

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

- 1. Shri Bhanu Bhushan, Member**
- 2. Shri R.Krishnamoorthy, Member**

Petition No. 2/2007

In the matter of

Determination of final transmission tariff for 400 kV D/C Rihand-Allahabad, Allahabad-Mainpuri & Mainpuri-Ballabgarh transmission lines with associated bays, ICT-I & II at Patiala sub-station, LILO of one circuit of Nallagarh-Hissar transmission line at Kaithal, LILO of one circuit of Nalagarh-Hissar line at Patiala, 400 kV S/C Patiala-Malerkotla transmission line, ICT-III at Abdullapur sub-station and 400 kV S/C Dadri-Panipat transmission line with associated bays and 2 nos of bays at Abdullapur sub-station under Rihand STPS Stage-II Transmission System in Northern Region for tariff block 2004-09 period.

And in the matter of

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|---|-------------------------|
| Power Grid Corporation of India Limited, Gurgaon | ..Petitioner |
| Vs | |
| 1. Rajasthan Rajya Vidyut Prasaran Nigam Limited, Jaipur | |
| 2. Ajmer Vidyut Vitaran Nigam Ltd., Ajmer | |
| 3. Jaipur Vidyut Vitaran Nigam Ltd, Jaipur | |
| 4. Jodhpur Vidyut Vitaran Nigam Ltd, Jodhpur | |
| 5. Himachal Pradesh State Electricity Board, Shimla | |
| 6. Punjab State Electricity Board, Patiala | |
| 7. Haryana Vidyut Prasaran Nigam Ltd, Panchkula | |
| 8. Power Development Department, Govt. of J&K, Jammu | |
| 9. Uttar Pradesh Power Corporation Ltd, Lucknow | |
| 10. Delhi Transco Ltd, New Delhi | |
| 11. Chief Engineer, Chandigarh Administration, Chandigarh | |
| 12. Uttaranchal Power Corporation Ltd, Dehradun | |
| 13. North Central Railway, Allahabad |Respondents |

The following were present:

1. Shri P.C.Pankaj, PGCIL
2. Shri U.K. Tyagi, PGCIL
3. Shri M.M.Mondal, PGCIL
4. Shri Rakesh Prasad, PGCIL
5. Shri Prashant Sharma, PGCIL
6. Shri C.Kannan, PGCIL
7. Shri R.K.Arora, HPGCL
8. Shri T.P.S.Bawa, OSD, PSEB
9. Shri S.N.Singh, UPPCL
10. Shri A.S.Chauhan, JVVNL

ORDER
(DATE OF HEARING: 28.6.2007)

The application was made for approval of transmission tariff for the transmission elements given in the table below under Rihand STPS Stage-II Transmission System (the transmission system) in Northern Region for tariff block 2004-09 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:

S.No.	Name of Asset
1.	400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays
2.	ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays
3.	ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays
4.	400 kV S/C Dadri-Panipat transmission line with associated bays
5.	2 nos of 220 kV bays at Abdullapur sub-station

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

3. The petitioner stated that one ICT each at Kaithal and Mainpuri forming part of the transmission system and commissioned earlier were taken out of service on 13.5.2006 and 18.5.2006 respectively and were diverted to Mandola and Ballabgarh sub-stations, under Rihand STPS Stage – I Transmission System. The petitioner has submitted that new ICTs at Kaithal and Mainpuri are expected to be commissioned shortly and therefore, it has proposed to file separate petition for approval of tariff in respect of these two assets for which provisional tariff has been allowed earlier.

4. The representative of the petitioner stated that audited accounts in respect of 220 kV bays at Abdullapur sub-station were not available. It was prayed on its behalf that final tariff in respect of this element would be claimed separately while making application for approval of final tariff in respect of the left out assets. Thus, in terms of the prayer made at the hearing, approval of final transmission tariff in the present petition is being restricted to the following four assets (hereinafter referred to as "asset"), namely:

S.No.	Name of Asset
1.	400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays
2.	ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays
3.	ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays
4.	400 kV S/C Dadri-Panipat transmission line with associated bays

5. The investment approval for the transmission system was accorded by the Central Government in Ministry of Power under letter dated 9.12.2002 at an estimated cost of Rs.104444 lakh (2nd quarter 2002 price level), including IDC of Rs.15749 lakh. The dates of commercial operation of the transmission assets and the line length are as under:

S. No	Name of Asset	Date of commercial operation	Line Length Ckt kms
1.	400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays	1.6.2005	1757.252
2.	ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays	1.10.2005	126.20
3.	ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays	1.12.2005	22.87
4.	400 kV S/C Dadri-Panipat transmission line with associated bays	1.4.2006	116.65

6. The transmission charges claimed by the petitioner under various heads are given in Annexure I of this order. The summary of these transmission charges claimed is given hereunder:

(Rs. in lakh)					
S. No.	Name of Asset	2005-06	2006-07	2007-08	2008-09
1.	400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays	6512.26	7864.28	7953.55	9586.28
2.	ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays	792.37	1668.74	1659.74	1780.56
3.	ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays	189.37	626.35	625.85	633.06
4.	400 kV S/C Dadri-Panipat transmission line with associated bays	-	755.60	748.64	847.20
	Total	7494.00	10914.97	10987.78	12847.1

7. The details submitted by the petitioner in support of its claim for interest on working capital are given in Annexure II to this order. The summary of interest on working capital claimed is given hereunder:

(Rs. in lakh)					
S.No	Name of Asset	2005-06	2006-07	2007-08	2008-09
1.	400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays	166.64	204.08	209.65	241.85
2.	ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays	20.00	41.85	42.44	45.29
3.	ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays	4.74	15.35	15.59	15.97
4.	400 kV S/C Dadri-Panipat transmission line with associated bays	-	19.31	19.56	21.63
	Total	191.38	280.59	287.24	324.74

8. The reply to the petition has been filed by Uttar Pradesh Power Corporation Ltd, Jodhpur Vidyut Vitran Nigam Ltd., Jaipur Vidyut Vitran Nigam Ltd and Ajmer Vidyut Vitran Nigam Ltd. 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

9. 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.

10. 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 the three elements declared under commercial operation during 2005-06. 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 asset	Capital Expenditure on the date of commercial operation	Additional capital expenditure during 2005-06	Total Capital expenditure	Apportioned approved cost
1.	400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays	58947.08	1324.59	60271.67	72537.88
2.	ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays	9924.98	1020.93	10945.91	12269.03
3.	ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays	2910.10	673.51	3583.61	5458.33
4.	400 kV S/C Dadri-Panipat transmission line with associated bays	5500.27	-	5500.27	5622.76

Additional capitalization -2005-06

11. 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.”

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

400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays

Year	Nature of expenditure
2005-06	Land = Rs. 0.48 lakh
	Building and Civil works= Rs. 51.44 lakh
	Transmission line = Rs. 922.31 lakh
	Sub-station = Rs. 350.36 lakh
	Total = Rs. 1324.59 lakh

ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays

Year	Nature of expenditure
2005-06	Land = Rs. 4.5 lakh
	Building and civil works= Rs. 9.52 lakh
	Transmission line = Rs. 748.18 lakh
	Sub-station = Rs. 258.73 lakh
	Total = Rs. 1020.93 lakh

ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays

Year	Nature of expenditure
2005-06	Building and civil works= Rs. 87.68 lakh
	Transmission line = Rs. 58.23 lakh
	Sub-station = Rs. 525.14 lakh
	PLCC = Rs. 2.46 lakh
	Total = Rs. 673.51 lakh

13. 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. There is no cost overrun for any of the transmission assets. Accordingly, the additional capital expenditure as claimed for the respective transmission asset has been allowed.

Time overrun

14. It has been noticed that 400 kV Rihand-Allahabad,Mainpuri-Ballabgarh transmission line and ICT-I at Patiala sub-station etc. were commission ahead of schedule. The petitioner has furnished the reasons for advancement of commissioning in case of 400 k V D/C Rihand-Allahabad- Mainpuri - Ballabgarh transmission line with associated bays and ICT-I at Patiala sub-station, LILO of one Ckt of Nallagarh-Hissar transmission line at Kaithal, 400 KV S/C Patiala-Malerkotla transmission and ICT-III at Abdullapur sub-station with associates bays.

15. In case of 400 kV S/C Dadri-Panipat transmission line along with associated bays, there is delay of 3 months. The petitioner has submitted that this delay is attributable to severe ROW problems at certain locations. It has been further submitted that an order dated 15.9.2004 was made by the local civil court, restraining the petitioner from the construction of the transmission line. The petitioner approached District Court in appeal against the order dated 15. 9.2004 but the appeal was rejected by the District Court vide order dated 23.11.2005. However, the stay order was later vacated by Allahabad High Court vide order dated 7.12.2005. It is stated that the construction work got affected on account of stay order from September 2004 to December, 2005 resulting in delay in completion of the transmission line. Delay is also stated to be in grant of permission for national highway crossing which was granted in March 2006. We have considered the matter against the above background. In our view, the reasons for delay given by the petitioner are justified. Therefore, the time overrun factor is not being taken into account.

16. The petitioner has submitted that the forest land (about 306.15 hectares) falling in Sonbhadra, Renukoot and Obra Forest Divisions has been diverted for construction of 400 kV D/C transmission line from Rihand to Allahabad. The diversion of forest land for construction of lines listed in the petition is *interalia* governed by the conditions stipulated in the UP Govt. letters, communicating permission for felling of trees in forest areas, granting of forest land for 30 years lease etc.

17. There are two kinds of payments, one-time payments and annual lease rent payment which was required to be paid by the petitioner.

One-time payments

(a) Payment to Forest Deptt. for expenditure towards compensatory afforestation in double the forest land diverted for construction of the transmission lines and up keep and maintenance of the trees.

(b) Payment to Forest Deptt. towards expenditure towards "Chappan" of trees.

(c) Payment to Forest Deptt. towards expenditure for plantation of "dwarf" trees under the transmission lines corridor.

(d) Payment towards Net Present Value (NPV) for forest land diverted for construction of Transmission Line @ Rs 9.2 lakh per hectare.

(e) Payment of land premium equal to the market value of the forest land diverted for construction of the transmission lines on the market value of land to be assessed by the Distt. Magistrate.

18. One-time payment has been included in capital cost as on date of commercial operation under the head "Transmission Line". These forest expenses made by the petitioner are levied by the State Govt. and are of statutory nature. Thus, the capitalization of the same has been allowed. Since these payments were made before date of commercial operation, the capitalization as done by the petitioner is in order.

19. The annual lease rent is 10% of the market value of land. As per the details submitted by the petitioner, annual lease rent amounts to Rs.6055,949.

20. The petitioner has submitted following details in respect of least rent:

2004-05 – Rs.60, 55949/- , included in the actual expenditure up to date of commercial operation.

2003-04 (paid in 2005-06) – Rs.5,12,513/- and

2005-06 – Rs.60,55,949/-

Total amount paid (in 2005-06) - Rs.65,68,462/-

21. Out of Rs.65,68,462/-, an amount of Rs.23,04,489/- has been considered in the capital expenditure from date of commercial operation to 31.3.2006 pertaining to the period up to date of commercial operation. The capitalization done by the petitioner is in order. Thus, as claimed by the petitioner, capitalization of this amount also has been considered.

22. The prayer for recovery of the balance amount of Rs.42,63,973/- as reimbursement from the beneficiaries for the year 2005-06 towards lease rent has been considered. The petitioner is directed to file an affidavit with regard to details of payment towards annual lease rent as and when actually make every year.

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

(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
1.	400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays	58947.08	1324.59	60271.67
2.	ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays	9924.98	1020.93	10945.91
3.	ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays	2910.10	673.51	3583.61
4.	400 kV S/C Dadri-Panipat transmission line with associated bays	5500.27	-	5500.27
	Total	77282.43	3019.03	80301.46

DEBT- EQUITY RATIO

24. 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.”

25. The petitioner has considered debt-equity ratio as per the financial package. We have considered debt-equity ratio as on the date of commercial operation as claimed by the petitioner. The additional capitalisation on works has been segregated into debt and equity in the normative debt-equity ratio of 70:30 in accordance with Note 1 below Regulation 53. In case of ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays, the petitioner has deployed equity more than 30% which is allowed, subject to the condition that debt-equity ratio for the transmission system as a whole is maintained at 70:30. Therefore, 30.48% equity as on the date of commercial operation has been considered for the purpose of tariff for these elements. Accordingly, debt-equity ratio and equity considered for the purpose of tariff in each case is same as considered by the petitioner as given 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
400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays	70.54:29.46	70.52:29.48	17368.08	17765.46
ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays	69.52:30.48	69.57:30.43	3024.98	3331.26
ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays	72.75:27.25	72.23:27.77	793.10	995.15
400 kV S/C Dadri-Panipat transmission line with associated bays	72.31:27.69	72.31:27.69	1523.26	1523.26

RETURN ON EQUITY

26. 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.

27. For the reasons recorded in para 25 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)	
	Return in Equity	
	2005-06 (Pro rata)	2006-09 (Each year)
400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays	2049.46	2487.16
ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays	222.47	466.38
ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays	41.73	139.32
400 kV S/C Dadri-Panipat transmission line with associated bays	-	213.26

INTEREST ON LOAN

28. 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.”

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

(i) Gross loan opening has been considered from the 2005-06 for three assets and from 2006-07 for the 400 kV S/C Dadri-Panipat transmission line with associated bays.

(ii) Bond XVIII has been drawn on 9.3.2006 for the purpose of the additional capitalisation.

(iii) As on date of commercial operation, the gross loan drawn for additional capital expenditure has been added to the gross loan.

(iv) 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.

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

- (vi) Some loans have moratorium period. The petitioner has considered depreciation during the years of moratorium as repayment while calculating the interest on loan.
- (vii) In case of 400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays bridge finance loan from IOB (from 15.7.2005 to 21.9.2005) with rate of interest of 5.90% has been considered, which was replaced by Bond XVII (rate of interest 7.39%)

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

- (i) Gross amount of loan, repayment of instalments and rates of interest as on 1.4.2005 have been taken from above loan allocation statements submitted by the petitioner for working out weighted average rate of interest. It includes part corresponding to additional capital expenditure from date of commercial operation to 31.3.2006.
- (ii) Notional loan arising out of additional capitalization in case of all elements during the year 2005-06 has been considered. The adjusted gross loan has been considered as normative loan for tariff calculations.
- (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 Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays bridge financing of loan from IOB having a floating rate of interest of 5.90% was replaced with Bond XVII having fixed rate of interest of 7.39%. Therefore, weighed average rate of interest have been arrived at before calculating the interest pertaining to this loan. This is subject to mutual settlement between the parties in case of any change/resetting of the interest rate during the tariff period.

31. Based on the above, the year-wise details of interest worked out in respect of the four assets is given in Annexure III of this order. A summary of the details is given as under:

(Rs. in lakh)

S.No.	Name of Asset	2005-06	2006-07	2007-08	2008-09
1.	400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays	2448.84	2873.85	2752.75	2567.25
2.	ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C	256.91	527.05	504.21	477.98

	Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays				
3.	ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays	56.41	183.68	175.46	167.48
4.	400 kV S/C Dadri-Panipat transmission line with associated bays	-	283.80	273.12	259.00
	Total	2762.16	3868.38	3705.54	3471.71

32. The detailed calculations in support of interest on loan are attached with Annexure III to this order.

DEPRECIATION

33. 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.

34. The calculations in support of depreciation allowed are appended as per Annexure IV to this order. The summary is as under:

(Rs. in lakh)					
S. No.	Name of Asset	2005-06	2006-07	2007-08	2008-09
1.	400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays	1309.53	1590.06	1590.06	1590.06
2.	ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays	152.32	318.99	318.99	318.99
3.	ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays	34.07	113.28	113.28	113.28
4.	400 kV S/C Dadri-Panipat transmission line with associated bays	-	149.70	149.70	149.70
	Total	1495.92	2172.03	2172.03	2172.03

ADVANCE AGAINST DEPRECIATION

35. 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

36. 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.

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

- (i) 1/10th 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.

38. The petitioner has not claimed Advance Against Depreciation in respect of ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays.

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

- (i) 1/10th of gross loan is worked out from the gross notional loan as per para 34 above.

- (ii) Repayment of cumulative loan as well as repayment of notional loan during the year have been considered as per para 34 above.
- (iii) Depreciation worked out in para 37 above has been considered.
- (iv) Cumulative depreciation/Advance Against Depreciation up to preceding year along with the depreciation of the current year has been considered for working out Advance Against Depreciation. Therefore, cumulative depreciation/Advance Against Depreciation would be different from the figure appearing under the similar head elsewhere in tariff calculations where Advance Against Depreciation for current year has been also included for 90% restriction of the depreciation.

40. The details of Advance Against Depreciation allowed for each asset are given in Annexure V to this order. The summary of details is hereunder.

(Rs. in lakh)					
S.No	Name of Asset	2005-06	2006-07	2007-08	2008-09
1.	400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays	-	-	159.97	1898.91
2.	ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays	-	-	-	111.46
3.	400 kV S/C Dadri-Panipat transmission line with associated bays	-	-	-	106.79
	Total			159.97	2117.16

OPERATION & MAINTENANCE EXPENSES

41. 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

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

400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
O&M expenses for 1757.252 ckt- kms line length	345.59	432.28	448.10	467.43
O&M for 10 bays	243.75	304.20	316.30	329.00
TOTAL	589.34	736.48	764.40	796.43

ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
O&M expenses for 126.20 ckt- kms line length	14.89	31.05	32.18	33.57
O&M for 10 bays	146.25	304.20	316.30	329.00
TOTAL	161.14	335.25	348.48	362.57

ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
O&M expenses for 22.87 ckt- kms line length	1.80	5.63	5.83	6.08
O&M for 6 bays	58.50	182.52	189.78	197.40
TOTAL	60.30	188.15	195.61	203.48

400 kV S/C Dadri-Panipat transmission line with associated bays

(Rs. in lakh)

	2006-07	2007-08	2008-09
O&M expenses for 116.65 ckt- kms line length	28.70	29.75	31.03
O&M for 2 bays	60.84	63.26	65.80
TOTAL	89.54	93.01	96.83

43. 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

44. 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	Spares Cost (Rs. in lakh)
400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays	1.6.2005	58947.08	589.47

ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays	1.10.2005	9924.98	99.25
ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays	1.12.2005	2910.0	29.10
400 kV S/C Dadri-Panipat transmission line with associated bays	1.4.2006	5500.27	55.00

(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 1.4.2005, which is in accordance with the 2004 regulations and has been allowed.

45. The necessary computations in support of interest on working capital are appended as annexure VI to this order. Summary of the details is given herein below:

(Rs. in lakh)					
S.No.	Name of Asset	2005-06 (Pro rata)	2006-07	2007-08	2008-09
1.	400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays	167.53	204.56	209.83	241.77
2.	ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays	20.36	42.21	42.80	45.33
3.	ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays	4.88	15.58	15.82	16.08
4.	400 kV S/C Dadri-Panipat transmission line with associated bays	-	19.31	19.56	21.63
	Total	192.77	281.66	288.01	324.81

TRANSMISSION CHARGES

46. A summary sheets showing basic details of capital cost and other related aspects in respect of four elements under consideration in this petition are annexed to this order. The total transmission charges being allowed in respect of the four elements are summarized below.

(Rs. in lakh)				
	2005-06 (Pro rata)	2006-07	2007-08	2008-09

Depreciation	1495.92	2172.03	2172.03	2172.03
Interest on Loan	2762.16	3868.38	3705.55	3471.71
Return on Equity	2313.65	3306.12	3306.12	3306.12
Advance against Depreciation	0.00	0.00	159.97	2117.16
Interest on Working Capital	192.77	281.66	288.01	324.82
O & M Expenses	810.78	1349.42	1401.50	1459.31
Total	7575.29	10977.61	11033.18	12851.14

47. 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 Southern Region and shall be shared by the regional beneficiaries in accordance with the 2004 regulations.

48. The petitioner has prayed for the reduction in the provisional billing for 2 nos. ICTs including associated bays at Kaithal (DOCO-1.11.2005) and 2 nos. ICTs including associated bays at Mainpuri (DOCO –1. 1.2006) and to pass the consequential credit to the beneficiaries as 1 No. ICT at Kaithal and 1 No. ICT at Mainpuri sub- station have been taken out of service on 13.5.2006 and 18.5.2006, respectively. During the hearing, the petitioner has submitted that the services are being restored but the reduction in tariff be allowed till its restoration.

49. The details of capital expenditure of the total assets as on date of commercial operation and the apportioned actual cost of the ICTs which have been taken out of service, provisional tariff allowed by the Commission and pro rata reduction in provisional tariff consequentially is as follows:

Description	(Rs. in lakh)	
	2 nos. ICTs including associated bay at Kaithal	2 nos. ICTs including associated bay at Mainpuri
Total capital expenditure as on date of commercial operation	2819.00	3181.69
Provisional annual tariff allowed	572.58	612.07

Actual apportioned cost of 1 No. ICT	668.37	670.74
Pro-rata reduction in provisional billing	135.76	129.03
Net provisional billing	436.82	483.04

50. The petitioner has sought approval for the reimbursement of expenditure of Rs. 2,92,383/- 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. The view taken shall apply in the present case as regards reimbursement of filing fee.

51. In Petition No.142/2005 (Approval of provisional tariff for some of the assets covered in the present petition) the petitioner has submitted that based on redundancy and availability of reactor in other system, 04 No. of reactors have been diverted from other transmission system/regions to Rihand Stage-II transmission system. One reactor each from Ballabgarh and Hissar sub-stations of Northern Region have been diverted at zero cost and two reactors from Sarnath sub-station under East-North Sasaram HVDC inter-connected project. The cost of two reactors diverted from East-North Sasaram HVDC inter-connector project have been de-capitalized from that project and capitalized in Rihand Stage-II transmission system. The petitioner has not mentioned anything in this regard in the present petition. However, during the hearing in response to query raised by the Commission, the petitioner confirmed the shifting of the assets. This decapitalization and capitalization should be properly reflected in book of accounts.

52. The petitioner is already billing the respondents on provisional basis. The provisional billing of tariff shall be adjusted in the light of final tariff now approved by us.

53. This order disposes of Petition No.2/2007.

Sd-/
(R.KRISHNAMOORTHY)
MEMBER
New Delhi dated the 27th September 2007

sd-/
(BHANU BHUSHAN)
MEMBER

Summary Sheet	
Name of the Company:	PGCIL
Name of the Element:	400 KV D/C Rihand- Allahabad, Allahabad- Mainpuri & Mainpuri- Ballabgarh TL with associated bays.
Actual DOCO:	1. 6.2005
Petition No.:	2/2007
Tariff setting Period:	2004-09
(Rs.in lakh)	

1	Capital Cost of the Project as on DOCO						58947.08
2	Additional Capitalisation						1324.59
				For the year 2005-06		1324.59	
				Total		1324.59	
3	Total Capital Cost as on 1. 4.2006(1+2)						60271.67
4	Means of Finance :						
		As on DOCO			As on 1. 4.2006		
	Debt	70.54%	41579.00		70.52%	42506.21	
	Equity	29.46%	17368.08		29.48%	17765.46	
	Total	100.00%	58947.08		100.00%	60271.67	
5	Gross Loan:						
			As on DOCO			41579.00	
			Notional Loan corresponding to ACE during 2005-06			927.21	
			As on 1. 4.2006			42506.21	
6	Cumulative Repayment up to 31.3.2009 :						8142.92
			Up to DOCO			4.33	
			DOCO to 31. 3.2009			8138.59	
			Total			8142.92	
7	Balance Loan to be repaid beyond 31. 3.2009 :						34363.29
8	Depreciation recovered up to 31. 3.2009 :						8138.59
				Dep	AAD	Total	
			DOCO to 31. 3.2009	6079.71	2058.88	8138.59	
			Total			8138.59	
9	Balance Depreciation to be recovered beyond 31. 3.2009 :						46044.02
			Capital cost for the purpose of Depreciation			58947.08	
			ACE during 2005-06			1324.59	
			Capital cost as 1. 4.2006			60271.67	
			Less: Land Cost			68.77	
						60202.90	
			90% of Capital Cost as above			54182.61	
			Cum. Depreciation to be recovered up to 31. 3.2009			8138.59	
			Balance Depreciation to be recovered beyond 31. 3.2009			46044.02	

ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays

Summary Sheet	
Name of the Company:	PGCIL
Name of the Element:	ICT-I at Patiala S/stn, LILO of one ckt of Nalagarh-Hissar TL at Kaithal, 400 KV S/C Patiala-Malerkotla TL & ICT-III at Abdullapur S/stn with associated bays

Actual DOCO:				1.10.2005			
Petition No.:				2/2007			
Tarrif setting Period:				2004-09			
(Rs.in lakh)							
1	Capital Cost of the Project as on DOCO						9924.98
2	Additional Capitalisation						1020.93
				For the year 2005-06		1020.93	
				Total		1020.93	
3	Total Capital Cost as on 01.04.2006(1+2)						10945.91
4	Means of Finance :						
		As on DOCO				As on 1. 4.2006	
	Debt	69.52%	6900.00			69.57%	7614.65
	Equity	30.48%	3024.98			30.43%	3331.26
	Total	100.00%	9924.98			100.00%	10945.91
5	Gross Loan:						
				As on DOCO			6900.00
				Notional Loan corresponding to ACE during 2005-06			714.65
				As on 1. 4.2006			7614.65
6	Cumulative Repayment up to 31.3.2009 :						1220.77
				Up to DOCO			0.00
				DOCO to 31. 3.2009			1220.77
				Total			1220.77
7	Balance Loan to be repaid beyond 31. 3.2009 :						6393.88
8	Depreciation recovered up to 31. 3.2009 :						1220.77
					Dep	AAD	Total
				DOCO to 31. 3.2009	1109.30	111.46	1220.77
				Total			1220.77
9	Balance Depreciation to be recovered beyond 31. 3.2009 :						8256.50
				Capital cost for the purpose of Depreciation			9924.98
				ACE during 2005-06			1020.93
				Capital cost as 1. 4.2006			10945.91
				Less: Land Cost			415.61
							10530.30
				90% of Capital Cost as above			9477.27
				Cum. Depreciation to be recovered up to 31. 3.2009			1220.77
				Balance Depreciation to be recovered beyond 31. 3.09			8256.50

ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays

Summary Sheet	
Name of the Company:	PGCIL
Name of the Element:	ICT-II at Patiala S/stn, LILO of one ckt of Nalagarh-Hissar TL at Patiala S/stn with associated bays
Actual DOCO:	1.12.2005
Petition No.:	2/2007

Tariff setting Period:		2004-09		(Rs.in lakh)		
1	Capital Cost of the Project as on DOCO				2910.10	
2	Additional Capitalisation				673.51	
			For the year 2005-06	673.51		
			Total	673.51		
3	Total Capital Cost as on 01.04.2006(1+2)				3583.61	
4	Means of Finance :					
	As on DOCO			As on 1. 4.2006		
	Debt	72.75%	2117.00	72.23%	2588.46	
	Equity	27.25%	793.10	27.77%	995.15	
	Total	100.00%	2910.10	100.00%	3583.61	
5	Gross Loan:					
			As on DOCO		2117.00	
			Notional Loan corresponding to ACE during 2005-06		471.46	
			As on 1. 4.2006		2588.46	
6	Cumulative Repayment up to 31.3.2009 :				373.92	
			Up to DOCO		0.00	
			DOCO to 31. 3.2009		373.92	
			Total		373.92	
7	Balance Loan to be repaid beyond 31. 3.2009 :				2214.54	
8	Depreciation recovered up to 31. 3.2009 :				373.92	
				Dep	AAD	Total
			DOCO to 31. 3.2009	373.92	0.00	373.92
			Total			373.92
9	Balance Depreciation to be recovered beyond 31. 3.2009 :				2851.33	
			Capital cost for the purpose of Depreciation		2910.10	
			ACE during 2005-06		673.51	
			Capital cost as 01.04.2006		3583.61	
			Less: Land Cost		0.00	
					3583.61	
			90% of Capital Cost as above		3225.25	
			Cum. Depreciation to be recovered upto 31. 3.2009		373.92	
			Balance Depreciation to be recovered beyond 31. 3.2009		2851.33	

400 kV S/C Dadri-Panipat transmission line with associated bays

Summary Sheet	
Name of the Company:	PGCIL
Name of the Element:	Dadri- Panipat transmission line with associated bays
Actual DOCO:	1.04.2006
Petition No.:	2/2007
Tariff setting Period:	2004-09
(Rs.in lakh)	

1	Capital Cost of the Project as on DOCO						5500.26
2	Additional Capitalisation						0.00
			Total			0.00	
3	Total Capital Cost (1+2)						5500.26
4	Means of Finance :						
		As on DOCO			As on 01.04.2006		
	Debt	72.31%	3977.00			72.31%	3977.00
	Equity	27.69%	1523.26			27.69%	1523.26
	Total	100.00%	5500.26			100.00%	5500.26
5	Gross Loan:						
				As on DOCO			3977.00
				Notional Loan corresponding to ACE during 2005-06			0.00
				As on 1. 4.2006			3977.00
6	Cumulative Repayment up to 31.3.2009 :						555.88
				Up to DOCO			0.00
				From DOCO to 31. 3.2009			555.88
				Total			555.88
7	Balance Loan to be repaid beyond 31. 3.2009 :						3421.12
8	Depreciation recovered up to 31. 3.2009 :						555.88
					Dep	AAD	Total
				From DOCO to 31. 3.2009	449.09	106.79	555.88
				Total			555.88
9	Balance Depreciation to be recovered beyond 31. 3.2009 :						4394.35
				Capital cost for the purpose of Depreciation			5500.26
				Capital cost as 1. 4.2006			5500.26
				Less: Land Cost			0.00
							5500.26
				90% of Capital Cost as above			4950.23
				Cum. Depreciation to be recovered up to 31.03.09			555.88
				Balance Depreciation to be recovered beyond 31.03.09			4394.35

Annexure I

400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Depreciation	1309.53	1590.06	1590.06	1590.06
Interest on Loan	2420.47	2902.12	2780.37	2593.03
Return on Equity	2026.28	2431.53	2431.53	2431.53

Advance against Depreciation	0.00	0.00	177.53	1933.38
Interest on Working Capital	166.64	204.08	209.65	241.85
O & M Expenses	589.34	736.48	764.40	796.43
Total	6512.26	7864.28	7953.55	9586.28

ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Depreciation	152.32	318.99	318.99	318.99
Interest on Loan	247.16	549.16	526.33	499.43
Return on Equity	211.75	423.50	423.50	423.50
Advance against Depreciation	0.00	0.00	0.00	130.78
Interest on Working Capital	20.00	41.85	42.44	45.29
O & M Expenses	161.14	335.25	348.48	362.57
Total	792.37	1668.74	1659.74	1780.56

ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Depreciation	34.07	113.28	113.28	113.28
Interest on Loan	53.25	198.54	190.33	182.11
Return on Equity	37.01	111.03	111.03	111.03
Advance against Depreciation	0.00	0.00	0.00	7.18
Interest on Working Capital	4.74	15.35	15.59	15.97
O & M Expenses	60.30	188.15	195.61	203.48
Total	189.37	626.35	625.85	633.06

400 kV S/C Dadri-Panipat transmission line with associated bays

(Rs. in lakh)

	2006-07	2007-08	2008-09
Depreciation	149.70	149.70	149.70
Interest on Loan	283.80	273.12	259.00
Return on Equity	213.26	213.26	213.26
Advance against Depreciation	0.00	0.00	106.79
Interest on Working Capital	19.31	19.56	21.63
O & M Expenses	89.54	93.01	96.83
Total	755.60	748.64	847.20

Annexure-II

400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Maintenance Spares	589.47	618.94	656.08	695.45

O & M expenses	58.93	61.37	63.70	66.37
Receivables	1302.45	1310.71	1325.59	1597.71
Total	1950.86	1991.03	2045.37	2359.53
Rate of interest	10.25%	10.25%	10.25%	10.25%
Interest	166.64	204.08	209.65	241.85

ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Maintenance Spares	99.25	102.23	108.36	114.86
O & M expenses	26.86	27.94	29.04	30.21
Receivables	264.12	278.12	276.62	296.76
Total	390.23	408.29	414.02	441.84
Rate of interest	10.25%	10.25%	10.25%	10.25%
Interest	20.00	41.85	42.44	45.29

ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Maintenance Spares	29.10	29.68	31.46	33.35
O & M expenses	15.07	15.68	16.30	16.96
Receivables	94.69	104.39	104.31	105.51
Total	138.86	149.75	152.07	155.82
Rate of interest	10.25%	10.25%	10.25%	10.25%
Interest	4.74	15.35	15.59	15.97

400 kV S/C Dadri-Panipat transmission line with associated bays

(Rs. in lakh)

	2006-07	2007-08	2008-09
Maintenance Spares	55.00	58.30	61.80
O & M expenses	7.46	7.75	8.07
Receivables	125.93	124.77	141.20
Total	188.40	190.83	211.07
Rate of interest	10.25%	10.25%	10.25%
Interest	19.31	19.56	21.63

Annexure III

400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Interest on Loan				
Opening gross Loan	41579.00	42506.21	42506.21	42506.21
Cumulative Repayment up to Previous Year	4.33	1313.87	2903.92	4653.96
Net Loan-Opening	41574.67	41192.35	39602.29	37852.26
Addition due to Additional Capitalization	927.21	-	-	-
Repayment during the year	1309.53	1590.06	1750.03	3488.97

Net Loan-Closing	41192.35	39602.29	37852.26	34363.29
Average Loan	41383.51	40397.32	38727.27	36107.77
Weighted Average Rate of Interest on Loan	7.1009%	7.1140%	7.1080%	7.1100%
Interest	2448.84	2873.85	2752.75	2567.25

ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays

(Rs. in lakh)

Interest on Loan	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Opening gross Loan	6900.00	7614.65	7614.65	7614.65
Cumulative Repayment up to Previous Year	0.00	152.32	471.31	790.31
Net Loan-Opening	6900.00	7462.33	7143.34	6824.34
Addition due to Additional Capitalization	714.65	-	-	-
Repayment during the year	152.32	318.99	318.99	430.46
Net Loan-Closing	7462.33	7143.34	6824.34	6393.88
Average Loan	7181.17	7302.83	6983.84	6609.11
Weighted Average Rate of Interest on Loan	7.1552%	7.2171%	7.2197%	7.2321%
Interest	256.91	527.05	504.21	477.98

ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays

(Rs. in lakh)

Interest on Loan	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Opening gross Loan	2117.00	2588.46	2588.46	2588.46
Cumulative Repayment up to Previous Year	0.00	34.07	147.35	260.64
Net Loan-Opening	2117.00	2554.38	2441.10	2327.82
Addition due to Additional Capitalization	471.46	-	-	-
Repayment during the year	34.07	113.28	113.28	113.28
Net Loan-Closing	2554.38	2441.10	2327.82	2214.54
Average Loan	2335.69	2497.74	2384.46	2271.18
Weighted Average Rate of Interest on Loan	7.2457%	7.3538%	7.3586%	7.3740%
Interest	56.41	183.68	175.46	167.48

400 kV S/C Dadri-Panipat transmission line with associated bays

(Rs. in lakh)

Interest on Loan	2006-07	2007-08	2008-09
Opening gross Loan	3977.00	3977.00	3977.00
Cumulative Repayment up to Previous Year	0.00	149.70	299.39
Net Loan-Opening	3977.00	3827.30	3677.61
Repayment during the year	149.70	149.70	256.48
Net Loan-Closing	3827.30	3677.61	3421.12
Average Loan	3902.15	3752.45	3549.36
Weighted Average Rate of Interest on Loan	7.2729%	7.2784%	7.2970%

Interest	283.80	273.12	259.00
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CALCULATION OF WEIGHTED AVERAGE RATE OF INTEREST ON LOAN

400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission line with associated bays

(Rs. in lakh)

	2005-06	2006-07	2007-08	2008-09
1 Details of Loan				
Bond-XIII Option-I				
Gross Loan opening	4551.00	4551.00	4551.00	4551.00
Cumulative Repayment up to DOCO/previous year	0.00	0.00	379.25	758.50
Net Loan-Opening	4551.00	4551.00	4171.75	3792.50
Additions during the year	0.00	0.00	0.00	0.00
Repayment during the year	0.00	379.25	379.25	379.25
Net Loan-Closing	4551.00	4171.75	3792.50	3413.25
Average Loan	4551.00	4361.38	3982.13	3602.88
Rate of Interest	8.63%	8.63%	8.63%	8.63%
Interest	392.75	376.39	343.66	310.93
Repayment Schedule	12 Annual instalments from 31. 7.2006			
2 Bond-XIV				
Gross Loan opening	52.00	52.00	52.00	52.00
Cumulative Repayment up to DOCO/previous year	4.33	8.67	13.00	17.33
Net Loan-Opening	47.67	43.33	39.00	34.67
Additions during the year	0.00	0.00	0.00	0.00
Repayment during the year	4.33	4.33	4.33	4.33
Net Loan-Closing	43.33	39.00	34.67	30.33
Average Loan	45.50	41.17	36.83	32.50
Rate of Interest	6.10%	6.10%	6.10%	6.10%
Interest	2.78	2.51	2.25	1.98
Repayment Schedule	12 Annual instalments from 17-7-2004			
3 Bond-XV				
Gross Loan opening	17940.00	17940.00	17940.00	17940.00
Cumulative Repayment up to DOCO/previous year	0.00	0.00	0.00	1495.00
Net Loan-Opening	17940.00	17940.00	17940.00	16445.00
Additions during the year	0.00	0.00	0.00	0.00
Repayment during the year	0.00	0.00	1495.00	1495.00
Net Loan-Closing	17940.00	17940.00	16445.00	14950.00
Average Loan	17940.00	17940.00	17192.50	15697.50
Rate of Interest	6.68%	6.68%	6.68%	6.68%
Interest	1198.39	1198.39	1148.46	1048.59
Repayment Schedule	12 Annual instalments from 23-2-2008			
4 Bond- XVI				
Gross Loan opening	18661.00	18661.00	18661.00	18661.00
Cumulative Repayment up to DOCO/previous year	0.00	0.00	0.00	0.00
Net Loan-Opening	18661.00	18661.00	18661.00	18661.00
Additions during the year	0.00	0.00	0.00	0.00
Repayment during the year	0.00	0.00	0.00	1866.10
Net Loan-Closing	18661.00	18661.00	18661.00	16794.90
Average Loan	18661.00	18661.00	18661.00	17727.95
Rate of Interest	7.10%	7.10%	7.10%	7.10%

	Interest	1324.93	1324.93	1324.93	1258.68
	Repayment Schedule		10 Annual instalments from 18-2-2009		
5	Bond- XVII				
	Gross Loan opening	375.00	375.00	375.00	375.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00
	Net Loan-Opening	375.00	375.00	375.00	375.00
	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	375.00	375.00	375.00	375.00
	Average Loan	375.00	375.00	375.00	375.00
	Rate of Interest	6.99%	7.39%	7.39%	7.39%
	Interest	26.23	27.71	27.71	27.71
	Repayment Schedule		10 Annual Instalments from 22. 9.2009		
6	Bond- XVIII (For ACE) (Date of Drawal 9. 3.2006)				
	Gross Loan opening	0.00	1324.59	1324.59	1324.59
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00
	Net Loan-Opening	0.00	1324.59	1324.59	1324.59
	Additions during the year	1324.59	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00
	Net Loan-Closing	1324.59	1324.59	1324.59	1324.59
	Average Loan	662.30	1324.59	1324.59	1324.59
	Rate of Interest	8.15%	8.15%	8.15%	8.15%
	Interest	53.98	107.95	107.95	107.95
	Repayment Schedule		12 annual inatalments from 9. 3.2010		
	Total Loan				
	Gross Loan opening	41579.00	42903.59	42903.59	42903.59
	Cumulative Repayment upto DOCO/previous year	4.33	8.67	392.25	2270.83
	Net Loan-Opening	41574.67	42894.92	42511.34	40632.76
	Additions during the year	1324.59	0.00	0.00	0.00
	Repayment during the year	4.33	383.58	1878.58	3744.68
	Net Loan-Closing	42894.92	42511.34	40632.76	36888.07
	Average Loan	42234.80	42703.13	41572.05	38760.42
	Rate of Interest	7.1009%	7.1140%	7.1080%	7.1100%
	Interest	2999.06	3037.89	2954.96	2755.85

ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays

(Rs. in lakh)

	Details of Loan	2005-06	2006-07	2007-08	2008-09
1	Bond-XIII Option-I				
	Gross Loan opening	300.00	300.00	300.00	300.00
	Cumulative Repayment up to DOCO/previous year	0.00	0.00	25.00	50.00
	Net Loan-Opening	300.00	300.00	275.00	250.00
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	25.00	25.00	25.00
	Net Loan-Closing	300.00	275.00	250.00	225.00
	Average Loan	300.00	287.50	262.50	237.50
	Rate of Interest	8.63%	8.63%	8.63%	8.63%
	Interest	25.89	24.81	22.65	20.50

	Repayment Schedule		12 Annual instalments from 31. 7.2006		
3	Bond-XV				
	Gross Loan opening	2500.00	2500.00	2500.00	2500.00
	Cumulative Repayment up to DOCO/previous year	0.00	0.00	0.00	208.33
	Net Loan-Opening	2500.00	2500.00	2500.00	2291.67
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	208.33	208.33
	Net Loan-Closing	2500.00	2500.00	2291.67	2083.33
	Average Loan	2500.00	2500.00	2395.83	2187.50
	Rate of Interest	6.68%	6.68%	6.68%	6.68%
	Interest	167.00	167.00	160.04	146.13
	Repayment Schedule		12 Annual instalments from 23-2-2008		
4	Bond- XVI				
	Gross Loan opening	2500.00	2500.00	2500.00	2500.00
	Cumulative Repayment up to DOCO/previous year	0.00	0.00	0.00	0.00
	Net Loan-Opening	2500.00	2500.00	2500.00	2500.00
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	250.00
	Net Loan-Closing	2500.00	2500.00	2500.00	2250.00
	Average Loan	2500.00	2500.00	2500.00	2375.00
	Rate of Interest	7.10%	7.10%	7.10%	7.10%
	Interest	177.50	177.50	177.50	168.63
	Repayment Schedule		10 Annual instalments from 18-2-2009		
5	Bond- XVII				
	Gross Loan opening	1600.00	1600.00	1600.00	1600.00
	Cumulative Repayment up to DOCO/previous year	0.00	0.00	0.00	0.00
	Net Loan-Opening	1600.00	1600.00	1600.00	1600.00
	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	1600.00	1600.00	1600.00	1600.00
	Average Loan	1600.00	1600.00	1600.00	1600.00
	Rate of Interest	7.39%	7.39%	7.39%	7.39%
	Interest	118.24	118.24	118.24	118.24
	Repayment Schedule		10 Annual Instalments from 22. 9.2009		
6	Bond- XVIII (For ACE) (Date of Drawal 9. 3.2006)				
	Gross Loan opening	0.00	1020.93	1020.93	1020.93
	Cumulative Repayment up to DOCO/previous year	0.00	0.00	0.00	0.00
	Net Loan-Opening	0.00	1020.93	1020.93	1020.93
	Additions during the year	1020.93	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00
	Net Loan-Closing	1020.93	1020.93	1020.93	1020.93
	Average Loan	510.47	1020.93	1020.93	1020.93
	Rate of Interest	8.15%	8.15%	8.15%	8.15%
	Interest	41.60	83.21	83.21	83.21
	Repayment Schedule		12 annual inatalments from 9. 3.2010		
	Total Loan				
	Gross Loan opening	6900.00	7920.93	7920.93	7920.93
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	25.00	258.33
	Net Loan-Opening	6900.00	7920.93	7895.93	7662.60
	Additions during the year	1020.93	0.00	0.00	0.00
	Repayment during the year	0.00	25.00	233.33	483.33
	Net Loan-Closing	7920.93	7895.93	7662.60	7179.26
	Average Loan	7410.47	7908.43	7779.26	7420.93
	Rate of Interest	7.1552%	7.2171%	7.2197%	7.2321%

Interest	530.23	570.76	561.64	536.69
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ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays

(Rs. in lakh)

	Details of Loan	2005-06	2006-07	2007-08	2008-09
1	Bond-XIII Option-I				
	Gross Loan opening	51.00	51.00	51.00	51.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	4.25	8.50
	Net Loan-Opening	51.00	51.00	46.75	42.50
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	4.25	4.25	4.25
	Net Loan-Closing	51.00	46.75	42.50	38.25
	Average Loan	51.00	48.88	44.63	40.38
	Rate of Interest	8.63%	8.63%	8.63%	8.63%
	Interest	4.40	4.22	3.85	3.48
	Repayment Schedule	12 Annual instalments from 31. 7.2006			
2	Bond-XV				
	Gross Loan opening	660.00	660.00	660.00	660.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	55.00
	Net Loan-Opening	660.00	660.00	660.00	605.00
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	55.00	55.00
	Net Loan-Closing	660.00	660.00	605.00	550.00
	Average Loan	660.00	660.00	632.50	577.50
	Rate of Interest	6.68%	6.68%	6.68%	6.68%
	Interest	44.09	44.09	42.25	38.58
	Repayment Schedule	12 Annual instalments from 23-02-2008			
3	Bond- XVI				
	Gross Loan opening	706.00	706.00	706.00	706.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00
	Net Loan-Opening	706.00	706.00	706.00	706.00
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	70.60
	Net Loan-Closing	706.00	706.00	706.00	635.40
	Average Loan	706.00	706.00	706.00	670.70
	Rate of Interest	7.10%	7.10%	7.10%	7.10%
	Interest	50.13	50.13	50.13	47.62
	Repayment Schedule	10 Annual instalments from 18-02-2009			
4	Bond- XVII				
	Gross Loan opening	700.00	700.00	700.00	700.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00
	Net Loan-Opening	700.00	700.00	700.00	700.00
	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	700.00	700.00	700.00	700.00
	Average Loan	700.00	700.00	700.00	700.00
	Rate of Interest	7.39%	7.39%	7.39%	7.39%
	Interest	51.73	51.73	51.73	51.73
	Repayment Schedule	10 Annual Instalments from 22. 9.2009			

5	Bond- XVIII (For ACE) (Date of Drawal 9. 3.2006)				
	Gross Loan opening	0.00	673.51	673.51	673.51
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00
	Net Loan-Opening	0.00	673.51	673.51	673.51
	Additions during the year	673.51	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00
	Net Loan-Closing	673.51	673.51	673.51	673.51
	Average Loan	336.76	673.51	673.51	673.51
	Rate of Interest	8.15%	8.15%	8.15%	8.15%
	Interest	27.45	54.89	54.89	54.89
	Repayment Schedule		12 annual inatalments from 9. 3.2010		
	Total Loan				
	Gross Loan opening	2117.00	2790.51	2790.51	2790.51
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	4.25	63.50
	Net Loan-Opening	2117.00	2790.51	2786.26	2727.01
	Additions during the year	673.51	0.00	0.00	0.00
	Repayment during the year	0.00	4.25	59.25	129.85
	Net Loan-Closing	2790.51	2786.26	2727.01	2597.16
	Average Loan	2453.76	2788.39	2756.64	2662.09
	Rate of Interest	7.2457%	7.3538%	7.3586%	7.3740%
Interest	177.79	205.05	202.85	196.30	

400 kV S/C Dadri-Panipat transmission line with associated bays

	Details of Loan	2006-07	2007-08	2008-09
1	Bond-XIII Option-I			
	Gross Loan opening	107.00	107.00	107.00
	Cumulative Repayment up to DOCO/previous year	0.00	8.92	17.83
	Net Loan-Opening	107.00	98.08	89.17
	Additions during the year	0.00	0.00	0.00
	Repayment during the year	8.92	8.92	8.92
	Net Loan-Closing	98.08	89.17	80.25
	Average Loan	102.54	93.63	84.71
	Rate of Interest	8.63%	8.63%	8.63%
	Interest	8.85	8.08	7.31
	Repayment Schedule	12 Annual instalments from 31. 7.2006		
2	Bond-XV			
	Gross Loan opening	1363.00	1363.00	1363.00
	Cumulative Repayment up to DOCO/previous year	0.00	0.00	113.58

	Net Loan-Opening	1363.00	1363.00	1249.42
	Additions during the year	0.00	0.00	0.00
	Repayment during the year	0.00	113.58	113.58
	Net Loan-Closing	1363.00	1249.42	1135.83
	Average Loan	1363.00	1306.21	1192.63
	Rate of Interest	6.68%	6.68%	6.68%
	Interest	91.05	87.25	79.67
	Repayment Schedule	12 Annual instalments from 23-2-2008		
3	Bond- XVI			
	Gross Loan opening	1457.00	1457.00	1457.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00
	Net Loan-Opening	1457.00	1457.00	1457.00
	Additions during the year	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	145.70
	Net Loan-Closing	1457.00	1457.00	1311.30
	Average Loan	1457.00	1457.00	1384.15
	Rate of Interest	7.10%	7.10%	7.10%
	Interest	103.45	103.45	98.27
	Repayment Schedule	10 Annual instalments from 18-02-2009		
4	Bond- XVIII			
	Gross Loan opening	1050.00	1050.00	1050.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00
	Net Loan-Opening	1050.00	1050.00	1050.00
	Additions during the year	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00
	Net Loan-Closing	1050.00	1050.00	1050.00
	Average Loan	1050.00	1050.00	1050.00
	Rate of Interest	8.15%	8.15%	8.15%
	Interest	85.58	85.58	85.58
	Repayment Schedule	12 annual instalments from 09-03-2010		
	Total Loan			
	Gross Loan opening	3977.00	3977.00	3977.00
	Cumulative Repayment upto DOCO/previous year	0.00	8.92	131.42
	Net Loan-Opening	3977.00	3968.08	3845.58
	Additions during the year	0.00	0.00	0.00
	Repayment during the year	8.92	122.50	268.20
	Net Loan-Closing	3968.08	3845.58	3577.38
	Average Loan	3972.54	3906.83	3711.48
	Rate of Interest	7.2729%	7.2784%	7.2970%
	Interest	288.92	284.36	270.83

Annexure IV

400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Gross Block	58947.08	60271.67	60271.67	60271.67
Addition due to Additional Capitalization	1324.59	-	-	-
Gross Block	60271.67	60271.67	60271.67	60271.67
Rate of Depreciation	2.6362%	2.6382%	2.6362%	2.6382%
Depreciable Value	53586.76	54182.61	54182.61	54182.61
Balance Useful life of the asset	-	-	-	-
Remaining Depreciable Value	53586.76	52873.08	51283.02	49532.99

Depreciation	1309.53	1590.06	1590.06	1590.06
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ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Gross Block	9924.98	10945.91	10945.91	10945.91
Addition due to Additional Capitalization	1020.93			
Gross Block	10945.91	10945.91	10945.91	10945.91
Rate of Depreciation	2.9193%	2.9143%	2.9143%	2.9143%
Depreciable Value	9019.88	9477.27	9477.27	9477.27
Balance Useful life of the asset	-	-	-	-
Remaining Depreciable Value	9019.88	9324.95	9005.96	8686.96
Depreciation	152.32	318.99	318.99	318.99

ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
Gross Block	2910.10	3583.61	3583.61	3583.61
Addition due to Additional Capitalization	673.51	-	-	-
Gross Block	3583.61	3583.61	3583.61	3583.61
Rate of Depreciation	3.1482%	3.1611%	3.1611%	3.1611%
Depreciable Value	2922.17	3225.25	3225.25	3225.25
Balance Useful life of the asset	-	-	-	-
Remaining Depreciable Value	2922.17	3191.18	3077.89	2964.61
Depreciation	34.07	113.28	113.28	113.28

400 kV S/C Dadri-Panipat transmission line with associated bays

(Rs. in lakh)

	2006-07	2007-08	2008-09
Gross Block	5500.26	5500.26	5500.26
Rate of Depreciation	2.7216%	2.7216%	2.7216%
Depreciable Value	4950.23	4950.23	4950.23
Balance Useful life of the asset	-	-	-
Remaining Depreciable Value	4950.23	4800.54	4650.84
Depreciation	149.70	149.70	149.70

Annexure V

400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
1/10 th of Gross Loan(s)	4157.90	4250.62	4250.62	4250.62
Repayment of the Loan	1309.53	1590.06	1750.03	3488.97
Minimum of the above	1309.53	1590.06	1750.03	3488.97
Depreciation during the year	1309.53	1590.06	1590.06	1590.06
(A) Difference	0.00	0.00	159.97	1898.91
Cumulative Repayment of the Loan	1313.87	2903.92	4653.96	8142.92
Cumulative Depreciation/ Advance against Depreciation	1309.53	2899.59	4489.65	6239.68
(B) Difference	4.33	4.33	164.31	1903.24

Advance against Depreciation Minimum of (A) and (B)	0.00	0.00	159.97	1898.91
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ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
1/10 th of Gross Loan(s)	690.00	761.47	761.47	761.47
Repayment of the Loan	152.32	318.99	318.99	430.46
Minimum of the above	152.32	318.99	318.99	430.46
Depreciation during the year	152.32	318.99	318.99	318.99
(A) Difference	0.00	0.00	0.00	111.46
Cumulative Repayment of the Loan	152.32	471.31	790.31	1220.77
Cumulative Depreciation/ Advance against Depreciation	152.32	471.31	790.31	1109.30
(B) Difference	0.00	0.00	0.00	111.46
Advance against Depreciation Minimum of (A) and (B)	0.00	0.00	0.00	111.46

400 kV S/C Dadri-Panipat transmission line with associated bays

(Rs. in lakh)

	2005-06 (Pro rata)	2006-07	2007-08	2008-09
1/10 th of Gross Loan(s)		397.70	397.70	397.70
Repayment of the Loan		149.70	149.70	256.48
Minimum of the above		149.70	149.70	256.48
Depreciation during the year		149.70	149.70	149.70
(A) Difference		0.00	0.00	106.79
Cumulative Repayment of the Loan		149.70	299.39	555.88
Cumulative Depreciation/ Advance against Depreciation		149.70	299.39	449.09
(B) Difference		0.00	0.00	106.79
Advance against Depreciation Minimum of (A) and (B)		0.00	0.00	106.79

Annexure VI

400 kV D/C Rihand-Allahabad-Mainpuri-Ballabgarh transmission lines with associated bays

(Rs. in lakh)

	2005-06 (pro rata)	2006-07	2007-08	2008-09
Maintenance Spares	589.47	618.94	656.08	695.45
O & M expenses	58.93	61.37	63.70	66.37
Receivables	1312.94	1315.35	1327.36	1596.93
Total	1961.34	1995.67	2047.14	2358.75
Rate of interest	10.25%	10.25%	10.25%	10.25%
Interest	167.53	204.56	209.83	241.77

ICT-I at Patiala sub-station, LILO of Nalagarh-Hissar transmission line at Kaithal, 400 kV S/C Patiala-Malerkotla transmission line & ICT-III at Abdullapur sub-station with associated bays

(Rs. in lakh)

	2005-06 (pro rata)	2006-07	2007-08	2008-09
Maintenance Spares	99.25	102.23	108.36	114.86
O & M expenses	26.86	27.94	29.04	30.21
Receivables	271.07	281.65	280.14	297.12
Total	397.17	411.81	417.54	442.20
Rate of interest	10.25%	10.25%	10.25%	10.25%
Interest	20.36	42.21	42.80	45.33

ICT-II at Patiala sub-station and LILO of one ckt of Nalagarh-Hissar transmission line at Patiala sub-station with associated bays

(Rs. in lakh)

	2005-06 (pro rata)	2006-07	2007-08	2008-09
Maintenance Spares	29.10	29.68	31.46	33.35
O & M expenses	15.08	15.68	16.30	16.96
Receivables	98.70	106.67	106.58	106.61
Total	142.87	152.03	154.35	156.92
Rate of interest	10.25%	10.25%	10.25%	10.25%
Interest	4.88	15.58	15.82	16.08

400 kV S/C Dadri-Panipat transmission line with associated bays

(Rs. in lakh)

	2006-07	2007-08	2008-09
Maintenance Spares	55.00	58.30	61.80
O & M expenses	7.46	7.75	8.07
Receivables	125.93	124.77	141.20
Total	188.40	190.83	211.07
Rate of interest	10.25%	10.25%	10.25%
Interest	19.31	19.56	21.63