

SKV Law Offices Drives Landmark Relief for DVC with JSERC Allowing INR 1,930.51 Crore Pass-Through



In a major regulatory win led by SKV Law Offices, the Jharkhand State Electricity Regulatory Commission (JSERC) has, for the first time, recognised a substantial portion of Damodar Valley Corporation's (DVC) accumulated regulatory assets, following the ongoing proceedings in OP No. 1 of 2025 before the Appellate Tribunal for Electricity (APTEL). The development reflects a critical inflection point in India's regulatory asset recovery framework and reinforces the impact of the Supreme Court mandated roadmap for addressing long pending revenue gaps across the power sector.

These proceedings emanate from the landmark judgment of the Hon'ble Supreme Court dated 06.08.2025, under which all State Commissions were directed to formulate a time bound and structured roadmap for recovery of accumulated revenue gaps / regulatory assets, with APTEL entrusted with the responsibility of overseeing and ensuring compliance through OP No. 1 of 2025.

Significant Regulatory Development in Jharkhand

In a major regulatory development aligned with the above directions, the JSERC, by its Tariff Order dated 30.03.2026, has for the first time recognised a substantial portion of DVC's accumulated regulatory assets. As part of this exercise, JSERC has allowed a pass through of INR 1,930.51 Crores, translating into an overall tariff impact of approximately 40%.

Importantly, JSERC has also introduced a Regulatory Asset Adjustment Surcharge (RAAS) of INR 0.35/kWh, thereby

creating a specific and measurable tariff based mechanism for recovery of the regulatory assets so recognised.

Structured Pathway for Recovery

While the entire stock of DVC's regulatory assets is yet to be recognised and allowed for recovery, the present order marks a decisive shift in regulatory approach. JSERC has acknowledged long pending regulatory claims and initiated a structured pathway for phased recovery, consistent with the Supreme Court's mandate and the ongoing supervisory proceedings before APTEL.

This development represents a significant milestone in DVC's long standing efforts to secure recovery of its legitimate dues, including cost reflective tariffs and timely recovery of prudently incurred expenses, and has wider implications for similarly placed utilities across the power sector.

SKV Law Offices Team

The matter is being led by SKV Law Offices, with Mr. Shri Venkatesh, Founding Partner, spearheading the representation, along with Mr. Nihal Bhardwaj, Counsel, and Ms. Surbhi Kapoor, Senior Associate. The team continues to actively represent DVC before APTEL in OP No. 1 of 2025 and in related proceedings arising from the evolving regulatory framework on recovery of regulatory assets.