

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

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

Petition No.48/2006

In the matter of

Petition for approval of transmission tariff for 400 kV S/C Meramundali-Jeypore transmission line along with extension of Meramundali and Jeypore sub-stations in Eastern Region for the period 1.6.2004 to 31.3.2009.

And in the matter of

Power Grid Corporation of India Ltd., Gurgaon

. Petitioner

Vs

1. Bihar State Electricity Board, Patna
2. West Bengal State Electricity Board, Kolkata
3. Grid Corporation of Orissa Ltd., Bhubaneswar
4. Damodar Valley Corporation, Kolkata
5. Power Dept., Govt. of Sikkim, Gangtok
6. Jharkhand State Electricity Board, Ranchi

.....Respondents

The following were present:

1. Shri P.C. Pankaj, PGCIL
2. Shri C. Kannan, PGCIL
3. Shri U.K. Tyagi, PGCIL
4. Shri M.M. Mondal, PGCIL
5. Shri B.C.Pant, PGCIL
6. Shri A.K.Nagpal, PGCIL
7. Shri V.L.Dua, PGCIL

ORDER

(DATE OF HEARING: 16.11.2006)

The petition has been filed for approval of tariff for 400 kV S/C Meramundali-Jeypore transmission line along with extension of Meramundali and Jeypore sub-station (hereinafter referred to as "the transmission line") in Eastern Region for the period 1.6.2004 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"). The petitioner has also prayed for the reimbursement by the beneficiaries of expenditure incurred towards publishing of notices in the newspapers and petition filing fee.

2. The investment approval for the transmission line was accorded by Board of Directors of the petitioner company under its letter dated 22.11.2000 at an estimated cost of Rs. 16651 lakh, including IDC of Rs. 1826 lakh. The date of commercial operation of the transmission line with line length of 456 ckt-kms (for O&M purpose) is 1.6.2004, though the transmission line was completed in January 2004.

3. The provisional transmission charges for the transmission line were approved by the Commission by its order dated 13.2.2004 in Petition No. 96/2003 with anticipated date of commercial operation as 1.1.2004. The present petition is for approval of final tariff from the date of commercial operation.

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

(Rs. in lakh)

	2004-05 (Pro rata)	2005-06	2006-07	2007-08	2008-09
Depreciation	332.63	399.16	399.16	399.16	399.16
Interest on Loan	862.01	997.22	935.40	851.26	763.52
Return on Equity	357.14	428.57	428.57	428.57	428.57
Advance against Depreciation	0.00	42.29	475.63	583.13	583.13
Interest on Working Capital	43.94	53.79	61.43	63.07	62.87
O & M Expenses	156.56	195.37	203.44	211.17	220.00
Total	1752.29	2116.40	2503.61	2536.35	2457.24

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

(Rs. in lakh)

	2004-05 (Pro rata)	2005-06	2006-07	2007-08	2008-09
Maintenance Spares	148.32	155.74	165.08	174.99	185.49
O & M expenses	15.66	16.28	16.95	17.60	18.33
Receivables	350.46	352.73	417.27	422.73	409.54
Total	514.44	524.75	599.30	615.31	613.36
Rate of Interest	10.25%	10.25%	10.25%	10.25%	10.25%
Interest	43.94	53.79	61.43	63.07	62.87

6. The reply to the petition has been filed by Bihar State Electricity Board and West Bengal State Electricity Board. No comments or suggestions 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

7. 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.

8. The petitioner has claimed the capital expenditure of Rs. 14832.22 lakh after accounting for capitalisation of Rs.468.65 lakh on account of IEDC/IDC for the period 1.1.2004 to 31.5.2004 over the capital expenditure of Rs. 14363.57 lakh as on 1.1.2004. The petitioner has not claimed any additional capitalization on works or on account of FERV.

Time Overrun

9. The scheduled date of commissioning of the transmission line was June 2003. The construction of line was completed in the month of January 2004. The transmission line has, however, been declared under commercial operation on 1.6.2004. Thus, there is delay of about of 12 months in the commissioning.

10. The petitioner has explained the delay of seven months as attributable to unprecedented rains and floods, objections by land owners, and delay in clearing

of forest land. The petitioner has placed on record the correspondents exchanged with different authorities. There is satisfactory explanation for the delay of 7 months in completion of the transmission line.

11. Out of total delay of 12 months, 5 months period is stated to be on account of non-completion of Meramundali bay which was to be constructed by the third respondent. On that issue, the petitioner has submitted that the matter used to be deliberated in EREB meetings and the Commercial Committee meetings wherein it emerged that the required bay at Meramundali sub-station could not be commissioned by the third respondent before 31.5.2004. The petitioner has thus explained that 5 months delay was not attributable to it. The first and second respondents in their affidavits have submitted that IDC and IEDC capitalized by the petitioner for the period of 5 months from January 2004 to May 2004 may be disallowed. On consideration of the material on record, we are satisfied with the reasons furnished by the petitioner to explain the delay of five months in commissioning of the transmission line. Accordingly, the petitioner is entitled to claim IDC and IDEC for the said period of five months.

12. Accordingly, the capital cost of Rs. 14832.22 lakh claimed by the petitioner has been considered.

DEBT- EQUITY RATIO

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

“(2) In case of the transmission systems 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.”

14. The petitioner has indicated that approved debt-equity ratio of 80:20. However, it has been noticed that the actual equity deployed as on 1.6.2004 was Rs. 3061.22 lakh and the balance amount of Rs. 11771 lakh has been taken as loan. This makes debt-equity in the ratio of 79.36:20.64. Therefore, the actual equity of Rs. 3061.22 lakh has been considered for the purpose of determination of tariff in the present petition.

RETURN ON EQUITY

15. 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.

16. The petitioner has claimed return on equity of Rs.3061.22 lakh, which has been considered. Accordingly, for the purpose of tariff the petitioner shall be entitled to return on equity of Rs. 357.14 lakh during 2004-05 on pro rata basis and thereafter @ Rs.428.57 lakh each year during the tariff period.

INTEREST ON LOAN

17. 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.”

18. The petitioner has claimed interest on loan in the following manner:

(i) Gross loans opening has been considered on on 1.6.2004.

(ii) 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.

(iii) Gross loan has been considered as notional loan and the weighted average rate of interest on loan for respective year has been has been multiplied by the petitioner to arrive at interest on loan.

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

(i) Details of net outstanding loan as on 31.5.2004, repayment schedule for the period 2004-09, rate of interest as on 1.6.2004, etc. have been taken from the loan allocation statement submitted by the petitioner for working out weighted average rate of interest.

(ii) Tariff has been 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:

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

(iii) Moratorium in repayment of loan has been 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.

(iv) Weighted average rate of interest on actual loan worked out as above has been applied on the average loan during the year to arrive at the interest on loan.

(v) OBC and PNB II loans carry floating rate of interest and rate of interest as applicable as on 1.6.2004 has been considered in the calculations, subject to mutual settlement between the parties in case of any change/resetting of the interest rate during the tariff period:.

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

(Rs. in lakh)					
Details of loan	2004-05 (Pro rata)	2005-06	2006-07	2007-08	2008-09
Opening Gross Loan	11771.00	11771.00	11771.00	11771.00	11771.00
Cumulative Repayment up to Previous Year	8.20	340.83	776.14	1638.74	2607.35
Net Loan-Opening	11762.80	11430.17	10994.86	10132.26	9163.65
Repayment during the year	332.63	435.31	862.61	968.61	968.61
Net Loan-Closing	11430.17	10994.86	10132.26	9163.65	8195.04
Average Loan	11596.48	11212.52	10563.56	9647.95	8679.34
Weighted Average Rate of Interest on Loan	8.9201%	8.8963%	8.8652%	8.8463%	8.8365%
Interest	862.01	997.50	936.48	853.49	766.95

21. The detailed calculations in support of weighted average rate of interest are contained in Annexure `A` to this order.

DEPRECIATION

22. 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.

23. The petitioner has claimed the depreciation on the capital cost of Rs. 14832.22 lakh as on 1.6.2006 and the subsequent years.

24. The gross depreciable value of the transmission line is $0.9 \times$ (Rs. 14832.22 lakh) = Rs. 13349.00 lakh.

25. Depreciation works out to Rs. 332.63 lakh for the year 2004-05 on pro rata basis and Rs. 399.16 lakh each year for the period 2004-09 as shown below:

(Rs. in lakh)

Details of Depreciation		2004-05	2005-06	2006-07	2007-08	2008-09
Gross block		14832.22	14832.22	14832.22	14832.22	14832.22
Rate of Depreciation	2.6911%					
Depreciable Value	90%	13349.00	13349.00	13349.00	13349.00	13349.00
Balance Useful life of the asset		-	-	-	-	-
Remaining Depreciable Value		13349.00	13016.37	12581.06	11718.46	10749.84
Depreciation		332.63	399.16	399.16	399.16	399.16

ADVANCE AGAINST DEPRECIATION

26. 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 1/10th of loan amount as per regulation 54 minus depreciation as per schedule

27. 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.

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

- (i) 1/10th of gross loan is worked out from the gross loan as on 1.6.2004.
- (ii) Cumulative loan as well as repayment of notional loan during the year have been considered.
- (iii) Depreciation as claimed in the petition.

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

- (i) 1/10th of gross loan has been worked out from the gross notional loan as per para 20 above.
- (ii) Repayment of notional loan during the year has been considered as per para 20 above.
- (iii) Depreciation as worked out as per para 25 has been taken into account.

30. The details of Advance Against Depreciation allowed for the transmission line are given hereunder:

(Rs. in lakh)

	2004-05	2005-06	2006-07	2007-08	2008-09
1/10th of Gross Loan(s)	1177.10	1177.10	1177.10	1177.10	1177.10
Repayment of Loan	332.63	435.31	862.61	968.61	968.61
Minimum of the above	332.63	435.31	862.61	968.61	968.61
Depreciation during the year	332.63	399.16	399.16	399.16	399.16
(A) Difference	0.00	36.15	463.45	569.45	569.45
Cumulative Repayment of the Loan	340.83	776.14	1638.74	2607.35	3575.96
Cumulative Depreciation/ Advance against Depreciation	332.63	731.79	1167.09	2029.70	2998.31
(B) Difference	8.20	44.35	471.65	577.65	577.65
Advance Against Depreciation Minimum of (A) and (B)	0.00	36.15	463.45	569.45	569.45

OPERATION & MAINTENANCE EXPENSES

31. 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

32. The petitioner has claimed O & M expenses for 456 ckt-km of line length and 3 bays which has been allowed. Accordingly, the petitioner's entitlement to O & M expenses has been worked out as given hereunder:

(Rs. in lakh)

	Year				
	2004-05 (Pro rata)	2005-06	2006-07	2007-08	2008-09
O&M expenses for 456 ckt-km line length	86.26	107.62	112.18	116.28	121.30
O&M expenses for 3 bays	70.3	87.75	91.26	94.89	98.70
Total	156.56	195.37	203.44	211.17	220.00

33. The petitioner has submitted that the wage revision of its employees is due with effect from 1.1.2007. Therefore, 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

34. 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 is Rs. 14832.22 lakh, 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. In this manner, the value of maintenance spares works out to Rs. 148.32 lakh as on 1.6.2004.

(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)(c) 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, which is in accordance with the 2004 regulations and has been allowed.

35. The necessary computations in support of interest on working capital are appended hereinbelow:

(Rs. in lakh)

	2004-05 (Pro rata)	2005-06	2006-07	2007-08	2008-09
Maintenance Spares	148.32	155.74	165.08	174.99	185.49
O & M expenses	15.66	16.28	16.95	17.60	18.33
Receivables	350.46	351.74	415.39	420.78	407.80
Total	514.44	523.76	597.42	613.37	611.62
Rate of Interest	10.25%	10.25%	10.25%	10.25%	10.25%
Interest	43.94	53.69	61.24	62.87	62.69

TRANSMISSION CHARGES

36. The capital cost and other relevant details are contained in the summary sheet attached. The transmission charges being allowed for transmission line are summarised below:

	(Rs.in lakh)				
	2004-05 (Pro rata)	2005-06	2006-07	2007-08	2008-09
Depreciation	332.63	399.16	399.16	399.16	399.16
Interest on Loan	862.01	997.50	936.48	853.49	766.95
Return on Equity	357.14	428.57	428.57	428.57	428.57
Advance against Depreciation	0.00	36.15	463.45	569.45	569.45
Interest on Working Capital	43.94	53.69	61.24	62.87	62.69
O & M Expenses	156.56	195.37	203.44	211.17	220.00
Total	1752.29	2110.43	2492.33	2524.71	2446.82

37. 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. These transmission charges shall be included in the regional transmission tariff for Eastern Region and shall be shared by the regional beneficiaries in accordance with the 2004 regulations.

38. The petitioner has sought approval for the reimbursement of expenditure of Rs. 1,05,981- incurred on publication of notices in the newspapers. The petitioner shall claim reimbursement of the said expenditure directly from the respondents in one installment in the ratio applicable for sharing of transmission charges. 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.

39. The petitioner is already billing the respondents on provisional basis in accordance with the order dated 13.2.2004 in petition No. 96/2003. The provisional billing of tariff shall be adjusted in the light of final tariff now approved by us.

40. This order disposes of Petition No.48/2006.

Sd-/
(A.H.JUNG)
MEMBER

sd-/
(BHANU BHUSHAN)
MEMEBER

New Delhi dated the 6th February, 2007

CALCULATION OF WEIGHTED AVERAGE RATE OF INTEREST ON LOAN

(Rs. in lakh)

	Details of Loan	2004-05	2005-06	2006-07	2007-08	2008-09
1	Bond IX					
	Gross Loan opening	82.00	82.00	82.00	82.00	82.00
	Cumulative Repayment upto DOCO/previous year	8.20	16.40	24.60	32.80	41.00
	Net Loan-Opening	73.80	65.60	57.40	49.20	41.00
	Repayment during the year	8.20	8.20	8.20	8.20	8.20
	Net Loan-Closing	65.60	57.40	49.20	41.00	32.80
	Average Loan	69.70	61.50	53.30	45.10	36.90
	Rate of Interest	12.25%	12.25%	12.25%	12.25%	12.25%
	Interest	8.54	7.53	6.53	5.52	4.52
	Repayment Schedule	10 Annual instalments from 22.8.2003				
2	Bond X					
	Gross Loan opening	971.00	971.00	971.00	971.00	971.00
	Cumulative Repayment up to DOCO/previous year	0.00	80.92	161.83	242.75	323.67
	Net Loan-Opening	971.00	890.08	809.17	728.25	647.33
	Repayment during the year	80.92	80.92	80.92	80.92	80.92
	Net Loan-Closing	890.08	809.17	728.25	647.33	566.42
	Average Loan	930.54	849.63	768.71	687.79	606.88
	Rate of Interest	10.90%	10.90%	10.90%	10.90%	10.90%
	Interest	101.43	92.61	83.79	74.97	66.15
	Repayment Schedule	12 Annual instalments from 21.6.2004				
3	Bond XI Option-I					
	Gross Loan opening	974.00	974.00	974.00	974.00	974.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	81.17	162.33	243.50
	Net Loan-Opening	974.00	974.00	892.83	811.67	730.50
	Repayment during the year	0.00	81.17	81.17	81.17	81.17
	Net Loan-Closing	974.00	892.83	811.67	730.50	649.33
	Average Loan	974.00	933.42	852.25	771.08	689.92
	Rate of Interest	9.80%	9.80%	9.80%	9.80%	9.80%
	Interest	95.45	91.47	83.52	75.57	67.61
	Repayment Schedule	12 Annual Installments from 7.12.2005				
4	Bond-XII					
	Gross Loan opening	2268.00	2268.00	2268.00	2268.00	2268.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	189.00	378.00	567.00
	Net Loan-Opening	2268.00	2268.00	2079.00	1890.00	1701.00
	Repayment during the year	0.00	189.00	189.00	189.00	189.00
	Net Loan-Closing	2268.00	2079.00	1890.00	1701.00	1512.00
	Average Loan	2268.00	2173.50	1984.50	1795.50	1606.50
	Rate of Interest	9.70%	9.70%	9.70%	9.70%	9.70%
	Interest	220.00	210.83	192.50	174.16	155.83
	Repayment Schedule	12 Annual Instalments from 28.3.2006				
5	Bond XIII Option I					
	Gross Loan opening	5200.00	5200.00	5200.00	5200.00	5200.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	433.33	866.67

	Net Loan-Opening	5200.00	5200.00	5200.00	4766.67	4333.33
	Repayment during the year	0.00	0.00	433.33	433.33	433.33
	Net Loan-Closing	5200.00	5200.00	4766.67	4333.33	3900.00
	Average Loan	5200.00	5200.00	4983.33	4550.00	4116.67
	Rate of Interest	8.63%	8.63%	8.63%	8.63%	8.63%
	Interest	448.76	448.76	430.06	392.67	355.27
	Repayment Schedule	12 Annual Instalments from 31.7.2006				
6	Bond XV					
	Gross Loan opening	1290.00	1290.00	1290.00	1290.00	1290.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00	107.50
	Net Loan-Opening	1290.00	1290.00	1290.00	1290.00	1182.50
	Repayment during the year	0.00	0.00	0.00	107.50	107.50
	Net Loan-Closing	1290.00	1290.00	1290.00	1182.50	1075.00
	Average Loan	1290.00	1290.00	1290.00	1236.25	1128.75
	Rate of Interest	6.68%	6.68%	6.68%	6.68%	6.68%
	Interest	86.17	86.17	86.17	82.58	75.40
	Repayment Schedule	12 Annual Instalments from 23.2.2008				
7	PNB-II					
	Gross Loan opening	538.00	538.00	538.00	538.00	538.00
	Cumulative Repayment up to DOCO/previous year	0.00	44.83	89.67	134.50	179.33
	Net Loan-Opening	538.00	493.17	448.33	403.50	358.67
	Repayment during the year	44.83	44.83	44.83	44.83	44.83
	Net Loan-Closing	493.17	448.33	403.50	358.67	313.83
	Average Loan	515.58	470.75	425.92	381.08	336.25
	Rate of Interest as on DOCO	8.60%	8.60%	8.60%	8.60%	8.60%
	Interest	44.34	40.48	36.63	32.77	28.92
	Repayment Schedule	12 Annual Instalments from 8.3.2005				
8	OBC					
	Gross Loan opening	448.00	448.00	448.00	448.00	448.00
	Cumulative Repayment up to DOCO/previous year	0.00	37.33	74.67	112.00	149.33
	Net Loan-Opening	448.00	410.67	373.33	336.00	298.67
	Repayment during the year	37.33	37.33	37.33	37.33	37.33
	Net Loan-Closing	410.67	373.33	336.00	298.67	261.33
	Average Loan	429.33	392.00	354.67	317.33	280.00
	Rate of Interest as on DOCO	8.60%	8.60%	8.60%	8.60%	8.60%
	Interest	36.92	33.71	30.50	27.29	24.08
	Repayment Schedule	12 Annual Instalments from 22.3.2005				
	Total Loan					
	Gross Loan opening	11771.00	11771.00	11771.00	11771.00	11771.00
	Cumulative Repayment upto DOCO/previous year	8.20	179.48	620.93	1495.72	2478.00
	Net Loan-Opening	11762.80	11591.52	11150.07	10275.28	9293.00
	Repayment during the year	171.28	441.45	874.78	982.28	982.28
	Net Loan-Closing	11591.52	11150.07	10275.28	9293.00	8310.72
	Average Loan	11677.16	11370.79	10712.68	9784.14	8801.86
	Rate of Interest	8.9201%	8.8963%	8.8652%	8.8463%	8.8365%
	Interest	1041.61	1011.58	949.70	865.53	777.78

Summary Sheet				
Name of the Company:		PGCIL		
Name of the Element:		400 KV S/C Meramundali-Jeypore Transmission Line alongwith extension of Meramundali and Jeypore Sub-Station in Eastern Region		
Actual DOCO:		1.6.2004		
Petition No.:		48/2006		
Tarrif setting Period:		2004-09		
(Rs.in lakh)				
1	Capital Cost of the Project as on DOCO			14832.22
2	Additional Capitalisation			0.00
	2004-05		0.00	
	Total		0.00	
3	Total Capital Cost as on 1.4.2005(1+2)			14832.22
4	Means of Finance :			
	Debt	79.36%	11771.00	
	Equity	20.64%	3061.22	
	Total	100.00%	14832.22	
5	Gross Loan:			11771.00
	As on DOCO		11771.00	
	Notional Loan corresponding to ACE during 2004-05		0.00	
	Total		11771.00	
6	Cumulative Repayment up to 31.3.2009 :			3575.96
	Up to DOCO		8.20	
	DOCO to 31.3.2009		3567.76	
	Total		3575.96	
7	Balance Loan to be repaid beyond 31.3.2009 :			8195.04
8	Depreciation recovered up to 31.3.2009 :			3567.76
		Dep	AAD	Total
	DOCO to 31.3.2009	1929.26	1638.51	3567.76
	Total			3567.76
9	Balance Depreciation to be recovered beyond 31.3.2009 :			9781.23
	Capital cost for the purpose of Depreciation		14832.22	
	Less: Land Cost		0.00	
			14832.22	
	90% of Capital Cost as above		13349.00	
	Cum. Depreciation to be recovered up to 31.3.2009		3567.76	
	Balance Depreciation to be recovered beyond 31.3.2009		9781.23	