Chhattisgarh State Electricity Regulatory Commission
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Petition No. 13 of 2026

In the Matter of

Seeking review of the order dated 23.07.2025 passed in petition no. 02 of 2025 for licensed distribution business.

M/s.Jindal Steel Ltd. .... **Petitioner**

Present: Vivek Ganodwale, Member (Law)
Ajay Kumar Singh, Member (Tech)

Appearance: Shri Mridul Chakraborty and Ms.Archi Thapliyal, Counsels with Shri Z. Ali for petitioner M/s.Jindal Steel Ltd.

ORDER

(Passed on 24.08.2026)

This order is passed in petition filed by M/s. Jindal Steel Ltd.(JSL-D) for review of tariff order dated 23.07.2025 passed in petition no.02 of 2025 which was filed for true-up of FY 2023-24, determination of ARR and retail tariff for FY 2025-26.

2. The petitioner has filed present petition for review of the decision of not carrying out true-up for FY 2023-24 and non-consideration of various aspects while determining ARR for the FY 2025-26.

3. In accordance with the procedure laid down in the Regulations, the petitioner has published gist of the petition in newspapers on 07.03.2026 for inviting objections/suggestions from the stakeholders. For this purpose, the petition was made available at the office of the Commission. The petition was also made available on the Commission's website. The Commission has conducted Public Hearing on 14.07.2026.

4. No written objections/suggestions were received from the public.

5. Various issues raised in the petition have been dealt in upcoming paragraph:

Issue 1: Non-consideration of true-up for FY 2023-24.

JSL-D's Submission

6. JSL-D submitted that the Commission committed a clear, material error apparent on the face of the record by refusing to undertake the truing-up of JSL-D's legitimate claims for FY 2023-24 despite the availability of audited figures and data. The Commission had declined to true-up based on a misconstrued interpretation of APTEL's interim order passed on date 17.03.2022 in Appeal no. 438 of 2022 & Batch contained certain directions qua an earlier order dated 28.11.2022 passed by the Commission in Petition No. 14 of 2021, treating the pending appeal as a legal embargo. JSL-D emphasizes that APTEL's order never restrained the Commission from performing its statutory duties or finalizing truing-up

proceedings, meaning the refusal to exercise its review and regulatory powers under Section 94(1) of the Electricity Act, 2003 constituted a fundamental oversight.

7. JSL-D further submitted that, the background to this dispute stems from the Commission's order dated 28.11.2022, where it reduced JSL-D's Average Cost of Supply (ACoS) from Rs.5.44 per KWh to Rs.4.15 per KWh by retrospectively adjusting an alleged revenue surplus of Rs.1246.31 Crores derived from CPP's. Upon Appeal, APTEL found merit in JSL-D's argument and noted that CSERC had incorrectly calculated surplus power on a monthly basis without determining whether the supply was firm or intermittent – and stayed the reduction, allowing JSL-D to charge a provisional tariff of Rs.5.44 per KWh pending final disposal.

8. Further, JSL-D concluded that by ignoring both the submitted audited records and the context of APTEL's stay order, the Commission's decision suffers from apparent legal and factual errors that warrant exercise of review powers to pass the requested relief.

Commission's View

9. The Commission has examined the issue raised by the petitioner and found that there is no error apparent on the face of the record and that no new facts had been bought on record by JSL-D to justify a review. Accordingly, the Commission found no grounds for review of its earlier decision and reaffirmed the view taken by the Commission in the original petition no.02 of 2025.

Non-consideration/disallowances qua various aspects while determining ARR of FY 2025-26:

10. JSL-D submitted that the Commission has not considered following two broad points while determination of ARR For the FY 2025-26:

(i) non-consideration of the revised estimates of FY 2024-25 submitted by the Petitioner, which resulted in under-recovery on components of GFA, Depreciation, Interest on Loan, and Return on Equity; and

(ii) non-consideration of GST Charges, exchange charges, and trader fees while computing RPO costs, leading to an understated Average Cost of Supply (ACoS). Overall, against the Petitioner's claimed ARR of Rs. 806.79 Cr., the Commission approved Rs. 716.22 Cr., resulting in a total disallowance of Rs. 90.57 Cr.

11. JSL-D submitted that the Commission did not approve any capitalization for FY 2025-26 fixing closing GFA at Rs. 22.33 Cr. against the claimed Rs. 40.95 Cr. This had a cascading effect, reducing Depreciation and Return on Equity, Interest on Loan and Interest on Working Capital. The Petitioner contends this violates cost-plus principles under Section 62 of the EA 2003, as certain assets necessary for current/future load and emergency requirements were excluded without reasoning, rendering the Order non-speaking on this issue. Additionally, on Non-Tariff Income, the Commission included Rs. 1.75 Cr. as "other charges from consumers" without providing any justification, which the Petitioner claims constitute an error apparent on the face of the record.

12. JSL-D further submitted that in the matter of Transmission Charges, the Commission approved only Rs. 2.62 Cr. against the claimed Rs. 6.52 Cr., relying on its earlier Order dated 23.07.2025 in Petition No. 01/2025, which allocates fixed transmission charges based on maximum demand (MW) rather than actual entitlement, thus a disallowance of Rs. 1.36 Cr. wrongly computed on a capacity utilization basis. The Petitioner argues Regulation 75 of the CSERC MYT Regulations, 2021 does not permit such capacity-based sharing since transmission charges are fixed in nature. Cumulatively, factoring the standalone revenue computed by the Petitioner i.e. Rs. 3.91 Cr. gap against the Commission's approved figures i.e. Rs. 17.68 Cr. surplus, the Petitioner submitted that non-consideration of the above principles constitutes an error apparent on the face of the record under Section 94 of the Electricity Act, 2003 read with Regulation 23 of the CSERC (Conduct of Business) Regulations, 2009, and prays that the Hon'ble Commission review and correctly reconsider all the above components.

Commission's View:

13. The Commission, in accordance with the provisions of the regulations, approves the Aggregate Revenue Required for ensuing year based on the estimation basis considering the best latest available data and after, completion of ensuing year, the Commission carries out the trueing-up exercise of ARR on the basis of actual data available in audited accounts. Hence, in case of any deviation in actual data from the estimated value is automatically taken care of during truing-up. Hence, concerns raised by the petitioner will be addressed during truing-up of ARR for FY 2025-26.

14. We order accordingly.

Sd/-	**Sd/-**
(Ajay Kumar Singh)	**(Vivek Ganodwale)**
Member (Tech)	**Member (Law)**