

**IN THE JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION AT  
RANCHI**

**Case No. 17 of 2023**

Adhunik Power and Natural Resources Limited (APNRL) .....**Petitioner**

Versus

Jharkhand UrjaVikas Nigam Limited (JUVNL) .....**Respondent**

**CORAM: HON'BLE MR. MAHENDRA PRASAD, MEMBER (LAW)  
HON'BLE MR. ATUL KUMAR, MEMBER (TECHNICAL)**

For the Petitioner: Mr. Vineet Tayal, Advocate and Mr. Eshan Singh,  
Manager-APNRL

For the Respondent: Mr. Rajesh Kumar and Mr. Vivek Aditya A.C.to Sachin  
Kumar

**Date – 23<sup>rd</sup> July, 2024**

1. The Petitioner-Adhunik Power and Natural Resources Limited-(“hereinafter APNRL)has filed the instant petition under section 94(1)(f) of the Electricity Act, 2003 read with clause 41 of the JSERC (Conduct of Business) Regulation, 2016and JSERC(Terms and Conditions for Determination of Generation Tariff), Regulations, 2015seeking review of the Order dated May 22, 2023 passed by this Commission in Case No. 02 of 2018 regarding True-up for the FY 2016-17 and APR for FY 2017-18 for supplying the regulated Contracted Capacity to JUVNL/JBVNL (erstwhile JSEB) from 540 MW Coal based power plant of APNRL at Padampur and Srirampur villages in SeraikelaKharsawan district in the State ofJharkhand.

2. The Petitioner in the instant petition has prayed for the following relief:

- (a) For consideration of SDR submitted in the petition and accordingly allow the normative debt-equity ratio of 70:30 in accordance with the relevant rule and regulation;
- (b) For calculation of the interest on loan and return on equity for APNRL in line with the normative debt-equity ratio of 70:30 for the FY 2016-17 onwards;
- (c) For grantof any other relief or reliefs as may deem fit in the facts and circumstances of the instant case and in the interest of the justice.

The factual matrix of the case may be appreciated in the following manner:

**Submission of Petitioner**

3. The learned counsel for the petitioner has submitted that APNRL, incorporated under the Companies Act, 1956, is a “Generating Company” as

defined under Section 2(28) of the Electricity Act, 2003. It operates a 540 MW thermal generating station at Padampur and Srirampur villages in the Seraikela Kharsawan district of Jharkhand and supplies the regulated contracted capacity to the distribution licensee, Jharkhand Bijli Vitran Nigam Limited (hereinafter referred to as "JBVNL"), the successor of the erstwhile Jharkhand State Electricity Board ("JSEB").

4. It was submitted that the lender of the company initiated Strategic Debt Restructuring (SDR) process on December 22, 2015. Pursuant to the scheme, the Joint Lender Forum (JLF) had approved conversion of Debt into equity shares of the company aggregating an amount of Rs 605.43 crore. The conversion of Debt into Equity, as required under SDR guidelines has been approved by the Company on June 22, 2016. Such conversion and allotment of Equity shares has been done at Face value of Rs 10 each/-. Pursuant to such conversion, 60,54,30,000 equity share of Rs 10 each has been allotted Lender, aggregating to 51.05% of the share capital of the company, on the expended capital base. Subsequently on June 19, 2017, out of 51.05% holding by Lender group, 26% shares have been transferred to EW INDIA SPECIAL ASSETS FUND II PTE LTD under Strategic Debt Restructuring (SDR) scheme to effect change in management.
5. The learned counsel has submitted that the petitioner, instead of submitting a revised MYT application regarding the SDR, preferred to provide the details of the SDR in its truing-up application, once the actual transfer to the account had attained finality.
6. It was submitted that this Commission had passed True-up for FY 2014-15, FY 2015-16 and Business Plan, ARR & Tariff for FY 2016-17 to FY 2020-21 by Order dated February 19, 2018 and this Commission had approved debt-equity ratio of 73.24: 26.76 as of March 31, 2016. The relevant excerpt of MYT Order has been reproduced herein below:

Table 32: Debt Equity ratio as approved by the Commission for FY 2015-16

Particulars	Submitted by APNRL		Approved by JSERC	
	%	Amount (Rs Cr.)	%	Amount (Rs Cr.)
Debt	73.24%	2476.16	73.24%	2476.16
Equity	26.76%	904.81	26.76%	904.81
Total	100.00%	3380.97	100%	3380.97

7. In consideration of the above increase in equity share, the petitioner in accordance with clause 7.3 of the JSERC Generation Tariff Regulations, 2015 had claimed the normative debt-equity ratio of 70:30 for FY 2016-17, effective from April 1, 2016.

8. The learned counsel emphasis that the claim of the petitioner as to increase in the equity share was disallowed simply on the facts that the SDR process was approved prior to filing of the MYT petition for FY 2016-17. The observation of this Commission has been reproduced herein below:

*“5.84 The Commission vide letter dated September 21, 2022 directed the Petitioner to provide the copy of letter/correspondence/approval related to Strategic Debt Restructuring (SDR) process letter dated 22.07.2016. The Commission further enquired whether the SDR detail was submitted in MYT petition or during its proceeding and if not, why when the same was finalized on 22.07.2016, well before the finalization of MYT Order for Control Period for FY 2016-17 to FY 2020-21. The Petitioner in its reply submitted that pursuant to SDR, there has been no change in the rate of interest. As per JSERC Generation Tariff Regulations 2015, the Petitioner has to consider the impact of lower rate of interest pursuant to loan restructuring to be passed on consumers. However, this is not the case in the instant matter. The implication of SDR is only to the extent of increase in equity base. Regarding disclosure of the details, the Petitioner as part of its submission has transparently shared the audited accounts which clearly provide the details of such SDR. The said audited accounts are an integral part of the Petition which may kindly be considered by the Commission. The approval of interest expenses is based on normative loan amount which are agnostic to the overall loan amount as per the book of accounts. Accordingly, the said SDR had no impact on the interest rate which is a prime factor for tariff purposes. So far as the impact on equity is concerned, the same has been elaborated in detail in the petition as also in the books of accounts and the Petitioner has requested the Commission to consider the change in the position of the equity with detailed rationale.*

*5.85 The Commission has reviewed the submissions made by the Petitioner. The Strategic Debt Restructuring (SDR) process was approved by company on June 22, 2016. The Petition for approval of Business Plan, ARR & Tariff for MYT Control Period FY 2016-17 to FY 2020-21 was filed on January 31, 2017. The Commission is of the view that when SDR process was completed and approved by the company before the filing of MYT Petition, the same need to be submitted before the Commission for consideration. Thus, the Commission is not inclined to review the SDR at this juncture.”*

9. It was further submitted that, JSERC Tariff Regulations, 2020 does not stipulate any mandate whatsoever for the prior approval of this Hon'ble Commission in regards to the Strategic Debt Restructuring (SDR) soundertaken. Furthermore, it is also not the case as if any provisional

information was called upon by the Hon'ble Commission during the MYT proceedings and was not responded to by the Petitioner. Thus, neither there was any mandate of prior approval to the SDR nor any information was called upon by the Commission during MYT, thus relevant details w.r.t. SDR were duly submitted at the time of true-up when the account got finalized. Accordingly, the Impugned Order herein fails to identify any legal basis for its omission to consider the said SDR at this juncture.

### **Submission of Respondent**

10. The learned counsel for the respondent has submitted the petitioner has been contended in the present petition that the Petitioner's Strategic Debt Restructuring (SDR) has failed to be considered by this Hon'ble Commission, thereby leading to the unjust disallowance of the Petitioner's claim pertaining to the debt-equity ratio of 70:30 for FY 2016-17. Furthermore, it has also been stated by the Petitioners that significant financial implications have been caused to the Petitioner by this.
11. It was submitted that it was a well-thought-out process to restrict the debt equity normative value at 70: 30. Furthermore, it was submitted that restricting the equity at 30% is a valid point as equity earns Returns on Equity (ROE) and debts earn Rate of Interest (ROI) and there is a sharp difference of percentage points between them. Generally, the ROE is more than the ROI and in the present case, the petitioner wants to claim the ROE to gain from the same.
12. It was further submitted that SDR plan was an internal process initiated because the petitioner was unable to pay its creditors. Consequently, the creditors agreed to convert their loans into equity to recover the amount invested in the asset, which would otherwise have been lost.
13. It was further submitted that, regardless of the internal process, the burden should not be passed onto the consumers. Additionally, there is no asset addition by the petitioner through the infusion of equity; this is merely an accounting procedure for the maintenance of books
14. It was further submitted that allowing the petitioner to claim the normative values under debt equity and treating the same in the ARR would result in higher costs, which would eventually be passed onto the consumers.
15. It was also submitted that as per National Tariff Policy 2016, the debt-equity ratio to be considered is 70:30 in case of financing of future capital of project. Promoters would be free to have a higher quantum of equity investments and the equity in excess of this norm shall be treated as loans advanced at the weighted average ROI.

**Commission’s Observation and findings**

- 16. The Commission has considered the submission made by the parties and perused the materials/information’s available on records.
- 17. It is evident that section 94(1)(f) of Electricity Act 2003 provides Power of Appropriate Commission which reads as under: -

*Section 94. (Powers of Appropriate Commission): -*

*(1) The Appropriate Commission shall, for the purposes of any inquiry or proceedings under this Act, have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 in respect of the following matters, namely:*

.....

*(f) reviewing its decisions, directions and orders;"*

- 18. It is evident that, the National Tariff Policy of 2016 provides for any equity in excess of the 30% norms to be treated as normative loan which reads as under: -

*“5.11 Tariff policy lays down the following framework for performance based cost of service regulation in respect of aspects common to generation, transmission as well as distribution. These shall not apply to competitively bid projects as referred to in para 6.1 and para 7.1 (6). Sector specific aspects are dealt with in subsequent sections.*

*a) Return on Investment*

.....

*b) Equity Norms*

*For financing of future capital cost of projects, a Debt: Equity ratio of 70:30 should be adopted. Promoters would be free to have higher quantum of equity investments. The equity in excess of this norm should be treated as loans advanced at the weighted average rate of interest and for a weighted average tenor of the long term debt component of the project after ascertaining the reasonableness of the interest rates and taking into account the effect of debt restructuring done, if any. In case of equity below the normative level, the actual equity would be used for determination of Return on Equity in tariff computations”.*

- 19. It is evident that clause 7.3 of JSERC Generation Tariff Regulation 2015 provides the ratio of debt: equity which reads as under: -

*“7.3 Capital cost for a Project shall include:*

*(a) the expenditure incurred or projected to be incurred, including interest during construction, IEDC and financing charges, any gain or loss on account of foreign exchange risk variation during construction on the loan - (i) being equal to 70% of the funds deployed, in the event of the actual equity in excess of 30% of the funds deployed, by treating the excess equity as normative loan, or (ii) being equal to the actual amount of loan in the event of the actual equity less than 30% of the funds deployed, - up to the date of commercial operation of the project, as admitted by the Commission after prudence check shall form the basis for determination of tariff”...*

20. The Commission found that the SDR process was initiated on June 22, 2016, but was not completed by the submission of the MYT petition on January 31, 2017. Therefore, it had not included by the petitioner in the MYT petition. Upon scrutinizing and analyzing the petitioner's plea, it has been observed that the final audit for FY 2016-17 was completed on September 04, 2017; hence, the Commission rejected the petitioner's plea regarding the SDR for FY 2016-17. However, the Commission agreed with the petitioner's prayer to allow the opening debt equity after September 04, 2017, for FY 2017-18
21. Based on above excerpt, the Commission re-calculated the normative opening balance equity and loan as on March 31, 2017.

Particular	Unit-1	Unit-2	Total
Capital Cost as on 31st March 2017	1684.16	1698.14	3382.30
Debt Component as per regulation	0.70	0.70	
Equity Component as per regulation	0.30	0.30	
<b>Gross Loan as on 31st March 2017</b>	<b>1178.91</b>	<b>1188.70</b>	<b>2367.61</b>
<b>Normative Equity as on 31st March 2017</b>	<b>505.25</b>	<b>509.44</b>	<b>1014.69</b>

22. Furthermore, the Commission had already approved the depreciation for Unit-1 and Unit-2 in previous order, for immediate reference the value of depreciation has reproduced herein below.

Particular	FY 2012-13		FY 2013-14		FY 2014-15		FY 2015-16		FY 2016-17		Total	
	1	2	1	2	1	2	1	2	1	2	1	2
Depreciation	15.05		79.59	69.83	81.43	82.16	82.43	83.20	82.39	83.15	340.88	318.34

23. Based on facts and circumstance, the Commission re-calculate the normative opening balance Equity and Gross Loan as on March 31, 2017.

Particular	Unit-1	Unit-2	Total
Gross Opening Loan	1178.909	1188.7009	2367.61
Cumulative Repayment	340.88	318.34	659.21
<b>Normative Opening Loan FY 2017-18</b>	<b>838.03</b>	<b>870.36</b>	<b>1708.40</b>

## ORDER

24. Based on above submission the Commission re-calculated the return on equity and interest on loan for FY 2017-18.

(a) From April 01, 2017 to September 04, 2017 (Number of Day 157).

### **Interest on Loan**

<b>Particular</b>	<b>Unit-1</b>	<b>Unit-2</b>
Opening loan	885.71	918.33
Net addition	2.48	2.48
Deletion	0.00	0.00
Less: Repayment	82.53	83.30
Closing loan	805.66	837.51
Average Loan	845.69	877.92
Interest rate	12.19%	12.19%
Interest on loan	103.09	107.02
<b>Interest on loan for 157 days (till 04.09.2017)</b>	<b>44.34</b>	<b>46.03</b>

### **Return on Equity**

<b>Particular</b>	<b>Unit-1</b>	<b>Unit-2</b>
Opening Equity	455.81	450.25
Net addition	1.06	1.06
Deletion	0.00	0.00
Closing Equity	456.87	451.31
Average Equity	456.34	450.78
Rate of return	15.50%	15.50%
Return on equity	70.73	69.87
<b>Return on equity for 157 days (till 04.09.2017)</b>	<b>30.42</b>	<b>30.05</b>

(b) From September 05, 2017 to March 31, 2018 (Number of Day 208).

### **Interest on Loan**

<b>Particular</b>	<b>Unit-1</b>	<b>Unit-2</b>
Opening loan	838.03	870.36
Net addition	2.48	2.48
Deletion	0.00	0.00
Less: Repayment	82.53	83.30
Closing loan	757.98	789.55
Average Loan	798.01	829.95
Interest rate	12.19%	12.19%
Interest on loan	97.28	101.17
<b>Interest on loan for 208 days(from 05.09.2017 to 31.03.2018)</b>	<b>55.43</b>	<b>57.65</b>

### **Return on Equity**

<b>Particular</b>	<b>Unit-1</b>	<b>Unit-2</b>
Opening Equity	505.25	509.44
Net addition	1.06	1.06
Deletion	0.00	0.00
Closing Equity	506.31	510.51

Particular	Unit-1	Unit-2
Average Equity	505.78	509.97
Rate of return	15.50%	15.50%
Return on equity	78.40	79.05
<b>Return on equity for 208 days(from 05.09.2017 to 31.03.2018)</b>	<b>44.67</b>	<b>45.05</b>

Based on above calculation the Cumulative Interest on loan and Return on Equity for FY 2017-18.

Particular	Unit-1	Unit-2
<b>Interest on loan for FY 2017-18</b>	<b>99.78</b>	<b>103.69</b>
<b>Return on Equity for FY 2017-18</b>	<b>75.10</b>	<b>75.10</b>

25. Based on above excerpt, the revised IOL for FY 2017-18 and FY 2018-19, FY 2020-21 and MYT for FY 2021-22 to FY 2025-26 as approved by the Commission are summarized below:

**Revised Table 32: IOL of Order dated June 22, 2023 as revised by Commission for FY 2017-18 for Unit-1 & Unit-2**

Particulars	Unit-1				Unit-2			
	MYT	Petition	Approved in True-up	Approved Now	MYT	Petition	Approved in True-up	Approved Now
Opening Balance	885.33	836.27	885.71		917.92	869.03	918.33	
Addition during FY	0.00	2.48	2.48		0.00	2.48	2.48	
Deletion during FY	0	0.00	0.00		0.00	0.00	0.00	
Repayment	82.37	82.53	82.53		83.15	83.30	83.30	
Closing Balance	802.96	756.21	805.66		834.77	788.20	837.51	
Average Balance	844.15	796.24	845.69		876.35	828.61	877.92	
Rate of Interest (%)	13.13%	12.19%	12.19%		13.28%	12.19%	12.19%	
<b>Interest on Loan</b>	<b>110.84</b>	<b>97.06</b>	<b>103.09</b>	<b>99.78</b>	<b>116.38</b>	<b>101.01</b>	<b>107.02</b>	<b>103.69</b>

**Revised Table 77: IOL of Order dated June 22, 2023 as revised by Commission for FY 2018-19 for Unit-1 & Unit-2**

Particulars	Unit-1				Unit-2			
	MYT	Petition	Approved in True-up	Approved Now	MYT	Petition	Approved in True-up	Approved Now
Opening Balance	802.96	756.21	805.66	757.98	834.77	788.20	837.51	789.55
Addition during FY	0.00	0.99	0.33	0.99	0.00	0.99	0.99	0.99
Deletion during FY	0	0.00	1.92	1.92	0.00	0.00	1.92	1.92
Repayment	82.37	82.64	82.62	82.64	83.15	83.40	83.39	83.40
Closing Balance	720.59	674.56	721.45	674.41	751.62	705.79	752.53	705.21
Average Balance	761.78	715.39	763.56	716.20	793.20	747.00	795.34	747.38
Rate of	13.13%	12.31%	12.31%	12.31%	13.28%	12.31%	12.31%	12.31%



Particulars	Unit-1				Unit-2			
	MYT	Petition	Approved in True-up	Approved Now	MYT	Petition	Approved in True-up	Approved Now
Interest (%)								
<b>Interest on Loan</b>	<b>100.02</b>	<b>88.08</b>	<b>94.01</b>	<b>88.18</b>	<b>105.34</b>	<b>91.97</b>	<b>97.88</b>	<b>92.02</b>

**Revised Table 120: IOL of Order dated June 22, 2023 as revised by Commission for FY 2019-20 for Unit-1 & Unit-2**

Particulars	Unit-1				Unit-2			
	MYT	Petition	Approved in True-up	Approved Now	MYT	Petition	Approved in True-up	Approved Now
Opening Balance	720.59	674.56	721.45	674.41	706.07	705.79	752.53	705.21
Addition during FY	0.00	0.89	0.89	0.89	0.00	0.89	0.89	0.89
Deletion during FY	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Repayment	82.37	82.65	82.62	82.65	83.15	83.42	83.39	83.42
Closing Balance	638.22	592.80	639.71	592.65	623.48	623.26	670.03	622.68
Average Balance	679.41	633.68	680.58	633.53	664.78	664.53	711.28	663.95
Rate of Interest (%)	13.13%	12.31%	12.31%	12.31%	12.13%	12.31%	12.31%	12.31%
<b>Interest on Loan</b>	<b>89.21</b>	<b>78.02</b>	<b>83.78</b>	<b>77.99</b>	<b>81.80</b>	<b>81.82</b>	<b>87.56</b>	<b>81.73</b>

**Revised Table 167: IOL of Order dated June 22, 2023 as revised by Commission for FY 2020-21 for Unit-1 & Unit-2.**

Particulars	Unit-1				Unit-2			
	MYT	Petition	Approved in True-up	Approved Now	MYT	Petition	Approved in True-up	Approved Now
Opening Balance	638.23	592.81	639.71	592.59	668.48	623.27	670.03	622.61
Addition during FY	0	7.16	0	0	0	7.16	-	0.00
Deletion during FY	0	0	0	0	0	0	-	0
Repayment	82.37	82.93	82.65	82.65	83.15	83.70	83.42	83.42
Closing Balance	555.86	517.04	557.06	509.94	585.33	546.73	586.61	539.19
Rate of Interest (%)	13.13%	12.31%	12.31%	12.31%	13.28%	12.31%	12.31%	12.31%
<b>Interest on Loan</b>	<b>78.39</b>	<b>68.31</b>	<b>73.66</b>	<b>67.86</b>	<b>83.25</b>	<b>72.01</b>	<b>77.35</b>	<b>71.51</b>

**Revised Table 65,66: IOL of Order dated December 14, 2023 as revised by Commission for FY 2021-22 to FY 2025-26 for Unit-1 & Unit-2**

Particulars	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2
	FY 2021-22		FY 2022-23		FY 2023-24		FY 2024-25		FY 2025-26	
Opening Balance	509.94	539.19	444.36	473.00	381.30	411.09	318.26	347.33	255.46	283.88

Particulars	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2
	FY 2021-22		FY 2022-23		FY 2023-24		FY 2024-25		FY 2025-26	
Net Additions	0.50	0.50	3.12	4.94	3.33	3.33	3.77	3.84	3.11	3.18
Repayment (Equal to Depreciation allowed for the year)	66.08	66.69	66.18	66.85	66.37	67.09	66.57	67.29	66.77	67.50
Closing Balance	444.36	473.00	381.30	411.09	318.26	347.33	255.46	283.88	191.80	219.56
Interest on Debt (%)	12.31%	12.31%	12.31%	12.31%	12.31%	12.31%	12.31%	12.31%	12.31%	12.31%
<b>Interest on Debt</b>	<b>58.74</b>	<b>62.30</b>	<b>50.82</b>	<b>54.42</b>	<b>43.06</b>	<b>46.68</b>	<b>35.31</b>	<b>38.85</b>	<b>27.53</b>	<b>30.99</b>

26. In view of the above, the revised ROE for FY 2017-18 and FY 2018-19, FY 2020-21 and MYT for FY 2021-22 to FY 2025-26 as approved by the Commission are summarized below:

**Revised Table 36: ROE of Order dated as revised by Commission for FY 2017-18 for Unit-1 & Unit-2.**

Particulars	Unit-1				Unit-2			
	MYT	Petition	Approved in True-up	Approved Now	MYT	Petition	Approved in True-up	Approved Now
Opening Equity	455.63	505.24	455.81		450.25	509.44	460.16	
Addition during the year	0.00	1.06	1.06		0.00	1.06	1.06	
Deletion during the Year	0.00	0.00	0.00		0.00	0.00	0.00	
Closing Equity	455.63	506.30	456.87		450.25	510.50	461.22	
Average Equity	455.63	505.77	456.34		450.25	509.97	460.69	
Rate of ROE	15.50%	15.50%	15.50%		15.50%	15.50%	15.50%	
<b>Return on Equity</b>	<b>70.62</b>	<b>78.39</b>	<b>70.73</b>	<b>75.10</b>	<b>69.79</b>	<b>79.05</b>	<b>71.41</b>	<b>75.10</b>

**Revised Table 81: ROE of Order dated June 22, 2023 as revised by Commission for FY 2018-19 for Unit-1 & Unit-2.**

Particulars	Unit-1				Unit-2			
	MYT	Petition	Approved in True-up	Approved Now	MYT	Petition	Approved in True-up	Approved Now
Opening Equity	455.63	506.30	456.87	506.31	450.25	510.50	461.22	510.51
Addition during the year	0.00	0.42	0.14	0.42	0.00	0.42	0.42	0.42
Deletion during the Year	0.00	0.00	0.82	0.82	0.00	0.00	0.82	0.82
Closing Equity	455.63	506.72	456.19	505.91	450.25	510.92	460.82	510.11
Average Equity	455.63	506.51	456.53	506.11	450.25	510.71	461.02	510.31
Rate of ROE	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
<b>Return on Equity</b>	<b>70.62</b>	<b>78.51</b>	<b>70.76</b>	<b>78.45</b>	<b>69.79</b>	<b>79.16</b>	<b>71.46</b>	<b>79.10</b>

**Revised Table 124: ROE of Order dated June 22, 2023 as revised by Commission for FY 2019-20 for Unit-1 & Unit-2.**

Particulars	Unit-1				Unit-2			
	MYT	Petition	Approved in True-up	Approved Now	MYT	Petition	Approved in True-up	Approved Now
Opening Equity	455.63	506.72	456.19	505.91	450.25	510.92	460.82	510.11
Addition during the year	0.00	0.42	0.38	0.38	0.00	0.38	0.38	0.38
Deletion during the Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Closing Equity	455.63	507.14	456.57	506.29	450.25	511.30	461.20	510.49
Average Equity	455.63	506.93	456.38	506.10	450.25	511.11	461.01	510.30
Rate of ROE	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50	15.50%
<b>Return on Equity</b>	<b>70.62</b>	<b>78.57</b>	<b>70.74</b>	<b>78.45</b>	<b>69.79</b>	<b>79.22</b>	<b>71.46</b>	<b>79.10</b>

**Revised Table 171: ROE of Order dated June 22, 2023 as revised by Commission for FY 2020-21 for Unit-1 & Unit-2.**

Particulars	Unit-1				Unit-2			
	MYT	Petition	Approved in True-up	Approved Now	MYT	Petition	Approved in True-up	Approved Now
Opening Equity	455.63	507.11	456.57	506.29	450.25	511.31	461.20	510.49
Addition during the year	-	3.07	0.00	0.00	0	3.07	0	0.00
Deletion during the Year	-	0	0		0	0	0	0
Closing Equity	455.63	510.18	456.57	506.29	450.25	514.38	461.20	510.49
Average Equity	455.63	508.64	456.57	506.29	450.25	512.84	461.20	510.49
Rate of ROE	15.50%	15.50%	15.05%	15.50%	15.50%	15.50%	15.50%	15.50%
<b>Return on Equity</b>	<b>70.62</b>	<b>78.84</b>	<b>70.77</b>	<b>78.48</b>	<b>69.79</b>	<b>79.49</b>	<b>71.49</b>	<b>79.13</b>

**Revised Table 69,70: ROE of Order dated December 14, 2023 as revised by Commission for FY 2021-22 to FY 2025-26 for Unit-1 & Unit-2.**

Particulars	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2
	FY 2021-22		FY 2022-23		FY 2023-24		FY 2024-25		FY 2025-26	
Equity (Opening Balance)	506.29	510.49	506.50	510.70	507.84	512.82	509.27	514.24	510.88	515.89
Net additions during the year	0.21	0.21	1.34	2.12	1.43	1.43	1.62	1.65	1.33	1.36
Equity (Closing Balance)	506.50	510.70	507.84	512.82	509.27	514.24	510.88	515.89	512.22	517.25
Average Equity	506.40	510.59	507.17	511.76	508.55	513.53	510.08	515.07	511.55	516.57

Particulars	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2
	FY 2021-22		FY 2022-23		FY 2023-24		FY 2024-25		FY 2025-26	
Rate of Return on Equity	15.00 %	15.00%	15.00 %	15.00%	15.00%	15.00 %	15.00%	15.00%	15.00%	15.00%
<b>Return on Equity</b>	<b>75.96</b>	<b>76.59</b>	<b>76.08</b>	<b>76.76</b>	<b>76.28</b>	<b>77.03</b>	<b>76.51</b>	<b>77.26</b>	<b>76.73</b>	<b>77.49</b>

27. Based on the above discussion the Revised AFC and Impact of True-up for FY 2017-18, FY 2018-19 and FY 2019-20 considering the True-up annual fixed charge, true-up per unit variable charges for the year and the actual availability against the contracted capacity to JBVNL for the year on the availability certificate issued by Jharkhand SLDC as shown below:

**Revised Table 38: AFC of Order June 22, 2023 dated as revised by Commission for FY 2017-18 for Unit-1 & Unit-2**

Particulars	Unit-1				Unit-2			
	MYT	Petition	Approved in True-up	Approved Now	MYT	Petition	Approved in True-up	Approved Now
O&M excl. water, capital spare, ash	75.56	75.56	75.56	75.56	75.56	75.56	75.56	75.56
Depreciation	82.37	82.53	82.53	82.53	83.15	83.30	83.30	83.30
Interest on Loan	110.84	97.06	103.09	99.78	116.38	101.01	107.02	103.69
Return on Equity	70.62	78.39	70.73	75.10	69.79	79.05	71.41	75.10
Interest on Working Capital	30.71	64.77	30.03	30.00	30.85	65.16	17.71	17.66
<b>Annual Fixed Cost</b>	<b>370.10</b>	<b>398.31</b>	<b>361.94</b>	<b>363.02</b>	<b>375.72</b>	<b>404.08</b>	<b>354.99</b>	<b>355.36</b>

**Revised Table 51: Impact of True-up of Order June 22, 2023 dated as revised by Commission for FY 2017-18 for Unit-1 & Unit-2**

Particulars	Unit-1				Unit-2			
	Units	Petition	Approved in True-up	Approved Now	Units	Petition	Approved in True-up	Approved Now
Net Energy Supplied to JUVNL/JBVNL	MU	393.29	393.29	393.29	MU	393.29	393.29	393.29
Rate of Energy Charge	Rs/kWh	2.45	2.45	2.45	Rs/kWh	2.45	2.45	2.45
AFC Entitlement on True Up	Rs. Cr.	50.60	45.98	46.11	Rs. Cr.	51.33	45.09	45.14
Incentives	Rs. Cr.				Rs. Cr.			
Energy Charge Entitlement upon True up	Rs. Cr.	96.25	96.23	96.23	Rs. Cr.	96.32	96.28	96.28

Particulars	Unit-1				Unit-2			
	Units	Petition	Approved in True-up	Approved Now	Units	Petition	Approved in True-up	Approved Now
Water Charges	Rs. Cr.	0.22	0.22	0.22	Rs. Cr.	0.22	0.22	0.22
Capital Spares	Rs. Cr.	0.55	0.55	0.55	Rs. Cr.	0.55	0.55	0.55
Ash disposal charges	Rs. Cr.	2.20	2.20	2.20	Rs. Cr.	2.20	2.20	2.20
<b>Total ARR for Jharkhand</b>	<b>Rs. Cr.</b>	<b>149.82</b>	<b>145.17</b>	<b>145.31</b>	<b>Rs. Cr.</b>	<b>150.62</b>	<b>144.34</b>	<b>144.39</b>
Revenue Billed								
Annual Fixed Cost	Rs. Cr.	51.90	51.90	51.90	Rs. Cr.	52.70	52.70	52.70
Energy Charge	Rs. Cr.	87.19	87.19	87.19	Rs. Cr.	87.19	87.19	87.19
FPA	Rs. Cr.	2.31	2.31	2.31	Rs. Cr.	2.31	2.31	2.31
Incentive								
<b>Total Revenue Billed to JUVNL/JBVNL</b>	<b>Rs. Cr.</b>	<b>141.40</b>	<b>141.40</b>	<b>141.40</b>	<b>Rs. Cr.</b>	<b>142.20</b>	<b>142.20</b>	<b>142.20</b>
<b>Gap/(Surplus)</b>	<b>Rs. Cr.</b>	<b>8.42</b>	<b>3.77</b>	<b>3.91</b>	<b>Rs. Cr.</b>	<b>8.41</b>	<b>2.14</b>	<b>2.19</b>

**Revised Table 83: AFC of Order June 22, 2023 dated as revised by Commission for FY 2018-19 for Unit-1 & Unit-2**

Particulars	Unit-1				Unit-2			
	MYT	Petition	Approved in True-up	Approved Now	MYT	Petition	Approved in True-up	Approved Now
O&M excl. water, capital spare, ash	79.28	79.28	79.28	79.28	79.28	79.28	79.28	79.28
Depreciation	82.37	82.64	82.62	82.64	83.15	83.09	83.39	83.40
Interest on Loan	100.02	88.08	94.01	88.18	105.34	91.97	97.88	92.02
Return on Equity	70.62	78.51	70.76	78.45	69.79	79.16	71.46	79.16
Interest on Working Capital	30.69	76.90	30.43	30.47	30.83	76.19	25.10	25.13
<b>Annual Fixed Cost</b>	<b>362.98</b>	<b>405.40</b>	<b>357.10</b>	<b>359.01</b>	<b>368.39</b>	<b>409.69</b>	<b>357.10</b>	<b>358.93</b>

**Revised Table 96: Impact of True-up of Order June 22, 2023 dated as revised by Commission for FY 2018-19 for Unit-1 & Unit-2**

Particulars	Unit-1				Unit-2			
	Units	Petition	Approved in True-up	Approved Now	Units	Petition	Approved in True-up	Approved Now
Net Energy Supplied to JUVNL/JBVNL	MU	442.20	442.20	442.20	MU	442.20	442.20	442.20
Rate of Energy Charge	Rs/kWh	3.36	3.36	3.36	Rs/kWh	3.29	3.29	3.29
AFC Entitlement on True Up	Rs. Cr.	57.90	51.00	51.28	Rs. Cr.	58.51	51.00	51.26
Incentives	Rs. Cr.				Rs. Cr.			

Particulars	Unit-1				Unit-2			
	Units	Petition	Approved in True-up	Approved Now	Units	Petition	Approved in True-up	Approved Now
Energy Charge Entitlement upon True up	Rs. Cr.	148.62	148.62	148.62	Rs. Cr.	145.48	145.48	145.48
Water Charges	Rs. Cr.	0.22	0.22	0.22	Rs. Cr.	0.22	0.22	0.22
Capital Spares	Rs. Cr.	0.44	0.44	0.44	Rs. Cr.	0.44	0.44	0.44
Ash disposal charges	Rs. Cr.	3.94	3.94	3.94	Rs. Cr.	3.94	3.94	3.94
<b>Total ARR for Jharkhand</b>	<b>Rs. Cr.</b>	<b>211.12</b>	<b>204.21</b>	<b>204.48</b>	<b>Rs. Cr.</b>	<b>208.59</b>	<b>201.07</b>	<b>201.34</b>
Revenue Billed								
Annual Fixed Cost	Rs. Cr.	58.36	58.36	58.36	Rs. Cr.	59.26	59.26	59.26
Energy Charge	Rs. Cr.	98.04	98.04	98.04	Rs. Cr.	98.04	98.04	98.04
FPA	Rs. Cr.	43.97	43.97	43.97	Rs. Cr.	43.97	43.97	43.97
Incentive								
<b>Total Revenue Billed to JUVNL/JBVNL</b>	<b>Rs. Cr.</b>	<b>200.368</b>	<b>200.368</b>	<b>200.368</b>	<b>Rs. Cr.</b>	<b>201.27</b>	<b>201.27</b>	<b>201.27</b>
<b>Gap/(Surplus)</b>	Rs. Cr.	10.75	3.84	4.12	Rs. Cr.	7.33	(0.19)	0.07

**Revised Table 83: AFC of Order June 22, 2023 dated as revised by Commission for FY 2019-20 for Unit-1 & Unit-2**

Particulars	Unit-1				Unit-2			
	MYT	Petition	Approved in True-up	Approved Now	MYT	Petition	Approved in True-up	Approved Now
O&M excl. water, capital spare, ash	83.19	83.19	83.19	83.19	83.19	83.19	83.19	83.19
Depreciation	82.37	82.65	82.65	82.65	83.15	83.42	83.39	83.42
Interest on Loan	89.21	78.01	83.78	77.99	94.30	81.80	87.56	81.73
Return on Equity	70.62	78.57	70.74	78.45	69.79	79.22	71.46	79.10
Interest on Working Capital	30.59	72.64	27.71	27.75	30.83	73.29	26.47	26.50
<b>Annual Fixed Cost</b>	<b>356.08</b>	<b>395.06</b>	<b>348.04</b>	<b>350.03</b>	<b>361.25</b>	<b>400.92</b>	<b>352.06</b>	<b>353.94</b>

**Revised Table 96: Impact of True-up of Order June 22, 2023 dated as revised by Commission for FY 2019-20 for Unit-1 & Unit-2**

Particulars	Unit-1				Unit-2			
	Units	Petition	Approved in True-up	Approved Now	Units	Petition	Approved in True-up	Approved Now
Net Energy Supplied to JUVNL/JBVNL	MU	482.07	482.07	482.07	MU	482.07	482.07	482.07
Rate of Energy Charge	Rs/kWh	2.97	2.970	2.97	Rs/kWh	2.99	2.986	2.99

Particulars	Unit-1				Unit-2			
	Units	Petition	Approved in True-up	Approved Now	Units	Petition	Approved in True-up	Approved Now
AFC Entitlement on True Up	Rs. Cr.	58.36	51.42	51.71	Rs. Cr.	59.23	52.01	52.28
Incentives	Rs. Cr.	1.17	1.17	1.17	Rs. Cr.	1.17	1.17	1.17
Energy Charge Entitlement upon True up	Rs. Cr.	143.16	143.16	143.16	Rs. Cr.	143.92	143.92	143.92
Water Charges	Rs. Cr.	0.22	0.22	0.22	Rs. Cr.	0.22	0.22	0.22
Capital Spares	Rs. Cr.	0.55	0.55	0.55	Rs. Cr.	0.55	0.55	0.55
Ash disposal charges	Rs. Cr.	2.19	2.19	2.19	Rs. Cr.	2.19	2.19	2.19
<b>Total ARR for Jharkhand</b>	<b>Rs. Cr.</b>	<b>205.65</b>	<b>198.71</b>	<b>199.00</b>	<b>Rs. Cr.</b>	<b>207.28</b>	<b>200.07</b>	<b>200.34</b>
Revenue Billed								
Annual Fixed Cost	Rs. Cr.	52.86	52.86	52.86	Rs. Cr.	53.62	53.62	53.62
Energy Charge	Rs. Cr.	123.75	123.75	123.75	Rs. Cr.	123.89	123.89	123.89
FPA	Rs. Cr.	15.00	15.00	15.00	Rs. Cr.	14.87	14.87	14.87
Incentive		1.17	1.17	1.17		1.17	1.17	1.17
<b>Total Revenue Billed to JUVNL/JBVNL</b>	<b>Rs. Cr.</b>	<b>192.783</b>	<b>192.783</b>	<b>192.783</b>	<b>Rs. Cr.</b>	<b>193.55</b>	<b>193.55</b>	<b>193.55</b>
<b>Less: Shakti Coal Discount</b>	<b>Rs. Cr.</b>	<b>0.66</b>	<b>0.66</b>	<b>0.66</b>	<b>Rs. Cr.</b>	<b>0.66</b>	<b>0.66</b>	<b>0.66</b>
<b>Gap/(Surplus)</b>	Rs. Cr.	12.87	5.26	5.56	Rs. Cr.	13.73	5.85	6.13

**Revised Table 173: AFC of Order June 22, 2023 dated as revised by Commission for FY 2020-21 for Unit-1 & Unit-2**

Particulars	Unit-1				Unit-2			
	MYT	Petition	Approved in True-up	Approved Now	MYT	Petition	Approved in True-up	Approved Now
O&M excl. water, capital spare, ash	83.19	87.28	87.28	87.28	83.19	87.28	87.28	87.28
Depreciation	89.21	68.31	73.66	82.65	94.30	72.01	77.35	83.42
Interest on Loan	82.37	82.93	82.65	67.86	83.15	83.70	83.42	71.51
Return on Equity	70.62	78.84	70.77	78.48	69.79	79.49	71.49	79.13
Interest on Working Capital	30.69	63.09	22.57	22.61	30.82	64.73	25.89	25.92
<b>Annual Fixed Cost</b>	<b>356.08</b>	<b>380.45</b>	<b>336.93</b>	<b>338.88</b>	<b>361.25</b>	<b>387.20</b>	<b>345.42</b>	<b>347.26</b>

**Revised Table 186: Impact of True-up of Order June 22, 2023 dated as revised by Commission for FY 2020-21 for Unit-1 & Unit-2**

Particulars	Unit-1				Unit-2			
	Units	Petition	Approved in True-up	Approved Now	Units	Petition	Approved in True-up	Approved Now
Net Energy Supplied to JUVNL/JBVNL	MU	482.07	482.07	482.07	MU	482.07	482.07	482.07
Rate of Energy Charge	Rs/kWh	2.555	2.555	2.555	Rs/kWh	2.641	2.641	2.641
AFC Entitlement on True Up	Rs. Cr.	56.20	49.77	50.06	Rs. Cr.	57.20	51.03	51.30
Incentives	Rs. Cr.	1.17	1.17	1.17	Rs. Cr.	1.17	1.17	1.17
Energy Charge Entitlement upon True up	Rs. Cr.	123.16	123.16	123.16	Rs. Cr.	127.31	127.31	127.31
Water Charges	Rs. Cr.	5.97	0.22	0.22	Rs. Cr.	5.97	0.22	0.22
Capital Spares	Rs. Cr.	0.55	-	-	Rs. Cr.	0.55	-	-
Ash disposal charges	Rs. Cr.	0.23	0.23	0.23	Rs. Cr.	0.23	0.23	0.23
<b>Total ARR for Jharkhand</b>	<b>Rs. Cr.</b>	<b>187.29</b>	<b>174.56</b>	<b>174.85</b>	<b>Rs. Cr.</b>	<b>192.44</b>	<b>179.96</b>	<b>180.23</b>

**Revised Table 81,82: AFC of Order December 14, 2023 dated as revised by Commission for FY 2021-22 to FY 2022-23 for Unit-1& Unit-2**

Particulars	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2
	FY 2021-22		FY 2022-23		FY 2023-24		FY 2024-25		FY 2025-26	
Depreciation	66.08	66.69	66.18	66.85	66.37	67.09	66.57	67.29	66.77	67.50
Interest on Debt	58.74	62.30	50.82	54.42	43.06	46.68	35.31	38.85	27.53	30.99
O&M Expenses	69.29	69.29	73.50	73.50	77.96	77.96	82.69	82.69	87.71	87.71
Return on Equity	75.96	76.59	76.08	76.76	76.28	77.03	76.51	77.26	76.73	77.49
Interest on Working Capital	18.55	18.79	18.64	18.88	18.76	19.00	18.87	19.11	18.99	19.23
Less Non-Tariff Income	1.10	1.10	0.95	0.95	0.80	0.80	0.75	0.75	0.75	0.75
<b>Total Annual Fixed Charges</b>	<b>287.51</b>	<b>292.56</b>	<b>284.26</b>	<b>289.45</b>	<b>281.62</b>	<b>286.95</b>	<b>279.20</b>	<b>284.45</b>	<b>276.98</b>	<b>282.16</b>

**Revised Table 90,91: AFC of Order December 14, 2023 dated as revised by Commission for FY 2021-22 to FY 2022-23 for Unit-1 & Unit-2**



Description	Derivation	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2
		FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26					
Gross Capacity	A	270.00	270.00	270.00	270.00	270.00	270.00	270.00	270.00	270.00	270.00
Auxiliary Consumption	B	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Net Capacity	$C = A \times (1-B)$	245.70	245.70	245.70	245.70	245.70	245.70	245.70	245.70	245.70	245.70
12% of net capacity for supply to JUVNL at Energy Charge	$D = C \times 12\%$	29.48	29.48	29.48	29.48	29.48	29.48	29.48	29.48	29.48	29.48
Remaining Capacity from which Fixed Charges are to be recovered	$E = C - D$	216.22	216.22	216.22	216.22	216.22	216.22	216.22	216.22	216.22	216.22
Total Annual Fixed Charge	F	287.51	292.56	284.26	289.45	281.62	286.95	279.20	284.45	276.98	282.16
Annual Fixed Charges/MW	$G = F/E$	1.33	1.35	1.31	1.34	1.30	1.33	1.29	1.32	1.28	1.31
13% of Net Capacity for supply to JUVNL at full tariff	$H = C \times 13\%$	31.94	31.94	31.94	31.94	31.94	31.94	31.94	31.94	31.94	31.94
<b>AFC for 13% of Net Capacity</b>	<b><math>I = G \times H</math></b> <b>Rs.Crs</b>	<b>42.47</b>	<b>43.22</b>	<b>41.99</b>	<b>42.76</b>	<b>41.60</b>	<b>42.39</b>	<b>41.24</b>	<b>42.02</b>	<b>40.92</b>	<b>41.68</b>

28. The Commission found that the SDR process was initiated on June 22, 2016, but was not completed till the submission of the MYT petition on January 31, 2017. Therefore, it had not included by the petitioner in the MYT petition. Upon scrutinizing and analyzing the petitioner's plea, it has been observed that the SDR process was finally completed on September 04, 2017; hence, the Commission rejected the petitioner's plea regarding the SDR for FY 2016-17. However, the Commission agreed with the petitioner's prayer to allow the opening debt equity after September 04, 2017, for FY 2017-18. Accordingly, the Commission has re-calculated the normative opening equity and loan as computed hereinabove. Accordingly as a result of which the corresponding AFC and impact of True-up for FY 2017-18, FY 2018-19, FY 2019-20, APR for FY 2020-21 and MYT for FY 2021-22 to FY 2025-26 have been revised and recalculated as hereinabove.

29. The review petition is disposed off accordingly.

Sd/-  
Member (T)

Sd/-  
Member (L)