



Press Release
JAIPUR VIDYUT VITRAN NIGAM LIMITED
October 06, 2025
Rating Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	3207.50	ACUITE BBB+ Stable Reaffirmed	-
Bank Loan Ratings	1233.65	-	ACUITE A2 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	4441.15	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of '**ACUITE BBB+**' (read as **ACUITE triple B plus**) and its short term rating of '**ACUITE A2**' (read as **ACUITE A two**) on Rs. 4441.15 Cr. bank facilities of Jaipur Vidyut Vitran Nigam Limited (JVVNL). The outlook is '**Stable**'.

Rationale for the rating

The rating reaffirmation factors in the strategic importance of JVVNL for Government of Rajasthan (GoR) and the support it receives from the state in the form of subsidies, grants and government guarantee backed borrowings. Further, the rating considers the reduction in the AT&C and T&D losses supported by improvement in their collection and billing efficiency in FY25. However, the increase in ACS & ARR gap thereby impacting profitability is a key rating monitorable. Moreover, the rating is constrained on account of weak financial risk profile marked by negative net worth, and deterioration in the debt protection metrics given the high debt levels of the company along with regulated nature of business.

About the Company

Incorporated in 2000, Jaipur Vidyut Vitran Nigam Limited (JVVNL) is a state power distribution company of Rajasthan State Electricity Board (RSEB). The Jaipur discom has been created with the principal objective of engaging in the business of distribution and supply of electricity in 15 districts of Rajasthan, namely Jaipur, Dausa, Alwar, Bharatpur, Dholpur, Kota, Bundi, Baran, Jhalawar, Sawaimadhopur, Tonk, Karauli, Bhiwadi, Deeg and Kotputli. The company has its registered office located in Jaipur. The current directors of the company are Mrs. Aparna Arora, Mr. Raj Kumar Sharma, Mr. Sidharth Sihag, Mr. Hemant Das, Mrs. Arti Dogra, Mr. Harsh Baweja, Mr. Naveen Jain.

Unsupported Rating

ACUITE BB/Stable/A4

Analytical Approach

Acuité has considered the standalone business and financial risk profile of Jaipur Vidyut Vitran Nigam Limited (JVVNL) to arrive at the rating. Further, Acuité has also factored in the inherent

support extended from the state Government of Rajasthan.

Key Rating Drivers

Strengths

Strategic relevance of JVVNL for state government and financial support extended by the state

Established by the State Government of Rajasthan, JVVNL forms the backbone of the power sector infrastructure for Rajasthan by covering operations for 15 districts of the state. The Government of Rajasthan (GoR) has consistently supported JVVNL through regular fund infusions in the form of equity, grants, and subsidies along with corporate guarantees. 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 financial support along with well-established regulatory framework including multi-year tariff regulations and sanctioned grants has strengthened the operations of JVVNL. During FY25, JVVNL received Rs. 10,725 Cr. of grants from the state as compared to Rs. 8,733 Cr. in FY24. Further, under the additional borrowing limit of 0.50% of Gross State Domestic Product (GSDP) scheme, State Government 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 90% of the losses reported in FY24.

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.

Reduced AT&C and T&D Losses in FY25 post slippage in FY24

The operating performance of the company is highly dependent on technical parameters including aggregate technical & commercial (AT&C) and transmission & distribution (T&D) losses, billing and collection efficiency along with gap between average cost of supply (ACS) and average revenue realised (ARR). The collection efficiency stood improved at 99.46 percent in FY25 compared to 94.91 percent in FY24 (98.51% in FY23) and the billing efficiency stood at 86.25 percent in FY25 compared to 84.23 percent in FY24 (85.41% in FY23). Therefore, the AT&C losses stood improved at 14.22% in FY25 as compared to 20.05% in FY24 (15.96% in FY23). Further, the T&D losses stood marginally improved at 21.20% in FY25 as compared to 22.19% in FY24 (21.45% in FY23). However, the ACS-ARR gap stood widened at Rs. 0.38 per unit in FY25 as against Rs. 0.30 per unit in FY24 and Rs. 0.09 per unit in FY23 on account of increase in finance costs. While, owing to quarterly revision in tariff rates, the company is not able to fully pass on the increased input costs to the customers often leading to the losses, however, owing to the government's Fuel Surcharge Adjustment (FSA) policy, the company recovered losses to the tune of Rs. 992 Cr. in FY25 (RS. 2,800 Cr. in FY24).

Weaknesses

Average financial risk profile

The financial risk profile remains modest marked by negative net worth and deterioration in the coverage indicators. The discom reported net losses in FY25 that resulted in further decline in the net worth. The debt levels stood similar at Rs. 35,254 Cr. as on March 31, 2025 (Est.) (Rs. 34,012.24 Cr. as on March 31, 2024) due to the highly capital-intensive nature of business wherein to maintain the operational efficiencies, the company has to regularly incur capital expenditures. This higher debt has resulted in the deterioration of the debt protection metrics, reflected by moderate interest coverage ratio (ICR) of 1.32 times in FY24 (1.31 times in FY23) and low debt service coverage ratio (DSCR) of 0.58 times in FY24 (0.71 times in FY23). While the company's DSCR has been weak in the past three years ended FY25, Acuité notes that JVVNL has received regular support from GoR in the form of grants and equity infusion to support their operations which is expected to continue going forward.

Regulated nature of operations

The revenues are influenced by the regulatory framework governing the power sector. The revenues of players such as JVVNL are determined by Rajasthan Electricity Regulatory

Commission (RERC) through revision in tariff. Any significant delays in tariff approvals or a reduction in return on equity or a tightening of the RERC norms could result in lower operating cash flows.

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 percent 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

- Decline in the credit profile of GoR
- Reduction in AT&C and T&D losses leading to improvement in overall operating efficiency
- Improvement in the overall financial risk and liquidity profile
- Change in shareholding and support stance from GoR

**Liquidity Position
Adequate**

The liquidity position of the company stood adequate marked by timely repayment of the maturing debt obligations of the company on account of support extended by GoR in the form of grants and subsidies. Going forward, the maturing obligations shall be repaid by way of newly availed working capital loans which are backed by government guarantee and remaining by the way of grants from GoR. The cash flows are utilised as per the pre-defined waterfall mechanism with the priorities of payment of interest and principal obligations, statutory liabilities and then for the day-to-day operations of the company. Further, the cash and bank balances of the company stood healthy at Rs. 498.43 Cr. as on March 31, 2025 (Est.), (Rs. 127.61 Cr. as on March 31, 2024). Further, rating drives comfort from the fact that JVNL being a GoR entity warrants adequate financial support from the state, time to time, to support the mismatches.

Outlook: Stable

Other Factors affecting Rating
None

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	28654.10	24087.26
PAT	Rs. Cr.	(27.13)	(221.43)
PAT Margin	(%)	(0.09)	(0.92)
Total Debt/Tangible Net Worth	Times	(2.87)	(2.37)
PBDIT/Interest	Times	1.32	1.31

Key Financials :

Particulars	Unit	FY 24 (Actual)	FY 24 (Provisional)
Operating Income	Rs. Cr.	28654.10	26652.00
PAT	Rs. Cr.	(27.13)	(4333.00)
PAT Margin	(%)	(0.09)	(16.26)
Total Debt/Tangible Net Worth	Times	(2.87)	(1.69)
PBDIT/Interest	Times	1.32	0.13

Note: The above FY24 provisional financials were erroneously classified as actual in the previous PR dated July 10, 2024 which are still publicly available on the company's website as audited financial statements for the quarter ended 31st March 2024. However, on receipt of FY2023-24 annual report, the same has been updated as above.

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, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite'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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
10 Jul 2024	Letter of Credit	Short Term	275.65	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	782.35	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	175.65	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	0.15	ACUITE A2 (Reaffirmed)
	Term Loan	Long Term	208.05	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	230.00	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	20.00	ACUITE BBB+ Stable (Reaffirmed)
	Secured Overdraft	Long Term	100.00	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	333.36	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	234.75	ACUITE BBB+ Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	367.95	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	186.39	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	26.85	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	979.81	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	20.19	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	500.00	ACUITE BBB+ Stable (Reaffirmed)
26 Jun 2024	Letter of Credit	Short Term	100.00	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	526.87	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	175.65	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	0.15	ACUITE A2 (Reaffirmed)
	Cash Credit	Long Term	100.00	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	333.02	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	279.00	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	20.00	ACUITE BBB+ Stable (Reaffirmed)
	Secured Overdraft	Long Term	100.00	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	500.00	ACUITE BBB+ Stable (Reaffirmed)
		Long		ACUITE BBB+ Stable

	Term Loan	Term	282.00	(Reaffirmed)
	Working Capital Term Loan	Long Term	465.25	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	315.59	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	263.81	ACUITE BBB+ Stable (Reaffirmed)
29 Mar 2023	Letter of Credit	Short Term	526.87	ACUITE A2 (Assigned)
	Letter of Credit	Short Term	175.65	ACUITE A2 (Assigned)
	Bank Guarantee (BLR)	Short Term	0.15	ACUITE A2 (Assigned)
	Letter of Credit	Short Term	100.00	ACUITE A2 (Assigned)
	Term Loan	Long Term	20.00	ACUITE BBB+ Stable (Assigned)
	Secured Overdraft	Long Term	100.00	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	500.00	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	282.00	ACUITE BBB+ Stable (Assigned)
	Working Capital Term Loan	Long Term	465.25	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	315.59	ACUITE BBB+ Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	263.81	ACUITE BBB+ Stable (Assigned)
	Cash Credit	Long Term	100.00	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	333.02	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	279.00	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.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	500.00	Simple	ACUITE BBB+ Stable Reaffirmed
Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	275.65	Simple	ACUITE A2 Reaffirmed
State Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	958.00	Simple	ACUITE A2 Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	669.60	Simple	ACUITE BBB+ Stable Reaffirmed
Bank of India	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	100.00	Simple	ACUITE BBB+ Stable Reaffirmed
Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	30 Mar 2026	125.06	Simple	ACUITE BBB+ Stable Reaffirmed
Indian Overseas Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	25 Jun 2028	171.00	Simple	ACUITE BBB+ Stable Reaffirmed
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	29 Feb 2032	1000.00	Simple	ACUITE BBB+ Stable Reaffirmed
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	28 Aug 2025	208.05	Simple	ACUITE BBB+ Stable Reaffirmed
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	13 Jul 2028	164.00	Simple	ACUITE BBB+ Stable Reaffirmed
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 Oct 2025	20.00	Simple	ACUITE BBB+ Stable Reaffirmed
Punjab and Sind Bank	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	28 Aug 2028	249.79	Simple	ACUITE BBB+ Stable Reaffirmed

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

Sr. No.	Name of the Companies
1.	Government of Rajasthan
2.	Jaipur Vidyut Vitran Nigam Limited

Contacts

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About Acuité Ratings & Research

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