

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

1. Dr. Pramod Deo, Chairperson
2. Shri R.Krishnamoorthy, Member
3. Shri S.Jayaraman, Member

Petition No. 131/2008

In the matter of

Determination of final transmission tariff including tariff on additional capital expenditure during 2007-08 for upgradation of transfer capacity of Talcher-Kolar HVDC Bipole from 1.8.2007 to 31.3.2009 in Southern Region.

And in the matter of

Power Grid Corporation of India Limited, Gurgaon

..Petitioner

Vs

1. Karnataka Power Transmission Corporation Ltd., Bangalore
2. Transmission Corporation of Andhra Pradesh Ltd., Hyderabad
3. Kerala State Electricity Board, Thiruvananthapuram
4. Tamil Nadu Electricity Board, Chennai
5. Electricity Department, Govt. of Pondicherry, Pondicherry **..Respondents**

The following were present:

1. Shri U.K.Tyagi, PGCIL
2. Shri V.V.Sharma, PGCIL
3. Shri A.K.Nagpal, PGCIL
4. Shri B.C.Pant, PGCIL
5. Shri Harmeet Singh, PGCIL
6. Shri Mohd. Mohsin, PGCIL
7. Shri M.G.Ramachandran, Advocate, PGCIL

ORDER

(DATE OF HEARING: 17.2.2009)

The application has been made for approval of tariff for upgradation of transfer capacity of Talcher-Kolar HVDC Bi-pole (the upgradation scheme) in Southern Region for the period from 1.8.2007 to 31.3.2009, based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004 (hereinafter referred to as "the 2004 regulations") after accounting for additional capitalization during 2007-08. The petitioner has also prayed for reimbursement of expenditure from the beneficiaries incurred towards publishing of notices in newspapers and the petition filing fee.

2. The investment approval for the upgradation scheme was accorded by Board of Directors of the petitioner company vide Memorandum dated 20.7.2005 at an estimated cost of Rs. 11833 lakh, which included IDC of Rs. 704 lakh. The upgradation scheme has been implemented w.e.f. 1.8.2007.

3. The provisional transmission charges for the upgradation scheme were approved by the Commission in its order dated 26.2.2008 in Petition No.2/2008. The approved cost and other details of cost submitted by the petitioner are as under:

(Rs. in lakh)

Approved cost	Expenditure up to the date of commercial operation	Expenditure From 1.8.2007 to 31.3.2008	Balance estimated expenditure	Estimated Completion Cost
11833.00	7492.60	1680.92	980.00	10154.00

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

(Rs. in lakh)

	2007-08 (Pro rata)	2008-09
Depreciation	251.47	407.47
Interest on Loan	471.10	731.51
Return on Equity	293.37	475.35
Advance against Depreciation	0.00	0.00
Interest on Working Capital	32.51	51.32
O & M Expenses	105.43	164.50
Total	1153.88	1830.15

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

(Rs. in lakh)

	2007-08 (Pro rata)	2008-09
Maintenance Spares	96.38	100.23
O & M expenses	13.18	13.71
Receivables	288.47	305.02
Total	398.02	418.96
Rate of Interest	12.25%	12.25%
Interest	32.51	51.32

6. The reply to the petition has been filed by Tamil Nadu Electricity Board (TNEB). No comments or suggestions have been received from the general public in response to the notices published by the petitioner under section 64 of the Electricity Act, 2003.

CAPITAL COST

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

8. The petitioner has claimed additional capitalization of Rs. 1680.92 lakh on works for the period from 1.8.2007 to 31.3.2008 over the capital expenditure of Rs. 7492.60 lakh as on the date of commercial operation.

Additional Capitalization 2007-08

9. 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.”

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

Year 2007-08	Nature of expenditure	Justification
1.8.2007 to 31.3.2008	Sub-station = Rs. 1680.92 lakh	Balance and retention payments.
	Total = Rs. 1680.92 lakh	

11. Since the additional expenditure is within the approved scope of work, it has been found to be in order. Therefore, audited capital expenditure of Rs. 1680.92 lakh from the date of commercial operation to 31.3.2008 has been considered for the purpose of tariff. The balance estimated capital expenditure of Rs. 980.28 lakh claimed by the petitioner has not been considered for the tariff purpose since the claim is not based on actual capital expenditure incurred.

IEDC on account of revenue loss due to shut down

12. Upgradation of transmission capacity resulted in shutdown of HVDC system, resulting in loss of revenue and incentive amounting to Rs. 2144.96 lakh. The petitioner has submitted that the completion target as per investment approval was 24 months. However, the project was commissioned ahead of schedule at the estimated completion cost of Rs. 10154 lakh against the approved cost of Rs. 11833 lakh by taking minimum possible shutdown period to achieve maximum system availability for utilization by the beneficiaries. The system has been upgraded by taking shutdown for 12 days/pole (approximately). The petitioner has submitted that this upgradation work was not possible without taking shutdown of the system. However, the outage duration has been considered as attributable to the petitioner by Member-Secretary, SRPC while certifying availability. As

shutdown period required for undertaking such major upgradation work was sufficiently long, the availability of this system reduced by 4.43% and finally the availability certified by SRPC is 92.26%. This being less than 95%, the normative target availability for claiming full transmission tariff for HCDC system, has a huge impact on the petitioner's revenues for no fault of its own. In fact, it has been stated, this work was taken up for the benefit of Southern Region respondents only. The petitioner has claimed the transmission charges, by claiming the loss suffered as a part of the capital cost.

13. TNEB in its reply has requested to exclude from the capital cost on account of loss of revenue and incentive for the purpose of determination of tariff. TNEB has also requested to limit the mandatory spares capitalized to 1.5% capital cost in accordance with regulation 52 of the 2004 regulations. TNEB has further submitted to restrict equity to Rs. 465.92 lakh in respect of additional capital expenditure during 2007-08 and to disallow the claim of O & M expenses for five bays. TNEB has also requested to consider the expenditure as additional capital expenditure to main equipment and award tariff by combining all the assets.

14. The petitioner in its written submissions dated 17.2.2009 has requested either to allow the loss of revenue etc. on account of reduction in availability resulting from the shut down as a part of capital cost or not to consider the same as reduction in the availability of the transmission system for the purpose of incentive. The petitioner has further submitted that otherwise it will suffer significant loss and damages, notwithstanding that the upgradation work was undertaken essentially for the benefit of the respondents with their concurrence and the shut down was known to all concerned, before upgradation was undertaken .

15. The petitioner has added an amount of Rs. 2144.96 lakh as a part of incidental expenditure in the capital cost of the project as on the date of commercial operation on account of reduction of the transmission charges (Rs. 1187.16 lakh) and incentive (Rs. 957.80 lakh) on account of lower availability as result of shut down.

16. The incentive of Rs. 957.80 lakh has not been considered as a part of capital cost. However, the under-recovery of the transmission charges on account of shutdown has been allowed to the extent of less recovery of debt liabilities and O&M expenditure during the shutdown period. The *pro rata* reduction in the interest on loan and O&M expenses in the year 2007-08 have been computed based on the transmission charges which has been worked out as Rs. 369.09 lakh. Therefore, an amount of Rs. 369.09 lakh on account of revenue loss during shutdown has been capitalised as on the date of commercial operation, against the petitioner's claim of Rs. 2144.96 lakh.

Initial spares in the capital cost

17. It is noted from auditor's certificate that initial spares included in the capital cost were of value of Rs. 207.26 lakh which was 2.17% of admitted capital cost of Rs. 9542.61 lakh as on 31.3.2008 which includes the incidental expenditure of Rs. 369.09 lakh allowed to be capitalised in the capital cost as on the date of commercial operation on account of reduction in transmission charges due to shut down of Talcher-Kolar HVDC line and audited actual additional capital expenditure of Rs. 1680.92 lakh incurred from the date of commercial operation to 31.3.2008. The petitioner has submitted that the upgradation work involved high technology imported items, and procurement of the same could take longer time, particularly when the supplier had little or no

interest in supply of small quantity of spares. For this reason total spares required for successful operation of the system was ordered along with the main contract.

18. Regulation 52 (1) of the 2004 regulations provides that the actual capital expenditure admitted by the Commission for the purpose of tariff shall include capitalised initial spares subject to a ceiling norm of 1.5% of original project cost. As per the 2004 regulations, the original project cost is the admitted cost as on the cut-off date of the project. In the present case the date of commercial operation of the transmission system was 1.8.2007 and so the cut-off date was 31.3.2009. The petitioner has submitted the details of actual capital expenditure incurred and audited up to 31. 3.2008. Therefore, for computation of initial spares of 1.5 % of original project cost as per the 2004 regulations, we have considered the capital cost found justified and audited up to 31.3.2008. Balance estimated expenditure of Rs. 980.28 lakh after 31.3.2008 has not been considered as this expenditure is not audited. As such, the initial spares have been restricted to Rs. 142.16 lakh, which is of 1.5% of capital cost as on 31.3.2008 and worked out as under:

(Rs. in lakh)

		Capital expenditure up to the date of commercial operation	IEDC on account of reduction in fixed charges due to shut down found justified and allowed in the capital cost as on the date of commercial operation	Expenditure from 1.8.2007 to 31.3.2008	Total capital cost as on 31.3.2008
(i)		7492.60	369.09	1680.92	9542.61
(ii)	Initial spares included in Capital cost	-	-	-	207.26
(iii)	Capital cost admitted as on 31.3.2008 without initial spares (i-ii) This hard cost is 98.5% of total capital cost	-	-	-	9335.35
(iv)	Initial spares @ 1.5% included in the admitted cost as on 31.3.2008 (iii x 1.5%)/98.5%	-	-	-	142.16
(v)	Capital cost Admitted including initial spares of 1.5 % (iii+iv)	-	-	-	9477.51

TOTAL CAPITAL COST

19. Against the above background, gross block of Rs. 9477.51 lakh as on 31.3.2008 has been worked out for the purpose of tariff over the gross block of Rs. 7492.60 lakh as on the date of commercial operation, after accounting for additional capitalisation of Rs. 1680.92 lakh for the year 2007-08, IEDC of Rs. 369.09 lakh and restricting the value of initial spares to 1.5% of the capital cost as on 31.3.2008. The capital cost allowed for the purpose of tariff has been worked out as under:

(Rs. in lakh)

Sl. No.	Name of assets	Capital expenditure as on the date of commercial operation	IEDC due to revenue loss on mandatory shut down on the date of commercial operation	Admitted Capital Cost as on the date of commercial operation	Additional Capital Expenditure from 1. 8.2007 31.3.2008	Admitted Capital Cost as on 31.3.2008
(i)	Land	0.00	0.00	0.00	0.00	0.00
(ii)	Building & Other Civil Works	0.00	0.00	0.00	0.00	0.00
(iii)	Transmission Line	0.00	0.00	0.00	0.00	0.00
(iv)	Sub-Station Equipments	7492.60	369.09	7861.69	1680.92	9542.61
(v)	PLCC	0.00	0.00	0.00	0.00	0.00
(vi)	Total (i+ii+iii+iv+v)	7492.60	369.09	7861.69	1680.92	9542.61
(vii)	initial spares included in the Capital cost			207.26		207.26
(viii)	Capital cost without initial spares (vi-vii)			7654.43		9335.35
(ix)	Initial spares allowed in the capital cost for the tariff purpose			142.16		142.16
	Total Capital Cost			7796.59		9477.51

DEBT- EQUITY RATIO

20. 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.”

21. Note 1 below Regulation 53 lays down that any expenditure on account of committed liabilities within the original scope of work is to be serviced in the normative debt-equity ratio specified in Regulation 54.

22. The petitioner has considered debt-equity ratio of 70:30 as on the date of commercial operation, and also for additional capitalization. In our calculations, debt-equity ratio as claimed has been considered. Accordingly, for the purpose of tariff, an amount of Rs. 2338.98 lakh has been considered as equity as on 1.8.2007 and Rs. 2843.25 lakh as on 1.4.2008.

RETURN ON EQUITY

23. 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.

24. For the reasons recorded in para 22 above, equity of Rs. 2338.98 lakh has been considered as on 1.8.2007 and from 1.4.2008 to 31.3.2009, equity of Rs. 2843.25 lakh has been considered. However, tariff for the period 1.8.2007 to 31.3.2008 has been allowed on average equity of Rs. 2591.12 lakh. Accordingly, the petitioner shall be entitled to return on equity of Rs. 241.84 lakh during 2007-08 on *pro rata* basis and Rs.398.06 lakh during 2008-09.

INTEREST ON LOAN

25. 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.”

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

(i) Gross loan opening has been considered from 2007-08.

(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) Bond XXVI @ 9.30% w.e.f. 7.3.2008 has been taken as replacement of ICICI Bridge loan @ 8.00% drawn on 20.8.2007 and has been utilised for the purpose of additional capital expenditure.

- (iv) Gross loan at (i) above have been considered along with the loan utilised after date of commercial operation and weighted average rate of interest on loan for respective year as per above has been has been multiplied to arrive at interest on loan considering Deprecation as repayment.

27. 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 petition have been used to work out weighted average rate of interest on actual loan.
- (ii) Notional loan arising out of additional capitalisation from date of commercial operation to 31.3.2008 has been added to loan amount as on date of commercial operation to arrive at total notional loan. This adjusted gross loan has been considered as normative loan for tariff calculations.
- (iii) Tariff has been worked out considering normative loan and normative repayments. Once the normative loan has been arrived at, it has been considered for all purposes in the tariff. Normative repayment has been 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 has been considered with reference to normative loan and if the normative repayment of loan during the year is less than the depreciation during the year, it has

been considered as moratorium and depreciation during the year has been deemed as normative repayment of loan during the year.

- (v) 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.

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

Details of loan	(Rs. in lakh)	
	2007-08 (Pro rata)	2008-09
Opening Gross Loan	5457.61	6634.26
Cumulative Repayment up to date of commercial operation/previous year	0.00	207.29
Net Loan-Opening	5457.61	6426.97
Additions due to Additional Capitalisation	1176.64	
Repayment during the year	207.29	341.19
Net Loan-Closing	6426.97	6085.78
Average Loan	5942.29	6256.37
Weighted Average Rate of Interest on Loan	9.80%	9.80%
Interest	388.32	612.83

29. The detailed calculations in support of the weighted average rate of interest are contained in Annexure attached.

DEPRECIATION

30. 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.

31. Deprecation allowed has been worked out as shown below:

(Rs. in lakh)		
Details of Depreciation	2007-08(Pro rata)	2008-09
Gross block at the beginning of the period	7796.59	9477.51
Additional Capitalisation during the period	1680.92	-
Gross Block at the end of the period	9477.51	9477.51
Rate of Depreciation	3.6000%	3.6000%
Depreciable Value (90%)	7773.35	8529.76
Balance Useful life of the asset	-	-
Remaining Depreciable Value	7773.35	8322.47
Depreciation	207.29	341.19

ADVANCE AGAINST DEPRECIATION

32. 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

33. 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.

34. The petitioner has not claimed Advance Against Depreciation and, thereafter, Advance Against Depreciation has not been considered.

OPERATION & MAINTENANCE EXPENSES

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

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

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

	(Rs. in lakh)	
	Year	
	2007-08 (Pro rata)	2008-09
O&M expenses for 5 bays	105.43	164.50
Total	105.43	164.50

37. 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

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

(i) Maintenance spares

Regulation 56(v) (1) (b) of the 2004 regulations provides for maintenance spares @ 1% of the historical cost escalated @ 6% per annum from the date of commercial operation. In the present case, the capital expenditure on the date of commercial operation is Rs. 7796.59 lakh, which has been considered as the historical cost for the purpose of the present petition and maintenance spares have been worked out accordingly by escalating 1% of the historical cost @ 6% per annum. In this manner, the value of maintenance spares works out to Rs. 77.97 lakh as on 1.8.2007.

(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 @ 12.25% based on SBI PLR as on 1.4.2007, which is in accordance with the 2004 regulations and has been allowed.

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

	(Rs. in lakh)	
	2007-08 (Pro rata)	2008-09
Maintenance Spares	77.97	81.08
O & M expenses	13.18	13.71
Receivables	242.53	260.01
Total	333.68	354.80
Rate of Interest	12.25%	12.25%
Interest	27.25	43.46

TRANSMISSION CHARGES

40. The transmission charges being allowed for the transmission asset are summarised below:

(Rs. in lakh)

	2007-08 (Pro rata)	2008-09
Depreciation	207.29	341.19
Interest on Loan	388.32	612.83
Return on Equity	241.84	398.06
Advance against Depreciation	0.00	0.00
Interest on Working Capital	27.25	43.46
O & M Expenses	105.43	164.50
Total	970.13	1560.04

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

42. The petitioner has sought approval for the reimbursement of expenditure of Rs. 1,27,419/- 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. The Commission by its separate general order dated 11.9.2008 in Petition No. 129/2005 (suo motu) has decided that the petitioner shall not be allowed reimbursement of the petition filing fee.

43. The petitioner is already billing the respondents on provisional basis in accordance with the Commission's order dated 26.2.2008 in Petition No.2/2008. The provisional billing of tariff shall be adjusted in the light of final tariff now approved by us.

44. The petition stands disposed of in above terms.

Sd/-
(S.JAYARAMAN)
MEMBER
New Delhi dated the 30th April 2009

sd/-
(R.KRISHNAMOORTHY)
MEMBER

sd/-
(DR.PRAMOD DEO)
CHAIRPERSON

Annexure

CALCULATION OF WEIGHTED AVERAGE RATE OF INTEREST ON LOAN

(Rs. in lakh)

	Details of Loan	2007-08	2008-09
1	BondXXI		
	Gross Loan opening	38.00	38.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00
	Net Loan-Opening	38.00	38.00
	Additions during the year	0.00	0.00
	Repayment during the year	0.00	0.00
	Net Loan-Closing	38.00	38.00
	Average Loan	38.00	38.00
	Rate of Interest	8.73%	8.73%
	Interest	3.32	3.32
	Repayment Schedule	12 Annual instalments from 11.10.2010	
2	Bond XXII		
	Gross Loan opening	41.00	41.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00
	Net Loan-Opening	41.00	41.00
	Additions during the year	0.00	0.00
	Repayment during the year	0.00	0.00
	Net Loan-Closing	41.00	41.00
	Average Loan	41.00	41.00
	Rate of Interest	8.68%	8.68%
	Interest	3.56	3.56
	Repayment Schedule	12 Annual instalments from 7-11-2010	
3	Bond XXIV		
	Gross Loan opening	1643.00	1643.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00
	Net Loan-Opening	1643.00	1643.00
	Additions during the year	0.00	0.00
	Repayment during the year	0.00	0.00
	Net Loan-Closing	1643.00	1643.00
	Average Loan	1643.00	1643.00
	Rate of Interest	9.95%	9.95%
	Interest	163.48	163.48
	Repayment Schedule	12 Annual instalments from 26. 3.2011	
4	Bond- XXV		
	Gross Loan opening	2724.00	2724.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00
	Net Loan-Opening	2724.00	2724.00
	Additions during the year	0.00	0.00
	Repayment during the year	0.00	0.00
	Net Loan-Closing	2724.00	2724.00
	Average Loan	2724.00	2724.00
	Rate of Interest	10.10%	10.10%
	Interest	275.12	275.12
	Repayment Schedule	12 Annual instalments from 12. 6.2011	
5	Bond- XXVI @ 9.3% issue w.e.f. 07.03.2008 in replacement of Bridge Loan ICICI @ 8% drawn on 20.08.07		

	Gross Loan opening	0.00	0.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00
	Net Loan-Opening	0.00	799.00
	Additions during the year	799.00	0.00
	Repayment during the year	0.00	0.00
	Net Loan-Closing	799.00	799.00
	Average Loan	399.50	799.00
	Rate of Interest	8.15%	9.30%
	Interest	32.54	74.31
	Repayment Schedule	12 Annual instalments from 7-3-2012	
6	Bond- XXVI for Add Cap drawn during 2007-08		
	Gross Loan opening	0.00	1215.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00
	Net Loan-Opening	0.00	1215.00
	Additions during the year	1215.00	0.00
	Repayment during the year	0.00	0.00
	Net Loan-Closing	1215.00	1215.00
	Average Loan	607.50	1215.00
	Rate of Interest	9.30%	9.30%
	Interest	56.50	113.00
	Repayment Schedule	12 Annual instalments from 7-3-2012	
	Total Loan		
	Gross Loan opening	4446.00	6460.00
	Cumulative Repayment upto DOCO	0.00	0.00
	Net Loan-Opening	4446.00	6460.00
	Additions during the year	2014.00	0.00
	Repayment during the year	0.00	0.00
	Net Loan-Closing	6460.00	6460.00
	Average Loan	5453.00	6460.00
	Rate of Interest	9.80%	9.80%
	Interest	534.52	632.78