

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

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

Petition No. 87/2006

In the matter of

Determination of transmission tariff for ATS of Kathalguri GBPP in North Eastern Region for the period from 1.4.2004 to 31.3.2009.

And in the matter of

Power Grid Corporation of India Ltd., Gurgaon

.... **Petitioner**

Vs

1. Assam State Electricity Board, Guwahati
2. Meghalaya State Electricity Board, Shillong
3. Government of Arunachal Pradesh, Itanagar
4. Power and Electricity Department, Govt. of Mizoram, Aizawl
5. Principal Secretary (Power), Electricity Dept., Govt. of Manipur, Imphal
6. Department of Power, Govt. of Nagaland, Kohima
7. Department of Power, Govt. of Tripura, Agartala

.Respondents

The following were present:

1. Shri P.C.Pankaj, PGCIL
2. Shri U.K. Tyagi, PGCIL
3. Shri T.C.Sharma, PGCIL
4. Shri M.M.Mondal, PGCIL
5. Shri C.Kannan, PGCIL
6. Shri S.S.Raju, PGCIL
7. Shri Umesh Chandra, PGCIL
8. Shri Harmeet Singh, PGCIL
9. Shri B.P.Singh, PGCIL
10. Shri W.Rehman, PGCIL
11. Shri A.K.Das, PGCIL
12. Shri Utpal Sharma, PGCIL
13. Shri Mithilesh Kumar, PGCIL
14. Shri Anup Gan Choudhery, TSECL
15. Shri M.Debberma, TSECL
16. Shri L.Priyokumar, Electricity Deptt., Govt. of Manipur
17. Ms. Seema Sharma, Advocate, Consumer
18. Shri Hemanta Sharma, Consumer
19. Shri Rakesh, BSEB
20. Shri K.N. War, MeSEB
21. Shri S.S.Kharmih, MeSEB
22. Shri P.K.Hazarika, ASEB
23. Shri K.Goswami, ASEB
24. Shri H.C.Phukan, ASEB

ORDER
(DATE OF HEARING: 1.8.2007)

The petition has been filed for approval of tariff for certain elements of the Associated Transmission System of Kathalguri GBPP in North Eastern Region for the period from 1.4.2004 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”) after accounting for additional capitalization on works during 1999-2006 and FERV for the period ending 31.3.2004. The petitioner has also prayed for the reimbursement of expenditure from the beneficiaries incurred towards publishing notices in the newspapers and the petition filing fee.

2. The scope of work included in the transmission system and the date of commercial operation of its components are as stated below:

S. No.	Name of the transmission line	Date of commercial operation	Line length in Ckt-km (for O & M)
(i)	400 kV D/C Kathalguri-Mariani transmission line (Transmission Asset I)	1.8.1995	162.864
(ii)	400 kV D/C Mariani-Misa and 400 kV Kathalguri-Misa transmission line (Transmission Asset II)	1.4.1998	602.864
(iii)	400 kV D/C Misa-Balipara Ckt I & II , 400 k V Blipara-Boingaigaon transmission line and 220 kV S/C Balipara-Tezpur transmission line (Transmission Asset III)	1.2.2000	778.879
(iv)	400 k V D/C Bongaigaon-Malda transmission line (Transmission Asset IV)		

3. In the present petition we are concerned with Transmission Asset-I, Transmission Asset-II and Transmission Asset-III. These assets are collectively referred to as “transmission system”. Transmission Asset IV is an inter-regional asset between Eastern and North Eastern Regions, tariff for which is considered separately.

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

(Rs.in lakh)

Transmission Asset I					Transmission Asset II					Transmission Asset III				
2004-05	2005-06	2006-07	2007-08	2008-09	2004-05	2005-06	2006-07	2007-08	2008-09	2004-05	2005-06	2006-07	2007-08	2008-

															09
Depreciation	214.68	214.68	214.68	214.68	205.72	500.46	500.46	500.46	500.46	500.46	1219.22	1219.22	1219.22	1219.22	1219.22
Interest on Loan	43.36	30.05	16.87	5.15	0.00	306.05	277.87	250.57	223.76	197.43	1250.52	1097	945.38	792.81	646.58
Return on Equity	575.36	575.36	575.36	575.36	575.36	1279.40	1279.40	1279.40	1279.40	1279.40	2664.48	2664.48	2664.48	2664.48	2664.48
Advance against Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	893.54	893.54	893.54	893.54	800.61
Interest on Working Capital	31.12	31.83	32.61	33.47	34.35	71.46	72.92	74.50	76.20	78.04	186.38	188.13	190.12	192.38	193.40
O & M Expenses	92.99	96.71	100.58	104.60	108.79	319.37	332.14	345.43	359.25	373.62	948.40	986.33	1025.79	1066.82	1109.49
Total	957.50	948.63	940.09	933.26	924.21	2476.74	2462.79	2450.36	2439.07	2428.95	7162.54	7049.65	6938.53	6829.25	6633.78

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

(Rs.in lakh)															
	Transmission Asset I					Transmission Asset II					Transmission Asset III				
	2004-05	2005-06	2006-07	2007-08	2008-09	2004-05	2005-06	2006-07	2007-08	2008-09	2004-05	2005-06	2006-07	2007-08	2008-09
Maintenance Spares	136.24	144.42	153.08	162.27	172.01	257.77	273.23	289.63	307.00	325.42	545.53	578.26	612.95	649.73	688.71
O & M expenses	7.75	8.06	8.38	8.72	9.07	26.61	27.68	28.79	29.94	31.13	79.03	82.19	85.48	88.90	92.46
Receivables	159.58	158.11	156.68	155.54	154.04	412.79	410.47	408.39	406.51	404.83	1193.76	1174.94	1156.42	1138.21	1105.63
Total	303.58	310.58	318.15	326.53	335.11	697.17	711.38	726.81	743.45	761.39	1818.31	1835.39	1854.86	1876.84	1886.80
Rate of Interest	10.25%	10.25%	10.25%	10.25%	10.25%	10.25%	10.25%	10.25%	10.25%	10.25%	10.25%	10.25%	10.25%	10.25%	10.25%
Interest	31.12	31.83	32.61	33.47	34.35	71.46	72.92	74.50	76.20	78.04	186.38	188.13	190.12	192.38	193.40

6. The reply to the petition has been filed by Tripura State Electricity Corporation Limited and Assam State Electricity Board. Ms. Mallika Sharma Bazbaruah, the consumer has filed her response to the public notice published by the petitioner under Section 64 of the Electricity Act, 2003. TSECL in its reply has requested to determine the capital cost, depreciation, return on equity, O&M expenses and additional capitalization after prudent check as per the 2004 regulations.

7. The tariff is being determined from 1.4.2007 for the reasons recorded in the order dated 16.1.2008 in Petition No. 85/2006.

CAPITAL COST

8. As per clause (2) of Regulation 52 of the 2004 regulations, subject to prudence check, in case of the projects declared under commercial operation prior to 1.4.2004, the project cost admitted by the Commission prior to that date, shall form the basis for determination of tariff.

9. The tariff for the transmission system prior to 1.4.2004 was not determined by the Commission under the terms and conditions specified by it and the UCPTT rate was allowed to continue. Therefore, the capital base for computation of tariff in the present petition is to be traced from the date of commercial operation of the respective asset. The capital expenditure, additional capitalization and FERV considered by the petitioner for tariff purpose are given hereunder:

Name of the Element	(Rs.in lakh)		
	capital cost as on DOCO	Additional capital expenditure from DOCO to 31.3.2006	FERV for the period from 2001-04
Transmission Asset I	8219.37	0.00	0.00
Transmission Asset II	18171.56	0.00	0.00
Transmission Asset III	42782.89	1194.61	14.44
Total	69173.82	1194.61	14.44

Additional capitalization

10. In case of Transmission Asset III, the petitioner has claimed an additional capitalization of Rs.1194.61 lakh for the period from date of commercial operation and up to 31.3.2006. The details submitted by the petitioner in support of its claim for additional capital expenditure are given hereunder:

Year	Amount (Rs. in lakh)	Head of expenditure
2000-01	245.31	Land = Rs. (-) Rs. 19.56 lakh Building = Rs. 256.32 lakh Transmission line = Rs. 316.47 lakh Sub-station = Rs. (-) 307.92 lakh PLCC = Rs. 0.00 lakh
2001-04	943.00	Land = Rs. (-) Rs. 66.83 lakh Building = Rs. 474.69 lakh Transmission line = Rs. 92.21 lakh Sub-station = Rs. 334.69 lakh PLCC = Rs. 9.24 lakh
2004-05	0.00	
2005-06	6.30	Transmission Line = Rs. 6.30 lakh
Total	1194.61	

11. The expenditure claimed is on account of balance payments, relocation of account codes etc. and has been found to be in order for additional capitalization. Accordingly, the additional expenditure of Rs. 1194.61 lakh as claimed has been allowed to be capitalized.

12. It is seen that additional capital expenditure from date of commercial operation to 31.3.2004 in case of Transmission Asset III has been shown as Rs. 1201.91 lakh as per auditor's certificate whereas in Form-9 amount claimed has been shown as Rs. 1188.31 lakh. The difference in amount of Rs. 13.60 lakh being minor items/assets, has not been considered in keeping with clause 53 (3) of the 2004 regulations.

Extra Rupee Liability during the years 2001-04:

13. Regulation 1.13 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2001 provided as under:

“(a) Extra rupee liability towards interest payment and loan repayment actually incurred, in the relevant year shall be admissible; provided it directly arises out of foreign exchange rate variation and is not attributable to Utility or its suppliers or contractors. Every utility shall follow the method as per the Accounting Standard-11 (Eleven) as issued by the Institute of Chartered Accountants of India to calculate the impact of exchange rate variation on loan repayment

(b) Any foreign exchange rate variation to the extent of the dividend paid out on the permissible equity contributed in foreign currency, subject to the ceiling of permissible return shall be admissible. This as and when paid, may be spread over the twelve-month period in arrears.”

14. As already noted, the petitioner has claimed additional capitalization of Rs. 14.44 lakh on account of FERV for the period up to 31.3.2004, ASEB in its reply has requested the Commission to examine the admissibility of the amount of Rs. 14.44 lakh on account of FERV from date of commercial operation to 31.3.2004. We find that the petitioner's claim in this regard is based on the provisions of the terms and conditions of tariff applicable during 2001-04 reproduced above. FERV worked out by the petitioner is matching with calculations submitted and is in accordance with provisions of AS-11, applicable for the period up to 31.3.2004. The petitioners claim on account of FERV has been admitted for tariff computation.

Time Over-run

15. The transmission system was scheduled to be commissioned by March 1996. However, this was declared under commercial operation on various dates during August 1995 to February 2000. Thus, there is delay in the commissioning. The petitioner has submitted the following main reasons for the delay:

(i) The Kathalguri generation project approved in 1987 could not be taken up for implementation till 1991-92 because the award for consultancy for generation project was delayed by NEEPCO and as a consequence NEEPCO could not award the contracts for Kathalguri transmission project till 1991 the time when the project was transferred to the petitioner.

(ii) Subsequently, both generation and transmission projects were severely affected by law and order problem and there was an overall delay of 39 months for factors beyond the control of the petitioner. A part of transmission system was commissioned ahead of generation project and there was no bottleneck for evacuation of power from the generation plant.

16. There is satisfactory explanation for the entire delay of 39 months in completion of the transmission line. It needs to be pointed out that the petitioner does not gain anything by delaying the commissioning of its transmission assets. Therefore, the delay in commissioning of line is considered to be beyond the control of the petitioner.

COST VARIATION

17. Detailed project report was approved by Govt. of India in February, 1995 at a cost of Rs.68119 lakh. There was felt a necessity for preparation of RCE-I, which was approved for Rs.101010 lakh. The broad reasons for variation was change of composition of different types of towers during the actual execution on account of

changes in course of river like Bramhputra, Beki, Pagladia, Puthimari, Teesta etc., resulting in increased number of angle towers, insulation, foundations etc.

18. There has been an increase of sub-station portion of the project cost (civil works and structures and additional requirement of gravel fittings etc.) which was necessitated primarily due to high soil resistivity of switchyard, odd land shape and provisions for optimizing land area for future provisions. In addition, there had been additional items such as construction of colony at regional head quarter at Shillong, DG set building, central store etc., and also construction of quarters for CISF which was not provided in the earlier scheme. The requirement of accommodation for CISF was necessitated due prevailing precarious law and order situation in the region. There had been an increase in cost on account of increase in centages and IDC totaling to about Rs.23826 lakh. The change in IDC is primarily due to increase in construction period of the project and an increase in cost of project due to various other reasons.

19. The preparation of RCE-I commenced at the time of project construction i.e. prior to completion of total project. While completing the project there was requirement of certain modification in the scope of work. In order to account for such changes, RCE-II for the project was prepared and approved by the competent authority. The broad reasons for increase in cost in RCE-II as compared to RCE-I are changes in type of foundation in the 400 kV Balipara-Rowta-Bongaigaon line segment. In place of normal foundation as envisaged in RCE-I, pile/shallow foundation have been provided to ensure safety and reliability of the line. This has been technical necessity which was due to effect that there have been unprecedented rain causing heavy floods which has eroded river banks resulting in change of course of river Bramputra. This has increased cost by about Rs. 2016 lakh. There have been also negative price variations by about Rs.1106 lakh.

20. The cost has also increased to the extent of Rs. 3991 lakh on account of increase in IDC by about Rs. 4658 lakh and reduction in centages by Rs.667 lakh. In RCE-I, IDC considered was Rs.24854 lakh whereas the actual IDC was to the extent of Rs.29512 lakh and the same has been approved in RCE-II

TOTAL CAPITAL COST

21. The approved cost of the additional transmission system is Rs.105990 lakh, inclusive of 400 kV D/C Bongaigaon-Malda transmission line whose apportioned approved cost is Rs. 35560.44 lakh. As noted in para 3 above, tariff for this element has been considered separately.

22. Against the above background, gross block of Rs. 70382.87 lakh Rs. as on 1.4.2006 has been worked out for the purpose of tariff based on the gross block as on the date of commercial operation, after accounting for additional capitalisation on works and on account of FERV. The gross block considered for the purpose of the tariff for the three elements is as under:

Name of the Element	(Rs.in lakh)			
	capital cost as on DOCO	Additional capital expenditure from DOCO to 31.3.2006	FERV for the period from 2001-04	Total cost considered as on 1.4.2007
Transmission Asset I	8219.37	0.00	0.00	8219.37
Transmission Asset II	18171.56	0.00	0.00	18171.56
Transmission Asset III	42782.89	1194.61	14.44	43991.94
Total	69173.82	1194.61	14.44	70382.87

23. Actual completion cost of the transmission system is within the approved cost of Rs. 70429.56 lakh (Rs. 105990 lakh-Rs. 35560.44 lakh), and is, therefore, considered for tariff.

DEBT- EQUITY RATIO

24. Clause (1) of Regulation 54 of the 2004 regulations *inter alia* provides that,-

“(1) In case of the existing projects, debt–equity ratio Considered by the Commission for fixation of tariff for the period ending 31.3.2004 shall be considered for determination of tariff with effect from 01.04.2004:

Provided that in cases where the tariff for the period ending 31.3.2004 has not been determined by the Commission, debt-equity ratio shall be as may be decided by the Commission:

Provided further that in case of the existing projects where additional capitalisation has been completed on or after 1.4.2004 and admitted by the Commission under Regulation 53, equity in the additional capitalisation to be considered shall be :-

- (a) 30% of the additional capital expenditure admitted by the Commission, or
- (b) equity approved by the competent authority in the financial package, for additional capitalisation, or
- (c) actual equity employed,

whichever is the least:

Provided further that in case of additional expenditure admitted under the second proviso, the Commission may considered equity of more than 30% if the transmission licensee is able to satisfy the Commission that deployment of such equity of more than 30% was in the interest of general public.”

25. The administrative approval and expenditure sanction for the Associated Transmission System was accorded by Ministry of Power vide its letter dated 22.2.1995. While approving RCE-I and RCE-II, it has been indicated that the Associated Transmission System has been funded with OECF assistance, domestic borrowings and petitioner's internal resources. No specific debt-equity ratio has been mentioned. The petitioner has considered debt-equity ratio as on the date of commercial operation, details of which are as under:

(Rs.in lakh)	
Name of the Element	Debt-equity ratio as on DOCO
Transmission Asset I	50:50
Transmission Asset II	49.71:50.29
Transmission Asset III	58.33:41.67

26. In respect of the Transmission Asset III, the petitioner has further claimed tariff after accounting for the additional capital expenditure of Rs. 245.31 lakh for the period up to 31.3.2001 in the debt-equity ratio as on the date of commercial operation and the expenditure of Rs. 943.00 lakh on works and FERV of Rs. 14.44 lakh towards equity. We have considered the debt-equity ratio on the date of commercial operation

in each of the assets. As regards the Transmission Asset III, the additional capitalisation of Rs. 1188.31 lakh on works up to 31.3.2004 has been considered against equity so as to bring it closer to the debt-equity ratio of 50:50, additional capitalization of Rs. 6.30 lakh during 2005-06 has been apportioned between debt and equity in the normative rates of 70:30. However, in view of the judgment dated 4.10.2006 in Appeals No. 135 to 140 of 2005 of the Appellate Tribunal for Electricity, the entire amount of FERV of Rs. 14.44 lakh has been considered against loan. Therefore, debt-equity ratio considered for the purpose of tariff in each case is as under:

Name of the Element	Debt-equity ratio considered as on DOCO	Debt-equity ratio considered as on 1.4.2007	Total equity considered for the purpose of tariff (Rs. in lakh)
Transmission Asset I	50:50	50:50	4109.69
Transmission Asset II	49.71:50.29	49.71:50.29	9138.56
Transmission Asset III	58.33:41.67	58.34:41.66	18326.35

RETURN ON EQUITY

27. 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.

28. The petitioner has claimed return on equity as on 1.4.2004. In case of Transmission Asset III equity has been considered after accounting for equity on account of additional capitalization on works for the period 1.2.2000 to 31.3.2006. For the reasons recorded in para 25 above equity considered for the period 2007-09 and the return on equity each year during the period 2007-09 is given hereunder:

Name of the Element	(Rs. in lakh)	
	Equity considered	Return on Equity
Transmission Asset I	4109.69	575.36
Transmission Asset II	9138.56	1279.40
Transmission Asset III	18326.35	2565.69

INTEREST ON LOAN

29. 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.”

30. The petitioner has claimed interest on loan in the following manner:
- (i) In case of Transmission Asset I, the notional loan has been arrived on the basis of 50% of gross block as on date of commercial operation and in case of remaining assets actual loan as on date of commercial operation has been considered.

- (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. The weighted average rate of interest on loan for respective years as per above has been multiplied to arrive at interest on loan.
- (iv) In case of Transmission Asset I, the actual repayment is less than the depreciation, the depreciation amount has been considered as repayment.

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

- (i) Gross amount of loan, repayment of instalments and rate of interest as per the loan allocation details submitted by the petitioner have been used to work out weighted average rate of interest on actual loan.
- (ii) Notional loan corresponding to additional capitalisation from date of commercial operation to 31.3.2006 and the FERV capitalised up to 31.3.2004 have been added to the loan amount as on the date of commercial operation to arrive at total notional loan as on 1.4.2006. This adjusted gross loan has been considered as normative loan for tariff calculation.
- (iii) For the purpose of calculating the interest on loan to be recovered in tariff, cumulative repayment up to the year 31.3.2004 as per the petition has been considered as repayment up to 31.3.2004. Annual depreciation during 2004-05, 2005-06 and 2006-07 has been considered as respective year's repayment. Average outstanding loan has thereafter been computed considering notional loan repayment equal to the depreciation allowed during 2007-08 and 2008-09.

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

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

(Rs. in lakh)

Details of loan	Transmission Asset I		Transmission Asset II		Transmission Asset III	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
Opening Gross Loan as on 1 st April	4109.69	4109.69	9033.00	9033.00	25665.59	25665.59
Cumulative Repayment up to Previous Year	3940.81	4109.69	5322.31	5822.77	8635.65	9855.03
Net Loan-Opening	168.88	0.00	3710.69	3210.23	17029.94	15810.56
Repayment during the year	168.88	0.00	500.46	500.46	1219.38	1219.38
Net Loan-Closing	0.00	0.00	3210.23	2709.77	15810.56	14591.17
Average Loan	84.44	0.00	3460.46	2960.00	16420.25	15200.87
Weighted Average Rate of Interest on Loan	6.10%	6.10%	6.10%	6.10%	7.02%	6.92%
Interest	5.15	0.00	211.09	180.56	1153.50	1052.13

33. The detailed calculations in support of the weighted average rate of interest are contained in Annexures attached.

DEPRECIATION

34. 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.

- (ii) 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.

35. The petitioner has claimed the depreciation on the capital cost. The petitioner has not indicated any cumulative depreciation recovery for the period up to 31.3.2004.

36. In case of Transmission Asset I, the entire loan gets re-paid during 2007-08. Therefore, for this asset depreciation for the year 2008-09 has been spread over to its remaining useful life.

37. For the period 1.4.2007 to 31.3.2009 the depreciation works out to each year as shown below:

	(Rs. in lakh)					
	Transmission Asset I		Transmission Asset II		Transmission Asset III	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
Gross Block As on 1 st April	8219.37	8219.37	18171.56	18171.56	43991.94	43991.94
Rate of Depreciation	2.612%	2.612%	2.754%	2.754%	2.772%	2.772%
Depreciable Value	7397.43	7397.43	16354.40	16354.40	39546.15	39546.15
Balance Useful life of the asset	23	22	23	22	-	-
Remaining Depreciable Value	3618.81	3404.14	9902.45	9401.99	29373.34	28153.95
Depreciation	214.68	154.73	500.46	500.46	1219.38	1219.38

ADVANCE AGAINST DEPRECIATION

38. Advance Against Depreciation is permissible only if loan repayment in a year exceeds the depreciation, and the cumulative repayment up to a particular year

exceeds the cumulative depreciation up to that year. Since notional loan repayment has been assumed to be equal to the depreciation recovered in tariff, no Advance Against Depreciation is admissible.

OPERATION & MAINTENANCE EXPENSES

39. 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

40. The petitioner in its affidavit dated 17.9.2007 has submitted that the transmission voltage in all the Regions except NER is 400 kV and 220 kV and very few lines are of 132 kV voltage level, and keeping this in view, while working out total number of bays and the unit O&M rates for NER, the outgoing line feeders of voltage level up to 132 kV only were considered. It may be mentioned that in NER generally the main transmission lines are of 132 kV level and outgoing feeders are of 33 kV level with 132/33 kV ICTs. Due to omission of 33 kV voltage level outgoing line bays, the total number of bays considered for calculation purpose were less. Further, inadvertently, a few of 132 kV voltage level outgoing feeders were also not considered in the calculations submitted in the petition. Accordingly, the petitioner has revised the statement for the total number of bays under operation in NER. The statement has been prepared considering the following bays which are in line with the methodology considered.

- (i) line bay up to voltage level of 132 kV;
- (ii) Outgoing line bays up to voltage level of 33 kV (distribution bays);
- (iii) Bus reactor line bays up to voltage level of 33 kV; and
- (iv) HV and LV bays with all the ICTs.

41. The petitioner has submitted a detailed statement of bays under operation as on 31.3.2005 in NER. The petitioner has prayed that for computation of O & M expenses, Form-2 filed with petition may be taken in to consideration and O & M expenses may be allowed accordingly.

42. Against the petitioner's claim based on per bay rates of Rs 39,84,930 and Rs. 41,44,330 for the years 2007-08 and 2008-09, per bay rates of Rs. 31,63,000 and Rs. 32,90,000 respectively have been applied for O & M expenses as per the 2004 regulations. Similarly, against the petitioner's claim based on per ckt. kilometre rate of Rs. 39,760 and Rs. 41,350 for the years 2007-08 and 2008-09, per kilometre rates of Rs. 25,500 and Rs. 26,600 respectively have been applied as laid down under the 2004 regulations.

43. The petitioner has claimed O&M expenses for 1544.607 162.864, 602.864, 778.879 ckt- kms of line length for Transmission Asset I, Transmission Asset II, Transmission Asset III, respectively and 1 bay, 3 bays and 22 bays respectively, which have been allowed. Accordingly, the petitioner's entitlement to O & M expenses has been worked out as given hereunder:

(Rs. in lakh)

	Transmission Asset I		Transmission Asset II		Transmission Asset III	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
O&M expenses for line length	41.53	43.32	153.73	160.36	198.61	207.18
O&M expenses for bays	31.63	32.90	94.89	98.70	695.86	723.80
Total	73.16	76.22	248.62	259.06	894.47	930.98

44. 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

45. 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, the capital expenditure of the Transmission Asset I, Transmission asset II and Transmission Asset III on the date of commercial operation is Rs. 8219.37 lakh, Rs. 18171.56 lakh and Rs. 42782.89 lakh, respectively which have been considered as the historical cost for the purpose of the present petition and maintenance spares has 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.162.27 lakh, Rs. 307.00 lakh and Rs. 649.73 lakh, respectively as on 1.4.2007.

(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 1.4.2007. SBI PLR as on 1.4.2004 (10.25%) has been considered for computation of interest.

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

(Rs. in lakh)

	Transmission Asset I		Transmission Asset II		Transmission Asset III	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
Maintenance Spares	162.27	172.01	307.00	325.42	649.73	688.71
O & M expenses	6.10	6.35	20.72	21.59	74.54	77.58
Receivables	150.17	139.82	385.44	382.37	1001.66	991.39
Total	318.53	318.18	713.17	729.39	1,725.93	1,757.69
Rate of Interest	10.25%	10.25%	10.25%	10.25%	10.25%	10.25%
Interest	32.65	32.61	73.10	74.76	176.91	180.16

TRANSMISSION CHARGES

47. The transmission charges being allowed for the transmission system are summarized below.

(Rs.in lakh)

	Transmission Asset I		Transmission Asset II		Transmission Asset III	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
Depreciation	214.68	154.73	500.46	500.46	1219.38	1219.38
Interest on Loan	5.15	0.00	211.09	180.56	1153.50	1052.13
Return on Equity	575.36	575.36	1279.40	1279.40	2565.69	2565.69
Advance against Depreciation	0.00	0.00	0.00	0.00	0.00	0.00
Interest on Working Capital	32.65	32.61	73.10	74.76	176.91	180.16
O & M Expenses	73.16	76.22	248.62	259.06	894.47	930.98
Total	900.99	838.92	2312.67	2294.24	6009.95	5948.34

48. 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. .

49. The petitioner has sought approval for the reimbursement of expenditure of Rs. 1,31,573/- incurred on publication of notices in the newspapers. The petitioner shall claim reimbursement of the said expenditure directly from the respondent in one installment. The petitioner has also sought reimbursement of filing fee of Rs.5 lakh paid. A final view on reimbursement of filing fee is yet to be taken by the Commission for which views of the stakeholder have been called for. The view taken on consideration of the comments received shall apply in the present case as regards reimbursement of filing fee.

50. The petitioner is already billing the respondents on provisional basis in accordance with the Commission's order dated 27.4.2007. The provisional billing of tariff shall be adjusted in the light of final tariff now approved by us.

51. This order disposes of Petition No. 87/2006.

Sd/-
(R.KRISHNAMOORTHY)
MEMBER
New Delhi dated the 16th April 2008

sd/-
(BHANU BHUSHAN)
MEMBER

CALCULATION OF WEIGHTED AVERAGE RATE OF INTEREST ON LOAN

Transmission Asset I

(Rs. in lakh)

	Details of Loan	2004-05	2005-06	2006-07	2007-08	2008-09
1	Bond-I (Issue-I)					
	Gross Loan opening	3.00	3.00	3.00	3.00	3.00
	Cumulative Repayment upto DOCOP/previous year	3.00	3.00	3.00	3.00	3.00
	Net Loan-Opening	0.00	0.00	0.00	0.00	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
	Average Loan	0.00	0.00	0.00	0.00	0.00
	Rate of Interest	16.75%	16.75%	16.75%	16.75%	16.75%
	Interest	0.00	0.00	0.00	0.00	0.00
2	Bond-I (Issue-II)					
	Gross Loan opening	2.00	2.00	2.00	2.00	2.00
	Cumulative Repayment upto DOCOP/previous year	2.00	2.00	2.00	2.00	2.00
	Net Loan-Opening	0.00	0.00	0.00	0.00	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
	Average Loan	0.00	0.00	0.00	0.00	0.00
	Rate of Interest	17.00%	17.00%	17.00%	17.00%	17.00%
	Interest	0.00	0.00	0.00	0.00	0.00
3	Bond-I (Issue-III)					
	Gross Loan opening	248.79	248.79	248.79	248.79	248.79
	Cumulative Repayment upto DOCOP/previous year	248.79	248.79	248.79	248.79	248.79
	Net Loan-Opening	0.00	0.00	0.00	0.00	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
	Average Loan	0.00	0.00	0.00	0.00	0.00
	Rate of Interest	9.00%	9.00%	9.00%	9.00%	9.00%
	Interest	0.00	0.00	0.00	0.00	0.00
4	Bond-III(Issue-I)					
	Gross Loan opening	44.83	44.83	44.83	44.83	44.83
	Cumulative Repayment upto DOCOP/previous year	44.83	44.83	44.83	44.83	44.83
	Net Loan-Opening	0.00	0.00	0.00	0.00	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
	Average Loan	0.00	0.00	0.00	0.00	0.00
	Rate of Interest	13.50%	13.50%	13.50%	13.50%	13.50%
	Interest	0.00	0.00	0.00	0.00	0.00
5	Bond-III (Issue-II)					
	Gross Loan opening	280.17	280.17	280.17	280.17	280.17
	Cumulative Repayment upto DOCOP/previous year	280.17	280.17	280.17	280.17	280.17
	Net Loan-Opening	0.00	0.00	0.00	0.00	0.00

	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
	Average Loan	0.00	0.00	0.00	0.00	0.00
	Rate of Interest	9.75%	9.75%	9.75%	9.75%	9.75%
	Interest	0.00	0.00	0.00	0.00	0.00
6	LIC NEEPCO					
	Gross Loan opening	245.00	245.00	245.00	245.00	245.00
	Cumulative Repayment upto DOCO/previous year	226.89	237.45	241.22	245.00	245.00
	Net Loan-Opening	18.11	7.55	3.78	0.00	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	10.56	3.77	3.78	0.00	0.00
	Net Loan-Closing	7.55	3.78	0.00	0.00	0.00
	Average Loan	12.83	5.66	1.89	0.00	0.00
	Rate of Interest	14.00%	14.00%	14.00%	14.00%	14.00%
	Interest	1.80	0.79	0.26	0.00	0.00
7	Bond- XIV (Replacement of GOI on 17-07-2003)					
	Gross Loan opening	3299.00	3299.00	3299.00	3299.00	3299.00
	Cumulative Repayment upto DOCO/previous year	989.70	1182.14	1374.58	1567.02	1759.46
	Net Loan-Opening	2309.30	2116.86	1924.42	1731.98	1539.54
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	192.44	192.44	192.44	192.44	192.44
	Net Loan-Closing	2116.86	1924.42	1731.98	1539.54	1347.10
	Average Loan	2213.08	2020.64	1828.20	1635.76	1443.32
	Rate of Interest	6.10%	6.10%	6.10%	6.10%	6.10%
	Interest	135.00	123.26	111.52	99.78	88.04
	Total Loan					
	Gross Loan opening	4122.79	4122.79	4122.79	4122.79	4122.79
	Cumulative Repayment upto DOCO/previous year	1795.38	1998.38	2194.59	2390.81	2583.25
	Net Loan-Opening	2327.41	2124.41	1928.20	1731.98	1539.54
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	203.00	196.21	196.22	192.44	192.44
	Net Loan-Closing	2124.41	1928.20	1731.98	1539.54	1347.10
	Average Loan	2225.91	2026.30	1830.09	1635.76	1443.32
	Rate of Interest	6.15%	6.12%	6.11%	6.10%	6.10%
	Interest	136.79	124.05	111.78	99.78	88.04

Transmission Asset II

(Rs. in lakh)

	Details of Loan	2004-05	2005-06	2006-07	2007-08	2008-09
1	Bond-I (Issue-I)					

	Gross Loan opening	6.00	6.00	6.00	6.00	6.00
	Cumulative Repayment upto DOCO/previous year	6.00	6.00	6.00	6.00	6.00
	Net Loan-Opening	0.00	0.00	0.00	0.00	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
	Average Loan	0.00	0.00	0.00	0.00	0.00
	Rate of Interest	16.75%	16.75%	16.75%	16.75%	16.75%
	Interest	0.00	0.00	0.00	0.00	0.00
2	Bond-I (Issue-II)					
	Gross Loan opening	4.00	4.00	4.00	4.00	4.00
	Cumulative Repayment upto DOCO/previous year	4.00	4.00	4.00	4.00	4.00
	Net Loan-Opening	0.00	0.00	0.00	0.00	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
	Average Loan	0.00	0.00	0.00	0.00	0.00
	Rate of Interest	17.00%	17.00%	17.00%	17.00%	17.00%
	Interest	0.00	0.00	0.00	0.00	0.00
3	Bond-I (Issue-III)					
	Gross Loan opening	508.00	508.00	508.00	508.00	508.00
	Cumulative Repayment upto DOCO/previous year	508.00	508.00	508.00	508.00	508.00
	Net Loan-Opening	0.00	0.00	0.00	0.00	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
	Average Loan	0.00	0.00	0.00	0.00	0.00
	Rate of Interest	9.00%	9.00%	9.00%	9.00%	9.00%
	Interest	0.00	0.00	0.00	0.00	0.00
4	Bond-III(Issue-I)					
	Gross Loan opening	91.58	91.58	91.58	91.58	91.58
	Cumulative Repayment upto DOCO/previous year	91.58	91.58	91.58	91.58	91.58
	Net Loan-Opening	0.00	0.00	0.00	0.00	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
	Average Loan	0.00	0.00	0.00	0.00	0.00
	Rate of Interest	13.50%	13.50%	13.50%	13.50%	13.50%
	Interest	0.00	0.00	0.00	0.00	0.00
5	Bond-III (Issue-II)					
	Gross Loan opening	572.42	572.42	572.42	572.42	572.42
	Cumulative Repayment upto DOCO/previous year	572.42	572.42	572.42	572.42	572.42
	Net Loan-Opening	0.00	0.00	0.00	0.00	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
	Average Loan	0.00	0.00	0.00	0.00	0.00
	Rate of Interest	9.75%	9.75%	9.75%	9.75%	9.75%
	Interest	0.00	0.00	0.00	0.00	0.00
6	LIC NEEPCO					

	Gross Loan opening	453.00	453.00	453.00	453.00	453.00
	Cumulative Repayment upto DOCO/previous year	419.52	439.04	446.02	453.00	453.00
	Net Loan-Opening	33.48	13.96	6.98	0.00	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	19.52	6.98	6.98	0.00	0.00
	Net Loan-Closing	13.96	6.98	0.00	0.00	0.00
	Average Loan	23.72	10.47	3.49	0.00	0.00
	Rate of Interest	14.00%	14.00%	14.00%	14.00%	14.00%
	Interest	3.32	1.47	0.49	0.00	0.00
7	Bond- XIV (Replacement of GOI on 17-07-2003)					
	Gross Loan opening	7398.00	7398.00	7398.00	7398.00	7398.00
	Cumulative Repayment upto DOCO/previous year	2219.40	2650.95	3082.50	3514.05	3945.60
	Net Loan-Opening	5178.60	4747.05	4315.50	3883.95	3452.40
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	431.55	431.55	431.55	431.55	431.55
	Net Loan-Closing	4747.05	4315.50	3883.95	3452.40	3020.85
	Average Loan	4962.83	4531.28	4099.73	3668.18	3236.63
	Rate of Interest	6.10%	6.10%	6.10%	6.10%	6.10%
	Interest	302.73	276.41	250.08	223.76	197.43
	Total Loan					
	Gross Loan opening	9033.00	9033.00	9033.00	9033.00	9033.00
	Cumulative Repayment upto DOCO/previous year	3820.92	4271.99	4710.52	5149.05	5580.60
	Net Loan-Opening	5212.08	4761.01	4322.48	3883.95	3452.40
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	451.07	438.53	438.53	431.55	431.55
	Net Loan-Closing	4761.01	4322.48	3883.95	3452.40	3020.85
	Average Loan	4986.55	4541.75	4103.22	3668.18	3236.63
	Rate of Interest	6.14%	6.12%	6.11%	6.10%	6.10%
	Interest	306.05	277.87	250.57	223.76	197.43

Transmission Asset III

(Rs. in Lakh)

	Details of Loan	2004-05	2005-06	2006-07	2007-08	2008-09
1	Bond-I (Issue-I)					
	Gross Loan opening	397.00	397.00	397.00	397.00	397.00
	Cumulative Repayment upto DOCO/previous year	397.00	397.00	397.00	397.00	397.00
	Net Loan-Opening	0.00	0.00	0.00	0.00	0.00

	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
	Average Loan	0.00	0.00	0.00	0.00	0.00
	Rate of Interest	16.75%	16.75%	16.75%	16.75%	16.75%
	Interest	0.00	0.00	0.00	0.00	0.00
2	Bond-I (Issue-II)					
	Gross Loan opening	332.00	332.00	332.00	332.00	332.00
	Cumulative Repayment upto DOCO/previous year	332.00	332.00	332.00	332.00	332.00
	Net Loan-Opening	0.00	0.00	0.00	0.00	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
	Average Loan	0.00	0.00	0.00	0.00	0.00
	Rate of Interest	17.00%	17.00%	17.00%	17.00%	17.00%
	Interest	0.00	0.00	0.00	0.00	0.00
3	Bond-I (Issue-III)					
	Gross Loan opening	234.14	234.14	234.14	234.14	234.14
	Cumulative Repayment upto DOCO/previous year	234.14	234.14	234.14	234.14	234.14
	Net Loan-Opening	0.00	0.00	0.00	0.00	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
	Average Loan	0.00	0.00	0.00	0.00	0.00
	Rate of Interest	9.00%	9.00%	9.00%	9.00%	9.00%
	Interest	0.00	0.00	0.00	0.00	0.00
4	Bond-III(Issue-I)					
	Gross Loan opening	169.38	169.38	169.38	169.38	169.38
	Cumulative Repayment upto DOCO/previous year	169.38	169.38	169.38	169.38	169.38
	Net Loan-Opening	0.00	0.00	0.00	0.00	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
	Average Loan	0.00	0.00	0.00	0.00	0.00
	Rate of Interest	13.50%	13.50%	13.50%	13.50%	13.50%
	Interest	0.00	0.00	0.00	0.00	0.00
5	Bond-III (Issue-II)					
	Gross Loan opening	1058.62	1058.62	1058.62	1058.62	1058.62
	Cumulative Repayment upto DOCO/previous year	1058.62	1058.62	1058.62	1058.62	1058.62
	Net Loan-Opening	0.00	0.00	0.00	0.00	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
	Average Loan	0.00	0.00	0.00	0.00	0.00
	Rate of Interest	9.75%	9.75%	9.75%	9.75%	9.75%
	Interest	0.00	0.00	0.00	0.00	0.00
6	Bond- XIV (Replacement of GOI on 17-07-2003)					
	Gross Loan opening	13147.60	13147.60	13147.60	13147.60	13147.60
	Cumulative Repayment upto DOCO/previous year	1724.48	2676.41	3628.34	4580.27	5532.20

	Net Loan-Opening	11423.12	10471.19	9519.26	8567.33	7615.40
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	951.93	951.93	951.93	951.93	951.93
	Net Loan-Closing	10471.19	9519.26	8567.33	7615.40	6663.47
	Average Loan	10947.16	9995.23	9043.30	8091.37	7139.44
	Rate of Interest	6.10%	6.10%	6.10%	6.10%	6.10%
	Interest	667.78	609.71	551.64	493.57	435.51
7	PNB-I					
	Gross Loan- Opening	465.00	465.00	465.00	465.00	465.00
	Cum Repayment up to DOCO/Previous year	46.50	93.00	139.50	186.00	232.50
	Net Loan-Opening	418.50	372.00	325.50	279.00	232.50
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	46.50	46.50	46.50	46.50	46.50
	Net Loan-Closing	372.00	325.50	279.00	232.50	186.00
	Average Loan	395.25	348.75	302.25	255.75	209.25
	Rate of Interest	8.66%	8.66%	8.66%	10.16%	10.16%
	Interest	34.23	30.20	26.17	25.98	21.26
	Rep Schedule	Annual instalments from 30.03.2004				
8	Bond-VII					
	Gross Loan- Opening	465.00	465.00	465.00	465.00	465.00
	Cum Repayment up to DOCO/Previous year	93.00	186.00	279.00	372.00	465.00
	Net Loan-Opening	372.00	279.00	186.00	93.00	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	93.00	93.00	93.00	93.00	0.00
	Net Loan-Closing	279.00	186.00	93.00	0.00	0.00
	Average Loan	325.50	232.50	139.50	46.50	0.00
	Rate of Interest	13.64%	13.64%	13.64%	13.64%	13.64%
	Interest	44.40	31.71	19.03	6.34	0.00
	Rep Schedule	Annual instalments from 4.08.2003				
9	IOB-II					
	Gross Loan- Opening	3293.00	3293.00	3293.00	3293.00	3293.00
	Cum Repayment up to DOCO/Previous year	329.30	658.60	987.90	1317.20	1646.50
	Net Loan-Opening	2963.70	2634.40	2305.10	1975.80	1646.50
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	329.30	329.30	329.30	329.30	329.30
	Net Loan-Closing	2634.40	2305.10	1975.80	1646.50	1317.20
	Average Loan	2799.05	2469.75	2140.45	1811.15	1481.85
	Rate of Interest	8.40%	8.40%	8.40%	9.90%	9.90%
	Interest	235.12	207.46	179.80	179.30	146.70
	Rep Schedule	Annual instalments from 11.02.2004				
10	Bond- XIII- II (Replacement of SBI-II on 31-10-2002)					
	Gross Loan- Opening	3490.00	3490.00	3490.00	3490.00	3490.00
	Cum Repayment up to DOCO/Previous year	581.67	1163.34	1745.01	2326.68	2908.35
	Net Loan-Opening	2908.33	2326.66	1744.99	1163.32	581.65
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	581.67	581.67	581.67	581.67	581.67
	Net Loan-Closing	2326.66	1744.99	1163.32	581.65	0.00
	Average Loan	2617.50	2035.83	1454.16	872.49	290.83
	Rate of Interest	7.85%	7.85%	7.85%	7.85%	7.85%

	Interest	205.47	159.81	114.15	68.49	22.83
	Rep Schedule	Annual instalments from 31.07.2003				
11	Corporation Bank					
	Gross Loan- Opening	233.00	233.00	233.00	233.00	233.00
	Cum Repayment up to DOCO/Previous year	11.65	34.95	58.25	81.55	104.85
	Net Loan-Opening	221.35	198.05	174.75	151.45	128.15
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	23.30	23.30	23.30	23.30	23.30
	Net Loan-Closing	198.05	174.75	151.45	128.15	104.85
	Average Loan	209.70	186.40	163.10	139.80	116.50
	Rate of Interest	9.15%	9.15%	9.15%	11.15%	11.15%
	Interest	19.19	17.06	14.92	15.59	12.99
	Rep Schedule	Annual instalments from 10.03.2004				
12	BOI (FC)					
	Gross Loan- Opening	1683.34	1683.34	1683.34	1683.34	1683.34
	Cum Repayment up to DOCO/Previous year	0.00	88.62	177.24	265.86	354.48
	Net Loan-Opening	1683.34	1594.72	1506.10	1417.48	1328.86
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	88.62	88.62	88.62	88.62	88.62
	Net Loan-Closing	1594.72	1506.10	1417.48	1328.86	1240.24
	Average Loan	1639.03	1550.41	1461.79	1373.17	1284.55
	Rate of Interest	2.76%	2.76%	2.76%	6.93%	6.93%
	Interest	45.24	42.79	40.35	95.16	89.02
	Rep Schedule	Half yearly instalments from 10.06.2004				
	Total Loan					
	Gross Loan- Opening	24968.08	24968.08	24968.08	24968.08	24968.08
	Cum Repayment up to DOCO/Previous year	4977.74	7092.06	9206.38	11320.70	13435.02
	Net Loan-Opening	19990.34	17876.02	15761.70	13647.38	11533.06
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	2114.32	2114.32	2114.32	2114.32	2021.32
	Net Loan-Closing	17876.02	15761.70	13647.38	11533.06	9511.76
	Average Loan	18933.18	16818.86	14704.54	12590.22	10522.41
	Rate of Interest	6.61%	6.53%	6.43%	7.02%	6.92%
	Interest	1251.42	1098.74	946.06	884.44	728.31
	NOTE: Loans (7), (9), (11) and (12) above have floating rates of interest. Interest rates as on 01-04-2007 provided by the petitioner have been considered.					