

# **Jharkhand State Electricity Regulatory Commission**



Order on  
Annual Performance Review (APR) for FY 2025-26  
for  
Inland Power Limited (IPL)

March 30, 2026



## Table of Content

<b>LIST OF TABLES .....</b>	<b>4</b>
<b>CHAPTER 1: INTRODUCTION .....</b>	<b>8</b>
JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION .....	8
THE PETITIONER – INLAND POWER LIMITED (IPL) .....	11
THE PETITIONER’S PRAYERS .....	11
<b>CHAPTER 2: PROCEDURAL HISTORY .....</b>	<b>14</b>
BACKGROUND .....	14
INFORMATION GAPS IN THE PETITION.....	15
INVITING PUBLIC COMMENTS/ SUGGESTIONS.....	16
SUBMISSION OF COMMENTS/ SUGGESTIONS AND CONDUCT OF PUBLIC HEARING .....	17
<b>CHAPTER 3: BRIEF FACTS OF THE PETITION.....</b>	<b>19</b>
APR FOR FY 2025-26 .....	19
<i>Operational Parameters of Plant.....</i>	<i>19</i>
<i>Annual Revenue Requirement (ARR) .....</i>	<i>19</i>
<b>CHAPTER 4: PUBLIC CONSULTATION PROCESS .....</b>	<b>23</b>
<b>CHAPTER 5: ANNUAL PERFORMANCE REVIEW FOR FY 2025-26.....</b>	<b>27</b>
OPERATIONAL PERFORMANCE PARAMETERS .....	27
<i>Plant Availability Factor (PAF) .....</i>	<i>27</i>
<i>Auxiliary Consumption.....</i>	<i>28</i>
<i>Plant Load Factor and Generation.....</i>	<i>29</i>
<i>Gross Station Heat Rate (GSHR) .....</i>	<i>30</i>
<i>Specific Fuel Oil Consumption.....</i>	<i>31</i>
<i>Fuel Cost Parameters.....</i>	<i>31</i>
DETERMINATION OF FIXED COST.....	39
TOTAL FIXED CHARGES.....	49
SUMMARY OF ARR COMPONENTS .....	50
<b>CHAPTER 6: DIRECTIVES.....</b>	<b>53</b>
<i>Timeliness and Data Adequacy in the Next Tariff Petition .....</i>	<i>53</i>
<b>ANNEXURE - I.....</b>	<b>54</b>
LIST OF PARTICIPATING MEMBERS IN THE PUBLIC HEARING.....	54



### LIST OF ABBREVIATIONS

Abbreviation	Description
A&G	Administrative and General
ARR	Aggregate Revenue Requirement
COD	Commercial Operation Date
CFBC	Circulating Fluidized Bed Combustion
CIL	Coal India Limited
ECR	Energy Charge Rate
FY	Financial Year
GCV	Gross Calorific Value
GFA	Gross Fixed Assets
GHR	Gross Station Heat Rate
IoWC	Interest on Working Capital
IPL	Inland Power Limited
JBVNL	Jharkhand Bijli Vitran Nigam Limited
JSEB	Jharkhand State Electricity Board
JSERC	Jharkhand State Electricity Regulatory Commission
kCal	Kilocalorie
Kg	Kilogram
kWh	Kilowatt-hour
MAT	Minimum Alternative Tax
ML	Millilitre
MOU	Memorandum of Understanding
MT	Million Tonnes
MU	Million Units
MW	Megawatt
NAPAF	Normative Annual Plant Availability Factor
O&M	Operations and Maintenance
PAF	Plant Availability Factor
PLF	Plant Load Factor
PPA	Power Purchase Agreement
R&M	Repair and Maintenance
RoE	Return on Equity
Rs.	Rupees
SLM	Straight Line Method



## List of Tables

TABLE 1: LIST OF NEWSPAPERS AND DATES OF PUBLICATION OF PUBLIC NOTICE BY THE PETITIONER .....	16
TABLE 2: LIST OF NEWSPAPERS AND DATES OF PUBLICATION OF PUBLIC NOTICE BY THE COMMISSION .....	16
TABLE 3: OPERATIONAL PARAMETERS AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 .....	19
TABLE 4: ANNUAL REVENUE REQUIREMENT AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 (RS. CR.) .....	19
TABLE 5: ANNUAL PLANT AVAILABILITY FACTOR AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 .....	28
TABLE 6: PLANT AVAILABILITY AS APPROVED BY THE COMMISSION FOR FY 2025-26 .....	28
TABLE 7: ANNUAL PLANT AVAILABILITY FACTOR AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 .....	29
TABLE 8: AUXILIARY CONSUMPTION (%) AS APPROVED BY THE COMMISSION FOR FY 2025-26 .....	29
TABLE 9: PLF (%) AND GENERATION (MU) AS APPROVED BY THE COMMISSION FOR FY 2025-26 .....	30
TABLE 10: GSHR (KCAL/KWH) AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 .....	30
TABLE 11: GSHR (KCAL/KWH) AS APPROVED BY THE COMMISSION FOR FY 2025-26 .....	31
TABLE 12: SPECIFIC FUEL OIL CONSUMPTION (ML/KWH) AS APPROVED BY THE COMMISSION FOR FY 2025-26 .....	31
TABLE 13: ESTIMATES OF FUEL DETAILS AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 .....	32
TABLE 14: COAL MIX AND GCV AS APPROVED BY THE COMMISSION FOR FY 2025-26 .....	33
TABLE 15: ESTIMATES OF PRIMARY FUEL COST AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 .....	34
TABLE 16: ESTIMATES OF PRIMARY FUEL COST AS APPROVED BY THE COMMISSION FOR FY 2025-26 .....	36
TABLE 17: ESTIMATES OF SECONDARY FUEL OIL COST AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 .....	37
TABLE 18: LANDED PRICE OF SECONDARY FUEL APPROVED BY THE COMMISSION FOR FY 2025-26 .....	37
TABLE 19: COMPUTATION OF ENERGY CHARGE AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 .....	38
TABLE 20: ECR (RS. /KWH) & TOTAL ENERGY COST (RS. CR) AS APPROVED BY THE COMMISSION FOR FY 2025-26 .....	38
TABLE 21: DEPRECIATION AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 (RS. CR.) .....	39
TABLE 22: DEPRECIATION AS APPROVED BY THE COMMISSION FOR FY 2025-26 (RS. CR.) .....	40
TABLE 23: O&M EXPENSES AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 (RS. CR.) .....	41
TABLE 24: COMPUTED WATER CHARGES AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 (RS. CR.) .....	41
TABLE 25: NORMATIVE O&M EXPENSE CALCULATED BY THE COMMISSION (RS. CR.) .....	42
TABLE 26: NORMATIVE O&M & WATER EXPENSE CALCULATED BY THE COMMISSION (RS. CR.) .....	42
TABLE 27: INTEREST ON NORMATIVE LOAN AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 (RS. CR.) .....	43
TABLE 28: INTEREST ON LOAN AS APPROVED BY THE COMMISSION FOR FY 2025-26 (RS. CR.) .....	44
TABLE 29: INTEREST ON WORKING CAPITAL AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 (RS. CR.) .....	45
TABLE 30: IOWC AS APPROVED BY THE COMMISSION FOR FY 2025-26 (RS. CR.) .....	46
TABLE 31: ROE AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 (RS. CR.) .....	46
TABLE 32: ROE AS APPROVED BY THE COMMISSION FOR FY 2025-26 (RS. CR.) .....	47
TABLE 33: OTHER CHARGES AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 (RS. CR.) .....	48
TABLE 34: OTHER CHARGES APPROVED BY THE COMMISSION FOR FY 2025-26 (RS. CR.) .....	48
TABLE 35: TOTAL FIXED CHARGES AS SUBMITTED BY THE PETITIONER FOR FY 2025-26 (RS. CR.) .....	49
TABLE 36: TOTAL FIXED CHARGES AS APPROVED BY THE COMMISSION FOR FY 2025-26 (RS. CR.) .....	50

# Annual Performance Review of Inland Power for FY 2025-26

---



TABLE 37: TOTAL ARR SUBMITTED BY THE PETITIONER (RS. CR.).....	50
TABLE 38: SUMMARY OF ARR AS APPROVED BY THE COMMISSION FOR FY 2025-26 (RS. CR.).....	51



**Before**

**Jharkhand State Electricity Regulatory Commission,  
Ranchi**

**Case (Tariff) No.: 16 of 2025**

**In the matter of:**

**Petition for**

**Annual Performance Review (APR) for FY 2025-26**

In the matter:

Inland Power Limited (IPL)..... **Petitioner**

**PRESENT**

Shri Hon'ble Justice Navneet Kumar

Chairperson

Shri Mahendra Prasad

Member (Legal)

**Order dated March 30, 2026**

Inland Power Limited (hereinafter referred to as 'IPL' or the 'Petitioner') filed Petitions dated December 18, 2025 for Annual Performance Review of FY 2025-26 for its business of generation of electricity in the State of Jharkhand.



# **Chapter 1: Introduction**



## **Chapter 1: Introduction**

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

- 1.1. The Jharkhand State Electricity Regulatory Commission (hereinafter referred to as “JSERC” or “the Commission”) was established by the Government of Jharkhand under Section 17 of the Electricity Regulatory Commission Act, 1998 on August 22, 2002. The Commission became operational with effect from April 24, 2003.
- 1.2. The Government of Jharkhand vide its notification dated August 22, 2002 had defined the functions of JSERC as per Section 22 of the Electricity Regulatory Commission Act, 1998 to be the following, namely: -
- a. to determine the tariff for electricity, wholesale, bulk, grid or retail, as the case maybe, in the manner provided in Section 29;
  - b. to determine the tariff payable for the use of the transmission facilities in the manner provided in Section 29;
  - c. to regulate power purchase and procurement process of the transmission utilities and distribution utilities including the price at which the power shall be procured from the generating companies, generating stations or from other sources for transmission, sale, distribution and supply in the State;
  - d. to promote competition, efficiency and economy in the activities of the electricity industry to achieve the objects and purposes of this Act.
- 1.3. After the Electricity Act, 2003 came into force, the earlier Electricity Regulatory Commission Act of 1998 stands repealed and the JSERC is discharging its functions as prescribed in



Section 86 of the Act.

1.4. In accordance with provisions of the said Act, the JSERC discharges the following functions: -

- a. determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State:

Provided that, where open access has been permitted to a category of consumers under Section 42, the State Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers;

- b. regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;
- c. facilitate intra-state transmission and wheeling of electricity;
- d. issue licenses to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
- e. promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
- f. adjudicate upon the disputes between the licensees and generating companies; and to refer any dispute for arbitration;
- g. levy fee for the purposes of this Act;
- h. specify State Grid Code consistent with the Grid Code specified under Clause (h) of sub-section (1) of Section 79;



- i. specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
  - j. fix the trading margin in the intra-state trading of electricity, if considered, necessary;
  - k. discharge such other functions as may be assigned to it under this Act.
- 1.5. The Commission advises the State Government on all or any of the following matters, namely: -
- a. promotion of competition, efficiency and economy in activities of the electricity industry;
  - b. promotion of investment in electricity industry;
  - c. reorganization and restructuring of electricity industry in the State;
  - d. matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by that Government.
  - e. The State Commission ensures transparency while exercising its powers and discharging its functions.
- 1.6. In discharge of its functions, the State Commission is guided by the National Tariff Policy framed and published by Government of India under the provisions of Section 3 of the Act. The objectives of the present National Tariff Policy are to: -
- a. ensure availability of electricity to consumers at reasonable and competitive rates;
  - b. ensure financial viability of the sector and attract investments;
  - c. promote transparency, consistency and predictability in regulatory approaches across jurisdictions and minimize perceptions of regulatory risks;
  - d. promote competition, efficiency in operations and improvement in quality of supply.



### ***The Petitioner – Inland Power Limited (IPL)***

- 1.7. Inland Power Limited is a company incorporated under the provisions of the Indian Companies Act, 1956. IPL was originally incorporated on June 22, 1993 as a Private Limited Company and was subsequently converted to a Public Limited Company on April 3, 2008.
- 1.8. The Petitioner had signed a Memorandum of Understanding (MoU) with Government of Jharkhand to develop a 126 MW (2x63 MW) thermal power plant based on CFBC technology in two stages in Gola, District Ramgarh, Jharkhand on October, 2011. The Petitioner Commissioned its 1st Unit (1x63MW) on May 21, 2014.
- 1.9. As per the provisions of the MoU, the Government of Jharkhand (GoJ) or Distribution Licensees authorized by it, will have the first right of claim on purchase up to 25% of the power delivered to the system by the proposed power plant. Further, the MoU stipulates that out of the 25% under the first right of refusal to the State, the rate of 12% share will be on variable cost. Pursuant to the MoU signed between GoJ and IPL, IPL signed a Power Purchase Agreement (PPA) with Jharkhand State Electricity Board (now Jharkhand Bijli Vitran Nigam Limited or JBVNL) on February 23, 2012 for supplying 35 MW of 63 MW from 1st Unit of the project on long term basis. Subsequently, IPL signed a supplementary PPA with JSEB (now JBVNL) on April 22, 2013 for purchase and sale of the entire quantity of 63 MW power from the 1st Unit of 63 MW inclusive of quantity mentioned in earlier Principal PPA.

### ***The Petitioner's Prayers***

- 1.10. The Petitioner in these Petitions have made the following prayers: -
- a. Accept the petition for Annual Performance Review of FY 2025-26;
  - b. Approve the numbers for APR as discussed in this petition;



- c. This Hon'ble Commission vide its order dated 04-11-2022 and 28-02-2023 order dated has also approved 100% recovery of fixed charges for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19 and FY 2019-20;
- d. The same have been approved vide order dated 22.05.2023 for FY 2020-21, 26.02.2024 for FY 2021-22, 23.07.2024 for FY 2022-23 and 27.05.2023 for FY 2023-24;
- e. The Petitioner humbly requests the Hon`ble JSERC to also consider full 100% basis for the fixed cost recovery in the computations of the instant petition;
- f. Condone any inadvertent omissions/ errors/ rounding off differences/ shortcomings and permit IPL to add/ change/ modify this filing and make further submission as may be at a future date; and
- g. Pass further and such other orders, as the Hon'ble Commission may deem fit and proper, keeping in view the facts and circumstances of the case.



## **Chapter 2: Procedural History**



## **Chapter 2: Procedural History**

### **Background**

- 2.1. The Commission had approved the provisional tariff for FY 2014-15 to FY 2015-16 in its MYT Order for FY 2014-15 to FY 2015-16 dated May 27, 2014 based on submission of the anticipated date of Commercial Operation Date (COD) of the plant as May 2014.
- 2.2. Subsequently, the Commission on May 16, 2017 issued a Tariff Order on approval of Capital cost of Unit-1 (1x63MW), True-up of the ARR for the year FY 2014-15, Annual Performance Review for the year FY 2015-16 and Multi Year Tariff for the 2nd Control period from FY 2016-17 to FY 2020-21.
- 2.3. The Commission had issued the True-up Order for FY 2015-16 for Unit-1 (1x63MW) on March 19, 2018 based on audited accounts submitted by the Petitioner.
- 2.4. The Petitioner had filed the review Petition on True-up Order for FY 2015-16 which was disposed of by the Commission on May 13, 2019.
- 2.5. Later, on October 01, 2019, the Commission had issued the True-up Order for FY 2016-17 and FY 2017-18 based on the audited accounts of the respective financial year and methodology adopted in earlier Orders.
- 2.6. Subsequently, the Commission also approved the Annual Performance Review for FY 2018-19 vide its Order dated December 26, 2019.
- 2.7. The Commission had issued the True-up Order for FY 2018-19 on September 22, 2020 based on audited accounts submitted by the Petitioner.
- 2.8. Later, on November 04, 2022, the Commission had issued the Order on True-up for FY 2019-20 & APR for FY 2020-21 based



on audited accounts submitted by the Petitioner.

- 2.9. Subsequently, the Commission vide Order dated May 22, 2023 had issued the Order for True-up of FY 2020-21.
- 2.10. The Commission vide order dated November 16, 2023 had issued the order for Business Plan and Multi Year Tariff for Control Period FY 2021-22 to FY 2025- 26.
- 2.11. Subsequently the Commission vide order dated February 26, 2024 had issued order for True-up of FY 2021-22.
- 2.12. The Commission vide separate orders dated July 23, 2024 had issued order for True-up of FY 2022-23 and APR for FY 2023-24.
- 2.13. Subsequently the Commission vide separate orders dated May 27, 2025 has issued order for True-up for FY 2023-24 and APR 2024-25
- 2.14. The Petitioner in the current Petition, has sought for APR for FY 2025-26.

### ***Information Gaps in the Petition***

- 2.15. The Commission has scrutinized the data/information submitted by the Petitioner and has considered the same while passing this Order.
- 2.16. In order to provide adequate opportunity to all stakeholders and general public as mandated under Section 64 (3) of the Electricity Act 2003 and in relevant provisions of Regulation(s) framed by the Commission and further, in order to ensure transparency in the process of tariff determination, the Commission decided to conduct public hearing on February 20, 2026 in the Meeting Hall of Vishwesharaiya Sanitation and Drinking Water Academy, Kanke Road, Kanke, Ranchi for inviting comments/suggestion/objection.



## ***Inviting Public Comments/ Suggestions***

- 2.17. The Commission has directed the Petitioner to make available copies of the petition to the members of general public on request, and also issued a public notice inviting comments/ suggestions on the above said Petition.
- 2.18. The aforesaid public notice was issued by the Petitioner in various newspapers and a period of twenty-one (21) days was given to the members of the general public for submitting their comments/suggestions.

**Table 1: List of Newspapers and Dates of Publication of Public Notice by The Petitioner**

Sl. No.	Newspaper	Date of Publication
1.	Prabhat Khabar	10.01.2026 & 11.01.2026
2.	Dainik Bhaskar	10.01.2026 & 11.01.2026
3.	Hindustan	11.01.2026
4.	Dainik Jagran	11.01.2026
5.	Times of India	10.01.2026 & 11.01.2026
6.	The Pioneer	10.01.2026 & 11.01.2026

- 2.19. Subsequently, the Commission also issued a notice on its website [www.jserc.org](http://www.jserc.org) and in various newspapers for conducting a public hearing on the Petition filed by the Petitioner. The newspapers wherein the notice for public hearing was issued by the Commission are detailed hereunder:

**Table 2: List of Newspapers and Dates of Publication of Public Notice by The Commission**

Sl. No.	Newspaper	Date of Publication
1.	Prabhat Khabar	12.02.2026 & 19.02.2026
2.	Hindustan	12.02.2026
3.	The Times of India	12.02.2026 & 19.02.2026
4.	The Pioneer	12.02.2026
5.	Dainik Bhaskar	19.02.2026
6.	The Hindustan Times	19.02.2026



## ***Submission of Comments/ Suggestions and Conduct of Public Hearing***

- 2.20. The public hearing was held on February 20, 2026 in the Meeting Hall of Vishwesharaiya Sanitation and Drinking Water Academy, Kanke Road, Kanke, Ranchi.
- 2.21. Comments/Suggestions on the Petition were received. The Comments/Suggestions of the Public, Petitioner's responses and Commission's views thereon are detailed in Chapter 4 of this Order.



## **Chapter 3: Brief Facts of the Petition**



## Chapter 3: Brief Facts of the Petition

### APR for FY 2025-26

#### Operational Parameters of Plant

- 3.1. The summary of operational parameters as approved by the Commission in its MYT order dated November 16, 2023 vis-à-vis estimates as submitted by the Petitioner is provided in the table below:

**Table 3: Operational Parameters as submitted by the Petitioner for FY 2025-26**

Particulars	Unit	MYT	Petition
Gross Station Heat Rate	kcal/kWh	2902.00	2925.45
Annual Plant Availability Factor	%	82.50	79.75
Auxiliary Energy Consumption	%	10.50	11.51
Secondary fuel oil consumption	ml/kWh	1.00	1.00

#### Annual Revenue Requirement (ARR)

- 3.2. The Annual Revenue Requirement as approved by the Commission in its MYT order dated November 16, 2023 vis-à-vis estimates as submitted by the Petitioner is provided in the table below:

**Table 4: Annual Revenue Requirement as submitted by the Petitioner for FY 2025-26 (Rs. Cr.)**

Particulars	MYT	Petition
O&M Expenses	30.81	40.72
Interest on Loan & Finance Charges	6.97	-
Interest on Normative Loan	-	6.29
Interest on Working Capital	5.02	7.46
Depreciation	17.59	17.48
Return on Equity	17.01	18.13
Water Charge	2.41	2.72
<b>Annual Fixed Cost</b>	<b>79.81</b>	<b>92.81</b>
<b>Annual Fixed Cost after PAF Adjustment</b>	<b>79.81</b>	<b>89.70</b>
ARR Publication & fee Expenses	-	0.07
Ash Handling Plant		0.79



Particulars	MYT	Petition
Security Expense	-	0.60
<b>Total Fixed Cost</b>	<b>79.81</b>	<b>91.16</b>
Energy Cost	109.44	123.80
Energy Charge Rate (Rs. /kWh)	2.69	3.19
<b>Annual Revenue Requirement</b>	<b>189.25</b>	<b>214.96</b>



## **Chapter 4: Public Consultation Process**





## **Chapter 4: Public Consultation Process**

4.1. The Petition filed by the Petitioner evoked very limited response from stakeholders. The Public Hearing held at the Meeting Hall of Vishwesharaiya Sanitation and Drinking Water Academy, Kanke Road, Kanke, Ranchi. was held on February 20, 2026 to ensure maximum public participation and transparency wherein Stakeholders put forth their comments and suggestions before the Commission in the presence of the Petitioner. The list of the attendees is attached as Annexure-I to this Order.

4.2. The Comments/Suggestion of the Public along with the response thereon of the Petitioner and the views of the Commission are detailed hereunder:

### ***Stakeholder' Comment***

4.3. The Petitioner has considered both interest on Loan and Normative interest on loan even though it claims that the term loan has been already repaid in FY 2022-23. This should not be allowed.

### ***Petitioner's Submission***

4.4. The Petitioner submitted that the interest on normative loan has been claimed in accordance with the applicable Tariff Regulations. The Petitioner further submitted that the normative loan has been computed based on the normative debt-equity ratio, and the interest thereon has been calculated at the weighted average rate of interest as prescribed under the Regulations. The Petitioner stated that such approach is consistent with regulatory principles and its past filings.

### ***Stakeholder' Comment***

4.5. The Commission had approved a Station Heat Rate (SHR) of 2902.00 kcal/kWh in the MYT Order; however, the Petitioner has claimed an SHR of 2925.45 kcal/kWh. The Petitioner submitted that the higher SHR is not justified, as SHR is a controllable



parameter, and any inefficiency on part of the generating station should not be passed on to the consumers.

***Petitioner's Submission***

The Petitioner submitted that the Station Heat Rate (SHR) claimed in the Petition is based on certified actual data, duly supported by documentation provided in Petition for FY 2024-25. The Petitioner, therefore, requested the Commission to allow the claimed SHR based on the certified records and supporting documents submitted

***Stakeholder' Comment***

- 4.6. Auxiliary consumption claimed at 11.51% as against the approved rate of 10.50%. IPL always claim a higher rate for auxiliary consumption. This inefficiency should not be passed to the consumer

***Petitioner's Submission***

- 4.7. The Petitioner submitted that the generating station is based on CFBC technology, which inherently involves higher auxiliary consumption due to higher pressure drops and fan power requirements, and the same is not reflective of inefficiency. It further submitted that, as per CERC Tariff Regulations, 2009, auxiliary consumption norms for CFBC-based stations were higher than conventional coal-based units.
- 4.8. The Petitioner stated that CFBC technology offers advantages such as better fuel efficiency, emission control, and fuel flexibility compared to AFBC boilers.
- 4.9. The Petitioner submitted that higher auxiliary consumption is a technical requirement of CFBC plants and has been recognized by other State Commissions.

***Stakeholders Comments***

- 4.10. JBVNL stated that the calculation used for determining depreciation is not clear and need to be further clarification.



***Petitioner's Submission***

- 4.11. The depreciation is calculated based on the assets of the petitioner as defined in the JSERC Generation Tariff Regulation 2020. The petitioner has submitted the Audited books of account with the petition for scrutiny of the Commission.

***Stakeholder' Comment***

- 4.12. The petitioner claims that the ash brick business is different business however, it claims the ash handling charges in the petition. This should not be allowed.

***Petitioner's Submission***

- 4.13. The petitioner stated that the ash handling expense is attributed to generation business and it needs to be disposed as per MoEF guidelines. Thus, the ash handling expenses is claimed according to JSERC Generation Tariff Regulations, 2020

***Stakeholder' Comment***

- 4.14. JBVNL stated that other Expenses claimed by the petitioner is substantially high and should not be allowed by the Commission.

***Petitioner's Submission***

- 4.15. The petitioner submitted that other expenses are claimed as actuals as per JSERC Generation Tariff Regulations, 2020.



# **Chapter 5: Annual Performance Review for FY 2025-26**



## **Chapter 5: Annual Performance Review for FY 2025-26**

5.1. The Commission has referred to clause 8.1 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 which states as follows:

*“8.1 The Generating Company shall file APR Petition, for Annual Performance Review along with details of capital expenditure, additional capitalization, sources of financing, operations and maintenance expenditure, actual loan portfolio with the interest paid, along with other components of ARR incurred/projected to be incurred for the year under review, as per timelines stipulated in Section A 39 of these Regulations.”.*

5.2. The Petitioner has submitted the Annual Performance Review for FY 2025-26 based on the actual for first six months (April, 2025 to September, 2025) and projected for the second half (October, 2025 to March, 2026) as per provisions of the JSERC Generation Tariff Regulations, 2020.

5.3. The Commission has carried out APR for FY 2025-26 taking into consideration: -

- Audited (Statutory) Accounts for FY 2024-25 and additional details submitted by the Petitioner;
- JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020; read with its amendments thereof and;
- Methodology adopted by the Commission in the earlier order.

### **Operational Performance Parameters**

#### **Plant Availability Factor (PAF)**

##### **Petitioner's Submission**

5.4. The Petitioner had submitted the actual plant availability for the



first six months up to September 2025 is lower than the approved values as stated in MYT order dated November 16,2023 and for the next six months the Petitioner has estimated at normative values of 82.5%. The Petitioner has submitted the PAF for the unit for FY 2024-25 as shown in the table below:

**Table 5: Annual Plant Availability Factor as submitted by the Petitioner for FY 2025-26**

Particular	Unit	FY2025-26			
		MYT Approved	Apr to Sep	Oct to Mar	APR Petition
			Actual	Estimated	Estimated
Annual Plant Availability factor	%	82.50	77.00	82.50	79.75

### Commission's Analysis

- 5.5. As per Clause 6.11 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 which stipulates that performance parameters are deemed to be controllable in nature. As such, the Commission, approves the Normative Annual Plant Availability Factor (NAPAF) as per Regulation A 16 of the JSERC (Terms & Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023.

**Table 6: Plant Availability as approved by the Commission for FY 2025-26**

Particulars	MYT	Petition	Approved
Normative Plant Availability Factor (%)	82.50%	-	82.50%
Actual Plant Availability Factor (%)	-	79.75%	79.75%

### Auxiliary Consumption

#### Petitioner's Submission

- 5.6. The Petitioner has submitted the estimated auxiliary consumption for FY 2025-26 as shown in the table below.

**Table 7: Annual Plant Availability Factor as submitted by the Petitioner for FY 2025-26**

Particular	Unit	FY2025-26			
		MYT Approved	Apr to Sep	Oct to Mar	APR Petition
			Actual	Estimated	Estimated
Auxiliary Energy Consumption	%	10.50	13.00	10.02	11.51

### Commission's Analysis

- 5.7. Clause 6.11 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 stipulates that performance parameters are deemed to be controllable in nature. As such, the Commission approves the Normative Auxiliary Consumption as per Regulation A 16 of the JSERC (Terms & Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023.
- 5.8. Further, the Normative Auxiliary Consumption has been used to calculate the energy charges for the financial year of FY 2025-26.

**Table 8: Auxiliary Consumption (%) as approved by the Commission for FY 2025-26**

Particulars	MYT	Petition	Approved
Normative Auxiliary Consumption	10.50%	-	10.50%
Actual Auxiliary Consumption	11.81%	11.51%	-

### Plant Load Factor and Generation

#### Petitioner's Submission

- 5.9. The Petitioner has projected the Plant Load Factor (PLF) for FY 2025-26 as 79.38 % against the target of 82.50% approved by the Commission in the MYT Order dated November 16, 2023.
- 5.10. The Petitioner has further projected the gross generation of the unit as 438.09 MU which is lower than the approved value of 455.30 MU in the MYT Order dated November 16, 2023.

#### Commission's Analysis

- 5.11. The Commission has scrutinized the detail submitted along with



Petition and approves the plant load factor and gross generation as submitted by the Petitioner for FY 2025-26.

- 5.12. Likewise, the Plant Load Factor and Gross Generation as approved by the Commission in the MYT Order, as projected by the Petitioner, and as approved now by the Commission are summarized in the table below.

**Table 9: PLF (%) And Generation (MU) as approved by the Commission for FY 2025-26**

Particulars	Units	MYT	Petition	Approved
Normative Plant Load Factor	%	82.50%	-	82.50%
Actual Plant Load Factor	%	82.50%	79.38%	79.38%
Gross Generation	MU	455.30	438.09	438.09

### **Gross Station Heat Rate (GSHR)**

#### **Petitioner's Submission**

- 5.13. The Petitioner has submitted the actual GSHR as available with the Petitioner upto September 2025, however the Petitioner has submitted that the SHR for FY 2025-26 is expected to be higher than normative values due to change in fuel mix, use of fuel with high ash etc.
- 5.14. The Petitioner has submitted the estimated Gross Station Heat Rate (GSHR) vis- à-vis that being approved in MYT order dated 16th November 2023 as given in the table below:

**Table 10: GSHR (kCal/kWh) as submitted by the Petitioner for FY 2025-26**

Particular	Unit	FY2025-26			
		MYT Approved	Apr to Sep	Oct to Mar	APR Petition
			Actual	Estimated	Estimated
Gross Station Heat Rate	Kcal/Kwh	2,902.00	2,925.45	2,925.45	2,925.45

#### **Commission's Analysis**

- 5.15. Clause 6.11 of the JSERC (Terms and Conditions for Determination of Generation Tariff) (First Amendment)



Regulations, 2023 stipulates that performance parameters are deemed to be controllable in nature. As such, the Commission, approves the Gross Station Heat Rate in accordance with Regulation A 16 of the JSERC (Terms & Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023.

**Table 11: GSHR (kCal/kWh) as approved by the Commission for FY 2025-26**

Particulars	Units	MYT	Petition	Approved
Gross Station Heat Rate	kcal/kWh	2,902.00	2,925.45	2,902.00

### ***Specific Fuel Oil Consumption***

#### **Petitioner Submission**

5.16. The Petitioner had submitted the specific fuel oil consumption as 1.00 ml/kWh in line to JSERC (Terms and Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023.

#### **Commission's Analysis**

5.17. The Commission observes that the submission made by the Petitioner is in accordance with the Commission's MYT Order dated November 16, 2023 and JSERC (Terms and Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023. Hence, the Commission approves the secondary fuel oil consumption as submitted by the Petitioner

**Table 12: Specific Fuel Oil Consumption(ml/kWh) as approved by the Commission for FY 2025-26**

Particulars	Units	MYT	Petition	Approved
Specific Fuel Oil Consumption	ml/kWh	1.00	1.00	1.00

### ***Fuel Cost Parameters***

#### ***Coal Mix and Gross Calorific Value (GCV) of Primary Fuel***

#### **Petitioner's Submission**

5.18. The Petitioner has submitted that the coal is procured from

various sources as mentioned below.

- Coal Linkage through Shakti Scheme
- Rejects from Tata Steel

5.19. Further, on availability of coal input the blending ratio of Coal and Coal rejects have varied from the approved figures. The transit loss has been considered at a normative value of 0.80%. The estimated fuel mix, GCV and weighted average cost of coal is estimated and proposed by the petitioner in the below mentioned table:

**Table 13: Estimates of fuel details as submitted by the Petitioner for FY 2025-26**

Particular	Unit	FY2025-26			
		MYT Approved	Apr to Sep	Oct to March	APR Petition
			Actual	Estimate	Estimate
GCV of Coal	Kcal/Kg	3,680.24	3,840.97	3,840.97	3,840.97
GCV of Rejects	Kcal/Kg	1,872.24	2,161.00	2,161.00	2,161.00
Weighted average GCV of fuel	Kcal/Kg	2,505.04	3,470.83	3,470.83	3,470.83
Weighted average GCV of fuel less stacking loss	Kcal/Kg	2,420.04	3,385.83	3,385.83	3,385.83
Ratio of Coal in Fuel Mix	%	35.00%	77.97%	77.97%	77.97%
Ratio of Rejects in Fuel Mix	%	65.00%	22.03%	22.03%	22.03%
Price of Coal	Rs/MT	2,726.77	3,436.27	3,436.27	3,436.27
Price of Rejects	Rs/MT	1,498.75	2,133.35	2,133.35	2,133.35
Weighted average Price of Primary Fuel	Rs/MT	1,928.56	3,149.21	3,149.21	3,149.21
Transit Loss considered	%	0.80	0.80%	0.80%	0.80%
Weighted average Price of Primary Fuel after Transit Loss	Rs/MT	1,944.11	3,174.60	3,174.60	3,174.60

### Commission's Analysis

5.20. The Commission has observed a significant deviation in the blending ratio, Gross Calorific Value (GCV) of primary fuel-mix and its price as compared to the approved values in MYT Order dated November 11, 2023.



- 5.21. The Commission has also observed that the Petitioner has considered stacking loss of coal (i.e.85kCal/kg) while computing GCV of primary fuel in the petition.
- 5.22. The Commission has referred to clause 7.1 of the JSERC (Terms and Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023 gazette on 31st October 2023 wherein specific provision of stacking loss has been incorporated for GCV of primary fuel on as received basis less 85kCal/kg on account of variation during storage for the coal purchased under SHAKTI scheme. Accordingly, the Commission in line with the regulation had allowed stacking loss for the Petitioner in APR Order.
- 5.23. The Petitioner considered the stacking and handling loss of 85kCal/kg while computing the GCV of primary fuel. In this regard the Commission is of the opinion that there is stacking loss on the part of the Petitioner or the Petitioner has considered it in its final GCV submitted. Accordingly, the Commission has factored the stacking loss separately in the GCV of primary fuel in ECR computation for FY 2025-26.
- 5.24. The Commission has considered the submission made by the Petitioner, including Auditor's Certificate submitted vide 'Annexure No. 6' to the Petition. The Commission has scrutinized monthly source-wise coal consumption, duly certified by the auditor, as submitted by the Petitioner, and has recalculated the Weighted average GCV of Primary Fuel and approves the coal mix and Gross Calorific Value as shown below.

**Table 14: Coal Mix and GCV as approved by the Commission for FY 2025-26**

Particular	Unit	MYT	Petition	Approved
GCV of Coal	Kcal/Kg	3,680.24	3,840.97	3,840.97
GCV of Rejects	Kcal/Kg	1,872.24	2,161.00	2,161.00
Weighted average GCV of fuel	Kcal/Kg	2,505.04	3,470.83	3,470.87



Particular	Unit	MYT	Petition	Approved
Weighted average GCV of fuel less stacking loss	Kcal/Kg	2,420.04	3,385.83	3,385.87
Ratio of Coal in Fuel Mix	%	35.00%	77.97%	77.97%
Ratio of Rejects in Fuel Mix	%	65.00%	22.03%	22.03%
Price of Coal	Rs/MT	2,726.77	3,436.27	3,436.27
Price of Rejects	Rs/MT	1,498.75	2,133.35	2,133.35
Wtd average Price of Primary Fuel	Rs/MT	1,928.56	3,149.21	3,149.24
Transit Loss considered	%	0.80	0.80%	0.80%
Wtd average Price of Primary Fuel after Transit Loss	Rs/MT	1,948.11	3,174.60	3,174.63

### Landed Cost of Primary Fuel

#### Petitioner's Submission

- 5.25. The Petitioner has submitted the internal Auditor's Certificate submitted vide 'Annexure No. 6' to the Petition of the first six months of FY 2025-26 for landed cost of primary fuel consumed from different sources. The landed price of primary fuel includes base price of coal, royalty, taxes and duties, transport cost, Clean Energy Cess etc.
- 5.26. The estimated computation of Primary Fuel Cost of coal as proposed by the petitioner is mentioned in table below:

**Table 15: Estimates of primary fuel cost as submitted by the Petitioner for FY 2025-26**

Particular	Unit	FY2025-26			
		MYT Approved	Apr to Sep	Oct to March	APR Petition
			Actual	Estimate	Estimate
Capacity	MW	63.00	63.00	63.00	63.00
Plant Load Factor	%	82.50	75.95	82.50	79.38
Gross Generation	MU	455.30	210.44	227.65	438.09
Auxiliary Consumption	MU	47.81	27.35	22.82	50.42
Auxiliary Consumption	%	10.50	13.00	10.02	11.51
Net Generation	MU	407.49	183.09	204.83	387.67



Particular	Unit	FY2025-26			
		MYT Approved	Apr to Sep	Oct to March	APR Petition
			Actual	Estimate	Estimate
Weighted Average GCV of primary fuel less Staking Loss	kCal/Kg	2,420.04	3,385.83	3,385.83	3,385.83
Weighted Average Rate of primary fuel after Transit Loss	Rs/ MT	1,944.11	3,174.60	3,174.60	3,174.60
Primary Fuel Cost	Rs. Cr.	105.78	57.53	62.23	119.76

### Commission's Analysis

5.27. The Commission has outlined Clause 17.11 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020, for the approval of landed cost of primary fuel as reproduced below,

*“17.11 The landed cost of fuel for the month shall include price of fuel corresponding to the grade and quality of fuel inclusive of royalty, taxes and duties as applicable, transportation cost by rail / road or any other means, and, for the purpose of computation of energy charge, and in case of coal/lignite shall be arrived at after considering normative transit and handling losses as percentage of the quantity of coal or lignite dispatched by the coal or lignite supply company during the month as given below:*

*Pithead generating stations: 0.2%*

*Non-pithead generating stations: 0.8%*

*Provided that in case of pit head stations if coal or lignite is procured from sources other than the pit head mines which is transported to the station through rail, transit loss of 0.8% shall be applicable:*

*Provided further that in case of imported coal, the transit and handling losses shall be 0.2%.”*

5.28. The Petitioner in the Petition, has provided month wise fuel



procurement and rate of primary fuel procured, for the first six months duly certified by the internal auditor vide 'Annexure No. 6' to the Petition and projected the same for the next six months of FY 2025-26.

- 5.29. Considering, the Petitioner's submission and after a due prudent check of the Auditor's Certificate submitted vide 'Annexure No. 6' to the Petition, the Commission approves the landed cost of primary fuel as given in the table below.

**Table 16: Estimates of primary fuel cost as approved by the Commission for FY 2025-26**

Particulars	Units	MYT Order	Petition	Approved
Capacity	MW	63.00	63.00	63.00
Plant Load Factor	%	82.50	79.38	79.38
Gross Generation	MU	455.30	438.09	438.09
Auxiliary Consumption	MU	47.81	50.42	45.99
Auxiliary Consumption	%	10.50	11.51	10.50
Net Generation	MU	407.49	387.67	387.67
Weighted Average GCV of primary fuel less Staking Loss	kCal/Kg.	2,420.04	3,385.83	3,385.87
Weighted Average Rate of primary fuel after Transit Loss	Rs/ MT	1,944.11	3,174.60	3,174.63
<b>Primary Fuel Cost</b>	<b>Rs. Cr.</b>	<b>105.78</b>	<b>119.76</b>	<b>117.45</b>

### ***Calorific value and Landed price of Secondary Fuel***

#### **Petitioner's Submission**

- 5.30. The Petitioner has submitted the landed price of secondary fuel based on the secondary fuel consumed during the first six months of FY 2025-26 which has been duly certified by internal auditor in 'Annexure 3' submitted along with the Petitioner. The Petitioner has considered the same value for the next six months of FY 2025-26.

**Table 17: Estimates of Secondary Fuel Oil Cost as submitted by the Petitioner for FY 2025-26**

Particular	Unit	FY2025-26			
		MYT Approved	Apr to Sep	Oct to March	APR Petition
			Actual	Estimate	Estimate
Gross Generation	MU	455.30	210.44	227.65	438.09
Secondary Fuel Oil Consumption	ml/kWh	1.00	1.00	1.00	1.00
GCV of Oil	kCal/litre	10,000.00	10,000.00	10,000.00	10,000.00
Oil Consumption	KL	455.30	210.44	227.65	438.09
Base Price of Oil	Rs./kl	80,471.31	92,169.95	92,169.95	92,169.95
<b>Cost of secondary fuel oil</b>	<b>Rs. Cr.</b>	<b>3.66</b>	<b>1.94</b>	<b>2.10</b>	<b>4.04</b>

### Commission's Analysis

5.31. On scrutinizing & analyzing the data, material and documents on record and upon a prudent check, the Commission approves the weighted average landed price of secondary fuel as shown below:

**Table 18: Landed Price of Secondary Fuel approved by the Commission for FY 2025-26**

Particulars	Units	MYT Order	Petition	Approved
Gross Generation	MU	455.30	438.09	438.09
Secondary Fuel Oil Consumption	ml/kWh	1.00	1.00	1.00
GCV of Oil	kCal/litre	10,000.00	10,000.00	10,000.00
Oil Consumption	KL	455.30	438.09	438.09
Base Price of Oil	Rs./kl	80,471.31	92,169.95	92,169.95
<b>Cost of secondary fuel oil</b>	<b>Rs. Cr.</b>	<b>3.66</b>	<b>4.04</b>	<b>3.99</b>

### Energy Charge Rate (ECR)

#### Petitioner's Submission

5.32. The Petitioner had submitted the Energy Charge Rate (ECR) computed based on the discussion on primary and secondary fuel cost in the above paragraph as provided in the table below:

**Table 19: Computation of Energy Charge as submitted by the Petitioner for FY 2025-26**

Particular	Unit	FY2025-26			
		MYT Approved	Apr to Sep	Oct to March	APR Petition
			Actual	Estimate	Estimate
Primary Fuel Cost	Rs. Cr	105.78	57.53	62.23	119.76
Secondary Fuel Cost	Rs. Cr	3.66	1.94	2.10	4.04
Total Energy charge	Rs. Cr	109.44	59.47	64.33	123.80
Net Generation	MU	407.49	183.09	204.83	387.67
<b>Energy Charge Rate</b>	<b>Rs./kWh</b>	<b>2.69</b>	<b>3.25</b>	<b>3.14</b>	<b>3.19</b>

### Commission's Analysis

- 5.33. As per JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 read along with its amendments, the energy (variable) charge shall cover primary fuel and secondary fuel costs, shall be payable by the beneficiary for the total energy scheduled to be supplied to such beneficiary during the calendar month on an ex-power plant basis, at the specified energy charge rate of the month (with fuel price adjustment and limestone adjustment).
- 5.34. Accordingly, the Commission has computed the Energy Charge Rate (ECR) to be charged by the Petitioner as per the formula specified in JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 along with its amendments. The table below details the ECR and Fuel Cost for APR for the financial year as submitted by the Petitioner and as approved by the Commission.

**Table 20: ECR (Rs. /kWh) & total energy cost (Rs. Cr) as approved by the Commission for FY 2025-26**

Particulars	Unit	MYT Order	Petition	Approved
Primary Fuel Cost	Rs. Cr	105.78	119.76	117.45
Secondary Fuel Cost	Rs. Cr	3.66	4.04	3.99



Particulars	Unit	MYT Order	Petition	Approved
Total Energy charge	Rs. Cr	109.44	123.80	121.44
Net Generation	MU	407.49	387.67	387.67
<b>Energy Charge Rate</b>	<b>Rs./kWh</b>	<b>2.69</b>	<b>3.19</b>	<b>3.13</b>

## ***Determination of Fixed Cost***

### ***Depreciation***

#### **Petitioner's Submission**

- 5.35. The Petitioner submitted that depreciation has been calculated as per the depreciation rates provided in Appendix-I of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020.
- 5.36. The Petitioner has calculated the depreciation taking into account the closing asset for FY 2024-25 and additional capitalization for FY 2025-26. The depreciation submitted by the Petitioner is given in the table below.

**Table 21: Depreciation as submitted by the Petitioner for FY 2025-26(Rs. Cr.)**

Particular	Unit	FY2025-26			
		MYT Approved	Apr to Sep	Oct to March	APR Petition
			Actual	Estimate	Estimate
Opening Gross block	Rs. Cr	-	339.82	339.82	339.82
Additional Capitalization	Rs. Cr	-	-	-	-
Closing Gross Block	Rs. Cr	-	339.82	339.82	339
Depreciation due to Add Capitalization	Rs. Cr	-			
<b>Energy Charge Rate</b>	<b>Rs. Cr</b>	<b>17.59</b>	<b>8.74</b>	<b>8.74</b>	<b>17.48</b>

#### **Commission's Analysis**

- 5.37. The Commission has calculated the depreciation for the unit by considering the approved capital cost, capitalization and the



depreciation rates as specified in Appendix-I of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020. The following table shows the depreciation approved by the Commission:

**Table 22: Depreciation as approved by the Commission for FY 2025-26 (Rs. Cr.)**

Particulars	Depreciation Rate	Opening	Addition	Deletion	Closing	Depreciation
Building Residential	2.67%	3.03			3.03	0.08
Building Other	2.67%	13.91			13.91	0.37
Road & Culverts	2.67%	3.21			3.21	0.09
Furniture & Fitting	6.33%	0.89			0.89	0.06
Electrical Equipment	4.22%	35.65			35.65	1.50
Plant & Machinery	4.22%	289.09			289.09	12.20
Vehicle	12.77%	1.22			1.22	0.16
Computer	15.00%	0.43			0.43	0.06
Laboratory	4.22%	0.12			0.12	0.01
Office Equipment	6.33%	0.45			0.45	0.03
ERP Software	15.00%	0.11			0.11	0.02
<b>Total</b>		<b>358.16</b>			<b>358.16</b>	<b>14.57</b>

Particulars	FY 2024-25		
	APR	Petition	Approved
Depreciation	17.34	17.46	14.57

### *Operation and Maintenance Expenses*

#### **Petitioner's Submission**

5.38. The Petitioner has submitted that as per clauses 15.35, 15.41 and 15.42 of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020, O&M expense would be applicable for generating companies and comprises of the following:



- Salaries, wages, pension contribution and other employee costs
- Administrative and General costs
- Repair and maintenance costs

5.39. The Petitioner has considered the projected O&M Expense to be incurred during H2 (Oct to Mar) of FY 2025-26 as being equal to the actual O&M Expense incurred during H1 (Apr to Sep) of FY 2025-26. The petitioner humbly prays the Commission to approve the O&M Expense to be incurred by the Petitioner during FY 2025-26, which is provided in the table below

5.40. In view of the reasons stated above, the Petitioner has prayed to the Commission to allow the O&M expenses as shown below.

**Table 23: O&M Expenses as submitted by the Petitioner for FY 2025-26 (Rs. Cr.)**

Particular	Unit	FY2025-26			
		MYT Approved	Apr to Sep	Oct to March	APR Petition
			Actual	Estimate	Estimate
O & M Expenses	Rs. Cr	30.81	20.36	20.36	40.72

5.41. The Petitioner has further estimated water charge as Rs.2.72 Cr. On the basis of water charges presented by the Petitioner up to September.

5.42. In view as stated above, the Petitioner has submitted the projected water charges for FY 2025-26 as shown in the table below:

**Table 24: Computed Water Charges as submitted by the Petitioner for FY 2025-26 (Rs. Cr.)**

Particular	Unit	FY2025-26			
		MYT Approved	Apr to Sep	Oct to March	APR Petition
			Actual	Estimate	Estimate
Water Charges	Rs. Cr	2.41	1.36	1.36	2.72



### Commission's Analysis

- 5.43. The Commission has observed that the Petitioner had claimed the O&M Expenses on actual basis instead of normative basis as per JSERC (Terms & Condition of Determination of Tariff) Regulations 2020. Further, the Petitioner submitted that the claim in the O&M cost is in line with its audited accounts.
- 5.44. The Normative O&M expenses calculated by the Commission is as follows:

**Table 25: Normative O&M expense calculated by the Commission (Rs. Cr.)**

Particulars	Normative O&M Expense
R&M Expenses	4.59
Employee Expenses (excl. terminal benefits)	9.37
A&G Expenses (excl. legal charges)	15.54
<b>Normative O&amp;M Expenses</b>	<b>29.50</b>

- 5.45. On Scrutinizing & analyzing the material, data, information on record the Commission has observed that the actual O&M expenditure is higher than the expenditure approved in the MYT Order dated November 16, 2023.
- 5.46. The Commission has referred to clause 15.46 of JSERC (Terms and Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023 for approval of water charge as reproduced below:

*“The Water Charges, Security Deposit, and Capital Spare for thermal generating stations shall be allowed separately after prudent check”:*

- 5.47. Accordingly, the commission approves the O&M expenses and water charges for FY 2025-26 as shown in the table below:

**Table 26: Normative O&M & Water expense calculated by the Commission (Rs. Cr.)**

Particulars	Petition	Approved
Normative O&M Expenses		29.50
Actual O&M Expenses		40.72



Particulars	Petition	Approved
Loss		-11.22
Loss shared with beneficiaries		0.00
Terminal Benefit		0.61
<b>O&amp;M Expenses after sharing of Gain/(Loss)</b>		<b>30.11</b>
<b>Water Charges</b>		<b>2.72</b>

### *Interest on Loan*

#### **Petitioner's Submission**

- 5.48. The Petitioner, has submitted that as of FY 2023–24, all term Loans availed by IPL have been fully repaid and closed. IPL avails short-term loans from Body Corporate sources, and short-term working capital loans. However, since interest on working capital is claimed separately in accordance with the normative provisions under Regulations 15.23 to 15.27 of the JSERC Tariff Regulations, 2020, such loans have not been considered for computation of interest on loan
- 5.49. In view of the above, the Petitioner has computed the Interest on Normative Loan in line with the applicable Regulations of the JSERC Tariff Regulations 2020. The Interest rate has been considered as per SBI 1-year MCLR as on 1st April 2025 + 200 basis points.
- 5.50. The opening balance is considered equal to the Commission's approved closing balance as per order dtd. 27.05.2025 for True-up for FY 2023-24. Further, the repayment shown is deemed to be equal to the depreciation for the financial year in accordance with Regulation 15.15 of the JSERC Tariff Regulations 2020

**Table 27: Interest on Normative Loan as submitted by the Petitioner for FY 2025-26 (Rs. Cr.)**

Particular	Unit	FY2025-26			
		MYT Approved	Apr to Sep	Oct to March	APR Petition
			Actual	Estimate	Estimate
Opening Normative Debt	Rs Cr.		65.89	57.15	65.89



Particular	Unit	FY2025-26			
		MYT Approved	Apr to Sep	Oct to March	APR Petition
			Actual	Estimate	Estimate
Balance					
Net Additions	Rs Cr.		-	-	-
Repayment	Rs Cr.	-	8.74	8.74	17.48
Closing Normative Debt Balance	Rs Cr.	-	57.15	48.41	48.41
Average	Rs Cr.	-	61.52	52.78	57.15
Rate of Interest	%		5.50%	5.50%	11.00%
<b>Interest on Normative Loan</b>	<b>Rs Cr.</b>	<b>-</b>	<b>3.38</b>	<b>2.90</b>	<b>6.29</b>

### Commission's Analysis

- 5.51. The Commission has considered the opening balance of normative debt for FY 2025-26 as closing balance for FY 2024-25 as per the True-up Order dated March 30, 2026.
- 5.52. The Commission has observed that the Petitioner has considered the actual repayment shall be equal to the depreciation allowed for that respective financial year. Accordingly, the Commission approves the repayment equal to the approved depreciation in accordance with clause 15.15 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 to arrive at the closing balance of normative debt component.
- 5.53. In accordance with the methodology stated above, the Commission has computed the normative interest on loan as shown in the table below.

**Table 28: Interest on Loan as approved by the Commission for FY 2025-26(Rs. Cr.)**

Particulars	MYT Order	Petition	Approved
Opening Debt Balance	66.96	65.89	68.81
Net Additions	-	-	-
Repayment	17.59	17.48	14.57



Closing Debt Balance	49.37	48.41	54.24
Average	58.16	57.15	61.52
Rate of Interest (%)	11.98%	11.00%	11.00%
<b>Interest on Normative Loan</b>	<b>6.97*</b>	<b>6.29</b>	<b>6.77</b>

\* Interest on Loan

### Interest on Working Capital

#### Petitioner's Submission

5.54. The Petitioner has claimed the Interest on Working Capital based on Regulation 15.23 of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 and requested the Commission to approve the same for the financial year.

**Table 29: Interest on Working Capital as submitted by the Petitioner for FY 2025-26 (Rs.Cr.)**

Particular	Unit	FY2025-26			
		MYT Approved	Apr to Sep	Oct to March	APR Petition
			Actual	Estimate	Estimate
Coal Cost for 50 Days	Rs. Cr	14.49	7.88	8.52	16.40
Cost of Secondary Fuel Oil for 2 Months	Rs. Cr	0.61	0.32	0.35	0.67
O&M Expenses for 1 month	Rs. Cr	2.77	3.62	3.62	3.62
Maintenance Spares	Rs. Cr	6.64	4.34	4.34	8.69
Receivables for 45 Days	Rs. Cr	23.33	13.07	13.63	26.70
Total Working Capital	Rs. Cr	47.84	29.24	30.47	56.09
Rate of Interest	%	10.50%	12.50%	12.50%	12.50%
<b>Interest on Working Capital</b>	<b>Rs. Cr</b>	<b>5.02</b>	<b>3.65</b>	<b>3.81</b>	<b>7.46</b>

#### Commission's Analysis

5.55. The Commission has referred to clause 15.23 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 for consideration of the components for



determination of Working capital requirement.

- 5.56. The Commission has considered interest on Working Capital as 12.50% as per Clause 15.26 of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020. The Interest on Working Capital as approved by the Commission for FY 2025-26 is shown in the table below:

**Table 30: IoWC as approved by the Commission for FY 2025-26 (Rs. Cr.)**

Interest on Working Capital	MYT	Petition	Approved
Coal Cost for 50 Days	14.49	16.40	16.87
Cost of Secondary Fuel Oil for 2 Months	0.61	0.67	0.70
O&M Expenses for 1 month	2.77	3.62	3.67
Maintenance Spares (20% of O&M)	6.64	8.69	6.02
Receivables for 45 Days	23.33	26.70	25.50
Total Working Capital	47.84	56.09	52.75
Rate of Interest	10.50%	12.50%	12.50%
Interest on Working Capital	<b>5.02</b>	<b>7.46</b>	<b>6.59</b>

### **Return on Equity**

#### **Petitioner's Submission**

- 5.57. The Petitioner has estimated post tax Return on Equity at 15.00% in accordance with the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, (First Amendment) 2023 on opening equity base of Rs. 99.77 Cr.

**Table 31: ROE as submitted by the Petitioner for FY 2025-26 (Rs Cr.)**

Particular	Unit	FY2025-26			
		MYT Approved	Apr to Sep	Oct to March	APR Petition
			Actual	Estimate	Estimate
Opening Equity	Rs Cr.	93.57	99.77	99.77	99.77
Addition during the Year	Rs Cr.	-	-	-	-
Closing Equity	Rs Cr.	93.57	99.77	99.77	99.77
Average Equity	Rs Cr.	93.57	99.77	99.77	99.77
Rate of RoE	%	15.00%	15.00%	15.00%	15.00%



Particular	Unit	FY2025-26			
		MYT Approved	Apr to Sep	Oct to March	APR Petition
			Actual	Estimate	Estimate
Applicable MAT Rate	%	17.47%	17.47%	17.47%	17.47%
Net Rate of ROE	%	18.18%	18.18%	18.18%	18.18%
<b>Return on Equity</b>	<b>Rs Cr.</b>	<b>17.01</b>	<b>9.07</b>	<b>9.07</b>	<b>18.13</b>

### Commission's Analysis

- 5.58. The Commission has considered the closing equity as approved by the Commission in True-up for FY 2024-25 as the opening equity for FY 2025-26.
- 5.59. In accordance with Clause 15.9 to Clause 15.10 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 read along with its amendment, the Commission has approved the rate of return on equity at 15.00% as shown in the table below.

**Table 32: ROE as approved by the Commission for FY 2025-26(Rs. Cr.)**

Particulars	Unit	MYT Order	Petition	Approved
Opening Equity	Rs Cr.	93.57	99.77	91.69
Addition during the Year	Rs Cr.	-	-	-
Closing Equity	Rs Cr.	93.57	99.77	91.69
Average Equity	Rs Cr.	93.57	99.77	91.96
Rate of RoE	%	15.00%	15.00%	15.00%
Corporate Tax Rate	%			25.17%
<b>Return on Equity</b>	<b>Rs Cr.</b>	<b>17.01</b>	<b>18.13</b>	<b>18.38</b>

### Other Expenses

#### Petitioner's Submission

- 5.60. The Petitioner has submitted that expenses like ARR publication & filing fee expenses, security expenses and Ash handling plant shall be claimed on actuals during True-up for FY 2025-26 post actual



payment of these items, brief of which is summarized below:

**Table 33: Other Charges as submitted by the petitioner for FY 2025-26(Rs. Cr.)**

Other Expenses	MYT	Petition
ARR Publication and Fee Expenses		0.07
Ash Handling Expenses		0.79
Security Expenses		0.60
<b>Total Other Expenses</b>		<b>1.47</b>

### Commission's Analysis

5.61. The Commission has referred to clause 15.46 of JSERC (Terms and Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023 for approval of security as reproduced below:

*“The Water Charges, Security Deposit, and Capital Spare for thermal generating stations shall be allowed separately after prudent check”*

5.62. The summary of other expenses as approved by the Commission for APR of FY 2025-26 is shown below:

**Table 34: Other Charges approved by the Commission for FY 2025-26(Rs. Cr.)**

Other Expenses	Petition	Approved
ARR Publication and Fee Expenses	0.07	0.07
Ash Handling Expenses	0.79	0.79
Security Expenses	0.60	0.60
<b>Total Other Expenses</b>	<b>1.47</b>	<b>1.47</b>

### Water Charge

#### Petitioner's Submission

5.63. The Petitioner has submitted the estimated water charge for the financial year as Rs 2.72 Cr.

#### Commission's Analysis

5.64. The Commission has referred to clause 15.46 of JSERC (Terms



and Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023 for approval of water charge as reproduced below:

*“The Water Charges, Security Deposit, and Capital Spare for thermal generating stations shall be allowed separately after prudent check”.*

- 5.65. Since water charges are allowed on actual as per clause of 15.46 JSERC (Terms and Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023 the Commission provisionally allows the water charges of Rs 2.72 Cr for FY 2025-26 subject to prudent check at the time of true up.

## **Total Fixed Charges**

### **Petitioner’s Submission**

- 5.66. The summary of Fixed Charge including Income Tax, ARR Publication & Fee Expenses as submitted by the Petitioner for the financial year is shown below.

**Table 35: Total Fixed charges as submitted by the Petitioner for FY 2025-26(Rs. Cr.)**

<b>Particulars</b>	<b>MYT Order</b>	<b>Petition</b>
O&M Expenses	30.81	40.72
Interest on Loan	6.97	-
Interest on Normative Loan	-	6.29
Interest on Working Capital	5.02	7.46
Depreciation	17.59	17.48
Return on Equity	17.01	18.13
Water Charges	2.41	2.72
<b>Annual Fixed Cost</b>	<b>79.81</b>	<b>92.81</b>
Fixed cost with PAF Adjustment	<b>79.81</b>	<b>89.70</b>
ARR Publication & Fee Expenses	-	0.07
Ash Handling Plant	-	0.79
Security Expenses	-	0.60
<b>Total Fixed Charges</b>	<b>79.81</b>	<b>91.16</b>



### Commission's Analysis

5.67. The summary of Fixed Charge including ARR Publication & Fee Expenses, Ash handling plant and water charges as approved provisionally by the Commission subject to true up for the financial year is shown in the table below.

**Table 36: Total Fixed Charges as approved by the Commission for FY 2025-26 (Rs. Cr.)**

Particulars	MYT Order	Petition	Approved
O&M Expenses	30.81	40.72	30.11
Interest on Loan	6.97	-	-
Interest on Normative Loan	-	6.29	6.77
Interest on Working Capital	5.02	7.46	6.59
Depreciation	17.59	17.48	14.57
Return on Equity	17.01	18.13	18.38
Water Charges	2.41	2.72	2.72
<b>Annual Fixed Cost</b>	<b>79.81</b>	<b>92.81</b>	<b>79.14</b>
Fixed cost with PAF Adjustment	<b>79.81</b>	<b>89.70</b>	<b>76.50</b>
ARR Publication & Fee Expenses	-	0.07	0.07
Ash Handling Plant	-	0.79	0.79
Security Expense	-	0.60	0.60
<b>Total Fixed Charges</b>	<b>79.81</b>	<b>91.16</b>	<b>77.96</b>

### Summary of ARR Components

#### Petitioner's Submission

5.68. The summary of ARR Components as submitted by the Petitioner for the financial year is shown below

**Table 37: Total ARR submitted by the Petitioner (Rs. Cr.)**

Particulars	MYT Order	Petition
Total Fixed Charges	79.81	91.16
Energy Charge Rate (ECR)(Rs/kWh)	2.69	3.19
Total Energy Cost	109.44	123.79
<b>Annual Revenue Requirement</b>	<b>189.25</b>	<b>214.96</b>
<b>Less: Non-tariff Income</b>	<b>0.03</b>	<b>0.03</b>
<b>Net Annual Revenue Requirement</b>	<b>189.22</b>	<b>214.93</b>



### Commission's Analysis

5.69. The summary of ARR Components as approved by the Commission for the financial year is shown in the table below:

**Table 38: Summary of ARR as approved by the Commission for FY 2025-26 (Rs. Cr.)**

Particulars	MYT Order	Petition	Approved
Total Fixed Charges	79.81	91.16	77.96
Energy Charge Rate (ECR)	2.69	3.19	3.13
Total Energy Cost	109.44	123.80	121.44
Less: Non-tariff Income	0.03	0.03	0.03
<b>Annual Revenue Requirement</b>	<b>189.22</b>	<b>214.93</b>	<b>199.37</b>

5.70. The Commission has conducted the Annual Performance Review (APR) based on the data presented by the Petitioner. However, the same shall be revisited while proceeding of True-up for FY 2025-26 based on audited accounts, and in accordance with the provisions of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 along with its amendments.



## **Chapter 6: Directives**



## **Chapter 6: Directives**

### ***Timeliness and Data Adequacy in the Next Tariff Petition***

5.71. The Commission directs the Petitioner to file the next tariff Petition, after removing deficiencies highlighted in this Tariff Order. The Petitioner should ensure that the data submitted to the Commission is accurate and justified with adequate certification. The Commission also directs the licensee to ensure submission of the next tariff petition within the time frame as stipulated in the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020, read with its amendments thereof.

This order is signed and issued by the Jharkhand State Electricity Regulatory Commission on **March 30, 2026**.

Date: 30.03.2026

Place: Ranchi

**Sd/-**

**Mahendra Prasad**  
**Member (Law)**

**Sd/-**

**Justice. Navneet Kumar**  
**Chairperson**



## **ANNEXURE - I**

### **List of participating members in the Public Hearing**

Sl. No	Name	Address/Organization
1	Mr.Soumyajit Das	Consultant, Inland Power Ltd.
2	Mr.Sayan De	Consultant, Inland Power Ltd.
3	Mr. Birendra Kisku	Jharkhand Bijli Vitran Nigam Ltd.
4	Mr. Shashi Bhushan Kumar	Jharkhand Bijli Vitran Nigam Ltd.
5	Mr. Arun Kumar Mahto	Inland Power Ltd.
6	Mr. Anindya Sengupta	Inland Power Ltd.
7	Mr. Sanjay Kumar Singh	Inland Power Ltd.
8	Mrs. Anita Prasad	Jharkhand Bijli Vitran Nigam Ltd.
9	Mr. Radha Krishna Tripathy	Consultant, Jharkhand Bijli Vitran Nigam Ltd.
10	Ms. Ujjwala K. Guria	Jharkhand Bijli Vitran Nigam Ltd.
11	Gaurav Kumar	JUSNL
12	Mr. Sudip Kiswakarma	Inland Power Ltd.
13	Mr. Shailendra Nath Sinha	Inland Power Ltd.
14	Mr. Arup Mukherjee	Individual
15	Mr.Alok Kumar Das	Individual
16	Mr.Binnu Kumar	Individual
17	Mr. Soundarya Prakash	Individual
18	Mr. Dhiresh Kumar	Individual
19	Mr. Rajesh	Individual
20	Mr. O. Tirkey	Individual
21	Mr. Vishal	Individual