

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram:**

- 1. Shri Bhanu Bhushan, Member**
- 2. Shri A.H. Jung, Member**

**Petition No.135/2006**

**In the matter of**

Determination of transmission tariff for Tarapur Transmission System associated with Tarapur Atomic Power Station Stages 3 & 4 in Western Region for the period up to 31.3.2009.

**And in the matter of**

Power Grid Corporation of India Limited

**..Petitioner**

Vs

1. Nuclear Power Corporation of India Ltd., Mumbai
2. Madhya Pradesh Power Transmission Company Ltd., Jabalpur
3. Maharashtra State Electricity Board, Mumbai
4. Gujarat Urja Vikas Nigam Ltd. Baroda
5. Electricity Deptt., Govt. of Goa, Panaji
6. Electricity Deptt., Administration of Daman & Diu, Daman
7. Electricity Deptt., Administration of Dadra Nagar Haveli, Silvassa
8. Chhattisgarh State Electricity Board, Raipur
9. Madhya Pradesh Audyogik Kandra Vikas Nigam (Indore) Ltd., Indore

**..Respondents**

**The following were present:**

1. Shri P.C.Pankaj, PGCIL
2. Shri Rakesh Prasad, PGCIL
3. Shri U.K. Tyagi, DGM, PGCIL
4. Shri C.Kannan, PGCIL
5. Shri Harmeet Singh, PGCIL

**ORDER  
(DATE OF HEARING: 23.1.2007)**

The petition has been filed for approval of transmission tariff for Tarapur Transmission System (the transmission system) associated with Tarapur Atomic Power Station Stage 3 & 4 in Western Region for the period up to 31.3.2009 based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004, (hereinafter referred to as "the 2004 regulations") after accounting for additional capitalization during 2005-06. The

petitioner has also prayed for the reimbursement of expenditure incurred towards publishing of notices in the newspapers and the petition filing fee by the beneficiaries.

2. The investment approval and expenditure sanction for the transmission system was accorded by the Board of Directors of the petitioner company vide letter dated 22.10.2002 at an estimated cost of Rs. 23702 lakh, which includes IDC of Rs. 2176 lakh. Further, approval for the revised cost estimate was accorded by the Board of Directors of the petitioner company under letter dated 17.1.2006 at an estimated cost of Rs. 28587 lakh, including an IDC of Rs. 962 lakh. The scope of work included:

#### **Transmission Lines**

- (i) 400 kV D/C Tarapur Padghe transmission line,
- (ii) 400 kV D/C Tarapur Boisar transmission line,
- (iii) LILO of 400 kV S/C Gandhar-Padghe transmission line at Vapi,
- (iv) LILO of 400 kV S/C Gandhar-Padghe transmission line at Boisar, and
- (v) 220 kV S/C Tarapur Boisar transmission line.

#### **Sub-stations**

- (i) 400/220 kV Vapi sub-station (New),
- (ii) 400/220 kV Boisar sub-station (New), and
- (iii) 400/220 kV Padghe (MSEB) sub-station extension.

3. The dates of commercial operation of the transmission assets which form the subject matter of the present petition, the line length and apportioned approved cost are as stated below:

S. No.	Name of the transmission assets	Date of commercial operation	Line length in Ckt-km ( for O & M)	Apportioned approved cost (Rs. in lakh)
(i)	400 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padhge	1.3.2005	91.12	6715.01
(ii)	400 kV D/C Tarapur-Padghe transmission line circuit-II with associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station	1.8.2005	192.90	11108.00
(iii)	220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station	1.9.2005	24.40	10764.33
	Total		308.42	28587.34

4. The provisional transmission charges for the transmission assets were approved by the Commission in its orders dated 25.4.2006 and 26.4.2006 in Petitions No. 111/2005 and 11/2006 respectively. The present petition is for approval of final tariff from the date of commercial operation of the respective asset.

5. The petitioner has claimed the transmission charges as under:

(i) 400 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padhge

(Rs. In lakh)

	2004-05 (Pro rata)	2005-06	2006-07	2007-08	2008-09
Depreciation	13.38	167.38	174.23	174.23	174.23
Interest on Loan	27.81	346.54	340.94	328.28	306.47
Return on Equity	15.99	202.49	213.08	213.08	213.08
Advance against Depreciation	0.00	0.00	0.00	0.00	262.53
Interest on Working Capital	1.63	20.13	20.77	21.00	25.67
O & M Expenses	4.07	50.75	52.84	54.87	57.14
Total	<b>62.87</b>	<b>787.29</b>	<b>801.85</b>	<b>791.46</b>	<b>1039.12</b>

(ii) 400 kV D/C Tarapur-Padghe transmission line circuit-II with associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Depreciation	169.56	260.59	260.59	260.59
Interest on Loan	346.71	513.66	494.71	465.99
Return on Equity	193.87	299.23	299.23	299.23
Advance against Depreciation	0.00	0.00	0.00	282.52
Interest on Working Capital	22.07	33.83	34.30	39.57
O & M Expenses	127.85	199.55	207.34	215.81
<b>Total</b>	<b>860.05</b>	<b>1306.87</b>	<b>1296.17</b>	<b>1563.71</b>

(iii) 220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Depreciation	154.41	272.84	272.84	272.84
Interest on Loan	280.63	474.84	455.02	427.62
Return on Equity	161.01	287.83	287.83	287.83
Advance against Depreciation	0.00	0.00	0.00	220.77
Interest on Working Capital	23.56	41.49	42.26	46.80
O & M Expenses	310.48	553.56	575.56	598.69
<b>Total</b>	<b>930.09</b>	<b>1630.56</b>	<b>1633.51</b>	<b>1854.55</b>

6. The details submitted by the petitioner in support of its claim for interest on working capital are given hereunder:

(i) 400 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padghe

(Rs. In lakh)

	2004-05 (Pro rata)	2005-06	2006-07	2007-08	2008-09
Maintenance Spares	60.60	60.90	64.55	68.43	72.53
O & M expenses	4.07	4.23	4.40	4.57	4.76
Receivables	125.75	131.22	133.64	131.91	173.19
<b>Total</b>	<b>190.41</b>	<b>196.34</b>	<b>202.60</b>	<b>204.91</b>	<b>250.48</b>
Rate of interest	10.25%	10.25%	10.25%	10.25%	10.25%
Interest	1.63	20.13	20.77	21.00	25.67

(ii) 400 kV D/C Tarapur-Padghe transmission line circuit-II with associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station

(Rs.in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Maintenance Spares	91.91	95.59	101.32	107.40
O & M expenses	15.98	16.63	17.28	17.98
Receivables	215.01	217.81	216.03	260.62
<b>Total</b>	<b>322.90</b>	<b>330.03</b>	<b>334.63</b>	<b>386.00</b>
Rate of interest	10.25%	10.25%	10.25%	10.25%
Interest	<b>22.07</b>	<b>33.83</b>	<b>34.30</b>	<b>39.57</b>

(iii) 220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station

(Rs. in lakh)

	<b>2005-06 (Pro rata)</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>
Maintenance Spares	83.93	86.87	92.08	97.61
O & M expenses	44.35	46.13	47.96	49.89
Receivables	265.74	271.76	272.25	309.09
Total	394.03	404.76	412.30	456.59
Rate of interest	10.25%	10.25%	10.25%	10.25%
Interest	<b>23.56</b>	<b>41.49</b>	<b>42.26</b>	<b>46.80</b>

7. The reply to the petition has been filed by Madhya Pradesh Power Trading Company Ltd though not impleaded as a respondent. No comments or suggestion have been received from the general public in response to the notices published by the petitioner under section 64 of the Electricity Act, 2003.

### **CAPITAL COST**

8. As per clause (1) of Regulation 52 of the 2004 regulations, subject to prudence check, the actual expenditure incurred on completion of the project shall form the basis for determination of final tariff. The final tariff shall be determined based on the admitted capital expenditure actually incurred up to the date of commercial operation of the transmission system and shall include capitalised initial spares subject to a ceiling norm as 1.5% of original project cost. The regulation is applicable in case of the transmission system declared under commercial operation on or after 1.4.2004.

9. The petitioner has claimed the capital expenditure up to the date of commercial operation. The petitioner has further claimed additional capitalisation for the year 2005-06 for each asset. The petitioner has not claimed additional capitalization on account of FERV as these assets do not involve foreign currency

loans. The capital expenditure on the date of commercial operation and additional capitalization on account of works claimed by the petitioner for tariff purpose are given hereunder:

(Rs. in lakh)

S. No.	Name of the transmission assets	Capital Expenditure on the date of commercial operation	Additional capital expenditure during 2005-06	Total Capital expenditure
(i)	400 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padhge	6059.72	504.19	6563.91
(ii)	400 kV D/C Tarapur-Padghe transmission line circuit-II with associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station	9191.03	401.19	9592.22
(iii)	220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station	8393.12	562.61	8955.73

#### **Additional capitalization -2005-06**

10. Clause (1) of Regulation 53 of the 2004 regulations provides-

“(1) The following capital expenditure within the original scope of work actually incurred after the date of commercial operation and up to the cut off date may be admitted by the Commission, subject to prudence check:

- (i) Deferred liabilities;
- (ii) Works deferred for execution;
- (iii) Procurement of initial capital spares in the original scope of works subject to the ceiling norm specified in regulation 52;
- (iv) Liabilities to meet award of arbitration or compliance of the order or decree of a court; and
- (v) On account of change in law:

Provided that original scope of work along with estimates of expenditure shall be submitted along with the application for provisional tariff:

Provided further that a list of the deferred liabilities and works deferred for execution shall be submitted along with the application for final tariff after the date of commercial operation of the transmission system.”

11. The details submitted by the petitioner in support of its claim for additional capital expenditure are given hereunder:

- (i) 400 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padghe

Year	Nature of expenditure
2005-06	PLCC = Rs. 6.72 lakh
	Sub-station = Rs. 49.30 lakh
	Transmission line = Rs. 448.17 lakh
	<b>Total = Rs. 504.19 lakh</b>

- (ii) 400 kV D/C Tarapur-Padghe transmission line circuit-II with associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station

Year	Nature of expenditure
2005-06	Building = Rs. 103.19 lakh
	PLCC = Rs. 38.23 lakh
	Sub-station = Rs. 163.00 lakh
	Transmission line = Rs. 96.77 lakh
	<b>Total = Rs. 401.19 lakh</b>

- (iii) 220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station

Year	Nature of expenditure
2005-06	Building = Rs. 222.39 lakh
	PLCC = Rs. 3.73 lakh
	Sub-station = Rs. 334.94 lakh
	Land = Rs. 1.55 lakh
	<b>Total = Rs. 562.61 lakh</b>

12. The additional capital expenditure claimed is within the original scope of work and is found to be in order as it was against the committed liability. Accordingly, the additional capital expenditure as claimed for the respective transmission asset has been allowed.

### **Time overrun**

13. As per investment approval, the scheduled date of commissioning of Boisar sub-station and associated line was 1.7.2005. The transmission line was,

however, declared under commercial operation on 1.8.2005. The petitioner has explained that due to non-availability of shut down on 220 kV transmission line ex-Dahanu TPS (under REL system), the completion/commissioning of the transmission assets got delayed. The petitioner had been requesting REL for the shut down since February 2005. The shut down on the above line was agreed for 17.4.2005 and 24.4.2005 in 350<sup>th</sup> OCC meeting held on 12.4.2005. However, shut down was not given in real time. The matter was further discussed in 127<sup>th</sup> WREB meeting held on 20.5.2005. However, the matter could not be resolved due to system constraints as the feeders were considered to be essential for power supply of power to Mumbai. Finally, shut down was given in the first week of June 2005 and 400 kV lines along with 400 kV bays were charged in July 2005. The petitioner has further explained that due to heavy rains, the testing and commissioning activities of 400 kV D/C Tarapur-Boisar transmission line was completed in August 2005 and the transmission line was declared under commercial operation on 1.9.2005 before the commercial operation of TAPP-unit-4. There is satisfactory explanation for the delay of 6 months in completion of the transmission assets. Therefore, the delay in commissioning of lines is considered, to be beyond the control of the petitioner.

#### **Net Present Value (NPV)**

14. The petitioner has submitted that the Hon`ble Supreme Court vide its order dated 30.10.2002 in I.A.No. 566 in write petition (Civil) No. 202 of 1995 has observed that user agency (petitioner in this case) shall now have to pay NPV in addition to cost of compensatory afforestation, which should be Rs. 5.80 to 9.20 lakh per hectare of forest land diverted, depending upon the quantity and density of forest land converted for non-forestry purpose. Accordingly, Ministry of Environment and Forest had issued guidelines to all the States for collection of



NPV from user agencies for the cases granted in principle approval after 30.10.2002.

15. In compliance of above, the petitioner had to pay NPV concerned State Governments for diversion of forest land. Since this amount was not included in the initial estimates, that is, FR, there has been cost variation on this account.

16. Based on the above, gross block as given below has been considered for the purpose of tariff for each of the transmission asset, after allowing additional capitalization on works as claimed by the petitioner:

(Rs. in lakh)

S. No.	Name of the transmission assets	Admitted capital cost	Additional capital expenditure	Capital expenditure on date of commercial operation
(i)	400 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padhge	6059.72	504.19	6563.91
(ii)	400 kV D/C Tarapur-Padghe transmission line circuit-II with associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station	9191.03	401.19	9592.22
(iii)	220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station	8393.12	562.61	8955.73

### **DEBT- EQUITY RATIO**

17. Clause (2) of Regulation 54 of the 2004 regulations *inter alia* provides that,-

“(2) In case of the transmission system for which investment approval was accorded prior to 1.4.2004 and which are likely to be declared under commercial operation during the period 1.4.2004 to 31.3.2009, debt and equity in the ratio of 70:30 shall be considered:

Provided that where equity actually employed to finance the project is less than 30%, the actual debt and equity shall be considered for determination of tariff:

Provided further that the Commission may in appropriate cases consider equity higher than 30% for determination of tariff, where the

transmission licensee is able to establish to the satisfaction of the Commission that deployment of equity higher than 30% was in the interest of general public.”

18. The petitioner has considered debt-equity ratio of 77.38:22.62, 78.05:21.95 and 77.52:22.48 for the transmission assets as actually deployed on the date of commercial operation of the respective asset. The petitioner has further considered the additional capitalization in debt-equity ratio of 70:30.

19. We have considered debt-equity ratio as on the date of commercial operation as claimed by the petitioner. The additional capitalisation on works of Rs. 504.19 lakh, Rs. 401.19 lakh and Rs. 562.61 lakh has been segregated into debt and equity in the normative debt-equity ratio of 70:30 in accordance with Note 1 below Regulation 53. Therefore, debt-equity ratio and equity considered for the purpose of tariff in each case is same as considered by the petitioner and is as under:

Name of the transmission assets	Debt-equity ratio		Equity (Rs. in lakh)	
	As on date of commercial operation	As on 31.3.2006	As on date of commercial operation	As on 1.4.2006
(i) 400 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padhge	77.38:22.62	76.81:23.19	1370.72	1521.98
(ii) 400 kV D/C Tarapur-Padghe transmission line circuit-II with associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station	78.05:21.95	77.72:22.28	2017.03	2137.39
(iii) 220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station	77.52:22.48	77.04:22.96	1887.12	2055.90

### **RETURN ON EQUITY**

20. As per clause (iii) of Regulation 56 of the 2004 regulations, return on equity shall be computed on the equity base determined in accordance with regulation 54 @ 14% per annum. Equity invested in foreign currency is to be allowed a

return in the same currency and the payment on this account is made in Indian Rupees based on the exchange rate prevailing on the due date of billing.

21. The petitioner has claimed return on equity after considering the entire additional capitalization to have been financed out of equity. For the reasons recorded in para 19 above, equity as given in the table under that para has been considered. However, tariff for the year 2005-06 has been allowed pro rata on average equity. Accordingly, return on equity allowed each year during the tariff period is given hereunder:

Name of the transmission assets	(Rs. in lakh)		
	2004-05 (Pro rata)	Return in Equity	
		2005-06 (Pro rata)	2006-09 (Each year)
(i) 00 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padghe	15.99	202.49	213.08
(ii) 400 kV D/C Tarapur-Padghe transmission line circuit-II with associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station	N.A.	193.87	299.23
(iii) 220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station	N.A.	161.01	287.83

### **INTEREST ON LOAN**

22. Clause (i) of regulation 56 of the 2004 regulations *inter alia* provides that,-

“(a) Interest on loan capital shall be computed loan wise on the loans arrived at in the manner indicated in regulation 54.

(b) The loan outstanding as on 1.4.2004 shall be worked out as the gross loan in accordance with Regulation 54 minus cumulative repayment as admitted by the Commission or any other authority having power to do so, up to 31.3.2004. The repayment for the period 2004-09 shall be worked out on a normative basis.

(c) The transmission licensee shall make every effort to re-finance the loan as long as it results in net benefit to the beneficiaries. The costs associated with such re-financing shall be borne by the beneficiaries.

- (d) The changes to the loan terms and conditions shall be reflected from the date of such re-financing and benefit passed on to the beneficiaries.
- (e) In case of dispute, any of the parties may approach the Commission with proper application. However, the beneficiaries shall not withhold any payment ordered by the Commission to the transmission licensee during pendency of any dispute relating to re-financing of loan;
- (f) In case any moratorium period is availed of by the transmission licensee, depreciation provided for in the tariff during the years of moratorium shall be treated as repayment during those years and interest on loan capital shall be calculated accordingly.
- (g) The transmission licensee shall not make any profit on account of re-financing of loan and interest on loan;
- (h) The transmission licensee may, at its discretion, swap loans having floating rate of interest with loans having fixed rate of interest, or vice versa, at its own cost and gains or losses as a result of such swapping shall accrue to the transmission licensee:

Provided that the beneficiaries shall be liable to pay interest for the loans initially contracted, whether on floating or fixed rate of interest.”

23. The petitioner has claimed interest on loan in the following manner:
- (i) As on date of commercial operation, the actual loan has been considered.
  - (ii) Actual loan corresponding to additional capital expenditure during 2005-06 has been added to the gross loan up to date of commercial operation.
  - (iii) On the basis of actual rate of interest on actual average loan, the weighted average rate of interest on loan is worked out for various years.
  - (iv) In case of assets (i) and (ii), the petitioner in weighted average rate of interest calculations, has mentioned bridge loan financing from 15.7.2005 to 22.9.2005 subsequently replaced by Bond XVII from 22.9.2005 having higher rate of interest.

- (v) Weighted average rate of interest on loan for respective years as per above has been multiplied to arrive at interest on loan.

24. In our calculation, the interest on loan has been worked out as detailed below:

- (i) Details of net outstanding loan as on 31.3.2004 or 31.3.2005, as the case may be, repayment schedule for the period 2004-09, rate of interest as on 1.4.2004 or 31.3.2005, as the case may be, exchange rate as on 31.3.2004 or 31.3.2005, as the case may be, have been taken from above loan allocation statements submitted by the petitioner for working out weighted average rate of interest.
- (ii) Notional loan arising out of additional capitalization in case of three elements during the years 2005-06 has been considered.
- (iii) Tariff is worked out considering normative loan and normative repayments. Once the normative loan is arrived at, it is considered for all purposes in the tariff. Normative repayment is worked out by the following formula:

$$\frac{\text{Actual repayment of actual loan during the year}}{\text{Opening balance of actual loan during the year}} \times \text{Opening balance of normative loan during the year}$$

- (iv) Moratorium in repayment of loan is considered with reference to normative loan and if the normative repayment of loan during the year is less than the depreciation during the year, it is considered as moratorium and depreciation during the year is deemed as normative repayment of loan during the year.

(v) Weighted average rate of interest on actual loan worked out as per (i) above is applied on the notional average loan during the year to arrive at the interest on loan.

(vi) In case of 400 kV D/C Tarapur-Padghe transmission line circuit –II, 400 kV D/C Tarapur-Boisar transmission line associated with 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station and 400 kV D/C Tarapur-Boisar transmission line associated with 220 kV at Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station, the petitioner has mentioned bridge loan financing from IOB from 15.7.2005 to 22.9.2005 was subsequently replaced by Bond XVII from 22.9.2005 having higher rate of interest. The interest from date of commercial operation for the purpose of weighted average rate of interest has been worked out on days basis by the petitioner. Provision of considering bridge loan financing is not as per tariff regulations. However, bridge loan carries lower rate of interest, weighted rate of interest of IOB (BRIDGE LOAN)/ Bond XVII has been considered to work out interest amount from date of commercial operation to 31.3.2006 in weighted rate of interest calculations.

(vii) In case of 400 kV D/C Tarapur-Padghe transmission line circuit –II, 400 kV D/C Tarapur-Boisar transmission line associated with 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station and 400 kV D/C Tarapur-Boisar transmission line associated with 220 kV at Boisar

sub-station including the auto transformer and the LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station, date of commercial operation is during 2005-06 and the petitioner has considered funding of additional capital expenditure from date of commercial operation to 31.3.2006 from Bond XVIII which is drawn w.e.f. 9.3.2006. Although the interest on Bond XVIII for working out weighted average rate of interest has been considered from 9.3.2006 on actual days basis for the remaining part of the year 2005-06, weighted average rate of interest is worked out on average loan basis.

25. Based on the above, the year-wise details of interest worked out are given hereunder:

(i) 400 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padghe

(Rs. in lakh)

Interest on Loan	2004-05 (Pro rata)	2005-06	2006-07	2007-08	2008-09
Opening gross Loan	4689.00	4689.00	5041.93	5041.93	5041.93
Cumulative Repayment up to Previous Year	0.00	13.38	180.76	354.99	529.22
Net Loan-Opening	4689.00	4675.62	4861.17	4686.94	4512.71
Addition due to Additional Capitalization	0.00	352.93			
Repayment during the year	13.38	167.38	174.23	174.23	436.76
Net Loan-Closing	4675.62	4861.17	4686.94	4512.71	4075.95
Average Loan	4682.31	4768.40	4774.06	4599.83	4294.33
Weighted Average Rate of Interest on Loan	7.1274%	7.1365%	7.1415%	7.1368%	7.1367%
Interest	<b>27.81</b>	<b>340.30</b>	<b>340.94</b>	<b>328.28</b>	<b>306.47</b>

(ii) 400 kV D/C Tarapur-Padghe transmission line circuit-II with associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station

(Rs. in lakh)

Interest on Loan	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Opening gross Loan	7174	7454.83	7454.83	7454.83
Cumulative Repayment up to Previous Year	0	169.56	430.15	690.75
Net Loan-Opening	7174	7285.27	7024.68	6764.09
Addition due to Additional Capitalization	280.83			
Repayment during the year	169.56	260.59	260.59	543.12
Net Loan-Closing	7285.27	7024.68	6764.09	6220.97
Average Loan	7229.64	7154.98	6894.38	6492.53
Weighted Average Rate of Interest on Loan	7.12%	7.18%	7.18%	7.18%
Interest	<b>343.29</b>	<b>513.66</b>	<b>494.71</b>	<b>465.99</b>

(iii) 220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station

(Rs. in lakh)

Interest on Loan	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Opening gross Loan	6506	6899.83	6899.83	6899.83
Cumulative Repayment up to Previous Year	0	154.41	427.25	700.09
Net Loan-Opening	6506	6745.42	6472.58	6199.73
Addition due to Additional Capitalization	393.83	0	0	0
Repayment during the year	154.41	272.84	272.84	493.61
Net Loan-Closing	6745.42	6472.58	6199.73	5706.12
Average Loan	6625.71	6609	6336.15	5952.93
Weighted Average Rate of Interest on Loan	7.13%	7.18%	7.18%	7.18%
Interest	<b>275.38</b>	<b>474.84</b>	<b>455.02</b>	<b>427.62</b>

26. The detailed calculations in support of interest on loan are attached an Annexure I to this order.

### **DEPRECIATION**

27. Sub-clause (a) of clause (ii) of Regulation 56 of the 2004 regulations provides for computation of depreciation in the following manner, namely:

- (i) The value base for the purpose of depreciation shall be the historical cost of the asset.
- (ii) Depreciation shall be calculated annually based on straight line method over the useful life of the asset and at the rates prescribed in



Appendix II to these regulations. The residual value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the historical capital cost of the asset. Land is not a depreciable asset and its cost shall be excluded from the capital cost while computing 90% of the historical cost of the asset. The historical capital cost of the asset shall include additional capitalisation on account of Foreign Exchange Rate Variation up to 31.3.2004 already allowed by the Central Government/Commission.

- (iii) On repayment of entire loan, the remaining depreciable value shall be spread over the balance useful life of the asset.
- (iv) Depreciation shall be chargeable from the first year of operation. In case of operation of the asset for part of the year, depreciation shall be charged on pro rata basis.

28. The calculations in support of depreciation allowed on the basis of capital cost as per para 16 above, are appended below:

- (i) 400 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padghe

(Rs. in lakh)

		2004-05 (Pro rata)	2005-06	2006-07	2007-08	2008-09
Gross Block			6059.72	6563.91	6563.91	6563.91
Addition due to Additional Capitalization			504.19			
Gross Block		66272.23	66272.23	66272.23	66272.23	66272.23
Depreciation						
Rate of Depreciation	2.6544%					
Depreciable Value	90%	5453.75	5680.63	5907.52	5907.52	5907.52
Balance Useful life of the asset		-	-	-	-	-
Remaining Depreciable Value		5453.75	5667.26	5726.76	5552.53	5378.30
Depreciation		<b>13.38</b>	<b>167.38</b>	<b>174.23</b>	<b>174.23</b>	<b>174.23</b>

(ii) 400 kV D/C Tarapur-Padghe transmission line circuit-II with associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station

(Rs. in lakh)

		<b>2005-06 (Pro rata)</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>
Gross Block		9191.03	9592.22	9592.22	9592.22
Addition due to Additional Capitalisation		401.19			
Gross Block		9592.22	9592.22	9592.22	9592.22
Depreciation					
Rate of Depreciation	2.7167%				
Depreciable Value	90%	8227.12	8407.66	8407.66	8407.66
Balance Useful life of the asset		-	-	-	-
Remaining Depreciable Value		8227.12	8238.10	7977.50	7716.91
Depreciation		<b>169.56</b>	<b>260.59</b>	<b>260.59</b>	<b>260.59</b>

(iii) 220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station

(Rs. in lakh)

		<b>2005-06 (Pro rata)</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>
Gross Block		8393.12	8955.73	8955.73	8955.73
Addition due to Additional Capitalization		562.61	0	0	0
Gross Block		8955.73	8955.73	8955.73	8955.73
Depreciation					
Rate of Depreciation	3.0515% for 2005-06 3.0466% for 2006-07 and onwards				
Depreciable Value	90%	7294.61	7547.09	7547.09	7547.09
Balance Useful life of the asset		-	-	-	-
Remaining Depreciable Value		7294.61	7392.68	7119.83	6846.99
Depreciation		<b>154.41</b>	<b>272.84</b>	<b>272.84</b>	<b>272.84</b>

### **ADVANCE AGAINST DEPRECIATION**

29. As per sub-clause (b) of clause (ii) of Regulation 56 of the 2004 regulations, in addition to allowable depreciation, the transmission licensee is entitled to Advance Against Depreciation, computed in the manner given hereunder:

AAD = Loan repayment amount as per regulation 56 (i) subject to a ceiling of 1/10<sup>th</sup> of loan amount as per regulation 54 minus depreciation as per schedule

30. It is provided that Advance Against Depreciation shall be permitted only if the cumulative repayment up to a particular year exceeds the cumulative depreciation up to that year. It is further provided that Advance Against Depreciation in a year shall be restricted to the extent of difference between cumulative repayment and cumulative depreciation up to that year.

31. In addition to Cumulative depreciation up to 2003-04 (excluding Advance Against Depreciation) as per last tariff setting, depreciation on FERV for the period 2001-04 has been added to arrive at total cumulative depreciation amount as on 31.03.2004.

32. The petitioner has claimed Advance Against Depreciation in the following manner:

- (i) 1/10<sup>th</sup> of gross loan is worked out from the gross notional loan.
- (ii) Cumulative loan as well as repayment of notional loan during the year have been considered.
- (iii) Depreciation as claimed in the petition.

33. In our calculation, the Advance Against Depreciation has been worked out as under:

- (i) 1/10<sup>th</sup> of gross loan is worked out from the gross notional loan as per para 25 above.
- (ii) Repayment of cumulative loan as well as repayment of notional loan during the year have been considered as per para 25 above.

(iii) Depreciation worked out in para 28 above has been considered.

34. The details of Advance Against Depreciation allowed for each asset are given hereunder:

(i) 400 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padghe

(Rs. in lakh)

	2004-05 (Pro rata)	2005-06	2006-07	2007-08	2008-09
1/10 <sup>th</sup> of Gross Loan(s)	468.9	468.9	504.19	504.19	504.19
Repayment of the Loan	13.38	167.38	174.23	174.23	436.76
Minimum of the above	13.38	167.38	174.23	174.23	436.76
Depreciation during the year	13.38	167.38	174.23	174.23	174.23
(A) Difference	0	0	0	0	262.53
Cumulative Repayment of the Loan	13.38	180.76	354.99	529.22	965.98
Cumulative Depreciation/ Advance against Depreciation	13.38	180.76	354.99	529.22	703.45
(B) Difference	0	0	0	0	262.53
Advance against Depreciation Minimum of (A) and (B)	0	0	0	0	262.53

(ii) 400 kV D/C Tarapur-Padghe transmission line circuit-II with associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station

(Rs. in lakh)

	2005-06	2006-07	2007-08	2008-09
1/10 <sup>th</sup> of Gross Loan(s)	717.4	745.48	745.48	745.48
Repayment of the Loan	169.56	260.59	260.59	543.12
Minimum of the above	169.56	260.59	260.59	543.12
Depreciation during the year	169.56	260.59	260.59	260.59
(A) Difference	0	0	0	282.52
Cumulative Repayment of the Loan	169.56	430.15	690.75	1233.86
Cumulative Depreciation/ Advance against Depreciation	169.56	430.15	690.75	951.34
(B) Difference	0	0	0	282.52
Advance against Depreciation Minimum of (A) and (B)	0	0	0	282.52

(iii) 220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station

(Rs. in lakh)

	2005-06	2006-07	2007-08	2008-09
1/10 <sup>th</sup> of Gross Loan(s)	650.6	689.98	689.98	689.98
Repayment of the Loan	154.41	272.84	272.84	493.61
Minimum of the above	154.41	272.84	272.84	493.61
Depreciation during the year	154.41	272.84	272.84	272.84
(A) Difference	0	0	0	220.77
Cumulative Repayment of the Loan	154.41	427.25	700.09	1193.71
Cumulative Depreciation/ Advance against Depreciation	154.41	427.25	700.09	972.94
(B) Difference	0	0	0	220.77
Advance against Depreciation Minimum of (A) and (B)	0	0	0	220.77

## **OPERATION & MAINTENANCE EXPENSES**

35. In accordance with clause (iv) of Regulation 56 the 2004 regulations, the following norms are prescribed for O & M expenses

	Year				
	2004-05	2005-06	2006-07	2007-08	2008-09
O&M expenses (Rs in lakh per ckt-km)	0.227	0.236	0.246	0.255	0.266
O&M expenses (Rs in lakh per bay)	28.12	29.25	30.42	31.63	32.90

36. The petitioner has claimed following O & M expenses each asset, which have been allowed. Accordingly, the petitioner's entitlement to O & M expenses has been worked out as given hereunder:

(i) 400 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padghe

(Rs. in lakh)

	2004-05 (Pro rata)	2005-06	2006-07	2007-08	2008-09
O&M expenses for 91.12 ckt-kms line length	1.72	21.50	22.42	23.24	24.24
O&M expenses for 1 bay	2.34	29.25	30.42	31.63	32.90
<b>TOTAL</b>	<b>4.07</b>	<b>50.75</b>	<b>52.84</b>	<b>54.87</b>	<b>57.14</b>

(ii) 400 kV D/C Tarapur-Padghe transmission line circuit-II with associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
O&M expenses for 192.9 ckt-kms line length	30.35	47.457	49.19	51.31
O&M expenses for 5 bays	97.50	152.10	158.15	164.50
<b>TOTAL</b>	<b>127.85</b>	<b>199.55</b>	<b>207.34</b>	<b>215.81</b>

(iii) 220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
O&M expenses for 24.4 ckt-kms line length	3.36	6.00	6.22	6.49
O&M expenses for 18 bays	307.13	547.56	569.34	592.20
<b>TOTAL</b>	<b>310.48</b>	<b>553.56</b>	<b>575.56</b>	<b>598.69</b>

37. The petitioner has submitted that the wage revision of its employees is due with effect from 1.1.2007. Therefore, according to the petitioner, O & M expenses should be subject to revision on account of revision of employee cost from that date. In the alternative, it has been prayed that the increase in employee cost due to wage revision be allowed as per actuals for extra cost to be incurred consequent to wage revision. We are not expressing any view, as this issue does not arise for consideration at this stage. The petitioner may approach for a relief in this regard at an appropriate stage in accordance with law.

#### **INTEREST ON WORKING CAPITAL**

38. The components of the working capital and the interest thereon are discussed hereunder:

##### **(i) Maintenance spares**

Regulation 56(v) (1) (b) of the 2004 regulations provides for maintenance spares @ 1% of the historical cost escalated @ 6% per annum from the date of commercial operation. In the present case, element wise capital expenditure on the date of commercial operation which has been considered as the historical cost for the purpose of the present petition and maintenance spares have been worked out accordingly by escalating 1% of the historical cost @ 6% per annum. The necessary details are given hereunder:

Name of the Transmission assets	Date of Commercial Operation	Capital Expenditure (Rs. in lakh) on the date of commercial operation	Escalated spares Cost (Rs. in lakh)
(i) 400 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padghe	1.3.2005	6059.72	60.60
(ii) 400 kV D/C Tarapur-Padghe transmission line circuit-II with associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station	1.8.2005	9191.03	91.91
220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station	1.9.2005	8393.12	83.93

**(ii) O & M expenses**

Regulation 56(v)(1)(a) of the 2004 regulations provides for operation and maintenance expenses for one month as a component of working capital. The petitioner has claimed O&M expenses for 1 month of O&M expenses of the respective year as claimed in the petition. This has been considered in the working capital.

**(iii) Receivables**

As per Regulation 56(v)(1)© of the 2004 regulations, receivables will be equivalent to two months average billing calculated on target availability level. The petitioner has claimed the receivables on the basis 2 months transmission charges claimed in the petition. In the tariff being allowed, receivables have been worked out on the basis 2 months transmission charges.

**(iv) Rate of interest on working capital**

As per Regulation 56(v)(2) of the 2004 regulations, rate of interest on working capital shall be on normative basis and shall be

equal to the short-term Prime Lending Rate of State Bank of India as on 1.4.2004 or on 1st April of the year in which the project or part thereof (as the case may be) is declared under commercial operation, whichever is later. The interest on working capital is payable on normative basis notwithstanding that the transmission licensee has not taken working capital loan from any outside agency. The petitioner has claimed interest on working capital @ 10.25% based on SBI PLR as on 1.4.2004 or 1.5.2005, as the case may be, which is in accordance with the 2004 regulations and has been allowed.

39. The necessary computations in support of interest on working capital are appended below:

(i) 400 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padghe

(Rs. In lakh)

		<b>2004-05 (Pro rata)</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>
Maintenance Spares		60.60	60.90	64.55	68.43	72.53
O & M expenses		4.07	4.23	4.40	4.57	4.76
Receivables		125.75	130.16	133.64	131.91	173.19
Total		190.42	195.29	202.60	204.91	250.48
Interest	10.25%	<b>1.63</b>	<b>20.02</b>	<b>20.77</b>	<b>21.00</b>	<b>25.67</b>

(ii) 400 kV D/C Tarapur-Padghe transmission line circuit-II with associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station

(Rs. In lakh)

		<b>2005-06 (Pro rata)</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>
Maintenance Spares		91.91	95.59	101.32	107.40
O & M expenses		15.98	16.63	17.28	17.98
Receivables		214.14	217.81	216.03	260.62
Total		322.04	330.03	334.63	386.00
Interest	10.25%	<b>22.01</b>	<b>33.83</b>	<b>34.30</b>	<b>39.57</b>



(iii) 220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station

(Rs. in lakh)

		<b>2005-06 (Pro rata)</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>
Maintenance Spares		83.93	86.87	92.08	97.61
O & M expenses		44.35	46.13	47.96	49.89
Receivables		264.21	271.76	272.25	309.09
Total		392.50	404.76	412.30	456.59
Interest	10.25%	<b>23.47</b>	<b>41.49</b>	<b>42.26</b>	<b>46.80</b>

## **TRANSMISSION CHARGES**

40. A summary sheet showing basic details of capital cost and other related aspects are attached as Annexure II to this order. The transmission charges being allowed for the transmission system are summarized below.

(i) 400 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padghe

(Rs. In lakh)

	<b>2004-05 (Pro rata)</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>
Depreciation	13.38	167.38	174.23	174.23	174.23
Interest on Loan	27.81	340.30	340.94	328.28	306.47
Return on Equity	15.99	202.49	213.08	213.08	213.08
Advance against Depreciation	0.00	0.00	0.00	0.00	262.53
Interest on Working Capital	1.63	20.02	20.77	21.00	25.67
O & M Expenses	4.07	50.75	52.84	54.87	57.14
Total	<b>62.88</b>	<b>780.93</b>	<b>801.85</b>	<b>791.46</b>	<b>1039.12</b>

(ii) 400 kV D/C Tarapur-Padghe transmission line circuit-II with associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station

(Rs. in lakh)

	<b>2005-06 (Pro rata)</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>
Depreciation	169.56	260.59	260.59	260.59
Interest on Loan	343.29	513.66	494.71	465.99
Return on Equity	193.87	299.23	299.23	299.23
Advance against Depreciation	0.00	0.00	0.00	282.52
Interest on Working Capital	22.01	33.83	34.30	39.57
O & M Expenses	127.85	199.55	207.34	215.81
Total	<b>856.58</b>	<b>1306.87</b>	<b>1296.18</b>	<b>1563.71</b>

(iii) 220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station

(Rs. in lakh)

	<b>2005-06 (Pro rata)</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>
Depreciation	154.41	272.84	272.84	272.84
Interest on Loan	275.38	474.84	455.02	427.62
Return on Equity	161.01	287.83	287.83	287.83
Advance against Depreciation	0.00	0.00	0.00	220.77
Interest on Working Capital	23.47	41.49	42.26	46.80
O & M Expenses	310.48	553.56	575.56	598.69
<b>Total</b>	<b>924.75</b>	<b>1630.56</b>	<b>1633.51</b>	<b>1854.55</b>

41. In addition to the transmission charges, the petitioner shall be entitled to other charges like income-tax, incentive, surcharge and other cess and taxes in accordance with the 2004 regulations.

42. The petitioner has sought approval for the reimbursement of expenditure of Rs. 2,16,297/- incurred on publication of notices in the newspapers. The petitioner shall claim reimbursement of the said expenditure directly from the respondent in one installment. The petitioner has also sought reimbursement of filing fee of Rs.5 lakh paid. A final view on reimbursement of filing fee is yet to be taken by the Commission for which views of the stakeholder have been called for. The view taken on consideration of the comments received shall apply in the present case as regards reimbursement of filing fee.

### **Sharing of charges**

43. Respondent No. 1 had requested the petitioner that one 400 kV transmission line needed to be made available to it and also agreed to pay the entire transmission charges for the transmission line till the same was used as a part of the regional transmission system. Accordingly, 400 kV Tarapur-Padge ckt-1 was put under commercial operation on 1.3.2005. The issue of preponment of

the commissioning of the transmission line was discussed in WREB meeting and the constituents agreed that the date of commercial operation would be taken from the first day of the month following the month in which regular infirm power was generated by TAPP unit 3 or when the other transmission lines were commissioned, whichever ever was later. The regular infirm power was generated by TAPP unit 4 from June 2005 and therefore, this transmission line became regional asset with effect from 1.7.2005.

44. Accordingly, respondent No. 1 shall pay the full transmission charges in respect of 400 kV D/C Tarapur-Padghe transmission line circuit-I including the cost of associated bay at Padhge from 1.3.2005 to 30.6.2005 and the beneficiaries of Western Region shall share the transmission charges from 1.7.2005 onwards in accordance with the 2004 regulations. For the remaining two assets, the transmission charges shall be shared by the beneficiaries of Western Region from the date of their commercial operation in accordance with the 2004 regulations.

45. The petitioner is already billing the respondents on provisional basis in accordance with the Commission's interim directions. The provisional billing of tariff shall be adjusted in the light of final tariff now approved by us.

46. This order disposes of Petition No.135/2006.

sd-/  
**(A.H.JUNG)**  
**MEMBER**  
New Delhi dated the 6<sup>th</sup> February 2007

sd-/  
**(BHANU BHUSHAN)**  
**MEMBER**

## Annexure I

## CALCULATION OF WEIGHTED AVERAGE RATE OF INTEREST ON LOAN

(i) 400 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padghe

(Rs. in Lakh)

	Details of Loan	2004-05	2005-06	2006-07	2007-08	2008-09
<b>1</b>	<b>Bond-XVI</b>					
	Gross Loan opening	3621.00	3621.00	3621.00	3621.00	3621.00
	Cumulative Repayment up to DOCO/previous year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Opening	3621.00	3621.00	3621.00	3621.00	3621.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	362.10
	Net Loan-Closing	3621.00	3621.00	3621.00	3621.00	3258.90
	Average Loan	3621.00	3621.00	3621.00	3621.00	3439.95
	Rate of Interest	7.10%	7.10%	7.10%	7.10%	7.10%
	Interest	257.09	257.09	257.09	257.09	244.24
	Repayment Schedule	10 Annual instalments from 18.02.2009				
<b>2</b>	<b>Bond- XII</b>					
	Gross Loan opening	11.00	11.00	11.00	11.00	11.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.92	1.83	2.75
	Net Loan-Opening	11.00	11.00	10.08	9.17	8.25
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.92	0.92	0.92	0.92
	Net Loan-Closing	11.00	10.08	9.17	8.25	7.33
	Average Loan	11.00	10.54	9.63	8.71	7.79
	Rate of Interest	9.70%	9.70%	9.70%	9.70%	9.70%
	Interest	1.07	1.02	0.93	0.84	0.76
	Repayment Schedule	12 Annual Instalments from 28.03.2006				
<b>3</b>	<b>Bond- XIII Option 1</b>					
	Gross Loan opening	279.00	279.00	279.00	279.00	279.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	23.25	46.50
	Net Loan-Opening	279.00	279.00	279.00	255.75	232.50
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	23.25	23.25	23.25
	Net Loan-Closing	279.00	279.00	255.75	232.50	209.25
	Average Loan	279.00	279.00	267.38	244.13	220.88
	Rate of Interest	8.63%	8.63%	8.63%	8.63%	8.63%
	Interest	24.08	24.08	23.07	21.07	19.06

	Repayment Schedule	12 annual inatalments from 31-7-2006				
<b>4</b>	<b>Bond- XV</b>					
	Gross Loan opening	778.00	778.00	778.00	778.00	778.00
	Cumulative Repayment up to DOCO/previous year	0.00	0.00	0.00	0.00	64.83
	Net Loan-Opening	778.00	778.00	778.00	778.00	713.17
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	64.83	64.83
	Net Loan-Closing	778.00	778.00	778.00	713.17	648.33
	Average Loan	778.00	778.00	778.00	745.58	680.75
	Rate of Interest	6.68%	6.68%	6.68%	6.68%	6.68%
	Interest	51.97	51.97	51.97	49.80	45.47
	Repayment Schedule	12 annual inatalments from 23-2-2008				
<b>5</b>	<b>Bond- XVIII ( For ACE) (Date of Drawal 09.03.2006)</b>					
	Gross Loan opening	0.00	0.00	86.00	86.00	86.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Opening	0.00	0.00	86.00	86.00	86.00
	Additions during the year	0.00	86.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Closing	0.00	86.00	86.00	86.00	86.00
	Average Loan	0.00	43.00	86.00	86.00	86.00
	Rate of Interest	8.15%	8.15%	8.15%	8.15%	8.15%
	Interest	0.00	3.50	7.01	7.01	7.01
	Repayment Schedule	12 annual installments from 09.03.2010				
	<b>Total Loan</b>					
	Gross Loan opening	4689.00	4689.00	4775.00	4775.00	4775.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.92	25.08	114.08
	Net Loan-Opening	4689.00	4689.00	4774.08	4749.92	4660.92
	Additions during the year	0.00	86.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.92	24.17	89.00	451.10
	Net Loan-Closing	4689.00	4774.08	4749.92	4660.92	4209.82
	Average Loan	4689.00	4731.54	4762.00	4705.42	4435.37
	Rate of Interest	7.1274%	7.1365%	7.1415%	7.1368%	7.1367%
	<b>Interest</b>	334.21	337.67	340.08	335.82	316.54

(ii) 4400 kV D/C Tarapur-Padghe transmission line circuit-II with associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station

(Rs. in Lakh)

	Details of Loan	2005-06	2006-07	2007-08	2008-09
<b>1</b>	<b>Bond-XVI</b>				
	Gross Loan opening	4574.00	4574.00	4574.00	4574.00
	Cumulative Repayment up to DOCO/previous year	0.00	0.00	0.00	0.00
	Net Loan-Opening	4574.00	4574.00	4574.00	4574.00
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	457.40
	Net Loan-Closing	4574.00	4574.00	4574.00	4116.60
	Average Loan	4574.00	4574.00	4574.00	4345.30
	Rate of Interest	7.10%	7.10%	7.10%	7.10%
	Interest	324.75	324.75	324.75	308.52
	Repayment Schedule	10 Annual instalments from 18.02.2009			
<b>2</b>	<b>Bond- XII</b>				
	Gross Loan opening	15.00	15.00	15.00	15.00
	Cumulative Repayment up to DOCO/previous year	0.00	1.25	2.50	3.75
	Net Loan-Opening	15.00	13.75	12.50	11.25
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	1.25	1.25	1.25	1.25
	Net Loan-Closing	13.75	12.50	11.25	10.00
	Average Loan	14.38	13.13	11.88	10.63
	Rate of Interest	9.70%	9.70%	9.70%	9.70%
	Interest	1.39	1.27	1.15	1.03
	Repayment Schedule	12 Annual Instalments from 28.03.2006			
<b>3</b>	<b>Bond- XIII Option 1</b>				
	Gross Loan opening	352.00	352.00	352.00	352.00
	Cumulative Repayment up to DOCO/previous year	0.00	0.00	29.33	58.67
	Net Loan-Opening	352.00	352.00	322.67	293.33
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	29.33	29.33	29.33
	Net Loan-Closing	352.00	322.67	293.33	264.00
	Average Loan	352.00	337.33	308.00	278.67
	Rate of Interest	8.63%	8.63%	8.63%	8.63%
	Interest	30.38	29.11	26.58	24.05
	Repayment Schedule	12 annual inatalments from 31-7-2006			
<b>4</b>	<b>Bond- XV</b>				
	Gross Loan opening	983.00	983.00	983.00	983.00
	Cumulative Repayment up to DOCO/previous year	0.00	0.00	0.00	81.92
	Net Loan-Opening	983.00	983.00	983.00	901.08
	Additions during the year	0.00	0.00	0.00	0.00

	Repayment during the year	0.00	0.00	81.92	81.92
	Net Loan-Closing	983.00	983.00	901.08	819.17
	Average Loan	983.00	983.00	942.04	860.13
	Rate of Interest	6.68%	6.68%	6.68%	6.68%
	Interest	65.66	65.66	62.93	57.46
	Repayment Schedule	12 annual instalments from 23-2-2008			
5	<b>Bridge Financing from IOB w.e.f. 15.07.2005 upto 22.09.2005 /Bond-XVII w.e.f 22.09.2005</b>				
	Gross Loan opening	1250.00	1250.00	1250.00	1250.00
	Cumulative Repayment up to DOCO/previous year	0.00	0.00	0.00	0.00
	Net Loan-Opening	1250.00	1250.00	1250.00	1250.00
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00
	Net Loan-Closing	1250.00	1250.00	1250.00	1250.00
	Average Loan	1250.00	1250.00	1250.00	1250.00
	Rate of Interest	7.07%	7.39%	7.39%	7.39%
	Interest	88.39	92.38	92.38	92.38
	Repayment Schedule	10 annual instalments from 22-09-09			
6	<b>Bond- XVIII ( For ACE) (Date of Drawal 09.03.2006)</b>				
	Gross Loan opening	0.00	68.00	68.00	68.00
	Cumulative Repayment up to DOCO/previous year	0.00	0.00	0.00	0.00
	Net Loan-Opening	0.00	68.00	68.00	68.00
	Additions during the year	68.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00
	Net Loan-Closing	68.00	68.00	68.00	68.00
	Average Loan	34.00	68.00	68.00	68.00
	Rate of Interest	8.15%	8.15%	8.15%	8.15%
	Interest	2.77	5.54	5.54	5.54
	Repayment Schedule	12 annual instalments from 09.03.2010			
	<b>Total Loan</b>				
	Gross Loan opening	7174.00	7242.00	7242.00	7242.00
	Cumulative Repayment upto DOCO/previous year	0.00	1.25	31.83	144.33
	Net Loan-Opening	7174.00	7240.75	7210.17	7097.67
	Additions during the year	68.00	0.00	0.00	0.00
	Repayment during the year	1.25	30.58	112.50	569.90
	Net Loan-Closing	7240.75	7210.17	7097.67	6527.77
	Average Loan	7207.38	7225.46	7153.92	6812.72
	Rate of Interest	7.1226%	7.1791%	7.1755%	7.1773%
	<b>Interest</b>	513.35	518.72	513.33	488.97

(iii) 220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station

(Rs. in Lakh)

	<b>Details of Loan</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>
<b>1</b>	<b>Bond-XVI</b>				
	Gross Loan opening	4135.00	4135.00	4135.00	4135.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00
	Net Loan-Opening	4135.00	4135.00	4135.00	4135.00
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	413.50
	Net Loan-Closing	4135.00	4135.00	4135.00	3721.50
	Average Loan	4135.00	4135.00	4135.00	3928.25
	Rate of Interest	7.10%	7.10%	7.10%	7.10%
	Interest	293.59	293.59	293.59	278.91
	Repayment Schedule	10 Annual instalments from 18.02.2009			
<b>2</b>	<b>Bond- XII</b>				
	Gross Loan opening	13.00	13.00	13.00	13.00
	Cumulative Repayment upto DOCO/previous year	0.00	1.08	2.17	3.25
	Net Loan-Opening	13.00	11.92	10.83	9.75
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	1.08	1.08	1.08	1.08
	Net Loan-Closing	11.92	10.83	9.75	8.67
	Average Loan	12.46	11.38	10.29	9.21
	Rate of Interest	9.70%	9.70%	9.70%	9.70%
	Interest	1.21	1.10	1.00	0.89
	Repayment Schedule	12 Annual Instalments from 28.03.2006			
<b>3</b>	<b>Bond- XIII Option 1</b>				
	Gross Loan opening	319.00	319.00	319.00	319.00
	Cumulative Repayment up to DOCO/previous year	0.00	0.00	26.58	53.17
	Net Loan-Opening	319.00	319.00	292.42	265.83
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	26.58	26.58	26.58
	Net Loan-Closing	319.00	292.42	265.83	239.25
	Average Loan	319.00	305.71	279.13	252.54
	Rate of Interest	8.63%	8.63%	8.63%	8.63%
	Interest	27.53	26.38	24.09	21.79
	Repayment Schedule	12 annual inatalments from 31-7-2006			
<b>4</b>	<b>Bond- XV</b>				
	Gross Loan opening	889.00	889.00	889.00	889.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	74.08



	Net Loan-Opening	889.00	889.00	889.00	814.92
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	74.08	74.08
	Net Loan-Closing	889.00	889.00	814.92	740.83
	Average Loan	889.00	889.00	851.96	777.88
	Rate of Interest	6.68%	6.68%	6.68%	6.68%
	Interest	59.39	59.39	56.91	51.96
	Repayment Schedule	12 annual instalments from 23-2-2008			
5	<b>Bridge Financing from IOB w.e.f. 15.07.2005 upto 22.09.2005 /Bond-XVII w.e.f 22.09.2005</b>				
	Gross Loan opening	1150.00	1150.00	1150.00	1150.00
	Cumulative Repayment up to DOCO/previous year	0.00	0.00	0.00	0.00
	Net Loan-Opening	1150.00	1150.00	1150.00	1150.00
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00
	Net Loan-Closing	1150.00	1150.00	1150.00	1150.00
	Average Loan	1150.00	1150.00	1150.00	1150.00
	Rate of Interest	7.07%	7.39%	7.39%	7.39%
	Interest	81.32	84.99	84.99	84.99
	Repayment Schedule	10 annual instalments from 22-09-09			
6	<b>Bond- XVIII ( For ACE) (Date of Drawal 09.03.2006)</b>				
	Gross Loan opening	0.00	96.00	96.00	96.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00
	Net Loan-Opening	0.00	96.00	96.00	96.00
	Additions during the year	96.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00
	Net Loan-Closing	96.00	96.00	96.00	96.00
	Average Loan	48.00	96.00	96.00	96.00
	Rate of Interest	8.15%	8.15%	8.15%	8.15%
	Interest	3.91	7.82	7.82	7.82
	Repayment Schedule	12 annual instalments from 09.03.2010			
	<b>Total Loan</b>				
	Gross Loan opening	6506.00	6602.00	6602.00	6602.00
	Cumulative Repayment upto DOCO/previous year	0.00	1.08	28.75	130.50
	Net Loan-Opening	6506.00	6600.92	6573.25	6471.50
	Additions during the year	96.00	0.00	0.00	0.00
	Repayment during the year	1.08	27.67	101.75	515.25
	Net Loan-Closing	6600.92	6573.25	6471.50	5956.25
	Average Loan	6553.46	6587.08	6522.38	6213.88
	Rate of Interest	7.1251%	7.1847%	7.1813%	7.1833%
	<b>Interest</b>	466.94	473.27	468.39	446.36

Summary Sheet							
<b>Name of the Company:</b>				<b>PGCIL</b>			
<b>Name of the Element:</b>				400 kV D/C Tarapur-Padghe transmission line circuit-I with associated bays at Padghe			
<b>Actual DOCO:</b>				<b>01.03.2005</b>			
<b>Petition No.:</b>				<b>135/2006</b>			
<b>Tariff setting Period:</b>				<b>2004-09</b>			
(Rs.in lakh)							
<b>1</b>	<b>Capital Cost of the Project as on DOCO</b>						<b>6059.72</b>
<b>2</b>	<b>Additional Capitalisation 2(a+b)</b>						<b>504.19</b>
	a)			For the year 2004-05		0.00	
	b)			For the year 2005-06		504.19	
				Total		504.19	
<b>3a)</b>	<b>Total Capital Cost as on 1.4.2005(1+2a)</b>						<b>6059.72</b>
<b>3 b)</b>	<b>Total Capital Cost as on 1.4.2006(1+2)</b>						<b>6563.91</b>
<b>4</b>	<b>Means of Finance :</b>						
		<b>As on DOCO</b>		<b>As on 1.4.2005</b>		<b>As on 1.4.2006</b>	
	Debt	77.38%	4689.00	77.38%	4689.00	76.81%	5041.93
	Equity	22.62%	1370.72	22.62%	1370.72	23.19%	1521.98
	Total	100.00%	6059.72	100.00%	6059.72	100.00%	6563.91
<b>5</b>	<b>Gross Loan:</b>						
			As on DOCO				4689.00
			Notional Loan corresponding to ACE during 2004-05				0.00
			As on 01.04.2005				4689.00
			Notional Loan corresponding to ACE during 2005-06				352.93
			As on 01.04.2006				5041.93
<b>6</b>	<b>Cumulative Repayment upto 31.3.2009 :</b>						<b>965.98</b>
			Up to DOCO				0.00
			From DOCO to 31.03.2009				965.98
			Total				965.98
<b>7</b>	<b>Balance Loan to be repaid beyond 31.03.2009 :</b>						<b>4075.95</b>
<b>8</b>	<b>Depreciation recovered upto 31.03.09 :</b>						<b>965.98</b>
				<b>Dep</b>	<b>AAD</b>	<b>Total</b>	
			From DOCO to 31.03.2009	703.45	262.53	965.98	
			Total			965.98	
<b>9</b>	<b>Balance Depreciation to be recovered beyond 31.03.2009 :</b>						<b>4941.54</b>
			<b>Capital cost for the purpose of Depreciation</b>				<b>6059.72</b>
			<b>ACE during 2004-05</b>				<b>0.00</b>
			<b>ACE during 2005-06</b>				<b>504.19</b>
			<b>Capital cost as 01.04.2006</b>				<b>6563.91</b>
			<b>Less: Land Cost</b>				<b>0.00</b>
							<b>6563.91</b>
			<b>90% of Capital Cost as above</b>				<b>5907.52</b>
			<b>Cum. Depreciation to be recovered up to 31.03.09</b>				<b>965.98</b>
			<b>Balance Depreciation to be recovered beyond 31.03.09</b>				<b>4941.54</b>

<b>Summary Sheet</b>					
<b>Name of the Company:</b>		<b>PGCIL</b>			
<b>Name of the Element:</b>		400 kV D/C Tarapur-Padghe transmission line circuit –II including associated bay at Padghe, 400 kV D/C Tarapur-Boisar transmission line together with associated bays at 400 kV sub-station at Boisar and LILO of 400 kV D/C Gandhar-Padghe transmission line at Boisar sub-station			
<b>Actual DOCO:</b>		<b>1.8.2005</b>			
<b>Petition No.:</b>		<b>135/2006</b>			
<b>Tariff setting Period:</b>		<b>2004-09</b>			
					(Rs.in lakh)
<b>1</b>	<b>Capital Cost of the Project as on DOCO</b>				<b>9191.03</b>
<b>2</b>	<b>Additional Capitalisation</b>				<b>401.19</b>
		For the year 2005-06		401.19	
		Total		401.19	
<b>3</b>	<b>Total Capital Cost as on 1.4.2006(1+2)</b>				<b>9592.22</b>
<b>4</b>	<b>Means of Finance :</b>				
		<b>As on DOCO</b>		<b>As on 1.4.2006</b>	
	Debt	78.05%	7174.00	77.72%	7454.83
	Equity	21.95%	2017.03	22.28%	2137.39
	Total	100.00%	9191.03	100.00%	9592.22
<b>5</b>	<b>Gross Loan:</b>				
		As on DOCO		7174.00	
		Notional loan corresponding to ACE during 2005-06		280.83	
		As on 1.4.2006		7454.83	
<b>6</b>	<b>Cumulative Repayment up to 31.3.2009 :</b>				<b>1233.86</b>
		Up to DOCO		0.00	
		From DOCO to 31.3.2009		1233.86	
		Total		1233.86	
<b>7</b>	<b>Balance Loan to be repaid beyond 31.3.2009 :</b>				<b>6220.97</b>
<b>8</b>	<b>Depreciation recovered up to 31.3.2009 :</b>				<b>1233.86</b>
			<b>Dep</b>	<b>AAD</b>	<b>Total</b>
		From DOCO to 31.3.2009	951.34	282.52	1233.86
		Total			1233.86
<b>9</b>	<b>Balance Depreciation to be recovered beyond 31.3.2009 :</b>				<b>7173.79</b>
	<b>Capital cost for the purpose of Depreciation</b>			<b>9191.03</b>	
	<b>ACE during 2005-06</b>			<b>401.19</b>	
	<b>Capital cost as 1.4.2006</b>			<b>9592.22</b>	
	<b>Less: Land Cost</b>			<b>250.38</b>	
				<b>9341.84</b>	
	<b>90% of Capital Cost as above</b>			<b>8407.66</b>	
	<b>Cum. Depreciation to be recovered up to 31.3.2009</b>			<b>1233.86</b>	
	<b>Balance Depreciation to be recovered beyond 31.3.2009</b>			<b>7173.79</b>	

Summary Sheet				
<b>Name of the Company:</b>		<b>PGCIL</b>		
<b>Name of the Element:</b>		220 kV D/C Tarapur-Boisar transmission line with associated bays at 220 kV Boisar sub-station including the auto transformer and LILO of 400 kV D/C Gandhar-Padghe transmission line at Vapi sub-station		
<b>Actual DOCO:</b>		<b>1.9.2005</b>		
<b>Petition No.:</b>		<b>135/2006</b>		
<b>Tariff setting Period:</b>		<b>2004-09</b>		
(Rs.in lakh)				
<b>1</b>	<b>Capital Cost of the Project as on DOCO</b>			<b>8393.12</b>
<b>2</b>	<b>Additional Capitalization</b>			<b>562.61</b>
		For the year 2005-06	562.61	
		Total	562.61	
<b>3</b>	<b>Total Capital Cost as on 1.4.2006 (1+2)</b>			<b>8955.73</b>
<b>4</b>	<b>Means of Finance :</b>			
		<b>As on DOCO</b>		<b>As on 1.4.2006</b>
	Debt	77.52%	6506.00	77.04%
	Equity	22.48%	1887.12	22.96%
	Total	100.00%	8393.12	100.00%
				8955.73
<b>5</b>	<b>Gross Loan:</b>			
		As on DOCO		6506.00
		Notional Loan corresponding to ACE during 2005-06		393.83
		As on 1.4.2006		6899.83
<b>6</b>	<b>Cumulative Repayment up to 31.3.2009 :</b>			<b>1193.71</b>
		Up to DOCO		0.00
		From DOCO to 31.3.2009		1193.71
		Total		1193.71
<b>7</b>	<b>Balance Loan to be repaid beyond 31.3.2009 :</b>			<b>5706.12</b>
<b>8</b>	<b>Depreciation recovered up to 31.3.2009 :</b>			<b>1193.71</b>
			<b>Dep</b>	<b>AAD</b>
		From DOCO to 31.3.2009	972.94	220.77
		Total		1193.71
<b>9</b>	<b>Balance Depreciation to be recovered beyond 31.3.2009 :</b>			<b>6353.38</b>
	<b>Capital cost for the purpose of Depreciation</b>			<b>8393.12</b>
	<b>ACE during 2005-06</b>			<b>562.61</b>
	<b>Capital cost as 1.4.2006</b>			<b>8955.73</b>
	<b>Less: Land Cost</b>			<b>570.08</b>
				<b>8385.65</b>
	<b>90% of Capital Cost as above</b>			<b>7547.09</b>
	<b>Cum. Depreciation to be recovered up to 31.3.2009</b>			<b>1193.71</b>
	<b>Balance Depreciation to be recovered beyond 31.3.2009</b>			<b>6353.38</b>