shall also submit periodic progress reports to the Commission on the status of DSM implementation. The Commission will review the progress in subsequent proceedings.
- 16.11 The Petitioner is directed to strictly adhere to the Billing, Collection and other service reliability indices as per Chapter 7 of this order. Also the Commission notes that there is a fall in the employee count of JBVNL. In this regards, the Petitioner is directed to recruit adequate manpower for quality supply of electricity.

Contact Details of Consumer Grievance Redressal Forum (CGRF):

- 16.12 The Petitioner to include the contact details of CGRF in every bill issued to its consumers after the issuance of this order.

The Petitioner to bring to notice to the consumers the CGRF forum for redressal of grievances and conduct monthly camps with Chairperson and members of CGRF and submit the report of the same with the Commission.

The relevant clause of Jharkhand State Electricity Regulatory Commission (Guidelines for Establishment of Forum for Redressal of Grievances of the Consumers, Electricity Ombudsman and Consumer Advocacy) Regulations, 2020 are reproduced as follows:

“6. Duty of the Distribution licensee:-

(1) Every Distribution licensee shall notify and bring to the notice of the consumers by whatsoever means deemed fit including publication in the newspapers/ website etc, the details of the Forum for Redressal



of Grievances of the Consumers.”

(4) The bills issued by the Distribution licensee to the consumers for the electricity supplied, shall contain the address and telephone numbers of the Forum for redressal of grievances of the consumers. The statement ‘consumers whose grievance is not resolved by the Distribution licensee can approach the Forum’ shall also be printed on such bills.”

Simplify bills:

16.13 The Petitioner to simplify the bills issued to its consumers detailing the various charges being paid by the consumers in line with JSERC (Electricity Supply Code) (Second Amendment) Regulations, 2024 quoted as follows:

“3. Insertion of sub-clause (g) and (h) under clause 10.1.1 under Chapter A10 Billing

(g) Easy to understand bills.

(h) Bills should also be issued in local language along with English.”

16.14 The Petitioner to attach a one comparative copy (before / after) of first bill issued after the issuance of this order along with next tariff petition as compliance of this directive outlining the changes and their importance.

Safety of Citizen:

16.15 The Commission directs the Petitioner to install adequate lighting and protection around its infrastructure for safety of the citizen.

16.16 The Commission directs the Petitioner to adopt in letter and spirit the JSERC (Electricity Supply Code) Regulations, 2015 and JSERC (Distribution Licensees’ Standards of Performance) Regulations, 2015 and amendments thereof.

This Order is signed and issued by the Jharkhand State Electricity Regulatory Commission on March 25, 2026 (March Twenty-Five, Two thousand twenty-six).

Date: 25.03.2026

Place: Ranchi

Sd/-
(Mahendra Prasad)
MEMBER (Law)

Sd/-
(Justice Navneet Kumar)
Chairperson



Chapter 17: List of Public Who Participated in public hearing



Chapter 17: List of Public Who Participated in public hearing

List of public who participated in the Public Hearing and submitted their Suggestions/Comments

Sl. No	Name	Address/Organization
Place: Chaibasa, Date: February 19, 2026		
1.	Sanjay Mundra	Police Lines Chaibasa
2.	Prakash Upadhaya	PCCI
3.	Sheo Narayan Prasad	Amlatola
4.	Gautam Rana	JBVNL
5.	Raushan Kumar	JBVNL
6.	Aditya Kumar	UUSNF
7.	Sudhir Kumar	JSL
8.	SK Paswan	EEE/ADP
9.	Dilip Kumar Maharana	Chaibasa PSS
10.	Sabeer	CiTILPi
11.	Kapil	EEE Nango
12.	Rajkumar	Sadar Bazar Chaibasa
13.	Dasingh	Chaibasa
14.	Vinay Baxla	Meri tola Chaibasa
15.	Naveen Topno	Meri tola Chaibasa
16.	Kamal Lath	Mla Tola Chaibasa
17.	Dilip Agarwal	Amla tola Chaibasa
18.	Rajesh Ranjan	Chaibasa
19.	Jaswant Kumar	Chaibasa
20.	Satish	Chaibasa
21.	Samuel	Tonto
22.	Vinay Kumar	JBVNL

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Sl. No	Name	Address/Organization
23.	Vishal Rajak	JBVNL
24.	Maheshwar Mahto	JBVNL
25.	Gaurav Lokhani	JBVNL
26.	Prashan Yadav	Chaibasa
27.	Anil Kumar Mardi	JBVNL
28.	Arvind Kumar	JBVNL
29.	Shobhan singh	JBVNL
30.	Suyash Kumar	JBVNL
31.	Kumar Shaukan	JBVNL
32.	Kamal Kishore	JBVNL
33.	Sonaram Besra	JBVNL
34.	Sanjay Singh	JBVNL
35.	Mantosh Mani Singh	JBVNL
36.	CA Satyanaran Prakash	JBVNL
37.	CA Manush Singh	JBVNL
38.	Suit Tuti	JBVNL
39.	Jitendra Munda	Chaibasa
40.	Muskan Poddar	Chaibasa
41.	Chandmani Birulu	Tambo Chaibasa
42.	Abinash Kumar Gupta	Gandhi tola Chaibasa
43.	Madhusudhan Agarwal	Cahibasa
44.	Niraj Sardwar	Jhumkpani
45.	Shirnivas P.	JBVNL
Place: Daltonganj, Date: February 21, 2026		
1.	SK Kashyap	ESE/S/Dhanbad
2.	MK Nirala	EEE/S/Nirsa
3.	AK Amar	EEE/S/Lozabad
4.	Mukul Kumar	EEE/S/Govindpur

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Sl. No	Name	Address/Organization
5.	Surabh Jani	HC (Accounts)
6.	Umesh Kumar Ram	EEE/Desa
7.	Arvind Kumar	JBVNL
8.	Raj Kumar Agarwal	JBVNL
9.	Dineshwar Kr. Singh	JBVNL
10.	Sakla Hembram	JBVNL
11.	Mantosh Mani Singh	JBVNL
12.	Nitish Kumar	Dhaiya
13.	Rajesh Paswan	Dhanbad
14.	Bablu Kumar	Kendua
15.	Rohit Mode	Kendua
16.	Deepak Kumar Gupta	Dhanbad
17.	Bipendra Sharma	Dhanbad
18.	Rajesh Kumar	Dhanbad
19.	Shiv Raj Sharma	Dhanbad
20.	Ashok Kumar Gupta	Dhanbad
21.	Kailash Chandra	Dhanbad
22.	Saurabh Jain	JBVNL
23.	Dharamveer Sharma	Dhaiya
24.	Gaurav Lohani	MTCPL, Ranchi
25.	Neelendra Singh	MTCPL, Ranchi
26.	Sunil Agarwal	Dhanbad
27.	Romit Kumar Singh	Dhanbad
28.	Yogesh Kumar Paswan	JBVNL
29.	Kameshwar	JBVNL
30.	Abhishek Kumar Singh	JBVNL
31.	Satyendr Kumar Singh	JBVNL
32.	Suman Kumar Dubey	JBVNL

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Sl. No	Name	Address/Organization
33.	Debprasad Dutta	Dhanbad
34.	Mukul	JBVNL
35.	Prabhakar Kumar	EEE/Tenughat
36.	Sanjay Kumar	Dhanbad
37.	Swaraj Kuar Bakshi	Dhanbad
38.	Anil Kumar	Jharia
39.	Sujit Singh	Dhanbad
40.	Md. Faheem Ansari	Dhanbad
41.	Ashok Keshri	Dhanbad
42.	Shiv Shankar Prasad	Dhanbad
43.	Abhimast Kr. Napit	Dhaiya
44.	Suman Kumar	Dhanbad
45.	Shailendra Bhushan Tiwari	EEE/JBVNL
46.	Santosh Kushwaha	Jharkhand Urja Mitra Sangh
47.	Dayanad Sharma	Jharia
48.	Gautam Kumar	Dhanbad
49.	Raj Kumar	Dhanbad
50.	Satish Kumar	Jharia
51.	Subodh Kumar roy	Dhanbad
52.	Rajesh barnwal	Dhanbad
53.	Mahesh Kumar	Dhanbad
Place: Dumka, Date: February 26, 2026		
1.	Kundan Thakur	Deoghar
2.	Amarjit Ambasht	Deoghar
3.	Vijay Kumar	Deoghar
4.	Jotish Kumar	Deoghar
5.	Mahendra Verma	Deoghar
6.	Leela Ram Yadav	Deoghar

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Sl. No	Name	Address/Organization
7.	Bhola Mahtha	Girdih, Deoghar
8.	Nishant	JSD
9.	Virendra Kumar Sharma	Jasidih
10.	Prakash Yadav	Deoghar
11.	Sanjay Kumar	Giridih
12.	Manish Singh	Deoghar
13.	Rajendra Chowdhary	Rajabagh
14.	Amitabh Bachchan Soren	EEE/Dumka
15.	Raj Kamal	SEE/Basukinath
16.	Priti Kumari	AEE/Deoghar
17.	Ashish Mishra	Shivpuri, Deoghar
18.	Arvind Kumar	JBVNL
19.	Sanjay Singh	JBVNL
20.	Mantosh Mani Singh	JBVNL
21.	Rakesh Kumar Barnwal	Deoghar
22.	Amit Kumar	Deoghar
23.	Ramesh Kumar Bajla	Deoghar
24.	Ravi Kumar Koshni	Deoghar Chamber of Commerce
25.	Rakesh Prasad	JBVNL
26.	Rajesh Kumar Mishra	EEE/Godda
27.	Somesh Kumar	AEE/Girdih
28.	Deepak Kumar	AEE/MDP
29.	Neeraj Anand	Deoghar
30.	Rohit Manjhi	Madhupur
31.	Mahadev Murmu	Deoghar
32.	Sourabh Jain	JBVNL
33.	KK Singh	Deoghar
34.	Ashish Kumar	Deoghar

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Sl. No	Name	Address/Organization
35.	Alok Kumar Mallick	SP Chambers of Commerce and Industries
36.	Prince Singhal	SPCCI
37.	Bipin Mishra	Deoghar
38.	Roshan Kumar	HRI, Deoghar
39.	Manish Kumar	Deoghar
40.	Virendra Kumar	Jasidih
41.	Bablu Kumar mandal	Charkhi
42.	Upendra Kumar	Deoghar
43.	Bijay Kumar	Giridih
44.	Rupesh Kumar	Deoghar
45.	Gopal Krishna Sharma	Basanti Dham
46.	Ritesh Tibreval	SPCCI
47.	Birendra Kumar Singh	Deoghar
48.	Baidyanath Real Food	Chopa More
49.	Rajesh Kumar Sultania	Bhawani Ferrous
50.	Amit Kumar Singh	Deoghar
51.	Rauhan Kuar	Bada Bazar, Deoghar
52.	Prof Uday Kumar Prakash	Deoghar
53.	Niranjana Kumar singh	Modern Arts and Craft
54.	Gopal Yadav	Deoghar
55.	Kishore Mandal	Deoghar
56.	Maahdev Yadav	Deoghar
57.	Sanjay	Deoghar
58.	Amit Kuar Singh	Girdih
59.	Rakesh Jha	Deoghar
60.	Namo Narayan Thakur	Deoghar
61.	Bhola Ram	Deoghar
62.	Sagar Yadav	Deoghar

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Sl. No	Name	Address/Organization
63.	Gopi Yadav	Deoghar
64.	Mithilesh Yadav	Deoghar
Place: Dhanbad, Date: February 27, 2026		
1.	Nand Kumar Singh	Garhwa
2.	Anuj Kumar Chaudhry	Garhwa
3.	Bably Kumar	Garhwa
4.	Ramesh Kumar	Garhwa
5.	Jitendra Kumar Sahu	Garhwa
6.	Dharmendra	Daltonganj
7.	Vikash Kumar Gupta	Palamau
8.	Dipak Kumar	Latehar
9.	Pankaj Kumar	Baralota
10.	Amar Kumar Yadav	Manatu
11.	Anil Kumar	Manatu
12.	Amol Rai	Garhwa
13.	Saurabh Kumar Singh	Daltonganj
14.	Shubham Singh	Daltonganj
15.	Rajendra Lohra	JBVNL
16.	Pradeep Kumar	ZP Member Manatu
17.	Arun Saw	Parsai
18.	Awadhesh Mmanti	Padma
19.	Vijay Shukla	Rehla
20.	Prince Tiwari	Daltonganj
21.	Kalindra Kumar	Latehar
22.	Abhishek Kuar	Datonganj
23.	Shamshad Alam	Latehar
24.	Sunil Shukla	Daltonganj
25.	Mukesh Kumar	JBVNL

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Sl. No	Name	Address/Organization
26.	Mankee istry	JBVNL
27.	Vikash Jyoti Prasad	JBVNL
28.	Gunian	JBVNL
29.	Parshuram Bhola	Daltonganj
30.	Deepak Kumar	Garhwa
31.	Ahif Ekbal	Chhattarpur
32.	Saraasvati Devi	JBVNL
33.	Pawan Kumar	JBVNL
34.	Rajiv Mishra	JBVNL
35.	Kumari Anuradha	JBVNL
36.	Kamal Kumar	JBVNL
37.	Ashok	Daltonganj
38.	Adesh Kumar Thakur	Garu
39.	Satyanarayan	Chairpur
40.	Satnu Vishwakarma	Kutmu
41.	Surendra Kumar	Panki
42.	Basant Ram	Sudna
43.	Shashikant Tiwary	SPS
44.	Satyendra Thakur	Daltonganj
45.	Shiv Charan Mehta	Daltonganj
46.	Umesh Prajapati	Chainpur
47.	Mit Kumar	Lesliganj
48.	Mukesh Kumar	Bishranpur
49.	Ratu Kuar	Baralata
50.	Rupesh Kumar	Nawadih
51.	Mantu Kumar	Sudna
52.	Rajaram Singh	Chainpur
53.	Awadesh Kumar Bakshi	Daltonganj

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Sl. No	Name	Address/Organization
54.	Vikash Kumar Mahto	JBVNL
55.	Gautam Kumar	Daltonganj
56.	Mahendra Prajapati	JBVNL
57.	Firoz Alam Khan	JBVNL
58.	Umesh Kumar	JBVNL
59.	Sarju ram	Daltonganj
60.	Kuldeep Kumar	Lesliganj
61.	Rajan Kumar	Daltonganj
62.	Anuj Kumar Ram	JBVNL
63.	Navneet	Daltonganj
64.	Sunil Kumar	JBVNL
65.	Rajesh Kumar singh	Member VUSNF
66.	Pradeep Kumar Singh	JBVNL
67.	Sudhir Bando	JBVNL
68.	Vijay Mohta	Daltonganj
69.	Kunal Kumar	Daltonganj
70.	Deepak Kumar	JBVNL
71.	Ankur Kuar	Bairia
72.	Heel Prakash Dubey	CGRF
73.	Prakash Kuar	JBVNL
74.	Nerender singh	MTCPL
75.	Gaurav Lohani	MTCPL
76.	Sachitanand	Dainik Jagran
77.	Santosh Kumar	JBVNL
78.	Govind Mishra	Patan
79.	Chandan singh	Daltonganj
80.	Dhirendara Kumar	JBVNL
81.	Randhir Yadav	Daltonganj

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Sl. No	Name	Address/Organization
82.	Vikas Kumar	JBVNL
83.	Gopal Prasad	JBVNL
84.	Rahe shyam Tiwari	JBVNL
85.	Prem Kumar Jha	JBVNL
86.	Damodar Pandey	Daltonganj
87.	Bhola Oraon	Daltonganj
88.	Azad Ahmad	Daltonganj
89.	Chhotu Kumar	Patan
90.	Jitendra Kumar Thakur	Daltonganj
91.	Raj Kumar	Daltonganj
92.	Mahadec Mahato	JBVNL
93.	Sanjay Singh	JBVNL
94.	Anish Ranjan	JBVNL
95.	Ramesh Kumar	Daltonganj
96.	Sheo Pujan Sharma	Daltonganj
97.	Sanjeev Kumar	JBVNL
98.	Maheshwar Kumar	JBVNL
99.	Pankaj Kumar Gautam	JBVNL
100.	Sanjay Kumar Singh	Daltonganj
101.	Ashish Kumar	Daltonganj
102.	Sushil Kumar	Sudna
103.	Praveen Kumar	JBVNL
104.	Dhirendra Kumar	JBVNL
105.	RN Singh	JBVNL
106.	Parasnath Tiwari	JBVNL
107.	Amit Kumar	JBVNL
108.	Arvind Kumar	JBVNL
109.	Yogendra Kumar	JBVNL

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Sl. No	Name	Address/Organization
110.	Rahu Kumar Mehta	JBVNL
111.	Vikas Kumar	Daltonganj
Place: Ranchi, Date: February 28, 2026		
1.	NK Patodia	FJCCI
2.	Anjay Pachewala	JSIA
3.	Deepak Kumar Maroo	JSIA
4.	AK Sinha	Ranchi
5.	Verendra	Dainik Bhaskar
6.	Ashish Tigya	Hindustan
7.	Tapeshwar Gupta	JSTSBE Association, Bokaro
8.	Mukesh	Ranchi
9.	Rajni Ojha	Ranchi
10.	Gargi Srivastava	Noida
11.	Varun Joel	Noida
12.	Rajkumar Dayma	Gajanan Ferro
13.	Akhilesh Mishra	NTCPL
14.	Nupur Raj	JBVNL