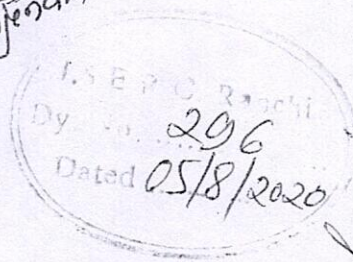




1



Through

Sd/- J. Chandel  
Sd/- J. Chandel  
Sd/- J. Chandel  
Sd/- J. Chandel  
Ranchi 834001

7642

**BEFORE THE JHARKHAND STATE ELECTRICITY**

**REGULATORY COMMISSION, RANCHI**

APP-1-10  
Santosh Mehta  
5-8-2020

Suo Motu Case No. <sup>15</sup>~~15~~/2020

The Commission on its own motion

Versus

Damodar Valley Corporation

DVC Tower, VIP Road,

Kolkata- 700054

Respondent

**AFFIDAVIT ON BEHALF OF DAMODAR VALLEY CORPORATION**  
**PURSUANT TO THE ORDER DATED 28.07.2020 PASSED BY THE**  
**HON'BLE COMMISSION**

L



I, Ravi Prakash Tiwari son Sanjay Kumar Tiwari resident of DHURWA, do hereby solemnly affirm and state as follows: -

1. That I am working as DEPUTY DIRECTOR (HR) and as such am well acquainted with the facts and circumstances of this case.
2. That I have been duly authorized and am otherwise competent to swear this affidavit on behalf of the answering respondent Damodar Valley Corporation.
3. That this Affidavit is being file in pursuant to the order dated 28.07.2020 passed by the Hon'ble Commission.
4. That it is most humbly submitted that the answering Respondent has no objection, if the moratorium period is allowed as per the order issued by Hon'ble WBERC on 06.05.2020. Accordingly the answering respondent has allowed moratorium to its consumers in the state of West Bengal which as follows:-

The late payment surcharge for the payment after the due date as notified by the respective licensee against the bill for the month of March 2020 shall be zero upto 15.05.2020 and shall be computed at normal DPS rate for the delayed period beyond 15.05.2020 if the payment is made after the due date. This is applicable for the



bills for the month of March 2020 only. Similarly, late payment surcharge for the payment made after the due date as notified by the respective licensee against the bills for the month of April 2020 shall be zero up to 15 days from the respective due dates as notified by the respective licensee and shall be computed at normal DPS rate for the delayed period beyond 15 days from the due date, if payment is made after due date and the rebates as may be applicable for payments within due date will be forfeited.

It will not be out of place to mention that the Distribution licensees are advised to explore the possibility of short term borrowing from financial institution at competitive rate for the working capital requirement till 31<sup>st</sup> July 2020. Additional interest on this account will be considered in addition to normal interest on working capital entitlement during Annual Performance Review (APR) of FY 2020-2021. And Distribution licensees shall separately account for the financial impact arising out of the order in their annual account and submit to the Commission at the time of submission of APR of FY 2020-2021.

In view of above, the answering Respondent humbly submits that moratorium may be allowed as above subject to additional



interest burden to be allowed by the Hon'ble Jharkhand State Electricity Regulatory Commission during true up for the period of 2020-2021.

During this lock down period the answering Respondent has availed moratorium from Bank for six months on principal dues of Rs. 528.95 Cr., interest amounting Rs. 379.88 Cr. against the loan taken and cash credit / short term interest of Rs. 360.00 Cr. However, the answering Respondent will have to bear interest during moratorium period which will be the additional liability.

Further it is pertinent to mention that , due to sharp decline in demand and shutdown of consumer facilities in the event of outbreak of COVID – 19, answering Respondent is already loosing huge amount of fixed cost due to low consumption. Moreover, deferral of payments by consumers are not sustainable for the answering Respondent to make it operational.

5. That it is most humbly submitted that answering Respondent is raising demand / fixed charges in terms of relevant Regulations and para A10 of the tariff order issued by Hon'ble Commission on 28.05.2019 wherein the Commission observation regarding



recovery of fixed cost from Fixed charges through demand charges as follows in para 9.15 of the said tariff order:

*"The Petitioner has proposed recovery of the complete Fixed Costs incurred through Fixed Charges. The Commission has observed that the weighted average load factor (considering the units sold) for all HT consumers for FY 2018-19 (till December 31, 2018) is ~62.85%. In addition, the Petitioner also recovers at least 75% of the monthly Fixed Charges of HT Industrial Consumers. Considering that the reliability of supply of power by DVC is better the Commission has increased recovery of tariff through fixed charges in this Order. However, Commission does not approve complete recovery of fixed charges through demand charges at this stage."*

Therefore, the answering Respondent has to bear the average monthly fixed cost irrespective of drawal by the consumers which is not recoverable from fixed charges through demand charges and some part is being recovered through energy charges. That it is also important to point out at this juncture that the answering Respondent is already loosing the required

5



fixed cost which is approved through the tariff determined by the Hon'ble Commission as the power consumption of the consumers are lowered down due to outbreak of COVID 19.

In terms of the said tariff order, total Fixed Charge the answering Respondent is allowed to recover fixed cost is to the tune of Rs. 1541.20Cr.for the period of FY 2019-20. Accordingly, average monthly recovery of fixed cost has to be around Rs. 128.43 Cr. whereas the answering Respondent is recovering only around 60% of the determined fixed cost on average as per following table


Month	Billed Net Energy (KWH)	Billed Capacity Charge/Demand Charge(Rs.)	Billed Gross Amount (Rs.)
Feb-20	592875103	82,22,58,900	254,28,94,291
Mar-20	545413894	81,86,21,100	244,71,69,360
Apr-20	314438698	71,88,50,100	167,39,61,458
May-20	461054686	67,96,12,200	204,49,04,642
Jun-20	567885970	76,12,14,600	239,15,85,626
<b>Grand Total</b>	<b>2481668351</b>	<b>380,05,56,900</b>	<b>1110,05,15,377</b>

Further, waiver of Demand/Fixed Charges of Industrial and Commercial consumers of all the Licensees for the period 01.03.2020 to 30.06.2020 will add further loss to recovery of fixed cost of answering Respondent which is being borne by



answering Respondent irrespective of lower drawal of the consumers due to outbreak of COVID 19 and jeopardise the business of answering Respondent and there will be dearth of electricity to the existing consumers of the answering Respondent .

That on the one hand the answering Respondent is not been able to recover monthly fixed cost in the months of April 2020/ May 2020 and fuel cost as well as power purchase cost. But answering Respondent is not relieved from paying to the bank, its contractors which are engaged for many O&M jobs as the answering Respondent has not curtailed any O&M jobs or its employees, finally payment to the Coal India Limited for procuring coal during this period has also not been stalled. There is no relief in outflow of cash. Despite these difficulties answering Respondent has maintained steady supply of power to the consumers. If the receipt of energy dues from the consumers decreases further, answering Respondent may have to shut down / curtail its operations which may cause power interruptions.





In addition to that, in any event, it is submitted that the regulation and the tariff order remaining intact, this Learned Commission would not have jurisdiction to grant any relief contrary to such order/ Regulation, as that would tantamount to suspending the regulation and the tariff order temporarily, which is not permissible in law. It would also tantamount to granting relief contrary to law.

6. That it is most humbly submitted that the impact of moratorium for payment of electricity bills due between 01.04.2020 to 30.06.2020 without levying any DPS can be calculated easily considering the amount towards waiver of delay payment surcharge due to payment of bills beyond due date under this pandemic situation. This amount will also have carrying cost as this will be recovered at later stage.

However, any waiver of demand charge now will lead to recovery of unrecovered fixed cost along with its carrying cost at later stage which is not defined at this stage when the normalcy will return in future considering the present scenario of outbreak of COVID 19.

Therefore, the answering Respondent humbly submits that any waiver of demand charge will make the answering Respondent to

A



shut down / curtail its operations putting out all the consumers. Since the answering Respondent has been incurring losses for the last six years and has already approached Government of India for appropriate relief to achieve financial viability and generate cash to fund future capacity addition to meet ever increasing demand growth of HT consumers. That due to continued deterioration in financial health, lenders are reluctant to provide loan, therefore, the answering Respondent is already burdened with high cost loan which is making its existence difficult.

7. That the answering Respondent humbly prays that under this present conditions, this Hon'ble Commission may be pleased to issue any direction/s the compliance of which may not financially stress the answering Respondent herein.
8. That this affidavit has been made bona fide and in the interest of justice.
9. That I have myself gone through the contents of this Counter affidavit and have understood the same.
10. That the statements made in paragraph 1 to 3 are true to my knowledge, those made in paragraphs 4 to 6 - - -



are true to my information derived from the records of this case  
and the rest are by way of submission before this Hon'ble Court.

11. That the contents of this counter affidavit are being verified on

05<sup>th</sup> day 08 2020 at Ranchi.

Solemnly affirmed before me by deponent  
Who is identified by R. P. Tiwari  
I have satisfied my self by examining the deponent that  
he understands the contents of this affidavit which has  
been read J. Kumar A/c by me and over  
and explained Sanjay Mehta as to be correct  
Jharkhand High Court, Ranchi  
Dated 5.8.2020  
The Advocate-Oath Commissioner

Ravi Prakash Tiwari  
05/08/20  
रवि प्रकाश तिवारी / RAVI PRAKASH TIWARI  
उप निदेशक (मानसं) / DEPUTY DIRECTOR (M.R.)  
दण्डाधिकारी राँची-834004 / DDC RANCHI-834004  
I know the Deponent  
Jitendra Kumar  
Sanjay Mehta  
(Adv)  
R/o 49/20  
Dt- 05/8/20



## **PUBLIC NOTICE**

### **Jharkhand State Electricity Regulatory Commission**

In the matter of directions given under Section 108 of the Electricity Act, 2003 by the Government of Jharkhand vide its letter no. 1384/ACS dated 16.07.2020 and letter no. 3600566 dated 23.07.2020 to provide relief/moratorium in the energy bills for the period from 01.04.2020 to 30.06.2020. The brief points of relief for consideration of the Commission are mentioned below:-

1. Moratorium of 3 months for payment of electricity bills due between 01.04.2020 to 30.06.2020 without levying any DPS for all consumers of the Licensees;
2. Waiver of Demand/Fixed Charges of Industrial and Commercial consumers of all the Licensees for the period 01.03.2020 to 30.06.2020;
3. Considering the impact of moratorium and wavier while determining the interest on working capital for licensees and tariff.

The Commission has registered the Suo Moto case no. 15 of 2020, in regard to the above said subject and public comments are hereby invited on the above suo moto case personally or by post or through email (secretary@jserc.org) latest by **13.08.2020**.

Any Stakeholder willing to be impleaded as party responded in this Suo moto case, may file/apply on or before **05.08.2020**.

Detail regarding the letter(s) of State Government and Suo moto case is available on the Commission website – [www.jserc.org/suomotocase15of2020.aspx](http://www.jserc.org/suomotocase15of2020.aspx).

By Order

Sd/-  
(R.P. Nayak)  
Secretary





STAMP

**BEFORE THE JHARKHAND STATE  
ELECTRICITY REGULATORY COMMISSION,**

**At Ranchi**

**VAKALATNAMA FOR** Petitioner / Respondent

Suo-Moto Case No.15 Of 2020

*The Commissioner on its own motion* Petitioner / Appellant

Versus

*Domodar Valley Corporation* Respondent / Opposite Party

Know all men by these presents that by this Vakalatnama

I/We *Ravi Prakash Tiwari & Sonjay Kumar Tiwari*  
*R/o - Dhunna - P.S. Jagannathpur*  
*Dist - Ranchi - Jharkhand*

Do hereby

Appoint the advocates noted below in the margine or any of them as my/our lawful advocate in the above mentioned case for appearing in conducting and arguing the same for depositing or withdrawing any money in connection therewith for putting in papers, petition etc. on my/our behalf for filing or taking back any document, or withdrawing suit or appeal with permission to institute fresh suit etc. and make compromise and for referring the case to arbitration and for doing all act that be necessary to be done in connection with the said case I/We further say that any act done by my/our said Advocate or any one of them after accepting this Vakalatnama shall be considered as my/our true and lawful act.

Mr. *Srisit Choudhury (Adv)*  
Mr.  
Mr.  
Mr.

To be above effect we execute this Vakalatnama.

Date

*05/08/2020*

*Ravi Prakash Tiwari*  
रवि प्रकाश तिवारी / RAVI PRAKASH TIWARI  
रूप निदेशक (मांसो) / DEPUTY DIRECTOR (N.R.)  
दाखाना नं० राँची-834004 / DVC RANCHI-834004