IN THE JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION AT RANCHI

Review Case No. 14 of 2026

(For Review of Order in Case (Tariff) No. 06 of 2025)

Adhunik Power & Natural Resources Limited (APNRL)..... Petitioner

Versus

Jharkhand Urja Vikas Nigam Ltd (JUVNL)

Jharkhand Bijli Vitran Nigam Limited (JBVNL).....Respondents

CORAM: HON'BLE MR. JUSTICE NAVNEET KUMAR, CHAIRPERSON
HON'BLE MR. MAHENDRA PRASAD, MEMBER (LAW)

For the Petitioner: Mr. Deepak Khurana, Advocate

For the Respondent: Mr. Mrinal Kanti Roy, Sr. S.C.- JUVNL.

ORDER

Date – 28th October, 2026

1. This Order is passed pursuant to review petition filed by the Petitioner Adhunik Power & Natural Resources Limited (APNRL) against the Commission's order in Case (T) 06 of 2025, dated 30.03.2026 for the approval of True-up for FY 2024-25 and Annual Performance Review for FY 2025-26 for Unit-I and Unit-II of APNRL.

2. In fact, Adhunik Power & Natural Resources Limited (APNRL), a generating company, (hereinafter "the Petitioner") had filed a tariff Petition vide Case (Tariff) No.: 06 of 2025, for approval of True-up for FY 2024-25 and Annual Performance Review for FY 2025-26 for Unit-I and Unit-II of APNRL.

3. Upon considering the submissions of the Petitioner and facts available on record, the Commission passed the tariff order in Case (Tariff) No.: 06 of 2025 on 30.03.2026, for True-up for FY 2024-25 and Annual Performance Review for FY 2025-26 for Unit-I and Unit-II of APNRL.

4. The Petitioner has approached this Commission seeking review of the Impugned Order to the extent of the following issues that are being raised by the Petitioner for the kind consideration of this Commission in the present Review Petition.

   i. **Issue-A:** Consideration of petition filing fees;

   ii. **Issue-B**: Computation of carrying cost;

   iii. **Issue-C**: Computation of capacity charges;

   iv. **Issue-D**: Recording the values of coal mix for Unit-II;

   v. **Issue -E**: Application of rate of interest on loan in APR of FY 2025-26

ISSUE A: CONSIDERATION OF PETITION FILING FEES

Petitioner's Submission

5. The Review Petitioner respectfully submits that the Commission, in the Impugned Order dated 30.03.2026 while approving the Revenue Gap (in Rs. Crore), has inadvertently failed to take into account the entirety of the petition filing fees incurred by it. The Petitioner submitted that the total filing fee of ₹7.00 lakh was paid for filing the Petition for True-Up for FY 2024-25 and APR for FY 2025-26. For the purpose of computation, the said fee was allocated equally between Unit-I and Unit-II, amounting to ₹3.50 lakh for each unit. However, while determining the Revenue Gap, the Commission considered only ₹3.50 lakh allocated to Unit-I, whereas the corresponding ₹3.50 lakh allocated to Unit-II remained unaccounted for. The Petitioner, therefore, sought consideration of the balance ₹3.50 lakh so that the entire filing fee of ₹7.00 lakh is appropriately accounted for. The expenditure was substantiated through suitable annexures of the petition.

Commission's Observations

6. The Commission has examined the submissions of the Review Petitioner along with the relevant records and observes that the Review Petitioner had paid a total filing fee of ₹7.00 lakh towards the Petition for True-Up for FY 2024-25 and APR for FY 2025-26. The said filing fee was apportioned equally between Unit-I and Unit-II, i.e., ₹3.50 lakh for each unit.

7. Upon examination, the Commission observes that while determining the Revenue Gap in the Order dated 30.03.2026, the filing fee of ₹3.50 lakh pertaining to Unit-I was duly considered; however, the corresponding amount of ₹3.50 lakh pertaining to Unit-II was inadvertently omitted from the computation.

8. The Commission acknowledges that the non-consideration of the filing fee pertaining to Unit-II was an inadvertent omission and constitutes an error apparent from the records. Accordingly, the Commission considers it appropriate to rectify the said omission and allows the balance filing fee of ₹3.50 lakh pertaining to Unit-II. Consequently, the total filing fee of ₹7.00 lakh shall be considered for the purpose of computation of the Revenue Gap.

ISSUE B. COMPUTATION OF CARRYING COST

Petitioner's Submission

9. The Review Petitioner submitted that the Commission, while computing the carrying cost for Unit-I and Unit-II for FY 2024-25 and FY 2025-26 in the Order dated 30.03.2026, had considered the closing balance as 'Nil'. The Review Petitioner contended that such treatment was inconsistent with Regulation 7.4 of the applicable JSERC Tariff Regulations, which provides that the amount under-recovered or over-recovered, along with applicable interest, shall be recovered or refunded in six equal monthly instalments commencing within three months from the date of issuance of the Tariff Order.

10. The Review Petitioner further submitted that since the Order under review was issued on 30.03.2026, immediately before the close of FY 2025-26, recovery of the approved Revenue Gap could not have taken place during

FY 2025-26. Accordingly, the unrecovered amount would continue beyond FY 2025-26 and its recovery would necessarily extend into FY 2026-27 in accordance with Regulation 7.4.

11. On this basis, the Review Petitioner contended that considering the closing balance as 'Nil' resulted in an incorrect computation of carrying cost. It was submitted that the closing balances ought to have been considered as ₹2.89 Crore for Unit-I and ₹2.62 Crore for Unit-II instead of 'Nil'. Accordingly, the Review Petitioner requested the Commission to review the computation and allow the consequential carrying cost by considering the aforesaid closing balances in accordance with Regulation 7.4 of the JSERC Tariff Regulations.

Respondent's Submission

12. The Respondent submitted that there is no operational need to track the opening and closing of carrying costs, as standard simple interest should be calculated.

Commission's Observations

13. The Commission has examined the submissions of the Review Petitioner regarding the consideration of the closing balance as 'Nil' for computation of carrying cost for FY 2025-26. The Commission observes that the methodology adopted in the Order dated 30.03.2026 was based on the principle that the Revenue Gap determined through the True-up process stood crystallized and was notionally considered to be liquidated at the end of FY 2025-26. Accordingly, for the limited purpose of computation of carrying cost up to FY 2025-26, the closing balance as on 31.03.2026 was considered as 'Nil'.

14. The Commission is of the view that the computation of carrying cost and the mechanism for actual recovery of the resultant Revenue Gap are required to be viewed distinctly. Carrying cost compensates the utility for the period during which the legitimate revenue requirement remains unrecovered pending its determination and crystallization by the Commission. Once the Revenue Gap has been determined through the Tariff Order and its recovery has been allowed, the amount ceases to remain an unascertained regulatory gap for the purpose of further computation of carrying cost under the methodology adopted by the Commission. Accordingly, the approved gap was notionally adjusted/liquidated at the end of FY 2025-26 for arriving at the closing balance.

15. The Commission further observes that the fact that the Order was issued on 30.03.2026 and that actual recovery of the approved Revenue Gap may take place subsequently does not, by itself, require the entire approved gap to be carried forward as the closing balance for computation of carrying cost. The period subsequent to crystallization and approval of the Revenue Gap is governed by the recovery mechanism specified under the applicable Regulations. Any delay in actual payment/recovery of the amount so determined is addressed through the applicable provisions relating to Late Payment Surcharge (LPS) of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020.

16. Thus, while Regulation 7.4 provides the manner and timeline for recovery/refund of the amount determined by the Commission, including

recovery in six equal monthly instalments, the same does not necessarily imply that the entire approved Revenue Gap is required to be treated as an outstanding closing balance for the purpose of computing carrying cost beyond FY 2025-26. The recovery schedule determines the manner in which the crystallized amount is to be recovered, whereas compensation on account of delay in payment of the amount falling due is separately governed through the LPS mechanism provided under the above-mentioned Regulations.

17. Allowing the approved Revenue Gap to continue as a closing balance for computation of carrying cost, while simultaneously permitting LPS on delayed payment/recovery of the crystallized dues, would result in compensating the utility twice for the time value of the same amount for the overlapping period. Such treatment would neither be consistent with the methodology adopted in the impugned Order nor with the regulatory principle that the same financing impact should not be recovered twice from the beneficiaries/consumers.

18. Accordingly, the Commission finds that the closing balance was consciously considered as 'Nil' on the notional assumption that the Revenue Gap stood liquidated as on 31.03.2026 upon its determination and approval by the Commission. The subsequent recovery of the crystallized amount, including any consequences arising from delay in payment thereof, is to be governed by the recovery and Late Payment Surcharge mechanism stipulated under the applicable Regulations.

19. In view of the above, the Commission does not find any error apparent on the face of the record in considering the closing balance as 'Nil' for the purpose of computation of carrying cost for FY 2025-26. The prayer of the Review Petitioner for considering ₹2.89 Crore for Unit-I and ₹2.62 Crore for Unit-II as the closing balances for further computation of carrying cost is, therefore, not accepted.

ISSUE C. COMPUTATION OF CAPACITY CHARGES

Petitioner's Submission

20. The Review Petitioner submitted that, in terms of the PPA executed with the Distribution Licensee, out of the total Contracted Capacity of 122.85 MW, capacity corresponding to 63.882 MW (13% of the total net capacity) was proposed to be supplied at the total tariff comprising fixed and variable charges, whereas the balance capacity of 58.968 MW (12% of the total net capacity) was proposed to be supplied at variable cost/energy charges only, as approved by the Commission.

21. The Review Petitioner further submitted that, in its True-Up Petition for FY 2024-25, it had specifically sought approval of tariff for the aforesaid Contracted Capacity at normative availability, subject to the final outcome of Petition No. 32 of 2025 pending before the Commission. The said Petition, inter alia, concerns the issue of supply of 12% power to the Distribution Licensee at variable cost only. The Review Petitioner stated that this qualification had been specifically recorded in Paragraph 3.54 of its True-Up Petition.

22. The Review Petitioner contended that, despite the aforesaid specific submission, the Order dated 30.03.2026 did not record or address the fact that the tariff approval sought by it was subject to the final outcome

of Petition No. 32 of 2025. According to the Review Petitioner, the issue has a direct bearing on the treatment and eventual recovery of fixed costs attributable to the Contracted Capacity of 122.85 MW.

23. Accordingly, the Review Petitioner submitted that absence of an express clarification in the Order may create uncertainty regarding the future recovery and adjustment of such costs and may lead to avoidable disputes between the parties. The Review Petitioner, therefore, sought an appropriate clarification that the treatment of the capacity charges/fixed costs shall remain subject to the final outcome of Petition No. 32 of 2025.

Respondent's Submission

24. The Respondent submits that the computation of capacity charges is governed strictly by the signed Power Purchase Agreement (PPA) and is entirely non-negotiable. The Respondent asserts that the State Electricity Regulatory Commission (SERC) cannot intervene in these settled terms, and the final outcome of Petition No. 32 of 2025 will have no bearing on the PPA. In Supreme Court precedent for the case of M/s. KKK Hydro Power Limited v. HPSEB & Ors. (2025 INSC 1057), which reiterated that tariff fixation is a statutory function and regulatory commissions cannot alter the agreed-upon commercial conditions of a PPA under the guise of tariff approval

Commission's Observations

25. The Commission has examined the submissions of the Review Petitioner with regard to the computation and recovery of Capacity Charges. The Commission observes that the Review Petitioner, in its True-Up Petition for FY 2024-25, had specifically submitted that the tariff treatment in respect of the Contracted Capacity of 122.85 MW, particularly the recovery of fixed cost corresponding to the capacity being supplied at variable cost only, would be subject to the final outcome of Petition No. 32 of 2025 pending before the Commission.

26. The Commission notes that Petition No. 32 of 2025, inter alia, involves the issue relating to supply of 12% power to the Distribution Licensee at variable cost only and the consequential entitlement of the Review Petitioner towards recovery of fixed cost in respect of such capacity. Therefore, the final determination in the said Petition may have a bearing on the entitlement of the Review Petitioner to recover the corresponding fixed cost.

27. Accordingly, the Commission clarifies that the treatment approved in the Order dated 30.03.2026 shall not prejudice the rights and claims of the Review Petitioner in Petition No. 32 of 2025. The Review Petitioner's claim for recovery of the full fixed cost, including any consequential adjustment/recovery pertaining to the capacity presently considered for supply at variable cost only, shall be subject to the final outcome of Petition No. 32 of 2025.

28. Further, in the event the final decision in Petition No. 32 of 2025 results in any additional entitlement towards recovery of fixed cost, the consequential financial impact, if any, shall be considered and given appropriate regulatory treatment in accordance with the applicable Regulations.

29. In view of the above, the Commission accepts the Review Petitioner's

prayer to the limited extent of the aforesaid clarification.

ISSUE D. RECORDING THE VALUES OF COAL MIX FOR UNIT-II

Petitioner's Submission

30. The Review Petitioner submitted that the percentage of coal mix for both Unit-I and Unit-II had been duly furnished in the True-Up Petition as mentioned in table under:

Table 4: Coal Mix and GCV for FY 2024-25 as submitted by the Petitioner.

Particulars	Fuel Mix (%)		GCV (kCal/kg)	
	Unit-I	Unit-II	Unit-I	Unit-II
Linkage Coal	77.71%	77.71%	3460.20	3460.20
Other Coal	22.29%	22.29%	3304.15	3304.15
Wtg. Avg. GCV			**3425.41**	**3425.41**

31. However, while recording the coal mix values in the Order under review, the Commission had inadvertently recorded incorrect coal mix values in respect of Unit-II as under:

Table 11: Coal Mix and GCV for Unit-II as approved by the Commission.

Particulars	Fuel Mix (%)			GCV (kCal/kg)		
	MYT	Petition	Approved	MYT	Petition	Approved
Shakti B-II	-	83.13%	83.13%		3460.20	3460.20
Other Coal	-	16.87%	16.87%		3304.15	3304.15
Wtg. Avg. GCV				**3373.15**	**3425.41**	**3425.41**

32. The Review Petitioner submitted that the discrepancy is purely typographical/clerical in nature and has no financial impact on the tariff determined by the Commission, since the Gross Calorific Value (GCV) and the corresponding price of coal used for computation of the Energy Charges have been correctly considered in the Order.

33. Accordingly, the Review Petitioner requested the Commission to take note of the typographical error in the coal mix values recorded for Unit-II and issue the necessary correction for the sake of accuracy of the records.

Commission's Observations

34. The Commission has examined the submissions of the Review Petitioner and the relevant records. Upon verification, the Commission observes that the coal mix values pertaining to Unit-II were inadvertently recorded incorrectly in the Order dated 30.03.2026 due to a typographical error.

35. The Commission further observes that the said error is purely clerical in nature and has no impact on the tariff determined in the Order, as the applicable Gross Calorific Value (GCV) and price of coal considered for computation of the Energy Charges were correctly taken into account.

36. Accordingly, the Commission accepts the submission of the Review Petitioner and rectifies the coal mix values for Unit-II to the extent indicated above. The said correction shall be treated as a correction of a typographical error and shall not result in any consequential change in the tariff approved vide Order dated 30.03.2026. Accordingly, the revised table is as under:

Revised Table 11: Coal Mix and GCV for Unit-II as approved by the Commission.

Particulars	Fuel Mix (%)			GCV (kCal/kg)		
	MYT	Petition	Approved	MYT	Petition	Approved
Shakti B-II	-	77.71%	77.71%		3460.20	3460.20
Other Coal	-	22.29%	22.29%		3304.15	3304.15
Wtg. Avg. GCV				**3373.15**	**3425.41**	**3425.41**

ISSUE E. APPLICATION OF RATE OF INTEREST ON LOAN IN APR OF FY 2025-26

Petitioner's Submission

37. The Review Petitioner submitted that it had claimed a weighted average rate of interest of 18.77% for Unit-I and Unit-II for the APR of FY 2025-26 based on its actual loan portfolio. Referring to Regulation 15.18 of the JSERC Tariff Regulations, the Review Petitioner submitted that the applicable rate of interest is required to be determined on the basis of the weighted average rate of interest of the actual loan portfolio at the beginning of the relevant financial year.

38. The Review Petitioner further submitted that the proviso to Regulation 15.18 permits adoption of a normative rate, i.e., the applicable Bank Rate plus 200 basis points, only in cases where no actual loan exists for the relevant year while the normative loan remains outstanding. Since the Review Petitioner has an existing actual loan portfolio, it contended that application of the normative rate of interest by the Commission was contrary to the provisions of Regulation 15.18. In this regard, *Regulation 15.18* of the JSERC Tariff Regulations provides as under:

> *"15.18 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 Generating Company:*
>
> ***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 Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points;***
>
> *Provided also that, in case of new Generating Company commencing its operation after the date of effectiveness of these Regulations, and which does not have actual loan portfolio, the rate of interest shall be considered on normative basis and shall be equal to Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points."*
>
> *(Emphasis supplied)*

39. The Review Petitioner also referred to the Commission's earlier Order dated 19.02.2018 in Case Nos. 15 of 2016 and 01 of 2017, wherein an

average interest rate of 13.63% for FY 2014-15 was stated to have been approved on the basis of the actual capital loan availed at the time of COD. It further submitted that subsequent refinancing and restructuring of its loans had resulted in changes in the applicable interest rates, the benefits of which had been passed on to the beneficiaries.

40. Accordingly, the Review Petitioner contended that adoption of a normative rate of interest despite the existence of an actual loan constitutes an error apparent on the face of the record and requested the Commission to revise the rate of interest for APR of FY 2025-26 by considering the weighted average rate of interest of its actual loan portfolio.

Respondent's Submission

The Respondent submitted that an exceptionally high interest rate of 18.77% for the Annual Performance Review (APR) of FY 25-26 has been claimed by the petitioner. The Respondent argues that this directly inflates the generating company's costs and demands a thorough verification of the loan's veracity. The Respondent points out that typical long-term loans hover around 7-8%, and even working capital loans generally stay around 10%. Furthermore, refinancing should ideally lower interest rates rather than increase them; therefore, Respondent argues this loan cost should be completely discarded.

Commission's Observations

41. The Commission has carefully examined the submissions of the Review Petitioner regarding the rate of interest considered for computation of Interest on Loan for the APR of FY 2025-26. The Review Petitioner has contended that, in terms of Regulation 15.18 of the applicable JSERC Tariff Regulations, the weighted average rate of interest of 18.77%, based on its actual loan portfolio, ought to have been considered instead of the rate of 11.00% approved by the Commission in the Order dated 30.03.2026.

42. The Commission observes that Regulation 15.18 provides for determination of the rate of interest based on the weighted average rate of interest of the actual loan portfolio at the beginning of the respective financial year. However, the said provision cannot be interpreted to mean that any rate of interest claimed by the Generating Company is required to be automatically passed through in tariff without examination of the underlying financing arrangements and their prudence. The actual expenditure incurred by a regulated entity does not, by itself, establish its admissibility for tariff purposes. The Commission is required to ensure that the financing costs passed on to the beneficiaries are reasonable, prudent and attributable to the regulated business.

43. The Commission further observes that the Review Petitioner has claimed a weighted average rate of interest of 18.77%, which is substantially higher than the rate of 11.00% considered in the impugned Order as well as the rate of 12.31% earlier approved in the MYT Order. Such a significant increase in the borrowing cost requires adequate justification, particularly when the Review Petitioner has itself submitted that it had undertaken refinancing and restructuring of its loans in earlier years with the objective of reducing financing costs.

44. The Commission notes that, in its earlier Order dated 19.02.2018 in Case

Nos. 15 of 2016 and 01 of 2017, an average interest rate of 13.63% was approved for FY 2014-15 based on the actual capital loan portfolio prevailing at the relevant time. The Review Petitioner has also acknowledged that subsequent refinancing and restructuring exercises resulted in a progressive reduction in the applicable interest rates. In view of this historical trend, the present claim of 18.77% warrants particular scrutiny, especially regarding the circumstances leading to such a substantial increase in financing cost despite earlier refinancing arrangements.

45. The Commission is of the considered view that a regulated Generating Company is expected to exercise due diligence and financial prudence in arranging and managing its borrowings. It is the responsibility of the Generating Company to explore reasonable opportunities for securing financing at competitive rates and to optimize its borrowing costs through refinancing or restructuring wherever commercially feasible. Any additional financing burden arising from sub-optimal or imprudent borrowing arrangements cannot be automatically passed on to the beneficiaries and ultimately to the consumers.

46. The Commission further considers it relevant that, as a general principle of project financing, debt is ordinarily expected to be a lower-cost source of capital than equity, considering that equity investors bear higher residual risks and consequently expect a higher return. The normative debt-equity structure of 70:30 recognized under the regulatory framework is intended, inter alia, to facilitate an efficient capital structure and optimize the overall cost of financing. A disproportionately high cost of debt, particularly when it approaches or exceeds the return ordinarily associated with equity capital, raises legitimate concerns regarding financing efficiency and requires detailed prudence examination before being admitted in tariff.

47. In the present case, the claimed interest rate of 18.77% appears prima facie excessive and is not justified merely by the existence of an actual loan portfolio. Allowing such a high rate without examining the circumstances of borrowing, the necessity of refinancing or restructuring, the availability of alternative financing arrangements and the reasonableness of the resultant cost would be inconsistent with the principles of prudent tariff determination and protection of consumer interests.

48. The Commission also notes that the rate of interest of 12.31% had been considered in the earlier MYT Order. However, the approval of a particular rate in the MYT Order does not, by itself, establish that the same rate must necessarily be adopted in all subsequent proceedings irrespective of the nature of the determination, information available and prudence considerations. The APR exercise is provisional in nature, and the Commission is required to adopt a reasonable rate based on the material available at the relevant stage, subject to final adjustment at True-up.

49. Accordingly, while determining the APR for FY 2025-26, the Commission considered the rate of interest of 11.00% as a reasonable provisional rate for computation of Interest on Loan, pending detailed verification of the actual loan portfolio and its associated financing costs. The Commission is of the view that the rate so considered represents a reasonable

regulatory assessment at the APR stage and does not warrant modification merely on the basis of the substantially higher rate claimed by the Review Petitioner.

50. The Commission further observes that the scope of review proceedings is limited to rectification of an error apparent on the face of the record and does not ordinarily extend to a fresh determination of issues requiring detailed examination of financial records, financing arrangements and competing claims regarding prudence. The Review Petitioner has not established any manifest error in the computation warranting substitution of the rate of 11.00% with the claimed rate of 18.77%. The determination of the actual admissible rate would require a detailed examination of the loan portfolio, which is more appropriately undertaken during the True-up proceedings.

51. Nevertheless, the Commission clarifies that the adoption of the rate of 11.00% for APR of FY 2025-26 shall not preclude examination of the actual weighted average rate of interest at the time of True-up in accordance with Regulation 15.18 and other applicable provisions of the Regulations. At that stage, the Review Petitioner shall furnish complete details of its loan portfolio, including lender-wise opening balances, applicable interest rates, repayment schedules, refinancing/restructuring arrangements, supporting loan agreements and justification for the claimed financing costs.

52. The Commission further directs the Review Petitioner to explore all commercially feasible avenues for refinancing or restructuring its existing loans at competitive rates so as to reduce its financing costs. The Review Petitioner shall also furnish, at the time of True-up, details of the efforts undertaken towards refinancing, including the rates offered by financial institutions, the feasibility of such refinancing and reasons, if any, for continuation of loans carrying comparatively higher rates of interest.

53. The Commission has also examined the additional information and supporting documents submitted by the Review Petitioner in support of its claim for a weighted average rate of interest of 18.77%. It is observed that borrowings have reportedly been availed from a Non-Banking Financial Institution (NBFI). However, the Review Petitioner has not furnished satisfactory documentary evidence establishing the regulatory status of the concerned lending institution, including its registration/authorisation, wherever applicable, with the Reserve Bank of India (RBI). In the absence of adequate supporting evidence, the Commission is unable to satisfy itself regarding the regulatory standing of the lending institution and the prudence of the financing arrangements entered into by the Review Petitioner.

54. Further, the additional information and documents furnished by the Review Petitioner do not adequately establish the correctness, authenticity and reasonableness of the exceptionally high rate of interest claimed. The Commission is of the view that, where the claimed cost of debt is substantially higher than ordinarily expected financing costs and even exceeds the regulated Return on Equity, the onus lies upon the generating company to substantiate such expenditure through credible, verifiable and contemporaneous documentary evidence. The information presently available on record does not provide sufficient assurance

regarding the actual terms of borrowing, the basis of computation of the weighted average rate of interest and the commercial prudence of the financing arrangement.

55. In view of the above, the Commission is of the considered view that the rate of interest of 11.00% allowed in the impugned Order dated 30.03.2026 is reasonable and appropriate for the purpose of APR for FY 2025-26 and does not warrant any modification in the present review proceedings. The Review Petitioner's claim for adoption of the weighted average rate of interest of 18.77% is, therefore, rejected. However, the actual admissible rate of interest shall remain subject to examination at the time of True-up, based on the actual loan portfolio, audited accounts and detailed prudence check in accordance with the applicable Regulations.

56. Accordingly, the Commission finds no merit in the Review Petitioner's prayer and decides to retain the rate of interest at 11.00% as approved in the Order dated 30.03.2026.

57. Accordingly, based on the reasons mentioned above, the original table and resulting revised tables for True Up of FY 2024-25 are as under:

Table 66: Revenue Gap in Rs Crore as approved by the Commission in impugned Order.

Particulars	MoU	Unit-I		Unit-II	
		Petition	Approved	Petition	Approved
Net Energy Supplied to JUVNL/JBVNL	MU	494.50	494.50	494.50	494.50
Rate of Energy Charge	Rs/kWh	3.112	3.112	3.11	3.11
AFC Entitlement on True Up	**Rs. Cr.**	**40.05**	**39.13**	**40.58**	**39.65**
Incentive	Rs. Cr.	1.86	1.86	1.86	1.86
Energy Charge Entitlement upon True up	**Rs. Cr.**	**153.88**	**153.88**	**153.97**	**153.97**
Water Charges	Rs. Cr.	2.45	2.45	2.45	2.45
Capital Spares	Rs. Cr.	0.62	0.62	0.62	0.62
Ash Disposal Expenses	Rs. Cr.	1.58	1.58	1.58	1.58
Security Expenses	Rs. Cr.	0.33	0.33	0.33	0.33
Petition filing charges		0.04	0.04	0.04	0.00
Less: sharing of gain on operational parameter	Rs. Cr.	0.04	0.04	0.10	0.10
Total ARR for Jharkhand	**Rs. Cr.**	**200.77**	**199.83**	**201.32**	**200.35**
Revenue Billed					
Annual Fixed Cost	Rs. Cr.	41.24	41.24	42.20	42.20
Energy Charge	Rs. Cr.	127.58	127.58	129.36	129.36
FPA	Rs. Cr.	24.80	24.80	22.92	22.92
Incentive	Rs. Cr	1.86	1.86	1.86	1.86
Total Revenue Billed to JUVNL/JBVNL	**Rs. Cr.**	**195.47**	**195.47**	**196.25**	**196.25**

Particulars	MoU	Unit-I		Unit-II	
		Petition	Approved	Petition	Approved
Less: Shakti Discount	**Rs. Cr.**	1.48	1.48	1.48	1.48
Net Revenue Gap/(Surplus) without Carrying Cost	**Rs. Cr.**	**3.81**	**2.89**	**3.59**	**2.62**

Revised Table 66: Revenue Gap in Rs Crore as approved by the Commission.

Particulars	MoU	Unit-I		Unit-II	
		Petition	Approved	Petition	Approved
Net Energy Supplied to JUVNL/JBVNL	MU	494.50	494.50	494.50	494.50
Rate of Energy Charge	Rs/kWh	3.112	3.112	3.11	3.11
AFC Entitlement on True Up	**Rs. Cr.**	**40.05**	**39.13**	**40.58**	**39.65**
Incentive	Rs. Cr.	1.86	1.86	1.86	1.86
Energy Charge Entitlement upon True up	**Rs. Cr.**	**153.88**	**153.88**	**153.97**	**153.97**
Water Charges	Rs. Cr.	2.45	2.45	2.45	2.45
Capital Spares	Rs. Cr.	0.62	0.62	0.62	0.62
Ash Disposal Expenses	Rs. Cr.	1.58	1.58	1.58	1.58
Security Expenses	Rs. Cr.	0.33	0.33	0.33	0.33
Petition filing charges		0.04	0.04	0.04	0.04
Less: sharing of gain on operational parameter	Rs. Cr.	0.04	0.04	0.10	0.10
Total ARR for Jharkhand	**Rs. Cr.**	**200.77**	**199.83**	**201.32**	**200.39**
Revenue Billed					
Annual Fixed Cost	Rs. Cr.	41.24	41.24	42.20	42.20
Energy Charge	Rs. Cr.	127.58	127.58	129.36	129.36
FPA	Rs. Cr.	24.80	24.80	22.92	22.92
Incentive	Rs. Cr	1.86	1.86	1.86	1.86
Total Revenue Billed to JUVNL/JBVNL	**Rs. Cr.**	**195.47**	**195.47**	**196.25**	**196.25**
Less: Shakti Discount	**Rs. Cr.**	1.48	1.48	1.48	1.48
Net Revenue Gap/(Surplus) without Carrying Cost	**Rs. Cr.**	**3.81**	**2.89**	**3.59**	**2.66**

Table 67: Carrying Cost for Unit-I for FY 2024-25 & FY 2025-26 as approved in

impugned Order.

Particulars	FY 2024-25	FY 2025-26
Opening Balance	0	2.89
Addition during year	2.89	0
closing balance	0	0
Average balance	1.44	1.44
carrying cost rate	12.15%	12.15%
Carrying cost of respective years	**0.18**	**0.18**

Revised Table 67: Carrying Cost for Unit-I for FY 2024-25 & FY 2025-26.

Particulars	FY 2024-25	FY 2025-26
Opening Balance	0	2.89
Addition during year	2.89	0
closing balance	2.89	0
Average balance	1.44	1.44
carrying cost rate	12.15%	12.15%
Carrying cost of respective years	**0.18**	**0.18**

Table 68: Carrying Cost for Unit-II for FY 2024-25 & FY 2025-26 as approved in impugned Order.

Particulars	FY 2024-25	FY 2025-26
Opening Balance	0	2.62
Addition during year	2.62	0
closing balance	0	0
Average balance	1.31	1.31
carrying cost rate	12.15%	12.15%
Carrying cost of respective years	**0.16**	**0.16**

Revised Table 68 : Carrying Cost for Unit-II for FY 2024-25 & FY 2025-26.

Particulars	FY 2024-25	FY 2025-26
Opening Balance	0	2.66
Addition during year	2.66	0
closing balance	2.66	0
Average balance	1.33	1.33
carrying cost rate	12.15%	12.15%
Carrying cost of respective years	**0.16**	**0.16**

Table 69: Cumulative revenue Gap including Carrying Cost for FY 2024-25 & FY 2025-26 approved in impugned Order.

Particulars	Unit-I		Unit-II	
	Petition	Approved	Petition	Approved
Opening Gap for FY 2024-25	0	-		-

Particulars	Unit-I		Unit-II	
	Petition	Approved	Petition	Approved
Gap addition during the FY 2024-25	3.81	2.89	3.59	2.62
Closing Gap for FY 2024-25	3.81	2.89	3.59	2.62
Carrying Cost of FY 2024-25	0.47	0.18	0.45	0.16
Carrying Cost of FY 2025-26	0.47	0.18	0.45	0.16
Net Gap incl. Carrying Cost	**4.75**	**3.24**	**4.50**	**2.94**

Revised Table 69: Cumulative revenue Gap including Carrying Cost for FY 2024-25 & FY 2025-26.

Particulars	Unit-I		Unit-II	
	Petition	Approved	Petition	Approved
Opening Gap for FY 2024-25	0	-		-
Gap addition during the FY 2024-25	3.81	2.89	3.59	2.66
Closing Gap for FY 2024-25	3.81	2.89	3.59	2.66
Carrying Cost of FY 2024-25	0.47	0.18	0.45	0.16
Carrying Cost of FY 2025-26	0.47	0.18	0.45	0.16
Net Gap incl. Carrying Cost	**4.75**	**3.24**	**4.50**	**2.98**

C O N C L U S I O N

59. In view of the aforesaid concrete findings by this Commission, the Commission has revisited its earlier Order dated 30.03.2026 passed in Case (T) No 06 of 2025. All the points has been reconsidered by the Commission and detailed analysis is given in individual sections above. The summary of the Commission's stand is given in the following Table for all the issues raised by the Petitioner.

Issues	Prayers	Remarks/Commission's Stands
Petition filing fees:	Allow the complete Petition filing fee of Rs. 7,00,000/- while approving the Revenue Gap (in Rs. Crore);	Allowed
Carrying Cost for Unit-I and Unit-II for FY 2024-25 & FY 2025-26	Modify the Order dated 30.03.2026 to the extent of recomputing the carrying cost for Unit-I and Unit-II for FY 2024-25 and FY 2025-26 by duly considering the correct closing balance i.e., 2.89 for Unit-I and 2.62 for Unit-II instead of 'Nil';	Disallowed
Computation of Capacity Charges:	Clarify the Order to expressly provide that the treatment and recovery of fixed costs attributable to the Contracted Capacity of 122.85 MW shall be subject to and governed by the final outcome of Petition No. 32 of 2025	Allowed to the extent of clarification
Coal mix value for	Correct the typographical error in	Allowed

Issues	Prayers	Remarks/Commission's Stands
Unit-II	recording the coal mix values for Unit-II in the Order dated 30.03.2026	
Rate of interest on loan in APR of FY 2025-26	Revise the rate of interest for APR of FY 2025-26 by considering the actual weighted average rate of interest of the Review Petitioner's actual loan	Disallowed

60. The financial impact of the Review Order is summarized issue-wise in the following table for the MYT Control Period.

Particulars	Approved Amount in T.O. dated 30.03.2026 (Rs. Cr.)	Amount in Revised Tariff Order (Rs. Cr.)	Differential Impact (In Rs. Cr.)
Petition filing fees for Unit-II for FY 2024-5	0	0.04	0.04
Carrying Cost for Unit-I and Unit-II for FY 2024-25 & FY 2025-26	0.36 & 0.32	0.36 & 0.32	0
Computation of Capacity Charges:	No financial impact in this Order	No financial impact in this Order	No financial impact in this Order
Coal mix value for Unit-II	No financial impact in this Order	No financial impact in this Order	No financial impact in this Order
Interest on loan in APR of FY 2025-26 for Unit-I & unit-II	24.79/27.64	No impact	0

61. Accordingly, the petition is disposed of in terms of the above observations.

Sd/-

Member (L)

Sd/-

Chairperson