

**JOINT ELECTRICITY REGULATORY COMMISSION
(FOR THE STATE OF GOA AND UNION TERRITORIES)
GURUGRAM**

CORAM

Shri Alok Tandon (Chairperson)
Smt. Jyoti Prasad, Member (Law)

Review Petition No.: 184/2026

in

Petition No. 151/2025

Date of Hearing: 03.06.2026

Date of Order: 15.06.2026

In the matter of

Review petition under Section 94(1)(f) of the Electricity Act, 2003 read with the relevant provisions of the JERC (Conduct of Business) Regulations seeking review of the Tariff Order dated 28.10.2025 passed in respect of Petition No. 151/2025.

And in the matter of

Electricity Department, Andaman & Nicobar Administration (ANED),
Vidyut Bhawan, Sri Vijaya Puram- 744101.

.....Petitioner

Present:

For the Petitioner

1. Sh. Pravesh Ranjan Jha, Secretary (Power), UT Administration, A&N Islands.
2. Smt. Madhuri Shukla, Superintending Engineer, ED, Andaman & Nicobar Administration.
3. Sh. Arvind Tiwari, Consultant.

ORDER

1. This Review Petition has been filed by Electricity Department Andaman & Nicobar Administration (hereinafter referred to as the "ANED" or the "Petitioner") seeking review of the Commission's Order dated 28th October 2025 with following prayers:
 - a) Review and modify the Impugned Tariff Order dated 28.10.2025 passed in Petition No. 151/2025 to the extent it excludes TRP funded assets from the Gross Fixed Assets base;
 - b) Restore the GFA treatment as approved in JERC Order dt. 01.08.2022 in Petition No. 81/2022;
 - c) Recompute Depreciation, Return on Equity, Interest on Loan and ARR accordingly;
2. Before proceeding to analyse the issues and concerns of the Petitioner, it is imperative to examine the powers of the Commission to review its own Order and the scope of review.

The Commission's Power to Review:

- a) The Commission's power to review its own Order flows from Section 94(1)(f) of the Electricity Act, 2003 ("the Act") which provides that:

... "The Appropriate Commission shall, for the purposes of any inquiry or proceedings under this Act, have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 (5 of 1908) in respect of the following matters, namely:

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

These powers to review u/s 94(1)(f) of the Act are the same as conferred on a Civil Court by the Code of Civil Procedure (CPC). These have been spelt out in Section 114, read with Order 47, of the CPC.

- i. As per the said provisions, the specific grounds on which an Order already passed can be reviewed are:
 - I. if there are mistakes or errors apparent on the face of the record, or
 - II. on discovery of new and important matter or evidence which, after due diligence, was not within the knowledge or could not be produced at the time of making the order, or
 - III. if there exist other sufficient reasons.
- ii. Thus, review is permissible where some mistake or error apparent on the face of record is found and the error apparent on record must be such an error which may strike one merely by looking at the record and would not require any long-drawn process of reasoning. But simultaneously, the materials on record, which on proper consideration may justify the claim, cannot be ignored.
- iii. Clerical or arithmetical mistakes in Judgments or Orders, or errors arising therein from any accidental slip or omission may at any stage be corrected by the Commission under Section 152 of the CPC, either of its own motion or on the application of any of the parties. The word "accidental" qualifies the slip/ omission.

- b) Section 74 (B) of the Joint Electricity Regulatory Commission (Conduct of Business) Regulations, 2009, specifies the following:

“74 (B). Review of the decisions, directions and orders

(a) The Commission may at any time on its own motion or on the application of any of the persons or parties concerned, within 45 days of the making of any decision, direction or order, review such decisions, directions or orders and pass such appropriate orders as the Commission thinks fit:

Provided that power of review by the Commission on its own motion shall be exercised limited to correction of clerical or typographical errors.

(b) An application for such review shall be filed in the same manner as a Petition under Chapter II of these regulations.”

- c) Therefore, the instant review petition has to necessarily meet the requirements of Section 114 and Order 47 of the CPC to be eligible for review.

Issues raised in the Review Petition

3. Error in the treatment of TRP-funded assets in the Gross Fixed Assets (GFA) base in the Impugned Order dated 28.10.2025 constitutes an error apparent on the face of record requiring review.

Petitioner’s Submission

4. The Petitioner has submitted that the Commission, under para 31.17 of the Tariff Order dated 28.10.2025 in Petition No. 151/2025, while approving the Aggregate Revenue Requirement for the 4th Control Period (FY 2025-26 to FY 2029-30), has considered the Net Opening Gross Fixed Assets after deduction of assets amounting to Rs. 308.42 Crores, inter alia observing that assets created out of TRP fund of Rs. 286.44 Crores were funded through special grant. The observation of the Commission is reproduced below:

“..... Further, assets created out of TRP (Tsunami Rehabilitation Programme) fund of worth Rs. 286.44 Crores has not been considered as these assets had been funded through special grant in the form of TRP fund only. Besides that, depreciation related to unserviceable assets amounting Rs 21.98 Crore has also not been considered. Accordingly, the Commission has considered the Net Opening GFA after the deduction of Assets on which depreciation is not allowed worth 308.42 Cr....”

5. The Petitioner has further submitted the reference of the orders wherein the Gross Fixed Assets of the Petitioner have been explicitly approved and adopted.
- JERC Order dt. 10.05.2022 in Petition No. 64/2021 “True-up for FY 2017-18, FY 2018-19, FY 2019-20 and FY 2020-21”.
 - JERC Order dt. 01.08.2022 in Petition No. 81/2022 “Annual Performance Review for FY 2021-22, Aggregate Revenue Requirement for 3rd MYT Control Period (FY 2022-23 to FY 2024-25) & Determination of Retail Supply Tariff for the FY 2022-23”.
 - JERC Order dt. 28.03.2023 in Petition No. 97/2023 “Annual Performance Review for FY 2022-23 and Aggregate Revenue Requirement (ARR) and Determination of Retail Tariff for the FY 2023-24”.

6. The Petitioner further submits that in earlier Orders of the Commission had specifically included TRP-funded assets in the GFA base and had allowed Interest on Loan, Depreciation & Return on Equity on the TRP funded assets. But in order dated 28.10.2025 in Petition No. 151/2025 “True- up for FY 2021-22 & Annual Performance Review for FY 2024-25, ARR & Determination of Retail Tariff for the 4th Control Period FY 2025-26 to FY 2029-30”, while carrying out the True-up for FY 2021-22 and determining the Aggregate Revenue Requirement for the 4th Control Period, the closing value of Gross Fixed Assets for FY 2020-21 has been considered without including the assets created out of TRP funds, despite the fact that such assets had been specifically noted and approved in earlier Orders.
7. The non-consideration of the approved assets created out of TRP funds in the Tariff Order dated 28.10.2025 is an inadvertent omission and is fit case for appropriate rectification.

Commission’s Analysis

8. In the impugned Order dated 28th October 2025 in Petition No. 151/2025, while determining the Net Opening Gross Fixed Assets after deduction of assets amounting to Rs. 308.42 Crores, inter alia observing that assets created out of TRP fund of Rs. 286.44 Crores have not been considered on the ground that such assets were funded through special grant, however these assets which were created out of TRP funds were treated as equity infusion in the earlier order.
9. The Commission in the order dated 1st August 2022 in Petition no. 81/2022 had observed the following:

“The Commission vide order dated May 10, 2022 had considered that the assets created out of TRP funds have been funded through special grant in the form of TRP fund. Further, the Commission granted the liberty to the Petitioner to provide the proof of funding for assets created out of TRP fund as equity along with the asset wise details of year-on-year capitalisation and depreciation from the date of capitalisation for the Commission’s consideration.

*The Petitioner has now submitted the proof of the funding along with the details of the assets with year-on-year capitalisation and depreciation from the date of capitalisation. **The Commission has considered the proof of funding as submitted by the Petitioner and accordingly has considered the funding of the assets created out of TRP funds as equity infusion.** Further, in accordance with Regulation 26 of the MYT Regulations, 2018, since the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as a normative loan.”*

10. As per para 3.10 of the order dated 1st August 2022 in Petition no. 81/2022, Impact of considering assets created out of TRP Funds for the FY 2020-21, the Commission had allowed the assets created out of TRP Funds as equity infusion with following analysis:

“As per the Fixed Asset Register for the assets created out of TRP funds, the opening GFA as on 1.4.2020 is INR 286.44 crore and accordingly, table below provides the details of funding for the assets created out of TRP funds:

Table 30: Funding of assets created out of TRP funds (INR Crore)

Particulars	FY 2020-21
Opening GFA	286.44
Debt	200.51
Equity	85.93

The Commission has analysed the FAR as submitted by the Petitioner and has computed the year-on-year depreciation considering the depreciation rates as considered by the Commission in various MYT periods to compute the accumulated depreciation as on 1.4.2020 and has arrived at the figure of INR 128.08 crore. The Commission would like to highlight that the Petitioner had failed to claim the capital expenditure for the assets created out of fund just at the time of filing of the first tariff petition before JERC and has brought the same to Commission's attention after almost a decade. Addition of these assets in their respective year of capitalisation would result in increase in various Annual Revenue Requirement components - interest on loan, return on equity, depreciation, loan repayment and interest on working capital. There would be no change in O&M expenses as these are linked with historical O&M expenses. During a normal course of proceedings, the Commission had to revise the true-up from the financial year in which these assets get capitalised. However, in case of Electricity Department Andaman & Nicobar Islands, the year-on-year revenue gap along with any other expenditure as determined by the Commission had historically been met through Budgetary Support from the Andaman and Nicobar Administration. **Therefore, the Commission has not revised the ARR due to inclusion of assets created from TRP fund for previous years (before FY 2020-21) and included the assets created out of TRP funds in the Gross fixed assets from 1.4.2020 onwards in-line with the proposal of the Petitioner.**

Further, the Commission has considered that the depreciation accrued over the years from the date of capitalisation towards the repayment of the loan. Further, in case of the Petitioner, no actual loan has been availed, hence, the accumulated depreciation has been adjusted from the normative loan value."

Accordingly, the Commission had approved the Interest on Loan (Rs 5.39 Cr.), Depreciation (Rs. 10.05 Cr.) & Equity (Rs. 13.75 Cr.) for the assets created out of TRP funds for the FY 2020-21, and the same was allowed in the revenue requirement of the APR of FY 2021-22 with total impact of Rs. 29.19 Cr. **Therefore, the Commission allowed the impact of Rs. 29.19 Cr of assets created out of TRP funds for FY 2020-21 in the true-up of the FY 2021-22 for past period. (Refer Table- 35 of the Tariff Order dated 01.08.2022 in Petition No. 81/2022)**

11. The Commission observes that there is an error apparent on face of tariff order dated 28.10.2025 that requires rectification. Hence, the Commission considers the review petition and rectifies the order as hereunder.
12. The variation in the Interest on Loan, Depreciation, Return on Equity and ARR has been adjusted after considering the assets created out of TRP Funds and the revised tables are as follows:

a. GFA and Depreciation

The revised GFA and Depreciation Tables approved by the Commission (*replacing Table 33 of order 151/2025 dated 28th October 2025*).

Table 33: Depreciation (Cr) for FY 2021-22

Particulars	Rate	Closing Gross Fixed Assets for FY 2020-21	Less: Unserviceable assets	Opening GFA as per audited accounts	Less: Value of assets depreciated upto 90%	Revised Opening GFA (after removal of assets)	Addition	Closing GFA	Average GFA	Rate of depreciation	Depreciation
				a			b	c	d=(a+c)/2	e=f/d	f
Plant & Machinery	3.60%	475.41	20.66	454.75	34.40	420.35	3.50	423.85	422.10	3.60%	15.20
Buildings & Civil Engineering works	1.80%	82.55	0.00	82.55	0.40	82.15	-	82.15	82.15	1.80%	1.48
Vehicles	18.00%	4.01	0.94	3.07	2.97	0.10	-	0.10	0.10	18.00%	0.02
Furniture & Fixtures & Office equipment	6.00%	4.13	0.39	3.74	0.70	3.04	0.04	3.09	3.07	6.00%	0.18
Land & Land Rights	0.00%	0.00	0.00	0.00	-	0.00	-	0.00	0.00	0.00%	-
Total		566.10	21.99	544.11	38.47	505.64	3.55	509.18	507.41	3.32%	16.87

b. Interest on Loan and Finance Charges

The Commission has considered the opening normative Loan of Rs. 126.02 Cr based on the Closing Normative loan as per Truing up of FY 2020-21 of Rs. 63.65 Cr and Closing Normative loan of Rs. 62.37 Cr of FY 2020-21 for the TRP fund as considered in the para 3.10 of the order dated 1st August 2022 in Petition no. 81/2022. Therefore, the revised Interest on Loan and Finance Charges approved by the Commission (*replacing Table 35 of order 151/2025 dated 28th October 2025*) is as follows.

Table 35: Interest on Loan and Finance Charges (Cr) approved by the Commission for FY 2021-22

S. No.	Particulars	Trued-Up by Commission
1	Opening normative Loan	126.02
2	Add: Normative Loan During the year	2.48
3	Less: Normative Repayment= Depreciation	16.87
4	Closing Normative Loan	111.63
5	Average Normative Loan	118.83
6	Rate of Interest (%)	8.00%
7	Interest on Loan	9.51
8	Total Interest and Finance Charges	9.51

c. Return on Equity

The Commission has considered the opening equity of Rs. 163.23 Cr based on the Closing equity as per Truing up of FY 2020-21 of Rs. 77.30 Cr and Closing equity of Rs. 85.93 Cr of FY 2020-21 for the TRP fund as considered in the para 3.10 of the order dated 1st August 2022. Therefore, the revised Return on Equity approved by the Commission (replacing Table 37 of order 151/2025 dated 28th October 2025) is as follows.

Table 37: Return on Equity (Cr) approved by the Commission for FY 2021-22

S. No.	Particulars	Trued-Up by Commission
1	Opening normative equity	163.23
2	Equity Additions on account of new capitalisation (30% of Capitalisation)	1.06
3	Closing Equity	164.29
4	Average Equity	163.76
5	Average Equity-Wires Business	147.39
6	Average Equity (Retail Supply Business)	16.38
7	Return on Equity for Wires Business (%)	15.50%
8	Return on Equity for Retail Supply Business (%)	16.00%
9	Return on Equity for Wires Business	22.84
10	Return on Equity for Retail Supply Business	2.62
11	Return on Equity	25.46

d. ARR (Annual Revenue Requirement)

The revised ARR approved by the Commission (replacing Table 44 of order 151/2025 dated 28th October 2025).

Table 44: ARR (Cr) approved by the Commission for FY 2021-22

S. No.	Particulars	Approved in order 151/2025 dt. 28 th October 2025	Trued-up now	Variation
1	Cost of Fuel (Own & HPP)	654.27	654.27	-
2	Power Purchase Cost (Fixed cost of Solar, Fixed cost of HPP)	37.65	37.65	-
3	Prior Period Power Purchase Expenses	156.76	156.76	-
4	Operation & Maintenance Expenses (After Gain/Loss)	147.71	147.71	-
5	Depreciation	8.00	16.87	8.87
6	Interest and Finance charges	2.72	9.51	6.79
7	Interest on Working Capital	3.92	3.92	-
8	Interest on Security Deposit	0.00	0.00	-
9	Return on Equity	10.31	25.46	15.15
10	Provision for Bad Debt	0.00	0.00	-
11	Income Tax	0.00	0.00	-

S. No.	Particulars	Approved in order 151/2025 dt. 28 th October 2025	Trued-up now	Variation
12	Disincentive due to under achievement of norms (T&D Loss)	(48.28)	(48.28)	-
13	Impact of allowing assets creating out of TRP funds for FY 2020-21	-	29.19	29.19
14	Total Revenue Requirement	973.06	1033.06	60.01
15	Less: Non-Tariff Income	5.12	5.12	-
16	Net Revenue Requirement	967.93	1027.94	60.01

e. Standalone Revenue (Gap)/Surplus

The revised Standalone Revenue (Gap)/Surplus approved by the Commission (replacing Table 46 of order 151/2025 dated 28th October 2025).

Table 46: Standalone Revenue (Gap)/ Surplus

S. No.	Particulars	Approved in order 151/2025 dt. 28 th October 2025	Trued-up now	Variation
1	Net Revenue Requirement	967.93	1027.94	60.01
2	Less: Revenue from Retail Sales at Approved Tariff	170.79	170.79	-
3	Net (Gap) /Surplus	(797.14)	(857.15)	(60.01)

13. Treatment of Gap

The Commission has raised the queries during the course of proceeding for treatment of Gap after revision of the ARR. The Petitioner has submitted that the gap is met through the budgetary support by the Government of India as submitted in the letter with reference EL/PL/10-1/2021/2004 dated 27th May 2021. The Commission has considered the submission of the Petitioner. Therefore, the standalone gap is 'NIL' for FY 2021-22.

14. The closing balance of GFA, Loan and Equity as revised in this order shall be the basis for computation of depreciation, Interest on Loan and RoE of true-up of subsequent years.

15. The review petition is allowed and disposed of accordingly.

Sd/-
(Jyoti Prasad)
Member (Law)

Sd/-
(Alok Tandon)
Chairperson

(Certified Copy)


(Rajesh Dangi)
Secretary I/c

Place: Gurugram, Haryana

Date: 15th June, 2026