



**Press Release**  
**JODHPUR VIDYUT VITRAN NIGAM LIMITED**  
**August 01, 2025**  
**Rating Upgraded**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1560.56	ACUITE BBB+   Stable   Upgraded	-
Bank Loan Ratings	926.00	-	ACUITE A2   Upgraded
Total Outstanding Quantum (Rs. Cr)	2486.56	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

**Rating Rationale**

Acuité has upgraded its long-term rating to 'ACUITE BBB+' (read as ACUITE triple B plus) from 'ACUITE BB+' (read as ACUITE double B Plus) and the short-term rating to 'ACUITE A2' (read as ACUITE A two) from 'ACUITE A4+' (read as ACUITE A four plus) on the Rs.2486.56 Cr. bank facilities of Jodhpur Vidyut Vitran Nigam Limited (JVVNL). The outlook is 'Stable'.

**Rationale for rating**

The upgradation in the rating factors in the migration of the rating status from 'Issuer Non-Cooperative'. The rating also factors in the stable revenue, sustained improvement in the AT&C and T&D losses in FY2025 along with the healthy collection efficiency in the last three years ended FY2025 (prov.). Further, the rating also factors in the support received from the State Government of Rajasthan (GoR) in the form of tariff and loss subsidies, grants and government guarantee backed borrowings. Also, the rating draws comfort from JVVNL's diverse consumer mix with high consumption from domestic and industrial consumers given their high tariff band. However, the rating is constrained on account of net level losses along with weak financial risk profile marked by negative net worth and deterioration in the debt protection metrics given the high debt levels of the company. Acuite also takes note of the current regulated nature of business.

**About the Company**

Jodhpur Vidyut Vitran Nigam Limited, (Jodhpur Discom) had been established in June 2000 under the Companies Act, 1956 by Govt. of Rajasthan. The Jodhpur Discom has been created with the principal object of engaging in the business of distribution and supply of electricity in 10 districts of Rajasthan, namely Jodhpur, Sirohi, Pali, Barmer, Jaisalmer, Jalore, Bikaner, Sriganganagar, Hanumangarh, Churu. The area of operation of Jodhpur Discom is 182509 sq. km. and the population in this area is 2.00 Crore as per 2011 census. The power supply in the Jodhpur Discom is managed by 12 distribution circles i.e. Jodhpur City, Jodhpur District, Sirohi, Pali, Barmer, Jaisalmer, Jalore, Bikaner District, Sriganganagar, Hanumangarh, Churu Bikaner City Circle (under private franchises).

**Unsupported Rating**

ACUITE BB-/Stable/A4

**Analytical Approach**

Acuité has considered the standalone business and financial risk profile of Jodpur Vidyut Vitran Nigam Limited (JVVNL). Further, Acuité has also factored in the inherent support extended from the state Government of Rajasthan.

## Key Rating Drivers

### Strengths

#### **Strategically important role of JVVNL for the state of Rajasthan & support extended by the GoR**

JVVNL came into existence in 2000 and is engaged in the business of distribution and supply of electricity in 10 districts of Rajasthan, namely Jodhpur, Sirohi, Pali, Barmer, Jaisalmer, Jalore, Bikaner, Sriganganagar, Hanumangarh, Churu. The area of operation of Jodhpur Discom is 182509 sq. km. The power supply in the Jodhpur Discom is managed by 12 distribution circles i.e. Jodhpur City, Jodhpur District, Sirohi, Pali, Barmer, Jaisalmer, Jalore, Bikaner District, Sriganganagar, Hanumangarh, Churu Bikaner City Circle (under private franchises). The status of the company as a 100 per cent government of Rajasthan (GoR) owned entity provides it adequate financial flexibility. JVVNL's credit profile is also supported by its access to funds at low cost and its ability to mobilise financial resources from several financial institutions and multilateral development institutions. The rating also factors in the ongoing support extended by GoR to JVVNL in the form of regular infusion of funds in the form of equity and unsecured loans and guarantees extended by the state government. In FY2025 (prov.) the GoR made an equity infusion of Rs. 59.30 Cr. Further, well established regulatory processes in Rajasthan such as presence of multi-year tariff regulations and grants sanctioned by the GoR has strengthened the operations of JVVNL. Acuité believes that JVVNL, being a fully owned undertaking of GoR, shall continue to benefit from the financial, operational and management support of GoR from time to time. Any event that impinges GoR's overall credit profile shall remain a key rating sensitivity.

#### **Sustainable improvement in the AT&C losses and T&D losses**

JVVNL has experienced sustained improvement in the Transmission and Distribution Losses [T&D] and Aggregate Technical and Commercial Losses [AT&C] over a period of last 10 years accrued to the implementation of multiple initiatives, capex to improve transmission lines, installing substations, among others. The collection efficiency of the discom has stood in range of 90 per cent to 100 per cent in last 3 years ending FY2025. Further the company has entered into Distribution & Franchisee Agreement in 2017 with Bikaner Electricity Supply Limited, fully owned subsidiary of the Calcutta Electric Supply Corporation (CESC) for a period of 20 years. The AT&C losses have improved from 26 per cent in FY2014-15 (base year) to 20 per cent in FY2025.

### Weaknesses

#### **Moderation in EBDITA; though losses recovered by State Government in a phased manner**

The revenues from sale of power stood at Rs. 24,415.82 Cr. in FY2025 (prov.) as compared to Rs. 25,420.72 Cr. in FY2024. The decline is on account of lower consumption from the domestic & industrial segment. Further, due to no inflation built in the tariff, the EBDITA margin of the company declined to 8.13 per cent in FY2025 (prov.) against 14.54 per cent in FY2024. The company has reported net losses of Rs. 2,756.62 Cr. in FY25 (prov.) as against Rs. 292.88 Cr. in FY24. As per guidelines, GoR has taken over and in lieu of that released a sum of Rs. 865.84 Cr. during FY 2021-22 (50 per cent of losses of F.Y 2020-21) and Rs. 1,765.05 Cr. during FY 2022-23 (60 per cent of losses of FY 2021-22) & Rs. 2468.38 Cr. during FY 2023-24 (75 per cent of the losses of FY 2022-23). On recommendation of 15th Finance Commission, the Ministry of Finance, GoI has approved a performance based additional borrowing space of 0.50 per cent of Gross State Domestic Product (GSDP) to States in power sector upon fulfilment of certain conditions and criteria. The objectives of the additional borrowing space are to improve the operational and economic efficiency of the power sector and promote a sustained increase in paid electricity consumption. This special dispensation of borrowing space has been recommended for each year for a four-year period from FY 2021-22 to 2024-25. Under the scheme, State Government (GoR) has agreed to take over the future losses of the Discoms in a phased manner i.e. 100% of loss during FY2024-25 and onwards.

#### **Modest financial risk profile**

The financial risk profile is modest marked by negative Net worth. The net worth stood at Rs. (19,978.81) Cr. as on March 31, 2025 (prov.) against Rs. (17,676.48) Cr. as on March 31, 2024. The deterioration in net worth is primarily due to losses incurred in FY2024. Besides there is an equity infusion of Rs. 59.30 Cr. was made during FY2025 (prov.) Also, the company on operating level has been profitable owing to reduced AT&C and T&D losses. It is a highly capital-intensive nature of business where in order to maintain operational efficiencies, the company has to incur regular capital expenditure. This results in rise in borrowings which in turn affects the profitability levels and in turn the debt protection metrics. The total debt stood at Rs. 36,793.25 Cr. in FY2025 (Prov.) as against Rs. 33,541.44 Cr. in FY2024. The debt protection metrics have been modest with interest coverage ratio (ICR) and debt service coverage ratio (DSCR) at 1.21 times and 0.59 times, respectively, in FY2024 as compared to 0.81 times and 0.44 times, respectively, in FY2023. In FY2025 (prov.), GoR has infused equity to the tune of Rs. 59.30 Cr. Furthermore, there has been support in the form of guarantee extended by Government of Rajasthan (GoR). Hence, support from GoR is crucial for rating and hence any credit profile of the state of Rajasthan will remain as a key rating monitorable.

## **Assessment of Adequacy of Credit Enhancement under various scenarios including stress scenarios (applicable for ratings factoring specified support considerations with or without the “CE” suffix)**

JVVNL has been supported by Government of Rajasthan (GOR) through 100 per holding and regular support in the form of timely disbursements of subsidies, grants and guarantees backed borrowings. GoR grants and subsidies would help augment cash flows to ensure timely repayment of debt even in stress scenario.

### **Rating Sensitivities**

- Credit profile of GoR.
- Improvement in overall operating efficiency with reduced AT&C and T&D losses
- Improvement in the overall financial risk and liquidity profile Dynamics in the regulatory environment.
- Change in shareholding and support from GoR.

### **Liquidity Position Adequate**

JVVNL net cash accruals stood at Rs. (1,655.72) Cr. in FY25 (Prov.) against the repayments of Rs. 6,163.39 Cr. during the same period. However, the repayment obligations have been funded from support in the form of grants from GoR. Further, under the additional Borrowing Limit of 0.50 per cent of Gross State Domestic Product (GSDP) scheme, State Government (GoR) has agreed to take over the future five-year losses of the Discom in a phased manner, and as per guidelines, GoR has taken over and in lieu of that released a sum equivalent to 100 per cent of the losses reported in FY2025 (prov.). Furthermore, the liquidity position is also supported by equity infusion of Rs. 59.30 Cr. by GoR during FY2025 (prov.) Further, there have been liquidity infusion for Discoms by Power Finance Corporation (PFC) & Rural Electrification Corporation Limited (REC) for a period of 10 years. The company's repayment obligation in the FY 2024-25 and going forward obligations will be repaid by way of newly availed term loans from REC & PFC and working capital loans which are backed by government guarantee and remaining by way of grants from GoR. AVVNL due to its strategic importance to GoR has been able to access various funding sources in the past to tide over the short-term liquidity mismatch. Further, Acuité receives comfort from the fact that JVNL being a GoR entity warrants adequate financial support from GoR, time to time, to support the mismatches.

### **Outlook: Stable**

### **Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	24415.82	25420.72
PAT	Rs. Cr.	(2756.62)	(292.88)
PAT Margin	(%)	(11.29)	(1.15)
Total Debt/Tangible Net Worth	Times	(1.84)	(1.90)
PBDIT/Interest	Times	0.60	1.21

### Status of non-cooperation with previous CRA (if applicable)

Not Applicable

### Any other information

None

### Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Group And Parent Support: <https://www.acuite.in/view-rating-criteria-47.htm>
- State Government Ratings : <https://www.acuite.in/view-rating-criteria-26.htm>

### Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
18 Jul 2025	Bank Guarantee/Letter of Guarantee	Short Term	926.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2)
	Term Loan	Long Term	24.96	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+   Stable)
	Term Loan	Long Term	256.94	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+   Stable)
	Cash Credit	Long Term	140.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+   Stable)
	Term Loan	Long Term	75.20	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+   Stable)
	Term Loan	Long Term	176.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+   Stable)
	Term Loan	Long Term	500.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+   Stable)
	Proposed Long Term Bank Facility	Long Term	387.46	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+   Stable)
19 Apr 2024	Bank Guarantee/Letter of Guarantee	Short Term	276.83	ACUITE A2 (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	649.17	ACUITE A2 (Reaffirmed)
	Term Loan	Long Term	416.69	ACUITE BBB+   Stable (Reaffirmed)
	Term Loan	Long Term	118.68	ACUITE BBB+   Stable (Reaffirmed)
	Term Loan	Long Term	347.32	ACUITE BBB+   Stable (Reaffirmed)
	Term Loan	Long Term	226.50	ACUITE BBB+   Stable (Reaffirmed)
	Term Loan	Long Term	228.06	ACUITE BBB+   Stable (Reaffirmed)
	Cash Credit	Long Term	140.00	ACUITE BBB+   Stable (Reaffirmed)
	Term Loan	Long Term	83.31	ACUITE BBB+   Stable (Assigned)
20 Jan 2023	Bank Guarantee/Letter of Guarantee	Short Term	649.17	ACUITE A2 (Assigned)
	Term Loan	Long Term	286.00	ACUITE BBB+   Stable (Assigned)
	Term Loan	Long Term	465.30	ACUITE BBB+   Stable (Assigned)
	Term Loan	Long Term	210.00	ACUITE BBB+   Stable (Assigned)
	Cash Credit	Long Term	140.00	ACUITE BBB+   Stable (Assigned)
	Term Loan	Long Term	375.95	ACUITE BBB+   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	926.00	Simple	ACUITE A2   Upgraded ( from ACUITE A4+ )
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	140.00	Simple	ACUITE BBB+   Stable   Upgraded ( from ACUITE BB+ )
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	387.46	Simple	ACUITE BBB+   Stable   Upgraded ( from ACUITE BB+ )
State Bank of India	Not avl. / Not appl.	Term Loan	27 Mar 2024	Not avl. / Not appl.	01 Apr 2032	500.00	Simple	ACUITE BBB+   Stable   Upgraded ( from ACUITE BB+ )
State Bank of India	Not avl. / Not appl.	Term Loan	03 Jan 2021	Not avl. / Not appl.	01 Nov 2025	75.20	Simple	ACUITE BBB+   Stable   Upgraded ( from ACUITE BB+ )
State Bank of India	Not avl. / Not appl.	Term Loan	14 Jun 2021	Not avl. / Not appl.	01 Jul 2028	176.00	Simple	ACUITE BBB+   Stable   Upgraded ( from ACUITE BB+ )
Punjab and Sind Bank	Not avl. / Not appl.	Term Loan	25 Mar 2021	Not avl. / Not appl.	31 Jul 2028	256.94	Simple	ACUITE BBB+   Stable   Upgraded ( from ACUITE BB+ )
Indian Overseas Bank	Not avl. / Not appl.	Term Loan	13 May 2020	Not avl. / Not appl.	01 Aug 2025	24.96	Simple	ACUITE BBB+   Stable   Upgraded ( from ACUITE BB+ )

### \*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr.No.	Name of the companies
1	Government of Rajasthan
2	Jodhpur Vidyut Vitran Nigam Limited

## Contacts

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### About Acuité Ratings & Research

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