

Petition to
Hon'ble Jharkhand State Electricity Regulatory Commission
by
Distribution Licensee Tata Steel Limited (TSL)
for
Review of TSL Tariff order issued on 23rd March 2026

Submitted to
Jharkhand State Electricity Regulatory Commission,
Ranchi

By

Tata Steel Limited

License Area – JAMSHEDPUR
TATA STEEL LIMITED
JAMSHEDPUR
22nd April 2026

**The Secretary,
Jharkhand State Electricity Regulatory Commission
1st Floor, Jharkhand State Housing Board Old Building
Harmu Housing Colony, Ranchi – 834002**

**PBD/ 43 / 2026
April 22nd 2026**

**Petition to Hon'ble Jharkhand State Electricity Regulatory Commission for
Review of TSL Tariff Order issued on 23rd March 2026 for Tata Steel Limited.**

Dear Sir,
Please find enclosed herewith the petition to Hon'ble Jharkhand State Electricity
Regulatory Commission for Review of the certain elements of Tariff order issued on
23rd March 2026 for Tata Steel Limited, Power Distribution Licensee.

The petition is duly signed along with the affidavit. It is submitted in one original and
three copies, along with the prescribed fee as per JSERC (Fees Fines and Charges)
Regulations, 2024 schedule of fees (Point 25) for an amount of **Rs. 7,00,000/-**
(Rupees Seven Lakh only), has been paid vide **UTR R041796974908** dated
17.04.2026.

We request the Hon'ble Commission to kindly accept the same and oblige.

**Thanking You,
Yours faithfully,**



Legal Counsel

1.

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

PTA- 1 to 34
Answer 35 to 61
As per order 22/4/26

Case No.....of Year.....

IN

Case (Tariff) No. 09 of 2025

IN THE MATTER OF:

Review of TSL Order dated 23.03.2026 passed by this Hon'ble Commission in Case (Tariff) No. 09 of 2025 for True up for FY 2024-25, Annual Performance Review for FY 2025-26 and Aggregate Revenue Requirement & Tariff for FY 2026-27 concerning the distribution tariff of Tata Steel Limited for the licensed area of Jamshedpur.

AND

IN THE MATTER OF:

Tata Steel Limited, an existing company within the meaning of the Companies Act, 2013 and having its registered office at 24, Homi Mody Street, Mumbai, and having one of its principal place of business in the town of Jamshedpur, District East Singhbhum, within the state of Jharkhand and represented by its duly constituted attorney, Mr Gyanendra Karan, Chief Legal Counsel, Tata Steel Jharkhand, having its office at Legal Services, Tata Steel Limited, B Road, Northern Town, Bistupur, Town Jamshedpur, District East Singhbhum, having email id: gyanendra.karan@tatasteel.com

2.

**BEFORE THE JHARKHAND STATE ELECTRICITY REGULATORY
COMMISSION AT RANCHI
[REVIEW JURISDICTION]**

**PETITION NO. of 2026
IN
CASE (Tariff) No. 9 of 2025**

IN THE MATTER OF: Review of Order dated 23.03.2026 passed by this Hon'ble Commission in Case (Tariff) No. 09 of 2025 for True up for FY 2024-25, Annual Performance Review for FY 2025-26 and Aggregate Revenue Requirement & Tariff for FY 2026-27 concerning the distribution tariff of Tata Steel Limited for the licensed area of Jamshedpur.

IN THE MATTER OF:

Tata Steel Limited, an existing company within the meaning of the Companies Act, 2013 and having its registered office at 24, Homi Mody Street, Mumbai, and having one of its principal place of business in the town of Jamshedpur, District East Singhbhum, within the state of Jharkhand and represented by its duly constituted attorney, Mr Gyanendra Karan, Chief Legal Counsel, Tata Steel Jharkhand having its office at Legal Services, Tata Steel Limited, B Road, Northern Town, Bistupur, Town Jamshedpur, District East Singhbhum, having email id: gyanendra.karan@tatasteel.com

..... Review Petitioner

**REVIEW PETITION UNDER SECTION 94 (1)(F) OF THE ELECTRICITY ACT, 2003
READ WITH REGULATION 41.1 OF THE JHARKHAND STATE ELECTRICITY
REGULATORY COMMISSION (CONDUCT OF BUSINESS) REGULATIONS 2024
AND READ WITH ORDER 47 RULE 1 OF THE CIVIL PROCEDURE CODE, 1908**

MOST RESPECTFULLY SHOWETH:

1. That the Petitioner was incorporated as a company under the Companies Act, 1882 and in course of time set up the 1st Integrated Steel Plant in the whole of the continent of Asia. The first of the manufacturing facility of the Petitioner was set up in the town of Jamshedpur, which was set over substantial tracts of land originally acquired under the Land Acquisition Act, 1894 for the Petitioner Company during the period 1909 and 1929.
2. The Petitioner Company not only set up its steel manufacturing facility at Jamshedpur but also played an exclusive role in developing the town of Jamshedpur as an industrial township by allotting suitable lands to several industries, associations, individuals and creating civic amenities of all types and needs at Jamshedpur. In course of time, the Petitioner became a deemed lessee under the State Government and its administration of the town of Jamshedpur is governed in terms of lease deed executed between the Petitioner and the Government of Bihar and now, Jharkhand. This lease deed covers the aspect of supply of civic amenities to the town of Jamshedpur, which popularly covers the supply of electricity, water and municipal services in the town of Jamshedpur.
3. That the Petitioner is engaged in the business of distribution of electricity in the township of Jamshedpur since the year 1923 in terms of sanction granted under Section 28(1) of the erstwhile Indian Electricity Act, 1910. Subsequently, the petitioner is deemed to be distribution licensee in terms of proviso to Section 14 and Section 172 (b) of the Electricity Act, 2003.

4. The present Review Petition is being preferred by the Tata Steel Limited ("Petitioner/TSL") seeking review of Order dated March 23, 2026 (**Impugned Order**) passed by this Hon'ble Commission in Case (Tariff) No. 9 of 2025 (**Petition**) to a limited extent as raised in the present Review Petition. The copy of the Impugned Order was received vide email dated March 24, 2026 at 8:01:49 PM hours. Further, the true copy of the order dated March 23, 2026 was received by the Petitioner under the cover of the letter dated 24.03.2026.

Copy of the aforesaid cover letter dated March 23, 2026, along with the email copy have been annexed herewith and marked as **Annexure-1 (COLLY)**.

5. That the Petitioner had filed the Petition on November 28, 2025, which was registered as Case (Tariff) No. 09 of 2025 under Section 61, 62, 64 and 86 of the Electricity Act, 2003 read with the provisions of JSERC (Terms and Conditions for Determination of Distribution Tariff Regulation, 2020 (in short Distribution Tariff Regulations 2020) with respect to the approval of True Up of FY 2024-25, Annual Performance Review for FY 2025-26 and Annual Revenue Requirement & Tariff for FY 2026-27.
6. That after hearing all the concerned parties and the stakeholders, the Hon'ble Commission was pleased to pass its order dated 23.03.2026 vide which abovementioned issues concerning approval of True Up of FY 2024-25, Annual Performance Review for FY 2025-26 and Annual Revenue Requirement & Tariff for FY 2026-27 have been approved. The Petitioner's True UP order for FY 2024-25 passed in consideration of the framework laid down in Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, and data submitted by TSL vide TSL Petitions (True UP FY 2024-25 Petition dated 28.11.2025).

- 5.
7. It is submitted that in addition to the Powers to Review under Section 94 of the Electricity Act, 2003 read with Order 47 Rule 1 CPC, the JSERC Conduct of Business Regulation 2024 - Regulation 41.1 to 41.4 notified by the Hon'ble Commission provides for rectification of the errors of the Tariff order, inter alia, as under

41. REVIEW OF THE DECISIONS, DIRECTIONS AND ORDERS

41.1 Any Person aggrieved by the direction, decision, or order of the Commission, from which (i) no appeal has been preferred or (ii) from which no appeal is allowed, may, upon the discovery of new and important matter or evidence which, after exercise of due diligence, was not within his knowledge or could not be produced by him at that time when the direction, decision or order was passed or on account of some mistake or error apparent from the face of the record, or for any other sufficient reasons, may apply for review of such order, within thirty (30) days of the date of the direction, decision or order, as the case may be, to the Commission.

41.2 The Commission may at any time, on its own motion may also, within 30 days of the making of such decisions, or order, review its decision, directions or orders and pass such appropriate order as the Commission deemed fit;

Provided that power to review by the Commission on its own motion under this clause maybe exercised only for correction of clerical or arithmetical mistakes arising from any accidental slip or omission.

41.3 An application for such review shall be filed in the same manner as a petition under Chapter II of these Regulations.

41.4 The application shall be accompanied by such fee, if any, as prescribed in JSERC (Fees, Fines & Charges) Regulations, 2024, as amended from time to time or any subsequent enactment thereof.

8. It is respectfully submitted that in the Impugned Order, there are certain errors which are apparent on the face of record and have led to disallowances of certain legitimate claims of the Petitioner. Therefore, with utmost respect, the Petitioner has approached this Hon'ble Commission seeking review of the Impugned Order to the extent submitted in the present Petition. The following issues are being raised by the Petitioner for the kind consideration of this Hon'ble Commission.
- 5

I. True-up FY 2024-25

- A. Power Purchase Cost – Rate of Power Purchase from TSW Captive Source.
- B. Distribution loss of FY2024-25 and disallowed sales of 3.01 MU.
- C. Calculation of Net Power Purchase Cost as Rs. 1302.37 Cr. in place of Rs. 1395.52 Cr.
- D. Normative A&G Expense.
- E. Funding cost of DPS for FY 2024-25.
- F. Interest on Security deposit- table 63.
- G. Table 43- Opening CWIP value for FY 2024-25.

II. APR of FY 2025-26

- A. Inflation Factor
- B. Normative A&G Expense

III. MYT & Business Plan

- A. Distribution loss for FY27 to FY31
- B. Power purchase cost for FY27 to FY31
- C. Table no. 141 – Scheme wise approved capex Capitalisation
- D. Table 159 and 160: Depreciation (Rs Cr.) as approved by the Commission.
- E. Normative Loan balance – table no. 162
- F. Normative R&M Expense – table no. 180
- G. Normative A & G Expense – table no. 180
- H. Petition filing expenses and CGRF Expenses (Rent & Remuneration) expenses- table 180
- I. Point 8.107 – No gain in case of saving in Employees' cost.
- J. Calculation of cumulative Revenue Gap/ surplus.
- K. Green energy open access charges
- L. Inclusion of effect of Review of TSL Tariff order dated 28.03.2025.

7.

9. The Petitioner hereby categorically provides the details of aforesaid grounds of review under the following headings.

I. True-up FY 2024-25

A. Power Purchase Cost – Rate of Power Purchase from TSW Captive Source.

a) The Petitioner hereby submits that as per the **Table No.-23 at page no. 47** for procurement of power from TSW (Captive) source was considered at Rs 4.57 per Unit in the calculation, the gross value of which submitted before the Hon'ble Commission was for **Rs 6.65 Cr.**

b) The Hon'ble Commission has approved Rs. 4.99 Cr at Rs.3.42 (Lowest rate among the other generators) and mentioned in point 5.33 as follows-

“With regard to the power procured from TSW Captive, the Commission approves the per unit rate equal to the lowest among all other generators for FY 2024-25.”

c) This has resulted in a reduction of Rs. 1.66 Cr in the power purchase cost. Petitioner's submission and the corresponding approved values by the Hon'ble Commission are reproduced as follows:

Table A

Particulars	Approved in TO 26.06.2024	Petitioner	Approved
TSW (Captive)			
Power Purchased (MU)	26.26	14.57	14.57
Rate of Power Purchased (Rs./kWh)	4.45	4.57	3.42
Power Purchase Cost (Rs. Crore)	11.68	6.65	4.99
Prior Period Adjustments (Rs. Crore)			
Net Power Purchase Cost (Rs. Cr.)	11.68	6.65	4.99

72

- 8.
- (d) The petitioner has considered overall average power purchase cost of TPCL (unit 2 and 3) source during FY2024-25, which is lowest between TPCL (unit 2 and 3) and DVC 400 kV generating sources. DVC 132 kV source is a source of distribution of power by DVC; hence DVC 132 kV should not be considered as the same is not a generator for all tariff related purposes.
- (e) The petitioner respectfully submits that the rate of power purchase considered for TSW (Captive) be suitably reviewed and the petitioner may be allowed the benefit of cost.

B. Distribution loss of FY2024-25 and disallowed sales of 3.01 MU.

- a) The Petitioner hereby submits that the Hon'ble Commission has approved distribution loss for FY 2024-25 as 2.91%, which is low, as compared to TSL has achieved during FY 2024-25 as 3.01%, as given in **table no. 18 page 40** of the TSL Tariff order dated 23.3.26.
- b) That the petitioner has submitted the details of all actual power purchase quantity, power sale quantity as audited by Statutory auditors, which is given in the signed audited accounts. The same values are tabulated in the petition, and the derived distribution loss comes as 3.01% during FY 2024-25.
- c) The Petitioner humbly request the Hon'ble Commission to accept this loss level, which is near to our past levels. The actual distribution loss of last 5 years as also given in **point 7.25** of the order is reproduced below.

7.25 The Commission notes that the Petitioner's distribution loss levels over the previous years were 2.69% in FY 2020-21, 2.78% in FY 2021-22, 2.47% in FY 2022-23, 3.37% in FY 2023-24, and 2.91% in FY 2024-25. While the Petitioner has maintained losses broadly within a reasonable range, the increase observed in FY 2023-24 and FY 2024-25 indicates operational variability.

8

- d) That to further state, from this paragraph, it is clear that, during FY 2023-24 the distribution loss is 3.37%. The distribution loss of about 3.00% is within technical limits, which has become now very less controllable by the petitioner. Now the reduction of distribution loss depends on load pattern of consumers. Accordingly, we request the Hon'ble Commission to consider the distribution loss of 3.01% for FY 2024-25.
- e) The Petitioner highlights that the Hon'ble Commission has also disallowed sales of 3.16 MU as given in **table no. 18 page 41** of the order. The petitioner would like to submit to the Hon'ble commission that the disallowed sales of 3.16 MU has also arisen due to this reduction of distribution loss from 3.01% to 2.91%. The Petitioner request the Hon'ble Commission not to disallow any sales units.

C. Calculation of Net Power Purchase Cost as Rs. 1302.37 Cr. in place of Rs. 1395.52 Cr.

- (a) The Petitioner hereby submits that **Table No.-62** of the Impugned Order should be reconsidered as final ARR table has approved total power purchase cost as Rs. 1395.52 cr., and net power purchase cost as Rs. 1302.37 crs. for FY2024-25. It seems that, Rs. 93.15 Cr. has been deducted twice to arrive at net power purchase cost.
- (b) While in **Table 23** of the Impugned Order the Hon'ble Commission has already approved Rs, 1395.52 Cr. as net power purchase cost. The Hon'ble Commission has deducted Rs 93.15 Cr. as Revenue from sale of power from Rs 1395.52 Cr. to arrive at net power purchase cost taken in the ARR.
- (c) The Petitioner's submission and the corresponding approved values by the Hon'ble Commission that impact the overall ARR are reproduced as below in Table-B:

10.

Table B

Sl. No	Particulars	True-Up Year		
		FY 2024-25		
		Approved in T.O. 28.03.2025 (APR)	Claimed	Approved
		(in Rs. Cr.)	(in Rs. Cr.)	(in Rs. Cr.)
I	Expenditure			
A	Power Purchase Cost	1,443.44	1,490.32	1395.52
1.a.	Less -Sale of daily surplus balance power		93.15	93.15
1.b.	Net Power Purchase Cost (1- 1.a)	1,443.44	1,397.18	1,302.37
2	Total O&M Expenses (including terminal benefit, CGRF expense & Petition expense)	110.12	114.77	109.93
3	Depreciation	18.25	17.29	16.93
4	Interest on Loan	2.02	1.07	1.09
5	Interest on Security Deposit	4.78	5.18	4.99
6	Interest on Working Capital	14.72	15.35	16.31
7	Return on Equity	33.13	32.35	32.35
8	Financing Cost of DPS FY 2023-24		1.74	
10	Gross Aggregate Revenue Requirement (1 to 9)	1,626.46	1,584.92	1,483.97
11	Less: Non-Tariff Income	2.92	57.55	57.55
12	Aggregate Revenue Requirement	1,623.54	1,527.37	1,426.43
II	Receipts			
13	Revenue from Sale of Power @ Existing Tariff	1,690.45	1,710.48	1,710.48
14	Revenue Gap / (Surplus)	-66.91	-183.11	-284.05
15	Energy Sold (MU)	2,704.27	2,917.18	2917.18
16	Average Cost of Supply (Rs./kWh)		5.24	4.89

- (d) Due to the above change, the other values of this table will also undergo changes. Accordingly, the Hon'ble Commission is respectfully requested to reconsider net power purchase cost in table no. 62 for calculation of ARR for FY 2024-25.

D. Normative A&G Expense (Adverse Order in Case No. 25 of 2020.)- As per Power Dept., they have spoken with JSERC

- (a) The Petitioner hereby submits that **Table No.-37 at page no. 63** proposed an amount Rs. 37.54 Cr., the Hon'ble Commission has approved an amount of Rs. 35.36 Cr. The Hon'ble Commission has observed in point 5.77 at page No. 62

"Normative A&G Expenses: The Commission has observed that the Petitioner, while computing the normative A&G expenses, has considered the Load Growth as 1.04%. However, this parameter is not included in A&G expenses under the JSERC (Terms and Conditions of Determination of Tariff) Regulations, 2020, and its amendments. Furthermore, the Petitioner did not raise this issue during the MYT proceedings. In lieu of absence of Regulations for incorporating growth factor the Commission at this point does not allow any load growth factor for calculating the A&G Expenses."

- (b) Petitioner's submission and the corresponding approved values by the Hon'ble Commission are reproduced as follows:

Table 37: Normative A&G Expenses (Rs Cr.) as approved by the Commission.

Particulars	UoM	Approved
A&G previous year	Rs. Cr.	34.29
Inflation Factor	%	3.12%
Load Growth	%	-
Normative A&G Expenses	Rs. Cr.	35.36

- (c) The Petitioner asserts that due to non-consideration of the applicable growth factor and the actual A&G expenses as per the audited balance sheet, which

were submitted as the opening value for determination of normative A&G cost has resulted in lower approval by 2.18 Cr. This has impacted on the approved O&M Cost in the ARR.

- (d) Accordingly, the Hon'ble Commission is respectfully requested to consider the load growth factor as submitted.

E. Funding Cost of DPS for FY 2024-25

- (a) The Hon'ble Commission has not allowed financing cost for DPS, as submitted by petitioner, which is shown in TSL Tariff order dated March 23, 2026 as point 5.126, which is given in tabular form as below.
- (b) The Petitioner has claimed the financing cost for corresponding receivable being grossed up by 1.50% per month i.e. 18% per annum on DPS amount and thereafter computing the interest @ SBI 1 Year MCLR rate plus 350 basis point for FY 2024-25.

Particulars	UoM	FY 2024-25
Delay Payment Surcharge (Rs. Cr.)	A	2.58
Principal Amount on which DPS was charged (18% p.a.) (Rs. Cr.)	$B = A / 18\%$	14.33
Interest Rate for funding of Principal of DPS (Rs. Cr.)	C	12.15%
Interest on funding of Principal amount of DPS (Rs. Cr.)	$D = B \times C$	1.74

- (c) That the Hon'ble Commission did not approve the interest cost on DPS and has reasoned as below.
- (d) The Commission is of the opinion that there is no provision in JSERC (Terms & Condition of Determination Distribution Tariff) Regulation 2020 with respect to approval of financing cost for corresponding receivables under clause 10.53 & clause 10.54. Under point 5.128, The Commission further opines that the Working Capital requirement as stipulated in the provision of JSERC (Distribution Tariff) Regulation 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 any financing cost for corresponding receivables.

- (e) That in this regard, we wish to draw the attention of the Hon'ble Commission to the judgement of the Hon'ble Appellate Tribunal for Electricity which deals with the well settled principles for allowing cost of funding of DPS. In a judgement of the Hon'ble Appellate Tribunal for Electricity (APTEL) dated 12.07.2011 in Case no. 142 & 147 of 2009, the Hon'ble APTEL has held that working capital requirement is allowed for funding of DPS @ SBI PLR. The relevant extracts of the Judgment in the matter of BSES Rajdhani Power Limited vs Delhi Electricity Regulatory Commission & Government of NCT of Delhi are reproduced below:

"The normative working capital compensates the distribution company in delay for the 2 months credit period which is given to the consumers. The late payment surcharge is only if the delay is more than the normative credit period. For the period of delay beyond normative period, the distribution company has to be compensated with the cost of such additional financing. It is not the case of the Appellant that the late payment surcharge should not be treated as a non- tariff income. The Appellant is only praying that the financing cost is involved due to late payment and as such the Appellant is entitled to the compensation to incur such additional financing cost. Therefore, the financing cost of outstanding dues, i.e the entire principal amount, should be allowed and it should not be limited to late payment surcharge amount alone. Further, the interest rate which is fixed as 9% is not the prevalent market Lending Rate due to increase in Prime Lending Rate since 2004-05. Therefore, the state Commission is directed to rectify its computation of the financing cost relating to the late payment surcharge for the FY 2007-08 at the prevalent market lending rate during that period keeping in view the prevailing Prime Lending Rate".

Emphasis supplied

- 14.
- (f) That the aforesaid directions of the Hon'ble APTEL are very clearly laid down and such directions are equally binding on all the Regulatory Commissions. All the State Electricity Regulatory Commissions are bound by the directions contained and most of the State Electricity Regulatory Commissions have implemented the directions to this effect. The Impugned Order does not implement the aforesaid directions and which apart from prejudicing the interests of the petitioner also amounts to an order passed without considering the directions of higher authority. This shall clearly amount to an error on the face of the record and the makes it an appropriate case for invocation of review jurisdiction of this Hon'ble Commission.
- (g) That it is further illustratively submitted that Bihar Electricity Regulatory Commission has also been approving the Funding cost of DPS. This is a prudent practice and is based on the clear understanding that DPS forms part of non-tariff income and is essential for determining and approving the tariff for consumers of electricity supply.

The recent Tariff orders of (BERC) Patna for NBPDC and SBPDCL of past years are also attached here as Annexure-2 (COLLY) with this petition.

- (h) Due to non-consideration of interest cost on DPS there will be an impact of Rs. 1.74 Cr. on ARR. Hence the Hon'ble Commission is requested to consider the Funding cost of DPS for FY 2024-25.

F. Interest on Security deposit – Table 63

- (a) The Petitioner requests the Hon'ble commission that, the Security deposits are being deposited by consumer throughout the year. Interest on Security deposit is provided once in year during April for whole of the last financial year to all consumers with Security deposits.

- (b) There are two kinds of Security deposit balances. One kind of Security deposit balance which is available for whole financial year (Security deposits available as on 1st April of the True up year till 31st March of next year), and other kinds of Security deposit balance which has been received during the True up year from 1st April to 31st March.
- (c) The retention time of second type of Security deposit balance may vary from 1 day to 365 days. The Interest is paid based on the number of days of retention of Security deposit amount to different consumers. Accordingly, the total payment made for Security deposit consumer wise is summed up and accounted in the audited accounts. Such consumer wise security deposit amount is also checked by the Statutory auditors while the audited accounts get signed.
- (d) Based on the amount shown in audited accounts as payment made for Interest on Security deposit, the, same amount is claimed in the Annual Tariff petition for True up Period. Accordingly, TSL has paid Rs. 5.18 Cr. to the consumers, and the same is claimed in Table 2.7.7 of the TSL Petition dated 28.11.2025 for True up FY 2024-25.
- (e) The petitioner requests the Hon'ble Commission, that the consumer wise details of Interest on security deposit payment of Rs. 5.18 Cr., that was attached as Annexure-6 submitted with additional data requirement reply vide Letter No.-PBD/JSR/1374/2025-26 dated 09.01.2026. This has been verified by the Statutory auditors, while signing the audited accounts of FY 2024-25.
- (f) Thus, the Petitioner would like to submit to the Hon'ble Commission has in the Impugned Order, the Hon'ble Commission has approved Rs. 4.99 crores as the amount of interest on security deposit based on the prevailing interest rate as on 1st April 2022. However, the Petitioner has paid interest on all other kinds of Security deposit balance which has been received during the True up year from 1st

16.

April to 31st March which is to the tune of Rs. 5.18 crores. Hence, the Petitioner seeks approval of the Hon'ble Commission of the amount of Rs. 5.18 crores towards interest on security deposit which has legitimately been discharged by the petitioner. The non consideration of this prayer is a clear error on the face of record as the Petitioner cannot be denied its legitimate claim which has been discharged by it.

- (g) In this connection, the Petitioner draws the attention of the Hon'ble Commission to its order passed in Case No. 26 of 2024 dated December 20th, 2024, wherein the Hon'ble Commission held that interest of security deposit has been approved in favour of such Petitioners who have in their possession of availability of adequate data on the interest of the security deposit.

G. Table 43 - Opening CWIP value for FY2024-25 -

- (a) The Petitioner states that the Hon'ble Commission has considered opening CWIP as Rs. 34.20 Cr., in place of our figures shown as Rs. 14.53 Cr. The petitioner has considered the same, based on last year's (FY 2023-24) True up Order dated March 28, 2025.

- (b) The relevant part of the TSL order for True up FY 24 dated 28.03.2025 is reproduced below.

5.88 Based on the facts and circumstances of the petition, the Commission approves the GFA, CWIP and capital expenditure incurred during the year for FY 2023-24 as summarized below:

Table 46: CWIP and GFA (in Rs Cr.) as approved by the Commission.

Particulars	APR	Petition	Approved
Opening CWIP	5.26	4.92	5.26
Additional Capex	42.86	48.70	68.04
Less: Capitalisation	13.91	39.10	39.10
Closing CWIP	34.20	14.53	34.20
Gross Fixed Assets			
Opening GFA	594.61	595.05	594.61
Add: Transferred from CWIP	13.91	39.10	39.10
Less: Asset Decapitalised	0.00	0.01	0.01
Closing GFA	608.52	634.15	633.70

- 12.
- (c) From this table it is clear that the approved column has different values of capex of Rs. 68.04 Cr. and Closing CWIP of Rs. 34.20 Cr. The basis of changes in the capex amount and closing CWIP is not provided in the tariff order. We understand that it is a typographical error. The Petitioner therefore request the Hon'ble Commission to consider the capex of Rs. 48.70 Cr. and Closing CWIP of Rs. 14.53 Cr., for FY 2023-24 for the above table mentioned as table no. 46 of TSL Tariff order dated 28.03.2025.
- (d) Accordingly, the opening CWIP of FY 2024-25 shall become Rs. 14.53 Cr. in place of Rs. 34.20 Cr. In table no. 43 of TSL Tariff order dated 23.03.2026. Relevant part of table is as given below -

5.88 Based on the facts and circumstances of the petition, the Commission approves the GFA, CWIP and capital expenditure incurred during the year for FY 2024-25 as summarized below:

Table 43: CWIP and GFA (in Rs Cr.) as approved by the Commission.

Particulars	Approved in T.O. 28.03.2025	Petition	Approved
Opening CWIP	34.20	14.53	34.20
Additional Capex	40.29	27.85	27.85
Less: Capitalisation	34.50	6.62	6.62
Closing CWIP	40.00	35.76	55.43

- (e) Accordingly opening and closing CWIP as given in table no. 78 and table no. 155 of TSL Tariff order dated 23.03.2026 shall also undergo changes.

II. APR of FY 2025-26

A. Inflation Factor

- (a) The Petitioner states that in **Point no. 6.44**, the inflation factor for APR FY 2025-26 is approved as 2.13%, which is considered for O&M costs approvals in table no. 76 for FY 2025-26. The Petitioner has submitted the inflation factor of 4.57% as average of last 3 years, which is as follows: -

Financial Year	Formula	Inflation Factor
Inflation factor for FY 2022-23	A	6.87%
Inflation factor for FY 2023-24	B	3.72%
Inflation factor for FY 2024-25	C	3.12%
Average of last 3 years	D = Average (A, B, C)	4.57%

- (b) That the Hon'ble Commission has approved a rate of 2.13% as against the proposed 4.57%, which was computed as the average of the last three years' figures of 6.82%, 3.72%, and 3.12%, thereby resulting in a lower approval. This has resulted in considerable reduction in approval of O&M Expenses for the APR Year. Accordingly, the Petitioner humbly submits that the calculation adopted by the Hon'ble Commission is respectfully to be reviewed.

B. Normative A&G Expense

- (a) That the petitioner had submitted Rs 39.60 Cr. as per the calculation below, wherein the petitioner had considered a growth rate of 5.99% and cost of Rs 39.60 Cr. in its submission.

Table 73: Normative A&G Expenses as submitted by Petitioner.

S. No	Particulars	Formula	Normative Estimates Approved in T.O Dt. 28.03.2025	A&G Expenses for FY 2025-26 (Normative)
1	Total A&G Expenses for (n-1) year	A	36.29	35.73
2	Add: Inflation factor (in %)	B	5.81%	4.57%
3	Sub-total	C=A*(1+B)	38.41	37.36
4	Add: Load Growth Factor (in %)	D	0	5.99%
5	Normative A&G Expenses	E=C*(1+D)	38.41	39.60
6	Add: CGRF Expenses	F	0.79	0.98
7	Add: Petition & other filing fees to JSERC	G	0.31	1.17
8	Normative A&G Expenses including CCGRF expenses and Petition & other filing expenses	H=E+F+G	39.51	41.75

- (b) The Petitioner hereby submits that **Table No.-76 at page no. 97** under Normative A&G Expenses, the Commission has approved Rs. 36.11 Cr. as against the proposed Rs. 39.60 Cr., primarily on account of reduction in the inflation factor to

2.13% from the proposed 4.57%, consideration of nil load growth factor as against the proposed 5.99%, and adoption of the closing value of A&G expenses as per true-up as the opening value instead of the actuals submitted in the true-up petition.

- (c) The Hon'ble Commission has observed the following in **point No 6.45** as follows

"Normative A&G Expenses: Likewise, the Commission approves the normative A&G Expenses (excluding Petition Filing Fees and CGRF Expenses) for FY 2024-25, based on the normative approved value of A&G Expenses (excluding Petition Filing Fee and CGRF Expenses) for FY 2023- 24 by multiplying the inflation factor of 2.13%."

- (d) That due to non-consideration of nil growth rate and a reduced inflation rate of 2.13% from proposed 4.57% rate has resulted in lower approval of Rs 36.11 Cr by Rs. 3.49 Cr. **The petitioner's submission and approval of ARR for APR Year 2025-26 are as follows –**

Sl. No	Particulars	APR Year		
		FY 2025-26		
		Approved in T.O. 28.03.2025 (ARR)	Claimed	Approved
		(in Rs. Cr.)	(in Rs. Cr.)	(in Rs. Cr.)
I	Expenditure			
a	Power Purchase Cost	1,561.84	1,491.44	1,455.45
1.a.	Less -Sale of daily surplus balance power	0	82.71	82.71
1.b.	Net Power Purchase Cost (1- 1.a)	1,561.84	1,408.73	1,372.74
2	Total O&M Expenses (including terminal benefit, CGRF expense & Petition expense)	118.82	123.72	113.36
3	Depreciation	20.99	18.77	18.50
4	Interest on Loan	6.3	0.89	0.94

Sl. No	Particulars	APR Year		
		FY 2025-26		
		Approved in T.O. 28.03.2025 (ARR)	Claimed	Approved
		(in Rs. Cr.)	(in Rs. Cr.)	(in Rs. Cr.)
5	Interest on Security Deposit	5.47	6.25	6.25
6	Interest on Working Capital	14.22	11.61	11.98
7	Return on Equity	38.09	33.68	33.68
8	Gross Aggregate Revenue Requirement (1 to 9)	1,765.71	1,603.65	1,557.45
9	Less: Non-Tariff Income	2.92	2.92	2.92
10	Aggregate Revenue Requirement	1,762.79	1,600.73	1,554.53
II	Receipts			
11	Revenue from Sale of Power @ Existing Tariff	1,838.74	1,625.30	1625.30
12	Revenue Gap / (Surplus)	-75.95	-24.58	-70.77

III. MYT & Business Plan

A. Distribution loss for FY27 to FY31

- (a) The Petitioner submits that for the purpose of Business Plan projection, the Petitioner has considered uniform loss of 3.50% on overall sales. That slightly higher loss levels were projected due to expected decrease in HT sales, relatively higher sales in LT levels and increase in provisional connections in congested fringe areas. That further as can also be seen from sales to LT consumers is increasing in maximum whereas sales in High Tension categories and decreasing and remaining at similar levels in HTIS Category as percentage of overall sales is increasing throughout the Control Period.
- (b) The Petitioner hereby highlights that in **Table No.-115 at page no. 124**; the Hon'ble Commission has approved a distribution loss of 3.00 % as against the proposed

3.50 % in the Petition. The Petitioner further submits that load on the distribution network is increasing steadily, distribution network is expanding to cover densely populated urban region. Therefore, distribution loss during the proposed control period may go up due to which, Petitioner has considered the Distribution loss of 3.00% while observing the following points below.

Commission's Analysis

- 7.24 The Commission observes that the actual distribution loss of the Petitioner for FY 2024-25 is 2.91%. The historical loss trajectory over the previous five years indicates that the distribution loss has remained within a narrow band, though with some variation, ranging between 2.47% and 3.37%.
- 7.25 The Commission notes that the Petitioner's distribution loss levels over the previous years were 2.69% in FY 2020-21, 2.78% in FY 2021-22, 2.47% in FY 2022-23, 3.37% in FY 2023-24, and 2.91% in FY 2024-25. While the Petitioner has maintained losses broadly within a reasonable range, the increase observed in FY 2023-24 and FY 2024-25 indicates operational variability.
- 7.26 Further, the Commission takes cognisance of the network expansion and connected load growth during the previous control period. However, in view of the observed fluctuation and in order to ensure realistic target-setting while maintaining efficiency discipline, the Commission considers it appropriate to approve a distribution loss trajectory for the Control Period based on the recent average performance rather than the lowest historical level.
- 7.27 Accordingly, the Commission approves a distribution loss level of 3.00% for each year of the proposed Control Period.

- (c) It is observed that lesser approval of distribution loss would impact the energy balance thereby affecting the energy requirement and overall power purchase cost.
- (d) That in table no. 114, the Hon'ble Commission has approved a distribution loss of 3.00 % as against the proposed 3.50 % in the Petition. The Petitioner submits that load on the distribution network is increasing steadily, and the distribution network is expanding to cover densely populated urban region. Therefore, distribution loss during the proposed control period may go up due to which, Petitioner has considered the Distribution loss of 3.00%.
- (e) That in past also during FY 2023-24 the actual distribution loss was 3.37%, and in FY 2024-25, distribution loss went upto 3.01%. The licensee has made the best

efforts to keep distribution loss at minimum levels, but with the increase in load, sales and expansion fringe areas the loss is envisaged to increase progressively. Currently the loss is already at technical levels and keeping it 3.00% target for 5 years control period FY27 to FY31 may lead to penalizing the licensee. Therefore, the Petitioner humbly request the Hon'ble commission to keep the distribution loss target for control period FY27 to FY31 as 3.50%.

B. Power purchase cost for MYT Period FY27 to FY31

- (a) The Petitioner submits that the Hon'ble Commission has approved Power purchase cost for MYT period FY 27 to FY31 as given in **table no. 139 of the TSL Tariff order dated 23.03.2026**. An error is noticed that the total of power quantity purchased for all sources is not matching with the total value given at last part of the table as total power purchase quantity.
- (b) That the said error has occurred for all five years of control period from FY27 to FY31. For example – for FY2026-27, total power purchase quantity purchased is 3087.56 MU and corresponding total cost is Rs. 1689.58 Cr. After deducting Rs. 92.05 Cr. generated from surplus power sale of 230.12 MU, the Net Power purchase cost becomes Rs. 1597.53 Cr., which is submitted in the petition.
- (c) That it is to be highlighted by the Petitioner that the Hon'ble Commission has approved total power purchase quantity purchased as 2922.01 MU and corresponding total cost as Rs. 1632.97 Cr. The source wise quantity of power purchase is approved as similar as per our submission. After deducting Rs. 92.05 Cr. generated from surplus power sale of 230.12 MU, the Net Power purchase cost becomes Rs. 1632.97 Cr. The last four rows of **table no. 139** for approved column for all five years from FY27 to FY31 do not match with the numbers given in the table.
- (d) That the Petitioner highlights that the last five rows of the relevant **table no. 139** are being reproduced below, which requires correction are given below.

Total Power Purchase										
Power Purchased (MU)	3,087.56	2,922.01	3,224.82	3,094.62	3,107.71	2,972.07	3,057.26	2,901.13	3,191.01	3,141.52
Power Purchase Cost (Rs. Crore)	1,614.62	1,650.06	1,660.41	1,698.03	1,621.56	1,660.80	1,632.78	1,671.92	1,707.88	1,748.71
Transmission Charges	74.96	74.96	75.71	75.71	76.47	76.47	77.23	77.23	78.00	79.00
Net Power Purchase Cost	1,689.58	1,632.97	1,736.12	1,681.69	1,698.02	1,645.22	1,710.01	1,657.10	1,785.88	1,734.67
Rate of Power Purchased (Rs./kWh)	5.17	5.27	5.10	5.14	5.17	5.23	5.29	5.39	5.31	5.23

C. Table no. 141 – Scheme wise approved capex Capitalisation –

- (a) The petitioner would like to submit that the total value given at last row of table no. 141 shown as Grand total (A+B+C) is not matching with the values given above for subtotal of section A, B and C. A part of the table is reproduced below for reference, the Grand total part of the same may be rectified.

Table 141: Provisionally Approved Scheme-wise phasing of Capital Expenditure and

Table 141: Provisionally Approved Scheme-wise Phasing of Capex								
S No	Type	Scheme name	Capex Phasing (Rs Cr)					
			Scheme Cost	FY27	FY28	FY29	FY30	FY31
A	Carry Forward Scheme from previous MYT FY22-FY26							
1	Growth	Capacity augmentation of 400/132 kV Bulk Power Receiving Substation (BPRS) at Jamshedpur. (Total Scheme value Rs 226 Cr; exp in FY26 is Rs 13.23)	212.77	112.00	90.00	9.77		
B	New Scheme Proposed for MYT Control Period FY27-FY31							
2	Safety	Replacement of old obsolete unsafe vertical isolation 6.6kV CB	66.00		15.00	16.00	17.00	18.00
3	Reliability	6.6 KV Switch Room at Ramadin Bagan	4.00	0.20	2.50	1.30		
4	Reliability	Firm Capacity augmentation for Transformer and Source feeder of 33/6.6 kV substation at Sakchi.	14.00			4.00	5.00	5.00
5	Reliability	Augmentation & Strengthening of Testing Infrastructure (Sum of 5.1 – 5.6)	7.80		1.60	3.00	2.00	1.20
6	Quality	PQ Meter Installation	3.00	1.50	1.50			
7	Growth	2 x 25 MVA, 33/6.6 kV GIS Substation at Baridih	48.00		8.00	20.00	20.00	
8	Growth	Power Distribution Infrastructure for Jamshedpur city including Bagan & Bastee Area	10.00		2.00	4.00	2.00	2.00
Total of New Capex being proposed			152.80	1.70	30.60	48.30	46.00	26.20
Grand Total (A+B)			365.57	114.70	120.60	58.07	46.00	26.20
C	Self-Financing Schemes							
9	New Connection	Other Assets to provide consumer connection from consumers (Self-financing Schemes)	20.00	4.00	4.00	4.00	4.00	4.00
Grand Total (A+B+C)			385.6	118.7	124.60	62.07		

D. Table 159 and 160: Depreciation (Rs Cr.) as approved by the Commission-

- (a) The Petitioner submits that in table 159, the Closing consumer contribution received may be changed to Closing consumer contribution capitalized.
- (b) That further, it is highlighted by the Petitioner that for table 160 - The petitioner would like to submit to the Hon'ble Commission that, the amount of gross depreciation is considered as 3.05% of GFA, but how the depreciation on account of consumer contribution has been arrived is not mentioned in the Tariff order. The relevant part of TSL Tariff order is reproduced below.

8.35 The Commission has determined Depreciation considering the approved depreciation in FY 2024-25 which is the last trued up year i.e. 3.05%. The table below summarizes the depreciation as submitted by the Petitioner and as approved by the Commission for FY 2026-27 to FY 2030-31:

Table 160: Depreciation (Rs Cr.) as approved by the Commission

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Gross Depreciation for the Year	20.94	24.59	28.89	30.78	32.51
Depreciation on account of Consumer Contribution (CC)	2.71	2.84	2.96	3.20	3.32
Net Depreciation for the year	18.22	21.76	25.93	27.58	29.19

- (c) The Petitioner would like to submit that the method of calculation of depreciation on account of consumer contribution should be provided in the Tariff order by the Hon'ble Commission.

E. Normative Loan balance

- (a) The Petitioner submits that in **table 162**, Hon'ble Commission has approved Interest in Finance Charges with negative closing balance on normative loan that is Rs (4.71) Cr. The petitioner had considered zero balance as closing balance for 2026-27 and thus, 2027-28 opening balance as also zero.
- (b) That further, the Petitioner highlights that normative loan balance cannot be negative. On becoming the normative loan as negative, zero value should be considered. We request the Hon'ble Commission to review the same, and

approve the negative value as zero value, as opening loan of FY 2027-28 in table no. 162.

Table 161: Interest and Finance Charges as submitted by the Petitioner (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Opening Balance	12.88	0.00	140.42	143.95	168.10
Addition	0.00	162.12	29.40	51.80	21.84
Repayment	18.16	21.70	25.87	27.64	29.25
Closing Balance	0.00	140.42	143.95	168.10	160.69
Average Loan	6.44	70.21	142.19	156.03	164.40
Rate of Interest	11.00%	11.00%	11.00%	11.00%	11.00%
Interest Cost	0.71	7.72	15.64	17.16	18.08

- (c) The petitioner hereby submits that as per Table No.-162 at page no. 177, the Hon'ble Commission has approved Interest on Finance Charges with negative closing balance on normative loan that is Rs (4.71) Cr. The petitioner had considered zero balance as closing balance for 2026-27 and thus, 2027-28 opening balance as also zero.

Table 162: Interest and Finance Charges as approved by the Commission for Control Period

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Opening Balance of Normative Loan	13.51	-4.71	135.65	139.12	163.34
Add: Deemed Additions during the year	-	162.12	29.40	51.80	21.84
Less: Deemed Repayments	18.22	21.76	25.93	27.58	29.19
Closing Balance of Normative Loan	-4.71	135.65	139.12	163.34	155.99
Average Balance of Normative Loan	4.40	65.47	137.39	151.23	159.66
Bank Rate plus 200 BP as on 1st April of the respective years	11.00%	11.00%	11.00%	11.00%	11.00%
Interest and Finance Charges	0.48	7.20	15.11	16.64	17.56

- (d) It is observed that the impact on negative closing balance taken in 2026-27 will have a bearing on subsequent years and set a precedent for approval in the upcoming years. In this regard, it is respectfully submitted by the Petitioner that the Hon'ble Commission may be pleased to consider the submission of the Petitioner.

F. Normative R&M Expense

- (a) The petitioner hereby submits that the 'K' factor was considered at 6.99% as per the calculation below for the quantification of R& M Expense for the next Control period.

Table 174 R&M Expenses for Control Period (in Rs. Cr.)

Particulars	Base Year FY 26	Average of Last control Period	FY 27	FY 28	FY 29	FY 30	FY 31
Opening GFA	638.94	610.23	683.91	687.91	923.51	969.51	1047.51
Actual R&M expense	57.79	42.67					
Average k Factor FY22 to FY26		6.99%					
Derived K-Factor for the Control Period (FY 27 to FY 31) (6.99%)			6.99%	6.99%	6.99%	6.99%	6.99%
Opening GFA* Derived K-Factor			47.83	48.11	64.58	67.80	73.25
Add: Inflation factor for FY 2026-27			3.12%	3.12%			
Add: Inflation factor for FY 2027-28				3.12%	3.12%	3.12%	3.12%
Add: Inflation factor for FY 2028-29					3.12%	3.12%	3.12%
Add: Inflation factor for FY 2029-30							3.12%
Add: Inflation factor for FY 2030-31							
R&M Expense			49.32	51.16	70.82	76.67	85.42

- (b) The Petitioner further highlights that in **Table No.-180 at page no. 198**, the Hon'ble Commission has considered the 'k' factor in accordance with the provisions of Regulation 10.6(a) of JSERC Distribution Tariff Regulations, 2025, whereby the Commission has approved the 'k' factor based on the actual ratio of R&M Expenses and the opening Gross Fixed Assets for the preceding year (i.e. FY 2024-25) as **6.21%**. However, if the Petitioner consider the regulation, then actual R & M expenses of FY 2024-25 is Rs. 59.71 Cr. and opening GFA is Rs. 634.15 Cr. Accordingly, the k factor **comes as 9.42%** (Rs. 59.71 cr./ Rs. 634.15 cr.). The petitioner has however proposed an average k factor of FY22 to FY26 as 6.99 %.

- (c) The Hon'ble Commission has observed the following: -

Normative R&M Expenses

8.109 In accordance with the provisions of Regulation 10.6(a) of JSERC Distribution Tariff Regulations, 2025, the Commission has approved the 'k' factor based on the actual ratio of R&M Expenses and the opening Gross Fixed Assets for the preceding year (i.e. FY 2024-25) as 6.21%.

8.110 The Commission has projected the normative R&M Expenses for the Control Period considering the approved opening GFA of respective year and multiplied with the 'k' factor of 6.21% and again multiplied with inflation factors for the respective years. Inflation factor is calculated based on the moving average of 3 previous year's Inflation factor, subject to true up. For example, inflation factor for the Financial Year 2026-27 calculated as the average of the inflation factor of financial year FY 23-24, FY 24-25 and FY 25-26, inflation factor for the Financial Year 2027-28 calculated as the average of the inflation factor of financial year FY 24-25, FY 25-26 and FY 26-27 and so on.]

- (d) The Petitioner states that the Hon'ble Commission has approved Normative R&M as mentioned in the 3rd row of the table below.

Table 180 O&M Expenses as approved by the Commission (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Normative Employee Cost	37.29	40.11	42.21	43.83	45.61
Normative A&G	37.19	38.21	39.33	40.40	41.59
Normative R&M	43.74	45.20	62.47	67.37	74.94
O&M Expenses excluding Terminal, filing & CGRF	118.22	123.52	144.01	151.61	162.15
Terminal Liabilities					
Petition Filing Fee	0.99	1.00	1.01	1.02	1.03
CGRF Expenses (Rent & Remuneration)	0.35	0.35	0.35	0.35	0.35
Normative-O&M	119.56	124.87	145.37	152.98	163.53

- (e) That it is further highlighted by the Petitioner that it projected that the k factor would increase as per the fact that GFA would increase as per the capitalization scheduled for the next control period. Considering less 'k' factor would give rise to lesser R&M expenses as cumulative impact year on year for the next control period. Therefore it is respectfully requested before the Hon'ble Commission to consider k factor as 6.99%, as given in TSL petition, which is the past 5 years average of actual k factors observed.

G. Normative A&G Expense

- (a) The petitioner has submitted the normative A&G considering the growth factor for respective year of the Control period as per the table below.

Table 177 A&G Expense for Control Period (in Rs. Cr.)

Particulars	Base Year FY 26	FY 27	FY 28	FY 29	FY 30	FY 31
A & G Expenses- base year	35.73	39.60	41.33	43.59	45.51	47.52
Inflation Factor	4.57%	3.12%	3.12%	3.12%	3.12%	3.12%
Sub-total	37.36	40.83	42.62	44.95	46.93	49.01
Growth factor	5.99%	1.21%	2.28%	1.25%	1.26%	1.29%
Normative A&G Expenses	39.60	41.33	43.59	45.51	47.52	49.64
Add. CGRF Expenses	0.98	0.99	1.00	1.01	1.02	1.03
Add: Petition & other filing fees to JSERC	1.10	0.35	0.35	0.35	0.35	0.35
Normative A&G Expenses including CCGRF expenses and Petition & other filing expenses	41.68	42.67	44.94	46.87	48.89	51.02

- (b) The Petitioner hereby submits that in Table No.-180 at page no.198 under Normative A&G Expenses, the Hon'ble Commission has considered nil load growth factor as against the proposed for the individual years of the control period. The Hon'ble Commission has observed that following while approving the A&G Expense

"Normative A&G Expenses

8.108 Based on the methodology adopted for projection of Employee Expenses for the Control Period, A&G Expenses excluding Petition Filing Fee and CGRF Expenses and growth factor has been projected for the Control Period."

- (c) That the Hon'ble Commission's approval are as follows: -

Table 180 O&M Expenses as approved by the Commission (Rs. Cr.)

Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Normative Employee Cost	37.29	40.11	42.21	43.83	45.61
Normative A&G	37.19	38.21	39.33	40.40	41.59
Normative R&M	43.74	45.20	62.47	67.37	74.94
O&M Expenses excluding Terminal, filing & CGRF	118.22	123.52	144.01	151.61	162.15
Terminal Liabilities					
Petition Filing Fee	0.99	1.00	1.01	1.02	1.03
CGRF Expenses (Rent & Remuneration)	0.35	0.35	0.35	0.35	0.35
Normative-O&M	119.56	124.87	145.37	152.98	163.53

- (d) The Petitioner submits that the Hon'ble Commission has omitted the growth factor while approving the normative A&G Expense for which there is lesser approval of A&G Accordingly, the Hon'ble Commission is respectfully requested to consider the growth factor (may be as load growth) for calculating normative A&G expenses.

Table no. 180 – Normative O & M Expenses – Normative Employee expenses-

- (e) The petitioner would like to submit that the method of calculation given in texts in point 8.101 of TSL Tariff order dated 23-3-26 for calculation of normative O & M Expenses for MYT period FY27 to FY31, which is reproduced below.

Normative Employee Expenses

8.101 The Commission had approved the Employee Expenses excluding the terminal liabilities for this control period years by considering the Employee Cost for the previous year (Excluding Terminal Liabilities) and gross up with the inflation factor and growth factor in to it.

- (f) The petitioner understands that inflation factor of 3.12% and growth factor as approved given in table no. 179 as given below: -

Table 179 Growth Factor as approved by the Commission for Control Period (Rs. Cr.)					
Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Growth Rate (%)	3.64%	4.68%	2.23%	1.09%	1.08%

- (g) That by considering the same, the normative employee expenses approved as given in table no. 180 (given below) do not match with the calculation method given, as above in point no. 8.101.

Table 180 O&M Expenses as approved by the Commission (Rs. Cr.)					
Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Normative Employee Cost	37.29	40.11	42.21	43.83	45.61
Normative A&G	37.19	38.21	39.33	40.40	41.59
Normative R&M	43.74	45.20	62.47	67.37	74.94
O&M Expenses excluding Terminal, filing & CGRF	118.22	123.52	144.01	151.61	162.15

H. Table no. 180 – Petition filing expenses and CGRF Expenses (Rent & Remuneration) expenses-

- (a) The petitioner would like to submit that the values given in table no. 180 of TSL Tariff order dated March 23, 2026 for Petition filing expenses and CGRF Expenses (Rent & Remuneration) has interchanged, which may be corrected. Table no. 180 – Petition filing expenses and CGRF Expenses (Rent & Remuneration) of TSL Tariff order dated 23-3-26 is reproduced below.

Table 180 O&M Expenses as approved by the Commission (Rs. Cr.)					
Particulars	FY 27	FY 28	FY 29	FY 30	FY 31
Normative Employee Cost	37.29	40.11	42.21	43.83	45.61
Normative A&G	37.19	38.21	39.33	40.40	41.59
Normative R&M	43.74	45.20	62.47	67.37	74.94
O&M Expenses excluding Terminal, filing & CGRF	118.22	123.52	144.01	151.61	162.15
Terminal Liabilities					
Petition Filing Fee	0.99	1.00	1.01	1.02	1.03
CGRF Expenses (Rent & Remuneration)	0.35	0.35	0.35	0.35	0.35
Normative-O&M	119.56	124.87	145.37	152.98	163.53

I. Point 8.107- No gain in case of saving in Employees' cost

- (a) The petitioner submits that this sentence may be removed from the Tariff order. The point 8.107 of the order is reproduced below.

8.107 It is further clarified that the Petitioner shall be not entitled to claim any gain on account of saving in employee costs due to variation in nos. of employees recruited as well as inflation factor.

- (b) The petitioner would like to submit that the Hon'ble Commission may consider omitting the aforesaid sentence in order to avoid any confusion about the claim of sharing of gain for saving in controllable items for the true up years.

J. Calculation of Cumulative Revenue Gap/ surplus

- (a) The Petitioner hereby submits that in **Table No.-192 at page no. 205**, there is a small typographical error in point 9.16 in subsequent line after table 192 where the cumulative revenue till 2026-27 has been mentioned as Rs 440.59 Cr. in place of Rs. 438.90 Cr. The value of Rs 438.90 Cr. was calculated in the mentioned table for cumulative gap surplus till FY 2026-27.

Table 192: Cumulative Gap/(Surplus) (in Rs Cr.) as approved by the Commission

Particulars	Approved
Opening Gap/(Surplus)	320.29
Revenue Gap/(Surplus) during FY	-36.92
Rate of Carrying Cost (%)	12.25%
Carrying Cost on Opening Revenue Gap/(Surplus)	39.24
Carrying Cost on Revenue Gap/(Surplus) during FY	-4.52
Liquidation OP 1	120.82
Closing Revenue Gap/(Surplus)	438.90

- 9.16 The Commission has observed that Cumulative Revenue Gap till 2026-27 stands at Rs. 440.59 Cr.

K. Green energy open access charges

- (a) The Petitioner submits that the Hon'ble Commission has approved Green energy open access charges as Rs. 0.26/unit as Green Tariff to the consumer opting for meeting its power requirement through RE Sources.

Relevant part of order is given below –

11.23 Furthermore, the Commission decides to levy only 50% of charges determined above i.e. $(0.51 \times 50\% = \text{Rs } 0.26/\text{kWh})$ as Green Tariff 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.

- (b) The petitioner would like to submit that, one more sentence may be added in this order after point 11.23 as suggested below: -

"This value of Rs. 0.26/unit may be applicable only for non-obligated entities. However, if the said tariff is intended to be applicable to obligated entities, the green energy tariff ought to have been fixed at not less than 1.5 times the prevailing Renewable Energy Certificate (REC) price."

L. Inclusion of effect of Review of TSL Tariff order dated 28.03.2025.

- (a) The Petitioner submits that the Hon'ble Commission has issued Review Order dated August 19, 2025 (**Annexure-3**) against TSL Tariff order dated March 28, 2025. In this order dated 19.08.2025, the Hon'ble Commission has approved the differential Interest on Security deposit of FY 2022-23 and also of FY 2023-24. For FY 2022-23, the interest on security deposit approved as Rs. 2.74 cr., in place of Rs. 2.65 approved in TSL True up FY23 Tariff order. Also, for FY 2023-24, the interest on security deposit approved as Rs. 4.39 cr., in place of Rs. 4.05 approved in TSL True up FY24 Tariff order.
- (b) The petitioner would like to submit that the petitioner has left to include the effect of the Review order dated 19.08.2025 in the TSL Petition dated 28.11.2025. Accordingly, the Hon'ble Commission has also not considered the effect of the Review order dated 19.08.2025 in the TSL Tariff order dated 23.03.2026. We request the Hon'ble Commission to consider the effect of the Review order dated 19.08.2025 in the TSL Tariff order dated 23.03.2026.
- (c) Accordingly, the table no. 190 of TSL Tariff order dated 23.03.2026 shall be changed, and the opening Revenue gap shown as Rs. 600.61 cr. shall be revised to Rs. 601.08 cr. as approved in Review order dated 19.08.2025. Accordingly, the other table calculating Revenue gap / surplus of Table nos. 192 shall also be modified.

PRAYER

In view of the aforesaid mentioned facts, the petitioner most respectfully prays the Hon'ble Commission to:

- a. Review and modify the TSL True UP FY 2024-25 Order dated 23.03.2026 to the extent stated by the petitioner in the present review petition;

AND/OR

- b. Condone any inadvertent omissions/errors/shortcomings and permit TSL to add/change/modify/alter this filing and make further submissions as may be required at a future date.

AND/OR

- c. And pass any other order as may be deemed fit in consideration of submissions and prayer made herein.

And for this act of grace, petitioner, as in duty bound, shall ever pray.

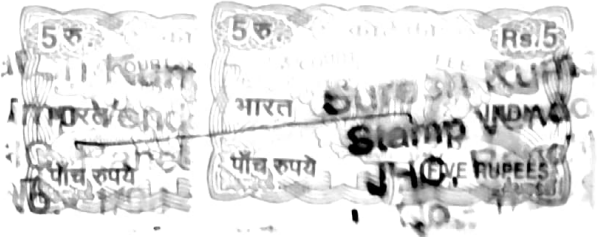
BY THE APPLICANT THROUGH



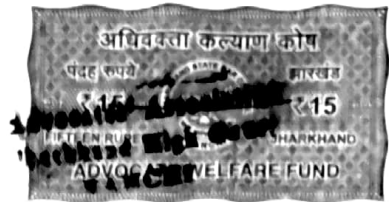
Authorized Signatory

Tata Steel Limited, Jamshedpur

Date – 22nd April, 2026



34.



AFFIDAVIT VERIFYING THE PETITION

I, Aman son of Shri Aloy Kumar Sinha, aged **35 years**, having its office at Legal Services, Tata Steel Limited, B Road, Northern Town, Bistupur, Town Jamshedpur, District East Singhbhum do hereby solemnly affirm and state as follows:

1. That I am working as Legal Counsel in the office of the petitioner and am duly authorised by the petitioner to swear this affidavit.
2. That I solemnly affirm at Ranchi on 22nd day of April of year 2026.
3. The contents of the above petition are true to my knowledge and no part of it is false to the best of my knowledge and believe and no material has been concealed there from.
4. That the statements made in paragraphs below of the petition are true to my knowledge and are based on information derived from the records of the case which I believe to be true and rest of the paragraphs are by way of submissions.

Identified before me by:

DEPONENT

VERIFICATION

I, Aman, solemnly affirm that the contents of above affidavit are true to the best of my knowledge and nothing has been concealed there from.

Verified at Ranchi on this 22nd day of April, 2026.

6366
I solemnly affirm before me by deponent
who is identified by
have satisfied my self by examining the deponent
that he/she understands the contents of the affidavit
which has been read and explained before me or which
has been read and explained to him/her. The deponent
acknowledged the same to be correct.
High Court of Jharkhand, Ranchi
22/4/26

Witness:

Anne Xue - 1

- 35 -

Varun Kumar Matcha

Attachments: tsl-2026.pdf; JSERC-09OF2025-794.pdf

From: JSERC Ranchi <info@jserc.org>

Sent: Tuesday, March 24, 2026 8:01:49 PM

To: Ravi Kumar <r.kumar1@tatasteel.com>; Vijay Prakash Singh <vsingh@tatasteel.com>

Subject: Order on True-up for FY 2024-25, Annual Performance Review for FY 2025-26, Business Plan and MYT Petition for the Control Period from FY 2026-27 to FY 2030-31 and Tariff Determination for FY 2026-27 for Tata Steel Limited (TSL)

⚠ "External email: Do not click on links if sender is unknown"

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Jharkhand State Electricity Regulatory Commission

Jharkhand State Housing Board (Old Headquarter), Harmu Housing Colony, Ranchi-834002

Email: info@jserc.org, secretary@jserc.org

Website: www.jserc.org



36

झारखण्ड राज्य विद्युत नियामक आयोग JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION

JSERC/Case (T) No. 09 of 2025/ 794
Date: 24.03.2026

To

Shri Ravi Kumar
Chief Power System & Energy
Tata Steel Ltd (TSL)
Sakchi Boulevard Road
Northern Town, Bistupur
Jamshedpur - 831 001

Sub: Order on the True-up for FY 2024-25, Annual Performance Review for FY 2025-26 and Business plan & Multi Year Tariff petition for FY 2026-27 to FY 2030-31 and ARR and Tariff for FY 2026-27 of Tata Steel Limited (TSL).

Sir,

I am directed to forward herewith a copy of the Order on the True-up for FY 2024-25, Annual Performance Review for FY 2025-26 and Business plan & Multi Year Tariff petition for FY 2026-27 to FY 2030-31 and ARR and Tariff for FY 2026-27 of Tata Steel Limited (TSL) issued by the Commission on 23.03.2026 for your kind perusal and information.

This is also available on the website of the Commission www.jserc.org.

Encl. - As stated above.

Yours faithfully


(R. P. Nayak)
Secretary

Anne xvae-2

37

Illustration:-

- (i) In case of the licensee paying Minimum Alternate Tax (MAT) @ 20.96% including surcharge and cess:
Rate of return on equity = $15.50 / (1 - 0.2096) = 19.61\%$
- (ii) In case of licensee paying normal corporate tax including surcharge and cess:
- Estimated Gross Income from the licensee business for FY 2017-18 is Rs 1000 crore.
 - Estimated Advance Tax for the year on above is Rs 240 crore.
 - Effective Tax Rate for the year 2017-18 = $\text{Rs } 240 \text{ Crore} / \text{Rs } 1000 \text{ Crore} = 24\%$
 - Rate of return on equity = $15.50 / (1 - 0.24) = 20.39\%$
- 29.3 The Licensee shall true up the grossed up rate of return on equity at the end of every financial year based on actual tax paid together with any additional tax demand including interest thereon, duly adjusted for any refund of tax including interest received from the income tax authorities pertaining to the tariff period 2019-20 to 2021-22 on actual gross income of any financial year. However, penalty, if any, arising on account of delay in deposit or short deposit of tax amount shall not be claimed by the Licensee. Any under-recovery or over-recovery of grossed up rate on return on equity after truing up, shall be recovered or refunded to beneficiaries on year to year basis.

30. Non-Tariff Income

- (a) All incomes being incidental to electricity business and derived by the Licensee from sources, including but not limited to theft of energy, delayed payment surcharge, meter rent, profit derived from disposal of assets, rents, income from investments other than contingency reserves, miscellaneous receipts from the consumers, other miscellaneous receipts, income to Licensed business from the Other Business of the Distribution Licensee and any other income mentioned in Schedule-5 of The Electricity (Supply) Annual Accounts Rule 1985 shall constitute Non-Tariff Income of the Licensee.

Provided that Delayed Payment Surcharge to the extent of financing cost on the principal amount corresponding to the Delayed Payment Surcharge shall not be treated as non-tariff income. The financing Cost on the principal amount corresponding to the Delayed Payment Surcharge shall be allowed at weighted average MCLR of the concern Financial Year plus 150 basis points.

Provided further 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

- (b) The amount received by the Licensee on account of Non-Tariff Income shall be deducted from the Aggregate Revenue Requirement in calculating the net revenue requirement of Distribution Licensee.

actual energy cannot be treated as solution. It has been further submitted that Discoms are facing acute shortage of funds and blocking such a huge amount of money in the name of RPO deposit is not a feasible option as it will further aggravate the financial health of the petitioners.

It has further been emphasized that RPO deposit is considered as a huge penalty for the petitioner which will ultimately be passed on to the consumers and defeat the purpose of rationalization of tariff. The Petitioner reiterates that it has fulfilled its RPO at a cost less than the cost approved by the Commission and the same may be considered by the Commission.

The reason cited by the petitioners that, it should be exempted from the obligation of deposit of regulatory fund of Rs.357.56 Cr. (SBPDCL- Rs.209.89 Cr and NBPDCCL – Rs.147.67 Cr.) because they have already purchased the required REC and fulfilled its RPO till FY 2017-18 are not justifiable. It is pertinent to mention here that the Discoms had not purchased or fulfilled their RPO in the relevant years on their own since FY 2010-11 onwards. They had purchased such RECs to fulfill their RPO till FY 2017-18 belatedly on the intervention of the Commission through suo-moto case proceedings. The Obligation to deposit the Regulatory fund by the DISCOMs is in compliance of the regulations.

Accordingly, the Commission, gives the final direction to the Discoms to deposit the Regulatory fund (NBPDCCL Rs.147.67 Crore and SBPDCL Rs.209.89 Crore) in a separate bank account on or before 30.06.2020 positively and submit compliance to the Commission without fail. Non compliance of it shall be taken seriously by the Commission and failure to comply it will compel the Commission to impose penalty along with recover of such fund in the ARR of subsequent years.

4.27 Non-Tariff Income

Petitioners' submission:

Discoms have claiming non tariff income for FY 2017-18 as detailed in the Table 4.53 below:

Table 4.53:Non-tariff Income claimed for FY 2018-19

Sl. No.	Particulars	(Rs. Crore)	
		Claimed by NBPDCCL in truing up	Claimed by SBPDCL in truing up
1	Non-tariff income	808.43	486.19

Sl. No.	Particulars	Claimed by NBPDCCL in truing up	Claimed by SBPDCL in truing up
2	Less: Financing cost of DPS	141.97	89.61
3	Net Non-tariff Income	666.46	396.59

Commission's analysis:

The Non-Tariff income as per the audited annual accounts of NBPDCCL is at Rs.1240.12 Crore (including Amortisation of grant i.e depreciation on assets created out of grant of Rs.205.41 Crore that have been considered separately in other paragraphs) and non-tariff income of SBPDCL is 670.46 Cr (including Amortisation of grant i.e depreciation on assets created out of grant of Rs. 184.27 Crores that have been considered separately in other paragraphs) for FY 2018-19. The Commission has considered Amortization of grant (i.e., depreciation on assets created out of grant) in paragraph 4.15. The Commission has not considered revenue subsidy of Rs. 400 Cr claimed by NBPDCCL as non-tariff income as this is part of revenue. Accordingly the revenue subsidy and Amortization of grant (i.e depreciation assets created out of grant) are not considered as non tariff income.

It is observed from the audited accounts of NBPDCCL for FY 2018-19, Rs.30.01 Crore is accounted as other income received towards Terminal benefits from GoB. It is replied that the amount is the reimbursement of contribution towards terminal benefits by the utility and hence the same is considered as non tariff income in the truing up for FY 2018-19.

As stated in para 2(a) of auditor's report of SBPDCL, consumer contribution as stated in audited account is Supervision, labour and establishment charges for service connection have not been accounted as non tariff income. The Commission has addressed both the petitioner to justify non recognition of Supervision, labour and establishment charges for service connection as non tariff income but both the petitioner through their letter dated 20.01.2020 without any supporting documents have simply replied that "The petitioner hereby once again affirms that consumer contribution is in the nature of grant and hence not accounted as income". The Commission also observes that there are separate head in audited account under Other Non-Current Liabilities "Deposit for Electrification, Service Connection etc." under note-18 of SBPDCL audited account and note-20 of NBPDCCL audited account

showing accumulated amount of Rs.1501.01 Cr to be utilized for creation of capital assets. Further, information furnished by the petitioner in format-15 of the petition states that as on FY 2018-19 no assets have been created out of consumer contribution. It is also pertinent to mention that the Commission under para 4.27 of tariff order dated 25.02.2019 in case no- 40/2018 & 48/2018 (NBPDCCL), Case No. 41/2018 & 47/2018 (SBPDCL) have also considered it as a non tariff income for FY 2017-18. The Commission firmly believe that Supervision, labour and establishment charges for service connection is not a grant rather it is non-tariff income. In contrast to this, any extension of line/network from the end of consumer through his fund is considered as consumer contribution and is treated as capital grant. Hence, the Commission considers Rs.13.30 Crore (note-15 of SBPDCL audited account) and Rs.14.50 Crore (note-17 of NBPDCCL audited account) as non tariff income on account of Supervision, labour and establishment charges received during the Year 2018-19 for service connection.

The Commission under para 4.27 of tariff order dated 25.02.2019 in case no- 40/2018 & 48/2018 (NBPDCCL), Case No. 41/2018 & 47/2018 (SBPDCL) have considered entire interest earned on capital fund as on 31.03.2018, Rs.193.89 Crore in SBPDCL and Rs.459.92 Crore in NBPDCCL as non tariff income for FY 2017-18 with a direction to the distribution licensee to keep proper record for recording of actual interest on scheme wise grant, equity and loan fund and to claim separately the refund or utilization made in the year in which such amount is actually refunded or utilized. The DISCOMs have not furnished proper records of recording of actual interest on scheme wise grant, equity and loan fund and interest earned during the year. Based on the figures reported in Audited Account read with Annexure-4 of additional information furnished by NBPDCCL & SBPDCL vide their letter dated 20.01.2020, it has been observed that net interest of Rs.6.64 Crore have been refunded/utilized by the NBPDCCL and Rs.32.30 Crore have been earned by the SBPDCL in FY 2018-19 as interest income and accordingly the Commission considers Rs.6.64 Crore as expenditure of NBPDCCL and Rs.32.30 Crore as non tariff income of SBPDCL are detailed below:

Sl. No	Interest accrued on Capital fund	NBPDCCL	SBPDCL	Total
a)	Interest earned on Capital, recognised as a prior period Income of FY 2017-18 in audited account of FY 2018-19 (Refer Annexure-4 of additional information furnished by NBPDCCL & SBPDCL vide their letter dated 20.01.2020)	253.08	2.20	255.28
b)	Opening balance as on 01.04.2018 stated in audited account of FY 2018-19 (Note-20 of NBPDCCL & Note-18 of SBPDCL)	206.84	191.69	398.53
c)	Total Interest earned on Capital fund as on 01.04.2018 (a+b)	459.92	193.89	653.81
d)	Closing balance as on 31.03.2019 stated in audited account of FY 2018-19 (Note-20 of NBPDCCL & Note-18 of SBPDCL)	200.20	223.99	424.19
e)	Interest earned on Capital fund as on 31.03.2019 (c+d-b)	453.28	226.19	679.47
f)	Interest earned on Capital fund already recognised in Regulatory Accounts as on 31.03.2018	459.92	193.89	653.81
g)	Net Interest earned/(refunded) on Capital fund during FY 2018-19 (e-f)	-6.64	32.30	25.66

The APTEL in Appeal no.153 of 2009 between North Delhi Power Ltd. Vs Delhi Electricity Regulatory Commission has adjudged that rebate only to the extent of 1% is to be considered as non-tariff income.

According to the audited accounts for FY 2018-19 of NBPDCCL and SBPDCL, the rebate received for timely payment of power purchase bills is Rs.75.99 Crore and Rs.80.26 Crore respectively.

The total power purchases (including transmission charges) for NBPDCCL is at Rs.5767.51 Crore for FY 2018-19 and the rebate @ 1% works out to Rs.57.67 Crore similarly for SBPDCL the rebate works out to Rs.67.24 Crore @1% on the total power purchase of Rs.6724.72 Crore. Accordingly, the Commission has considered rebate @1% of the total power purchases (including transmission charges) for FY 2018-19 in the true up.

The Discoms have considered the financing cost on DPS and adjusted the same against the non-tariff income and net non-tariff income claimed in true up for FY 2018-19 which is in line with the methodology considered by the Commission for financing of outstanding dues in line with the judgment of the Hon'ble Appellate Tribunal for Electricity (APTEL) dated 12.07.2011 in case No.142 & 147 of 2009.

As per the audited annual accounts for FY 2018-19, the Non-tariff income includes Delayed Payment Surcharge (DPS) from consumers. The Discoms charge DPS @ 18% per annum (1.5% per month). The Commission has allowed 13.45% being the prevailing SBAR (SBI PLR) as on 1st April 2018 towards the financing cost for DPS. The Commission accordingly computed and allowed the financing cost as shown in the Table 4.54 below:

Table 4.54: Financing cost of DPS

Particulars	(Rs. Crore)	
	Approved for NBPDCCL	Approved for SBPDCL
DPS as per audited accounts (@1.5% pm)	196.57	119.92
Principal amount on which DPS charged	1092.06	666.22
Interest rate for funding Principal of DPS	13.45%	13.45%
Interest on funding of Principal DPS	146.88	89.61

Accordingly, the non-tariff income is computed for FY 2018-19 as detailed in the Table 4.55 below:

Table 4.55: Non-tariff Income approved for FY 2018-19

Sl. No.	Particulars	(Rs. Crore)		
		Approved for NBPDCCL in Truing up	Approved for SBPDCL in Truing up	Total
1	Meter Rent/Service line rental	185.17	100.88	286.05
2	Delayed Payment Surcharge from consumers	196.57	119.92	316.49
3	Miscellaneous Recoveries from Consumers	11.10	35.65	46.75
4	Rebate received	75.99	80.26	156.25
5	Incentive on REC purchase	0.30		0.30
6	Supervision charges	17.37	10.50	27.87
7	Interest from Banks	108.71	132.28	240.99
8	Income from Sale of tender paper	1.89		1.89
9	Interest on advance to suppliers/contractors	6.57	0.17	6.74
10	Misc. Receipts	1.03	6.53	7.56
11	Revenue Subsidy	-	-	-
12	Sub-total	604.70	486.19	1090.89
13	Less: Financing cost of DPS	146.88	89.61	236.49
14	Less: Rebate as per audited accounts for FY 2018-19	75.99	80.26	156.25
15	Add: Rebate @1% on total power purchase (incl. transmission charges) for FY 2018-19	57.67	67.24	124.90
16	Terminal benefits from GoB (reimbursement)	30.01		30.01
17	Add: Supervision, labour and establishment charges etc	13.30	14.50	27.80
18	Add: Interest income on capital funds lying unutilized in the Bank	(6.64)	32.30	25.66
19	Non-tariff income	476.16	430.37	906.53

The Commission, accordingly, approves non-tariff income as above for FY 2018-19 in true up.

4.28 Contingency Reserve

Commission's analysis:

Regulation 24 of BERC (Multi Year Distribution Tariff) Regulations 2015 specify that "if the distribution licensee has made an appropriation to the contingency reserve, a sum not less than 0.25% and not more than 0.50% of the original cost of fixed assets shall be allowed annually towards such appropriation in the calculation of ARR".

The Commission in Tariff order dated 24.03.2018 had approved Rs.36.25 Crore for NBPDCCL and Rs.31.68 Crore for SBPDCL towards contribution to contingency reserve in FY 2018-19. It is observed from the audited accounts for FY 2018-19 that Discoms have not made any appropriation towards contingency reserve for FY 2018-19.

Further, Para 5(ii) of the Auditors Report of NBPDCCL states out of Rs.2.09 Crore received from Power Grid Corporation of India towards reimbursement of expenditure incurred on rehabilitation work in Nepal, Rs.1.08 Crore has been kept as Capital Grant in lieu of crediting the same to the statement of profit & loss. The Commission believes that this amount received on account of rehabilitation work is neither a non tariff income nor capital grant rather it is a receipt for nature of work defined under regulation 24 as contingency. Hence, the Commission directs the NBPDCCL to treat Rs.1.08 Crore as Contribution to Contingency Reserve in terms of Regulation 24 of Bihar Electricity Regulatory Commission (Multi Year Distribution Tariff) Regulations, 2015 and for the purpose of regulation 24(b) invest this Rs.1.08 Crore in securities authorized under the Indian Trusts Act, 1882 within a period of six months of close of the financial year 2019-20.

The Commission has been allowing contingency reserve in the tariff orders year on year to facilitate the Discoms to meet such charges as may be approved by the Commission, such as expenses or loss of profits arising out of accidents, strikes or circumstances which the management could not have prevented, expenses on replacement or removal of plant or works other than expenses required for normal

- 44 -

S No.	Interest accrued on Capital fund	NBPDC	SBPDCL
a)	Closing balance as on 31.03.2020 stated in audited account of FY 2019-20 (Rs. Cr.)	226.55	270.93
b)	Interest earned on Capital fund already recognised in Regulatory Accounts as on 31.03.2019 (Rs. Cr.)	200.20	226.19
c)	Net Interest earned/(refunded) on Capital fund during FY 2019-20 (a-b) (Rs. Cr.)	26.35	44.74

4.21.17. Accordingly, the Commission considers Rs. 44.74 Crore as non-tariff income of SBPDCL and Rs. 26.35 Crore as expenditure of NBPDC for FY 2019-20.

Rebate on Power Purchase

4.21.18. Hon'ble APTEL in its judgement in Appeal no.153 of 2009 between North Delhi Power Ltd. Vs DERC, has adjudged the rebate only to the extent of 1% of power purchase cost is to be considered as non-tariff income.

4.21.19. The Commission observes that as per their audited accounts, rebate for timely payment power purchase bills SBPDCL and NBPDC is Rs. 39.08 Crore. and Rs. 67.51 Crore, respectively. Commission verified the rebate received from Audited Account for FY 2019-20 and found the petitioner's claim in order.

4.21.20. The total power purchases (including transmission charges and excluding REC cost) for NBPDC is at Rs.7129.17 Crore for FY 2019-20 and the rebate at 1% works out to Rs.71.29 Crore. Similarly, for SBPDCL the rebate works out to Rs. 88.90 Crore at 1% on the total power purchase of Rs. 8,890.24 Crore.

4.21.21. Hence, Commission considers rebate of Rs. 88.90 Crore for SBPDCL and 71.29 Crore for NBPDC in non-tariff income for FY 2019-20.

Financing Cost of DPS

4.21.22. As per Regulation 30 of BERC Multi Distribution Tariff Regulation, 2018, DSP (Delayed Payment Surcharge) to the extent of financing cost on the principal amount corresponding to the Delayed Payment Surcharge shall not be treated as non- tariff income.

4.21.23. Petitioners, in their submission, have considered the financing cost on DPS (Rs. 134.66 Crore for NBPDC and Rs. 60.15 Crore for SBPDCL) and adjusted the same against the non-tariff income and net non-tariff income claimed in truing up for FY 2019-20. Commission found the claim of petitioner's in line with the methodology considered by the Commission for financing of outstanding dues and the judgment of the APTEL dated 30 July, 2010 in Appeal No. 153 of 2009 between North Delhi Power Ltd. Vs DERC. The Judgement given by APTEL is as below-

Para 58(i). Therefore, the State Commission is directed to rectify its

computation of the financing cost relating to the late payment surcharge for the FY 2007-08 at the prevalent market lending rate during that period keeping in view the prevailing Prime Lending Rate.

4.21.24. As per term and condition of supply approved by the Commission in Order dated 25 February, 2019, DPS charged to the Consumer at 1.25% per month (i.e. 15% per annum) for FY 2019-20. Accordingly, the Commission has determined the principle amount against which DPS is charged by dividing recovered DPS (Rs. 134.66 Crore for NBPDCCL and Rs. 60.15 Crore for SBPDCL) to the annual rate of 15%.

4.21.25. As per Regulation 30 of BERC Multi Distribution Tariff Regulation, 2018, funding cost of DPS is to be determined at weighted average MCLR of the concern Financial Year plus 150 basis points. Accordingly, the Commission has computed interest rate of funding DPS at 9.66% (i.e. weighted average SBI 1-year MCLR of 8.16% for FY 2019-20 + 150 basis points) in accordance with MYT Regulation 2018. Accordingly, non-tariff income is computed for FY 2019-20 as detailed in table below:

Table 129: Non-Tariff Income of SBPDCL and NBPDCCL approved for True-up of FY 2019-20 (in Rs. Crore)

Particulars	Approved in True-up of FY 2019-20 (NBPDCCL)	Approved in True-up of FY 2019-20 (SBPDCL)
Interest on Advances to Suppliers/ Contractors	8.46	26.74
Interest on Saving Accounts	36.67	45.12
Interest Credit given by Holding Company	16.68	5.52
Interest Income	61.82	77.39
Delayed Payment Surcharge from Consumers	209.13	93.50
Income from trading	1.04	-
Miscellaneous Receipts	10.28	2.39
Rental Income	0.02	-
Rebate and Discount Received	71.29	88.90
Sale of scrap	-	11.99
Incentive for timely payment of power purchase bills	0.05	-
Miscellaneous Recoveries	15.04	120.23
Supervision Income	11.65	11.44
Other Income	318.52	328.45
Reimbursement from disaster Management	15.50	-
Excess provision written back	20.39	-
Meter Rent/ Service Line Rental	220.65	90.46
Receipt from BG Invocation	-	21.99
Others	-	112.45
Total Non-tariff income	636.87	518.29
Delayed Payment Surcharge from Consumers	209.13	93.50
Principal amount on which DPS Charged	1,394.19	623.34

Particulars	Approved in True-up of FY 2019-20 (NBPDCCL)	Approved in True-up of FY 2019-20 (SBPDCL)
Interest Rate of funding DPS	9.66%	9.66%
Interest on funding Principal	134.66	60.20
Net Non-Tariff Income	502.21	458.09
Add: Addition of Consumer contribution	97.75	8.96
Add: Interest income on capital funds lying unutilized in the Bank	26.35	44.74
Net Non-Tariff Income	626.31	511.79

4.21.26. Accordingly, Commission approves Rs. 626.31 Crore for NBPDCCL and Rs. 511.79 Crore for SBPDCL as Non-tariff income for FY 2019-20.

4.22. ARR approved in the Truing-up for FY 2019-20

4.22.1. The ARR approved in the MYT Order dated 25 February 2019, actual claimed in Truing up and approved in the Truing up computed in accordance with the BERC (Multi Year Distribution Tariff) Regulations, 2018, is given in the Table below:

Table 130: Trued-up ARR of FY 2019-20 for NBPDCCL & SBPDCL, as approved by the Commission (in Rs. Crore)

S. no.	Particular	NBPDCCL			SBPDCL		
		FY 2019-20 (Approved in MYT Order)	FY 2019-20 (Claimed)	Approved in True-up of FY 2019-20	FY 2019-20 (Approved in MYT Order)	FY 2019-20 (Claimed)	Approved in True-up of FY 2019-20
1.	Purchase of power	6,012.76	6,020.79	7,186.73	6,745.25	7,546.17	8,901.71
2.	PGCIL & other Transmission Charges	421.12	522.94		494.36	659.01	
3.	STU & SLDC Charges	558.45	534.36		655.58	666.45	
4.	RE Purchase	59.05	61.65		58.26	70.34	
5.	O&M Expense	674.81	766.34	644.08	822.29	850.99	831.21
i.	Employee Expense	327.10	414.08	338.65	462.22	542.82	535.54
ii.	R&M Expense	202.85	145.82	164.44	212.62	148.73	174.39
iii.	A&G Expense	133.57	184.82	139.37	136.70	136.70	121.27
iv.	Holding Company Expense	11.29	21.62	21.62	10.75	22.73	22.73
6.	Depreciation	185.06	225.01	147.50	236.05	211.77	199.69
7.	Interest on loan	332.81	251.58	255.01	447.11	225.23	232.51

in true up.

Sharing of Gain/(Loss) on account of controllable factors:

The Commission, in Tariff Order dated 20.03.2020, has approved interest on consumer Security Deposit of Rs.23.40 crore for NBPDCCL and Rs.35.00 crore for SBPDCL for FY 2020-21.

The Consumers Security Deposits represent security in respect of the electricity supplied to such person and collected in accordance with Section 47(1)(a) of the Electricity Act, 2003. Regulation 9.2 (d) of BERC (Multi Year Distribution Tariff) Regulations 2018 specify; variations in variation in metered sales i.e. sale of power to consumers as uncontrollable factor.

The Commission, accordingly has considered sharing of gains/(losses) on account of variation in interest on consumer's security deposit approved vis-à-vis trued up for FY 2020-21 as given in the table below.

Table 4.90: Gains/(Loss) on account of interest on consumers security deposit for FY 2020-21

(Rs. Crore)

Name of the Discom	Approved in the Tariff Order for FY 2020-21	Actual Claimed in Truing up	Deviation	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
NBPDCCL	23.40	5.96	17.44		17.44
SBPDCL	35.00	12.63	22.37		22.37

4.21. Non-Tariff Income

Petitioners' submission:

Discoms have claimed non tariff income for FY 2020-21 as detailed in the table below:

Table 4.91: Non-tariff Income claimed for FY 2020-21

(Rs. Crore)

Sl. No.	Particulars	NBPDCCL		SBPDCL	
		Approved in Tariff order dated 20.03.2020	Claimed in truing up for FY 2020-21	Approved in Tariff order dated 20.03.2020	Claimed in truing up for FY 2020-21
1	Meter Rent/Service line rental				12.78
2	Delayed Payment Surcharge from consumers		238.79		186.22
3	Miscellaneous Recoveries from Consumers		24.14		59.59

48-

NBPDCL & SBPDCL Tariff Order for FY 2022-23

Sl. No.	Particulars	NBPDCL		SBPDCL	
		Approved in Tariff order dated 20.03.2020	Claimed in truing up for FY 2020-21	Approved in Tariff order dated 20.03.2020	Claimed in truing up for FY 2020-21
4	Rebate in capacitive charge & SECD benefit		18.82		137.89
5	Rebate special COVID-19		94.77		
6	Rebate/discount received		26.59		25.34
7	Supervision charges		15.11		13.55
8	consumer contribution income		3.69		0.83
9	Interest from Banks		21.17		31.47
10	interest from others		1.27		
11	Interest on advance to suppliers/contractors		4.43		0.08
12	income from interest on TDS refund				1.57
13	Sale of scrap/tender paper		0.11		16.73
14	Misc. receipts		1.03		1.29
15	Rental income		0.58		1.29
16	Sub-total (1 to 15)		450.50		488.63
17	Delayed Payment Surcharge from consumers		238.79	0.00	186.22
18	Principal amount on which DPS charged @15% pa		1591.93		1241.47
19	Rate of interest of funding DPS		8.56%		8.56%
20	Financing cost of DPS		136.27		106.27
21	Non-tariff income (16-20)	366.98	314.23	446.04	382.36

Commission's analysis:

The Non-Tariff income as per the audited annual accounts of NBPDCL is at Rs.1233.32 Crore (including Amortisation of grant of Rs.330.05 crore i.e depreciation on assets created out of grants which is considered separately in the paragraph related to Depreciation). The Commission has also not considered revenue subsidy of Rs.451.78 crore as non-tariff income as this is part of revenue and separately considered in the ARR. Accordingly, the revenue subsidy and Amortization of grant are not considered as non tariff income.

Non-tariff income of SBPDCL is at Rs.1562.68 crore (including Amortisation of grant of Rs.261.11 crore i.e depreciation on assets created out of grant which is considered separately in the paragraph related to depreciation). The Commission has also not considered revenue subsidy of Rs.814.22 crore as non-tariff income as this is part of revenue and separately considered in the ARR. Accordingly, the revenue subsidy and Amortization of grant are not considered as non tariff income.

49-

NBPDCL & SBPDCL Tariff Order for FY 2022-23

The Commission, in its earlier true-ups for FY 2017-18, FY 2018-19 and FY 2019-20 had considered the interest earned/(refunded) on capital funds as a part of Non-Tariff Income for NBPDCL and SBPDCL. It was directed (in true up for FY 2017-18) to maintain proper records for/of actual interest earned/ utilised on scheme wise grant, equity and loan fund and to claim separately the refund or utilization made in the year in which such amount is actually refunded or utilized. It has been observed from the figures reported in the audited account of SBPDCL and NBPDCL for FY 2020-21, net interest earned on capital fund of SBPDCL is at Rs.24.68 crore and utilisation of net interest of NBPDCL is at Rs.4.88 crore during FY 2020-21. The computation is shown in Table mentioned below.

Table 4.92: Interest on Capital fund considered for True-up of FY 2020-21

Sl. No.	Particulars	(Rs. Crore)	
		NBPDCL	SBPDCL
1	Closing balance as on 31.03.2021 stated in audited account of FY 2020-21 (Rs. Cr.)	221.67	295.61
2	Interest earned on Capital fund already recognised in Regulatory Accounts as on 31.03.2020 (Rs. Cr.)	226.55	270.93
3	Net Interest earned/(refunded/utilised) on Capital fund during FY 2020-21 (a-b) (Rs. Cr.)	(4.88)	24.68

The APTEL in Appeal no.153 of 2009 between North Delhi Power Ltd. Vs Delhi Electricity Regulatory Commission has adjudged that rebate only to the extent of 1% is to be considered as non-tariff income.

According to the audited accounts for FY 2020-21 of NBPDCL and SBPDCL, the rebate received for timely payment of power purchase bills is Rs.26.59 Crore and Rs.25.34 Crore respectively.

The total power purchases (including transmission charges) for NBPDCL are at Rs.7821.71 Crore for FY 2020-21 and the rebate @ 1% works out to Rs.78.22 Crore similarly for SBPDCL the rebate works out to Rs.95.68 Crore @1% on the total power purchase of Rs.9567.66 Crore. Accordingly, the Commission has considered rebate @1% of the total power purchases (including transmission charges) for FY 2020-21 in the true up.

The Discoms have considered the financing cost on DPS and adjusted the same against the non-tariff income and net non-tariff income claimed in trueing up for FY

50

NBPDCL & SBPDCL Tariff Order for FY 2022-23

2020-21 which is in line with the methodology considered by the Commission for financing of outstanding dues in line with the judgment of the Hon'ble Appellate Tribunal for Electricity (APTEL) dated 12.07.2011 in case No.142 & 147 of 2009.

As per the audited annual accounts for FY 2020-21, the Non-tariff income includes Delayed Payment Surcharge (DPS) from consumers. The Discoms charge DPS @ 15% per annum (1.25% per month). The Commission has allowed rate of interest of 8.56% (7.06% being the weighted average MCLR (1 year tenor) during FY 2020-21 plus 150 basis points i.e. 1.50%) in accordance with regulation 26 (iii) of BERC (Multi Year Distribution Tariff) Regulations 2018 towards the financing cost for DPS. The Commission accordingly computed and allowed the financing cost as shown in the table below:

Table 4.93: Financing cost of DPS

(Rs. Crore)

Particulars	Approved for NBPDCL	Approved for SBPDCL
DPS as per audited accounts (@1.5% pm)	238.79	186.22
Principal amount on which DPS charged	1591.93	1241.47
Interest rate for funding Principal of DPS	8.56%	8.56%
Interest on funding of Principal DPS	136.27	106.27

Accordingly, the non-tariff income is computed for FY 2020-21 as detailed in the table below:

Table 4.94: Non-tariff income approved for FY 2020-21

(Rs. Crore)

Sl. No.	Particulars	Approved in truing up for FY 2020-21 for NBPDCL	Approved in truing up for FY 2020-21 for SBPDCL	Total
1	Miscellaneous Recoveries from Consumers	24.14	59.59	83.73
2	Meter rent/service line rental		12.78	12.78
3	Delayed Payment Surcharge from consumers	238.79	186.22	425.01
4	Rebate special COVID-19	94.77		94.77
5	SCED Benefits	18.82	137.89	156.71
6	Rebate received	26.59	25.34	51.93
7	Consumer contribution income	3.69	0.83	4.52
8	Supervision charges	15.11	13.55	28.66
9	Interest from Banks	21.17	31.47	52.64
10	Income from Sale of tender paper	0.11		0.11
11	Income from Sale of scrap		16.73	16.73
12	Interest on advance to suppliers/contractors	4.43	0.08	4.51
13	Misc. receipts	2.30	1.29	3.59
14	Rental income	0.58		0.58
15	Interest on TDS refund		1.57	1.57

51

NBPDC & SBPDCL Tariff Order for FY 2022-23

Sl. No.	Particulars	Approved in truing up for FY 2020-21 for NBPDC	Approved in truing up for FY 2020-21 for SBPDCL	Total
16	Sub-total	450.50	487.34	937.84
17	Less: Financing cost of DPS	(136.27)	(106.27)	(242.54)
18	Less: Rebate as per audited accounts for FY 2020-21	(26.59)	(25.34)	(51.93)
19	Add: Rebate @1% on total power purchase (incl. transmission charges) for FY 2020-21	78.22	95.68	173.89
20	Add: Interest income on capital funds lying unutilized in the Bank	(4.88)	24.68	19.80
21	Non-tariff income	360.98	476.09	837.06

The Commission, accordingly, approves non-tariff income as above for FY 2020-21 in true up.

4.22. Interest on working capital

Petitioners' submission:

Discoms have submitted that it has arrived at the working capital requirement according to applicable norms for Distribution function provided in Regulation 26 of the BERC (Multi Year Distribution Tariff) Regulations 2018. The regulations are reproduced hereunder:

"The Distribution Licensee shall be allowed interest on estimated level of working capital for the financial year, computed as follows:

a) Two months equivalent of expected revenue

b) Maintenance spares@40% of R&M expenses for one month:

Less:

(i) Power purchase cost, transmission charges and load dispatch charges of one month

(ii) Depreciation, return on equity and contribution to contingency reserves equivalent to two months

(iii) Security deposits from consumers, if any

Provided that the interest on working capital shall be on normative basis and rate of interest shall be equal to the State Bank one-year Marginal Cost of Funds-based Lending Rate ('MCLR') as of the date on which petition for

The Consumers Security Deposits represent *security in respect of the electricity supplied to such person and collected in accordance with Section 47(1)(a) of the Electricity Act, 2003. Regulation 9.2 (d) of BERC (Multi Year Distribution Tariff) Regulations 2018 specify; variations in variation in metered sales i.e. sale of power to consumers as uncontrollable factor.*

The Commission, accordingly has considered sharing of gains/(losses) on account of variation in interest on consumer's security deposit approved vis-à-vis trued up for FY 2021-22 as given in the table below.

Table 4.93: Gains/(Loss) on account of interest on consumers security deposit for FY 2021-22

(Rs. Crore)					
Name of the Discom	Approved in the Tariff Order for FY 2021-22	Actual Claimed in Truing up	Deviation	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
NBPDCCL	19.70	8.85	10.85		10.85
SBPDCL	30.85	10.78	20.07		20.07

4.21. Non-Tariff Income

Petitioners' submission:

Discoms have claimed Non-tariff income for FY 2021-22 as detailed in the table below:

Table 4.94: Non-tariff Income claimed for FY 2021-22

(Rs. Crore)					
Sl. No.	Particulars	NBPDCCL		SBPDCL	
		Approved in Tariff order dated 26.03.2021	Claimed in truing up for FY 2021-22	Approved in Tariff order dated 26.03.2021	Claimed in truing up for FY 2021-22
1	Interest on Advances to Suppliers/Contractors		18.10		0.06
2	Interest on Saving Accounts		21.25		35.80
3	interest on mobilisation advance				34.92
4	Interest from others		314.47		
5	Delayed Payment Surcharge from Consumers		238.15		199.90
6	Income from sale of Tender paper		0.56		
7	Miscellaneous Receipts		10.71		79.90
8	Subsidy from PFC				35.47
9	Rebate and Discount Received		19.50		48.25
10	SCED Benefits		8.83		10.43
11	Consumer Contribution Income *		1.04		0.86
12	Rental Income		0.48		0.59

Sl. No.	Particulars	NBPDCCL		SBPDCL	
		Approved in Tariff order dated 26.03.2021	Claimed in truing up for FY 2021-22	Approved in Tariff order dated 26.03.2021	Claimed in truing up for FY 2021-22
13	Supervision Charges		13.59		17.35
14	Misc charges		42.22		0.39
15	Sale of scrap		38.94		2.09
16	Rebate special COVID-19		1.91		
17	Meter rent/service line rentals		8.57		8.16
18	interest on TDS refund				1.12
19	Liquidated damages recovery from Agencies				6.08
20	Excess provision written back		3.44		
21	Total Non-tariff income (1 to 20)		741.78		481.37
22	Delayed Payment Surcharge from Consumers		238.15	0.00	199.90
23	Principal amount on which DPS Charged (18/18%)		1323.04		1332.67
24	Interest Rate of funding DPS		8.50%		8.50%
25	Interest on funding Principal (19*20)		112.46		113.28
26	Net Non-Tariff Income (21-25)	366.98	629.33	446.04	368.09

Commission's analysis:

The Non-Tariff income as per the audited annual accounts of NBPDCCL is at Rs.1725.15 Crore (including Amortisation of grant of Rs.484.41 crore i.e depreciation on assets created out of grants which is considered separately in the paragraph related to Depreciation). The Commission has also not considered revenue subsidy of Rs.498.96 crore as non-tariff income as this amount is received from GoB to meet the revenue loss due to higher AT&C losses. Accordingly, the revenue subsidy and Amortization of grant are not considered as Non-tariff income.

Non-tariff income of SBPDCL is at Rs.1734.14 crore (including Amortisation of grant of Rs.329.73 crore i.e depreciation on assets created out of grant which is considered separately in the paragraph related to depreciation). The Commission has also not considered revenue subsidy of Rs.923.04 crore as non-tariff income as this amount is received from GoB to meet the revenue loss due to higher AT&C losses. Accordingly, the revenue subsidy and Amortization of grant are not considered as Non-tariff income.

The APTEL in Appeal no.153 of 2009 between North Delhi Power Ltd. Vs Delhi

Electricity Regulatory Commission has adjudged that rebate only to the extent of 1% is to be considered as non-tariff income.

According to the audited accounts for FY 2021-22 of NBPDCCL and SBPDCL, the rebate received for timely payment of power purchase bills is at Rs.26.59 Crore and Rs.25.34 Crore respectively.

The total power purchases (including transmission charges) for NBPDCCL are at Rs.9796.13 Crore for FY 2021-22 and the rebate @ 1% works out to Rs.97.96 Crore and for SBPDCL the rebate works out to Rs.115.92 Crore @1% on the total power purchase of Rs.11591.57 Crore. Accordingly, the Commission has considered rebate @1% of the total power purchases (including transmission charges) for FY 2021-22 in the true up.

The Discoms have considered the financing cost on DPS and adjusted the same against the non-tariff income and net non-tariff income claimed in trueing up for FY 2021-22 which is in line with the methodology considered by the Commission for financing of outstanding dues in line with the judgment of the Hon'ble Appellate Tribunal for Electricity (APTEL) dated 12.07.2011 in case No.142 & 147 of 2009.

As per the audited annual accounts for FY 2021-22, the Non-tariff income includes Delayed Payment Surcharge (DPS) from consumers. The Discoms charge DPS @ 18% per annum (1.5% per month) in accordance with the DPS specified in the Tariff Order dated 26.03.2021. The Commission has allowed rate of interest of 8.50% (7.00% being the weighted average MCLR (1 year tenor) during FY 2021-22 plus 150 basis points i.e.1.50%) in accordance with regulation 26 (iii) of BERC (Multi Year Distribution Tariff) Regulations 2018 towards the financing cost of DPS. The Commission accordingly computed and allowed the financing cost as shown in the table below:

Table 4.95: Financing cost of DPS

Particulars	(Rs. Crore)	
	Approved for NBPDCCL	Approved for SBPDCL
DPS as per audited accounts (@1.5% pm)	238.15	199.90
Principal amount on which DPS charged	1323.04	1110.56
Interest rate for funding Principal of DPS	8.50%	8.50%
Interest on funding of Principal DPS	112.46	94.40

The Commission, in its earlier true-ups for FY 2017-18, FY 2018-19 and FY 2019-20 had

considered the interest earned/(refunded) on capital funds as a part of Non-Tariff Income for NBPDC & SBPDCL. It was directed (in true up for FY 2017-18) to maintain proper records for/of actual interest earned/utilised on scheme wise grant, equity and loan fund and to claim separately the refund or utilization made in the year in which such amount is actually refunded or utilized. It is observed from the figures reported in the audited accounts of SBPDCL for FY 2021-22, utilisation of net interest is at Rs.3.40 crore during FY 2021-22 as detailed hereunder.

Sl. No.	Particulars	SBPDCL
1	Closing balance as on 31.03.2022 stated in Note no.19 of the audited annual accounts for FY 2021-22 (Rs. Cr.)	292.21
2	Interest earned on Capital fund already recognised in Regulatory Accounts as on 31.03.2021 (Rs. Cr.)	295.61
3	Net Interest earned/(refunded/utilised) on Capital fund during FY 2021-22 (a-b) (Rs. Cr.)	-3.40

Accordingly, the amount of Rs.3.40 crore is reduced from the Non-tariff income for SBPDCL.

It is observed from Note no.20 of the audited annual accounts of NBPDC, the closing balance of interest accrued on capital funds to end of FY 2021-22 is depicted as Nil. NBPDC vide letter no.130 dated 27.02.2023 has submitted that they have mistakenly considered the Accretion of Interest on Capital Fund under the head Non-Tariff Income and requested to reduce the non-tariff income to the extent of Rs.222.03 crores for FY 2021-22. According to the audited annual accounts of NBPDC for FY 2021-22, the opening balance is at Rs.221.67 crore. Further, the Commission, in true up for FY 2020-21 has considered Rs.221.67 crore as closing balance to end of FY 2020-21. As such, the Commission considers Rs.221.67 crore and accordingly reduced the amount from the Non-tariff income in true up for FY 2021-22.

The Commission, as deliberated above, has computed the non-tariff income for FY 2021-22 as detailed in the table below:

Table 4.96: Non-tariff income approved for FY 2021-22

Sl. No.	Particulars	(Rs. Crore)		
		Approved in truing up for FY 2021-22 for NBPDCCL	Approved in truing up for FY 2021-22 for SBPDCL	Total
1	Interest on Advances to Suppliers/Contractors	18.10	0.06	18.16
2	Interest on Saving Accounts	21.25	35.80	57.05
3	interest on mobilisation advance		34.92	34.92
4	Interest from others	314.47		314.47
5	Delayed Payment Surcharge from Consumers	238.15	199.90	438.05
6	Income from sale of Tender paper	0.56		0.56
7	Miscellaneous Receipts	10.71	79.90	90.61
8	Subsidy from PFC		35.47	35.47
9	Rebate and Discount Received	19.50	48.25	67.75
10	SCED Benefits	8.83	10.43	19.26
11	Consumer Contribution Income *	1.04	0.86	1.90
12	Rental Income	0.48	0.59	1.07
13	Supervision Charges	13.59	17.35	30.94
14	Misc charges	42.22	0.39	42.61
15	Sale of scrap	38.94	2.09	41.03
16	Rebate special COVID-19	1.91		1.91
17	Meter rent/service line rentals	8.57	8.16	16.73
18	interest on TDS refund		1.12	1.12
19	Liquidated damages recovery from Agencies		6.08	6.08
20	Excess provision written back	3.44		3.44
21	Sub-total (1 to 20)	741.76	481.37	1223.13
22	Less: Financing cost of DPS	(112.46)	(94.40)	(206.86)
23	Less: Interest income on capital funds	(221.67)	(3.40)	(225.07)
24	Less: Rebate as per audited accounts for FY 2021-22	(19.50)	(48.25)	(67.75)
25	Add: Rebate @1% on power purchase (incl. transmission charges)	97.55	115.38	212.93
26	Non-tariff income	485.68	450.71	936.38

The Commission, accordingly, approves non-tariff income as above for FY 2021-22 in true up.

4.22. Interest on working capital

Petitioners' submission:

Discoms have submitted that it has arrived at the working capital requirement according to applicable norms for Distribution function provided in Regulation 26 of the BERC (Multi Year Distribution Tariff) Regulations 2018. The regulations are reproduced hereunder:

"The Distribution Licensee shall be allowed interest on estimated level of working

JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION AT RANCHI
Form of Proceedings

Case No. 12 of 2025

Tata Steel Limited (TSL)..... Petitioner

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

For the Petitioner: - Mr. Saket Upadadhyay, Advocate

ORDER

Date - 19th August, 2025

1. Tata Steel Limited (TSL) had filed the instant petition under section 94(1)(f) of the Electricity Act 2003 read with Regulation 41 (Chapter V) of the JSERC (Conduct of Business) Regulations 2024 and Order 46, Rule 1 of the Civil Procedure Code 1908, for review of order dated 28.03.2023 passed by the Commission in Case (Tariff) No. 9 of 2024 for True-up for FY 2023-24, APR for FY 2024-25 and ARR & Tariff for FY 2025-26.
2. The Prayers of the Petitioner-TSUISL are as under: -
 - i. For review of the TSL True-up for FY 2023-24 Order dated 28.03.2025 and to allow Rs 4.39 Cr as "Interest on Energy Security Deposit" and accordingly amend the Standalone and Cumulative Revenue Gap/Surplus figures.
 - ii. For allowing the Interest on Security Deposit as Rs 2.74 Cr for FY 2022-23 in view of the submission of Consumer Wise Interest on Security deposit payment data subsequent to Order of Hon'ble Commission.
3. Considering the prayer of the Petitioner on the aforesaid issues, the matters prayed for review have been discussed and dealt as hereunder: -
 - A. **Approval of Interest on Security deposit for FY 2023-24**
Submission of the Petitioner
4. Learned Counsel for the Petitioner has submitted that in the True-up order dated 28.03.2025 for FY 2023-24, there is a clerical/arithmetical error in "**Approval of Interest on Security deposit for FY 2023-24**" and there is sufficient cause for review and rectification/modification of the said order.
5. It was submitted that the Commission while allowing the "Interest on Security Deposit" missed to consider the actual interest paid on Energy Security deposit and allowed the same based on average of "Opening Security Deposit" and "Closing Security Deposit".
6. Learned Counsel further submitted that such approximation of "Interest on Security Deposit" may be appropriate for utilities which have not submitted the data on "Actual interest paid on Security Deposit" either because they have not paid, or they do not maintain sufficient data. However, in the instant case, the Petitioner has provided data of actual interest paid on Security deposit; but the Commission inadvertently did not consider the said data and allowed Interest on Security deposit based on estimates derived by multiplying the interest rate with "half of the sum of "opening security deposit" and "closing security deposit" values. Accordingly, it was pointed out that allowed values are thus lower by Rs 34 Lakhs as only Rs 4.05 Cr has been mentioned as against the actual payment of Rs 4.39 Cr.
7. It was submitted that Interest on security deposit is dependent on 3 variables: Principal Amount, Period and Interest Rate Applicable.

- A. Principle Amount - the amount of security deposit of consumer
- B. Period - The number of days in a year energy security deposit was there with the Licensee in the financial year. This value may be from 1 to 365. The Interest is paid based on the number of days of retention of Security deposit amount to different consumers
- C. Interest Rate - taken as per the regulations. 10.10% for FY 2024 (SBI Base rate as on 1st April of 2023)

In accordance with the above, the total interest on energy security deposit paid to customer was Rs 4.39 Cr for FY2023-24, which was claimed in the petition dated 28.11.2024.

8. Learned Counsel submitted that the approval for the Interest on Security deposit has been provided as Rs. 4.05 Crs. only, based on Average (50% of sum of opening and closing security deposit) value of Security deposit during FY 2023-24, as given in table no. 56 page 75 of TSL Tariff Order dated 28.03.2025. However, the consumer wise details of Interest on security deposit payment of Rs. 4.39 Cr. (attached as **Annexure 2** of the review petition) has been also verified by the Statutory Auditors for FY 2023-24
9. Learned Counsel in its conclusion has prayed to consider the actual interest paid on energy security deposit as Rs 4.39 Cr and allow the same.

B. Approval of Interest on Security deposit for FY 2022-23

10. Learned Counsel for the Petitioner submitted that the Commission, in its order dated 20.12.2024 passed in Case no. 26 of 2024 has already acknowledged similar submission for FY 2022-23; subject to submitting the data on how much interest on security deposit has been paid to the consumer. The relevant part of the order is reproduced below-

"The Petitioner is at liberty to clearly demonstrate how much interest on security deposit was required to be given and how much interest has actually been disbursed to the consumers in the next tariff determination process along with all facts and figures for consideration by the Commission on merit..."

11. Learned Counsel pointed out that for the FY 2022-23, the actual interest paid on security deposit was Rs 2.74 Cr. whereas approval was based on estimates was Rs 2.65 Cr. and accordingly prayed to consider the necessary correction for FY2022-23.

Commission's Observations and findings

12. Ongoing to the impugned Order, it is evident that the aforesaid issue has been deliberated and discussed in the Order dated June 28.03.2025 in para 5.111 followed by Table 56, which reads as under:

"On scrutinizing and analysing the annual audit account for FY 2023-24, the Commission has observed that interest on consumer security deposit tuned to Rs 4.39 Cr., while calculating the interest on security deposit at a rate specified (10.10% interest payable at SBI Base Rate as on April 01 of the Financial Year) in the provision of JSERC Electricity Supply code regulation 2015 it would be Rs 4.05 Cr. Accordingly, the Commission approves the interest on consumer security deposit tuned to Rs 4.05 Cr. for FY 2023-24 as tabulated hereunder."

Table 56: Interest on CSD (Rs. Cr.) as approved by the Commission

Particulars	ARR	Petition	Approved
OpeningConsumerSecurityDeposit	38.42	38.42	38.42
Consumer SecurityDepositAddition	5.22	3.33	3.33
ClosingConsumerSecurityDeposit	43.64	41.75	41.75
Average Security Deposit	41.03	40.09	40.08
Interest Rate	10.10%	10.10%	10.10%
InterestonConsumerSecurityDeposit	4.14	4.39	4.05

13. Further, the Commission has also observed that the Petitioner has furnished the consumer wise details of Interest on security deposit payment of Rs. 4.39 Cr. during the year FY 2023-24.
14. The Commission further observes that similar submission regarding Interest on security deposit was claimed by the Petitioner for FY 2022-23 in Case no. 26 of 2024. However, the Commission in its order dated 20.12.2024 didn't allowed the claim of

59.

the Petitioner due to non-availability of adequate data on the interest of security deposit that has been given to the Consumers. In the same order, the Commission gave the liberty to the Petitioner to provide details and evidence of interest on security deposit in the next tariff determination process for the consideration of the Commission.

CONCLUSION

15. The Commission has considered the submissions made by the Petitioners and perused the materials available on records. In view of the aforesaid discussion and based on the materials available on record, the Commission approves the claim of the Petitioner on actual basis for FY 2022-23 and 2023-24. The revised Interest on CSD (Rs. Cr.) as approved by the Commission and corresponding revenue gap/surplus of the Petitioner in respective tariff orders will be as follows:

Revised Table 42: Interest on CSD (Rs. Crore) as approved by the Commission for FY 2022-23.

Particulars	ARR	Petition	Approved
OpeningConsumerSecurityDeposit	31.84	31.85	
Consumer SecurityDepositAddition	8.13	6.58	
ClosingConsumerSecurityDeposit	39.97	38.42	
Average Security Deposit	35.91	35.13	
Interest Rate	7.55%	7.55%	
InterestonConsumerSecurityDeposi t	2.71	2.74	2.74

Revised Table 53: Summary of ARR (Rs Crore) as approved by the Commission for FY 2022-23

Particulars	APR	Petition	Approved
Net Power Purchase Cost	1,601.60	1,616.39	1,616.33
Power Purchase Cost	1,601.60	1,725.42	1,616.33
Less: Sale of Surplus power	-	109.02	-
O&M Expenses after sharing of Gain/loss	93.88	84.57	84.25
Interest on Loan	2.06	1.81	1.81
Interest on Working Capital	14.04	14.47	14.47
Financing Cost of DPS FY 2020-21	-	1.04	-
Interest on Security Deposit	2.71	2.74	2.74
Depreciation	17.30	16.93	16.73
Return on Equity	30.63	30.38	30.37
Gross Aggregate Revenue Requirement	1,762.22	1,768.32	1,766.70
Less: Non-Tariff Income	7.10	2.50	2.50
Aggregate Revenue Requirement	1,755.12	1,765.82	1,764.20
Revenue from sale of Power @ Existing Tariff	1,733.06	1,801.27	1,810.33
Net Revenue Gap/(Surplus)	22.05	(35.45)	(46.13)

Revised Table 56: Interest on CSD (Rs. Cr.) as approved by the Commission for FY 2023-24

Particulars	ARR	Petition	Approved
OpeningConsumerSecurityDeposit	38.42	38.42	
Consumer SecurityDepositAddition	5.22	3.33	
ClosingConsumerSecurityDeposit	43.64	41.75	

60-

Particulars	ARR	Petition	Approved
Average Security Deposit	41.03	40.09	
Interest Rate	10.10%	10.10%	
Interest on Consumer Security Deposit	4.14	4.39	4.39

Revised Table 67: Summary of ARR (Rs Cr.) as approved by the Commission for FY 2023-24.

Particulars	APR	Petition	Approved
Net Power Purchase Cost	1,632.72	1,593.76	1,593.88
Power Purchase Cost	1,632.72	1,700.36	1,593.88
Less: Sale of Surplus power		106.60	
O&M Expenses after sharing of Gain/loss	99.44	100.92	94.30
Interest on Loan	0.59	1.73	1.51
Interest on Working Capital	15.41	16.86	18.03
Financing Cost of DPS FY 2020-21	-	2.62	-
Interest on Security Deposit	4.14	4.39	4.39
Depreciation	16.84	17.18	16.82
Return on Equity	30.57	31.48	31.29
Gross Aggregate Revenue Requirement	1,799.71	1,768.94	1,760.12
Less: Non-Tariff Income	2.50	2.92	2.92
Aggregate Revenue Requirement	1,797.20	1,766.02	1,757.20
Revenue from sale of Power @ Existing Tariff	1,956.94	1,898.20	1,898.20
Net Revenue Gap/(Surplus)	(159.73)	(132.18)	(141.00)
Collection efficiency	-	7.31	5.01
Net Revenue Gap/(Surplus) after sharing of collection efficiency	(159.73)	(124.87)	(135.99)

16. This is pertinent to mention that since the Petitioner submitted the consumer-wise data for FY 2022-23 after the True-up order of the respective financial years, the Commission is not allowing the carrying cost on the extra Revenue Gap/(Surplus) created because of the difference in "Interest on consumer security deposit" (i.e. 2.74-2.65 = 0.09 Cr.). This amount will be passed directly with the Closing Revenue Gap/(Surplus) for FY 2022-23, which will form the opening Revenue Gap/(Surplus) for FY 2023-24.
17. However, for FY 2023-24 the carrying cost is given on the whole Revenue Gap/(Surplus) created after including the Interest on consumer security deposit on actual basis.
18. Treatment of carrying cost on Revenue-gap/surplus will be according to Table 1,2 and 3.

Table 1 Original Revenue-Gap as per True Up Orders

Particulars	FY 2022-23	FY 2023-24
Opening Gap/(Surplus)	646.09	665.29
Revenue Gap/(Surplus) during FY	(46.22)	(136.33)
Rate of Carrying Cost (%)	10.50%	12.00%
Carrying Cost on Opening Revenue Gap/(Surplus)	67.84	79.83
Carrying Cost on Revenue	(2.43)	(8.18)

- 61 -

Particulars	FY 2022-23	FY 2023-24
Gap/(Surplus) during FY		
Closing Revenue Gap/(Surplus)	665.29	600.61

Note: - The opening-gap for FY 2022-23 has been taken from the True-up order of FY 2022-23, dated June 26, 2024, page no. 124.

Table 2 Modified Revenue-Gap for FY 2022-23

Particulars	FY 2022-23
Opening Gap/(Surplus)	646.09
Revenue Gap/(Surplus) during FY	(46.22)
Rate of Carrying Cost (%)	10.50%
Carrying Cost on Opening Revenue Gap/(Surplus)	67.84
Carrying Cost on Revenue Gap/(Surplus) during FY	(2.43)
Closing Revenue Gap/(Surplus)	665.29
Closing Revenue Gap/(Surplus) after including the difference in "Interest on consumer security deposit"	[665.29+0.09=] 665.38

Table 3 Modified Revenue Gap for FY 2023-24

Particulars	FY 2023-24
Opening Gap/(Surplus)	665.38
Revenue Gap/(Surplus) during FY	(135.99)
Rate of Carrying Cost (%)	12.00%
Carrying Cost on Opening Revenue Gap/(Surplus)	79.85
Carrying Cost on Revenue Gap/(Surplus) during FY	(8.16)
Closing Revenue Gap/(Surplus)	601.08

19. The Closing Gap for FY 2023-24 as shown above shall form the opening gap for FY 2024-25 as and when the Tariff Order for the same will be issued.
20. Accordingly, the review petition stands disposed off.

Sd/-
Member (Tech.)

Sd/-
Member (Law)

(Gyanendra Karam)
General Attorney
TATA STEEL LIMITED

IN THE HIGH COURT OF JHARKHAND
AT RANCHI

VAKALATNAMA FOR THE *Petitioner*

Case No.... of2026

Tata Steel Limited Jamshedpur.
Appellant / Petitioner

Versus

Respondent / Opposite Party

Know all men by these presents that by this Vakalatnama

I / We

Gyanendra Karam son of Shri Jay Shankar Karam aged about 46 years by Occupation service under Tata Steel Limited Jamshedpur as chief legal counsel TSL legal service posted at corporate legal services office Northern Town P.O & P.S. Boistupur Jamshedpur East Singhbhum.

Do hereby

That I hereby through General Attorney Tata Steel Limited

Appoint the advocates noted below in the margin 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 paper, petition, act on my/our behalf for filing or taking back any document or withdrawing suit, writ or an appeal with permission to institute fresh suit etc., 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.

- 1.
- 2.
- 3.
- 4.

Mr. Navin Kumar Adv.

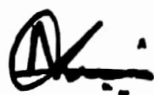
To the above effect we execute this Vakalatnama.

Date

22/4/26



Received this valuation form ~~from~~
and on being satisfied accepted
the same.



(Navin K. Adv.)

3K/89, B.H.C

Ranch. 9

E.No. 571/01

Lawyer_navin@yahoo.com.

The Secretary,
Jharkhand State Electricity Regulatory Commission
1st Floor, Jharkhand State Housing Board Old Building
Harmu Housing Colony, Ranchi – 834002

PBD/165/ 2026
June 15th, 2026

Interlocutory application for Petition to Hon'ble Jharkhand State Electricity Regulatory Commission under Case no. 16 of 2026 for Review of Tariff Order issued on 23rd March 2026 for Tata Steel Limited (TSL).

Dear Sir,

Please find enclosed herewith the Interlocutory application for submission before the Hon'ble Commission with the petition for Review of the certain elements of Tariff order dated 23rd March 2026 for Tata Steel Limited, which has been filed as reference case No. 16 of 2026.

Vide this application, TSL humbly submits an additional point for Review of TSL Order dated 23.03.2026, which is related with Revenue at proposed tariff for FY 2026-27.

The petition is duly signed along with the affidavit. It is submitted in one original and three copies, along with the prescribed fee as per JSERC (Fees Fines and Charges) Regulations, 2024 schedule of fees (Point 29) for an amount of **Rs. 25,000/-** (Rupees Twenty Five Thousand only), has been paid vide **UTR RH01060392999 dated 12.06.2026.**

We request the Hon'ble Commission to kindly accept the same and oblige.

Thanking You,
Yours faithfully,



Chief legal counsel

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

Case No. 16 of 2026

IN

Case (Tariff) No. 9 of 2025

IN THE MATTER OF:

Review of Order dated 23.03.2026 passed by this Hon'ble Commission in Case (Tariff) No. 9 of 2025 for True up for FY 2024-25, Annual Performance Review for FY 2025-26 and Aggregate Revenue Requirement & Tariff for FY 2026-27 concerning the distribution tariff of Tata Steel Limited for the licensed area of Jamshedpur.

AND

IN THE MATTER OF:

Tata Steel Limited, an existing company within the meaning of the Companies Act, 2013 and having its registered office at 24, Homi Mody Street, Mumbai, and having one of its principal place of business in the town of Jamshedpur, District East Singhbhum, within the state of Jharkhand and represented by its duly constituted attorney Mr Gyanendra Karan, Chief Legal Counsel, Tata Steel Jharkhand, having its office at Legal Services, Tata Steel Limited, B Road, Northern Town, Bistupur, Town Jamshedpur, District East Singhbhum, having email id: gyanendra.karan@tatasteel.com.

BEFORE THE JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION
AT RANCHI
[REVIEW JURISDICTION]

CASE No. 16 of 2026
IN
CASE (Tariff) No. 9 of 2025

IN THE MATTER OF: Review of Order dated 23.03.2025 passed by this Hon'ble Commission in Case (Tariff) No. 9 of 2025 for True up for FY 2024-25, Annual Performance Review for FY 2025-26 and Aggregate Revenue Requirement & Tariff for FY 2026-27 concerning the distribution tariff of Tata Steel Limited for the licensed area of Jamshedpur.

IN THE MATTER OF:

Tata Steel Limited, an existing company within the meaning of the Companies Act, 2013 and having its registered office at 24, Homi Mody Street, Mumbai, and having one of its principal place of business in the town of Jamshedpur, District East Singhbhum, within the state of Jharkhand and represented by its duly constituted attorney, Mr Gyanendra Karan, Principal Legal Counsel, having its office at Legal Services, Tata Steel Limited, B Road, Northern Town, Bistupur, Town Jamshedpur, District East Singhbhum, having email id: gyanendra.karan@tatasteel.com

..... Review Petitioner

**REVIEW PETITION UNDER SECTION 94 (1)(f) OF THE ELECTRICITY ACT, 2003
READ WITH REGULATION 41 (CHAPTER V) OF THE JHARKHAND STATE
ELECTRICITY REGULATORY COMMISSION (CONDUCT OF BUSINESS)
REGULATIONS 2024 AND READ WITH ORDER 47 RULE 1 OF THE CIVIL
PROCEDURE CODE, 1908**

MOST RESPECTFULLY SHOWETH:

1. That the Petitioner is engaged in the business of distribution of electricity in the township of Jamshedpur since the year 1923 in terms of sanction granted under Section 28(1) of the erstwhile Indian Electricity Act, 1910. Subsequently, the petitioner is deemed to be distribution licensee in terms of proviso to Section 14 and Section 172 (b) of the Electricity Act, 2003.
2. That the Petitioner had filed a petition dated 28th November 2025 which was registered as Case (Tariff) No. 9 of 2025 with respect to the approval of True Up of FY2024-25, Annual Performance Review for FY 2025-26 and Annual Revenue Requirement & Tariff for FY 2026-27.
3. That after hearing all the concerned parties and the stakeholders, the Hon'ble Commission was pleased to pass its order dated 23.03.2026 vide which abovementioned issues concerning approval of True Up of FY2024-25, Annual Performance Review for FY 2025-26 and Annual Revenue Requirement & Tariff for FY 2026-27 have been approved. The Petitioner's True UP order for FY 2024-25 passed in consideration of the framework laid down in Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020, and data submitted by TSL vide TSL Petitions (True UP FY 2024-25 Petition dated 28.11.2025).
4. That on *prima facie* reading of the Impugned Order dated 23.03.2026, the Petitioner has observed that the said order has been passed contrary to the facts stated for few items, without any reasonable justifications and the petitioner has filed a Review petition for the same vide Review petition dated 20.04.2026.
5. That in this regard the petitioner most respectfully submits to include one more point as addendum with the Review petition filed dated 20.04.2026.
Issue – Estimated Revenue from sale with revised tariff for FY 2026-27.

6. It is submitted that in addition to the Powers to Review under Section 94 of the Electricity Act, 2003 read with Order 47 Rule 1 CPC, the JSERC Conduct of Business Regulation 2024 - chapter V Regulation 41 notified by the Hon'ble Commission provides for rectification of the clerical or arithmetical errors of the Tariff order, inter alia, as under

41: REVIEW OF THE DECISIONS, DIRECTIONS AND ORDERS

41.1 The Commission may at any time, on its own motion, or on an application of any of the person(s) or parties concerned, within 30 days of the making of such decision, directions or order, review such decision, directions or orders and pass such appropriate orders as the Commission deem fit.

Provided that power to review by the Commission on its own motion under this clause may be exercised only for correction of clerical or arithmetical mistakes arising from any accidental slip or omission.

41.2 An application for such review shall be filed in the same manner as a petition under Chapter II of these Regulations.

41.3 The application shall be accompanied by such fee, if any, as may be prescribed by the Commission.

The grounds of review are detailed hereunder.

7. The Tariff order released by the Hon'ble Commission should provide both Revenue at existing tariff and Revenue at proposed tariff. The revenue at proposed tariff is used to calculate the Average Billing Rate which in turn calculates the FPPAS to be levied to consumers every month.
8. We would like to humbly submit that, while the Hon'ble Commission has provided Revenue at existing tariff for FY2026-27, it has not provided Revenue at Proposed tariff for FY2026-27. The revenue from sales with existing tariff is mentioned as Rs. 1766.76 crs. in table no. 191 of the Order, which is reproduced below.

- 9.14 Based on the approved ARR and revenue from existing tariff, the Commission has approved the Revenue Gap/(Surplus) for FY 2025-26 as shown below:

Table 191: Revenue Gap/(Surplus) (in Rs Cr.) as approved by the Commission

Particulars	FY 2026-27
ARR for FY 2025-26	1,729.84
Revenue from sale at existing Tariff	1,766.76
Revenue Gap/(Surplus) during FY 2025-26	(36.92)

9. The total sales as approved by the Hon'ble Commission for FY2026-27 is 2707.39 Mus as given in table no. 114 page no. 123 of the TSL Order dated 23.03.2026. From this value of annual sales projected, and revenue from existing tariff of Rs. 1766.76 cr. ABR on existing tariff can be derived. Thus, ABR from existing tariff is available for FY 2026-27, but ABR at revised tariff cannot be derived, as the Revenue from sale at revised tariff is not approved for FY 2026-27.
10. The petitioner requests the Hon'ble Commission to provide estimated projected revenue from sale on revised tariff of TSL for FY 2026-27. This shall help us in deriving the approved ABR for FY 2026-27. This Approved ABR shall be used to calculate monthly FPPPA amount applicable for consumers.
11. In absence of the Revenue from revised tariff, we have calculated it based on the revised tariff which is Rs. 1787.32 Cr. This value is being used for calculating FPPPA charges to be levied to the consumer. The calculation is being annexed as Annexure-1 and the spreadsheet of the same is being attached along with this addendum for reference and perusal.

Prayer

In view of the aforesaid facts mentioned, the petitioner most respectfully prays the Hon'ble Commission to:

- (a) Approved the revenue at revised tariff for FY2026-27 as Rs. 1787.32 Cr. after prudence check.
- (b) Condone any inadvertent omissions/ errors/ shortcomings and permit TSL to add/change/ modify/alter this filing and make further submissions as may be required at a future date.

And pass any other order as may be deemed fit in consideration of submissions and prayer made herein.

BY THE APPLICANT THROUGH



Authorized Signatory

Tata Steel Limited, Jamshedpur

Date – 15th June, 2026



I, **Gyanendra Karan** son of **Sri Jay Shankar Lal Karn**, aged **46 years** having its office at Legal Services, Tata Steel Limited, B Road, Northern Town, Bistupur, Town Jamshedpur, District East Singhbhum, do hereby solemnly affirm and state as follows:

1. That I am working as **Chief Legal Counsel, Tata Steel Jharkhand** in the office of the petitioner and am duly authorised by the petitioner to swear this affidavit.
2. That I solemnly affirm at Jamshedpur on **15th day of June of year 2026** that: -
 - a. The contents of the above petition are true to my knowledge and no part of it is false to the best of my knowledge and believe and no material has been concealed there from.
 - b. That the statements made in paragraphs below of the petition are true to my knowledge and are based on information derived from the records of the case which I believe to be true and rest of the paragraphs are by way of submissions.

Identified before me by:

DEPONENT

VERIFICATION

I, **Gyanendra Karan**, solemnly affirm that the contents of above affidavit are true to the best of my knowledge and nothing has been concealed there from.

Verified at Jamshedpur on **15th day of June of year 2026**.

PRAMOD KUMAR BHAGAT
NOTARY PUBLIC
East Singhbhum, Reg.No.2842 (J)
Govt. of Jharkhand, JSR. (INDIA)



Signed / Put L.
in my Presence

Advocate
ate ..

Annexure-4

Annexure-4																								
FY 2026-27 (Revenue at Approved Tariff)																								
Consumer Category	No. of Consumers	Connected Load	Connected Load-Unit	Conversion Factor	Connected Load-KVA*	Sales (Mn kWh)	Sales (Mn kWh)	Fixed Charges Units	Fixed Charge Rate	Energy Charge Units	Energy Charge Rate	Revenue from Energy Charge (Rs. Cr.)	FPPPA (Rs.Cr.)	Revenue from Energy Charge (Ind FPPPA) (Rs. Cr.)	Revenue from Fixed Demand Charge	Load Factor Rebate (Rs. Cr.)	Wheeling Revenue (Rs. Cr.)	LPC (Rs. Cr.)	Sum of Early Rebate	Voltage rebate	Other Rebates/Charges (Rs. Cr.)	Total Revenue (Rs.Cr.)	ABR (Rs/ kWh)	
Domestic Services	43,512	2,34,355	KW	0.85	2,75,711	198.19	-	Rs./Conn/month	-	Rs/kWh	-	99.42	-	99.42	3.51	-	-	0.79	-0.74	-	-	102.97	5.20	
Domestic Services - HT	149	63,173	KVA	1.00	63,091	70	73	Rs./KVA/month	110	Rs./kVAh	5.75	42.17	-	42.17	8.33	-	-	0.07	-0.41	-	-	50.15	7.12	
Commercial Services	11,591	81,272	KW	0.85	95,614	92	-	Rs./KW/month	150	Rs/kWh	6.50	59.51	-	59.51	14.63	-	-	0.77	-0.36	-	-	74.54	8.14	
Low Tension Industrial Services(LTI)	3	275	KVA	1.00	275	0.51	1	Rs./KVA/month	150	Rs./kVAh	6.00	0.36	-	0.36	0.05	-	-	0.00	-0.00	-	-	0.41	7.98	
High Tension Services (HTS)	182	4,37,643	KVA	1.00	4,37,643	1,742	1,854	Rs./KVA/month	450	Rs./kVAh	6.50	1,204.81	-	1,204.81	236.33	-97.61	0.07	0.57	-17.23	-30.72	-	1,296.21	7.44	
Street Light	414	1,675	KW	0.85	1,969	6	-	Rs./KW/month	150	Rs/kWh	6.80	4.37	-	4.37	0.30	-	-	0.00	-0.10	-	-	4.57	7.11	
Temporary Services	250	3,930	KW	0.85	4,624	3	-	Rs./KW/month	225	Rs/kWh	9.75	3.27	-	3.27	1.06	-	-	0.03	-0.03	-	-	4.33	12.92	
TATA Steel UoL	1	88,000	KVA	1.00	88,000	500	510	NA	-	Rs./kWh	5.07	253.47	-	253.47	-	-	-	-	-	-	-	253.47	5.07	
MESRTODL	1	300	KVA	1.00	300	1	1	Rs./KVA/month	450	Rs./kVAh	6.60	0.48	-	0.48	0.16	-	-	0.01	-	-	-	0.66	9.24	
Sale through IEX Power Markets	-	-	-	-	-	230	-	NA	-	Rs./kWh	4.00	92.05	-	92.05	-	-	-	-	-	-	-	92.05	4.00	
Total	56,102	9,10,622	-	-	9,67,227	2,844	2,438	-	-	-	-	1,759.90	-	1,759.90	264.37	-97.61	0.07	2.23	-18.88	-30.72	-	1,879.37	6.61	
Excluding revenue from sale of power in exchange																1,787.32								6.84

Assumption	22%	78%
Particulars	0-100 Units	Above 100 Units
Domestic S	43.58	154.61
Consumers	9,567	33,944
Fixed Charge	40	75
Energy Cha	3.30	5.50
Total FC Rs	0.46	3.05
Total EC Rs	14.38	85.04