

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram

1. Dr. Promod Deo, Chairperson
2. Shri Bhanu Bhushan, Member
3. Shri S.Jayaraman, Member

Petition No. 48/2000

In the matter of

Approval of tariff in respect of 400 kV Bongaigaon-Malda transmission line between Eastern and North-eastern Regions for the period from 1.4.2000 to 31.3.2001.

And in the matter of

Petition No. 71/2002

Approval of tariff in respect of 400 kV Bongaigaon-Malda transmission line in Eastern and North-eastern Region for the period from 1.4.2001 to 31.3.2004.

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, Aizwal
5. Electricity Department, Govt. of Manipur, Imphal
6. Department of Power, Govt. of Nagaland , Kohima
7. Department of Power, Govt. of Tripura, Agartala
8. Bihar State Electricity Board, Patna
9. West Bengal State Electricity Board, Kolkata
10. Grid Corporation of Orissa Ltd, Bhubaneswar
11. Damodar Valley Corporation, Kolkata
12. Power Department, Govt. of Sikkim, Gangtok
13. Jharkhand State Electricity Board, Ranchi

.... Respondents

Following were present:

1. Shri U.K.Tyagi, PGCIL
2. Shri B.C..Pant, PGCIL
3. Shri A.K.Nagpal, PGCIL
4. Shri M.M.Mondal, PGCIL
5. Shri R.B.Sharma, Advocate, BSEB
6. Shri K.Goswami, ASEB
7. Shri A.Das, TSECL

ORDER
(DATE OF HEARING: 18.9.2008)

The petitioner, Power Grid Corporation of India Limited, had filed Petitions Nos. 48/2000 and 71/2002 for approval of transmission charges in respect of 400 kV Bongaigaon-Malda transmission line (the transmission line) forming part of Kathalguri Transmission System (the transmission system) for the periods from 1.4.2000 to 31.3.2001 and 1.4.2001 to 31.3.2004, respectively.

2. Final tariff in respect of the transmission line for the period from 1.4.2000 to 31.3.2001 was initially awarded vide the Commission's order dated 4.7.2002 considering the capital cost of the transmission system as Rs. 101010 lakh, with apportioned cost of Rs. 29743 lakh for the transmission line. Subsequently, some errors in the data furnished by the petitioner came to notice while examining the tariff in respect of the transmission lines for the period 1.4.2001 to 31.3.2004. Accordingly, the above tariff was modified vide order dated 30.7.2004. The summary of the tariff awarded is given hereunder:

(Rs. in lakh)

Period	2000-01
Interest on loan	2509.15
Interest on working capital	160.49
Depreciation	1659.66
Advance against Depreciation	NA
Return on Equity	1590.30
O&M expenses	446.15
Total	6365.75

3. Transmission tariff in respect of the transmission lines for the period from 1.4.2001 to 31.3.2004 was initially awarded vide Commission's order dated 13.4.2004. Tamil Nadu Electricity Board (TNEB) filed Appeal No. 135/2005 in the Appellate Tribunal for Electricity (the Appellate Tribunal) against order dated

30.6.2006 of the Commission in Petition No 40/2002, vide which transmission tariff in respect of 400 kV D/C Kaiga-Sirsi transmission line along with associated bays for the period 1.4.2001 to 31.3.2004, was approved by apportioning FERV into debt and equity. TNEB had, *inter alia*, questioned the methodology of bifurcation of FERV into debt and equity for the purpose of tariff determination. This appeal, as also some other linked appeals were disposed of by the Appellate Tribunal through a common judgment dated 4.10.2006. The Appellate Tribunal vide its judgment dated 4.10.2006 held as under:

“16. According to Explanation 1 to clause 4.4 (c), the premium raised by the Transmission Utility while issuing share capital and investment of internal resources created out of free reserve of the existing utility, if any, for the funding of the project, shall also be reckoned as paid up capital for the purpose of computing the return on equity subject to fulfillment of certain conditions. Explanation also makes no provision for increasing the equity beyond 50% of the book value of the transmission system. Once the fixed cost has been agreed to be financed in a certain ratio of debt and equity, the equity can be affected by FERV only if the equity is in foreign exchange. The provision of FERV as a pass through has been kept to ensure that any liability or gain, if any, arising on account of any variation in foreign exchange rates (whether debt or equity) is passed on to the beneficiary. In case there is no FERV liability or gain, as the case may be, there will not be any FERV adjustment. In the instant case the additional liability arising on account of FERV shall have an impact only on the debt liability and not equity capital. In this view of the matter, we hold that FERV adjustment is to be made in respect of debt liability and not in respect of the equity. Accordingly, we hold that the CERC is only to make adjustment in respect of debt liability and not in respect of the equity.

17. In view of the aforesaid discussion, the appeal is partly allowed to the extent indicated above. The Central Electricity Regulatory Commission shall re-calculate the effect of FERV on the debt liability. “

4. Based on the above decision, the tariff for the period 1.4.2001 to 31.3.2004 in respect of the transmission assets in the Eastern Region including the transmission line involving FERV was revised vide order dated 5.1.2008. The summary of the revised tariff awarded for the transmission line is given hereunder:

(Rs.in lakh)

Transmission Tariff	2001-02	2002-03	2003-04
Interest on Loan	2468.33	2268.85	1646.40
Interest on Working Capital	162.66	152.70	154.50
Depreciation	805.12	805.12	805.12
Advance against Depreciation	488.20	0.00	525.66
Return on Equity	1590.30	1590.30	1590.30
O & M Expenses	757.18	802.61	850.77
Total	6271.79	5619.59	5572.75

5. In the meantime, the petitioner vide IA No. 6/2007 filed on 16.1.2007 sought revision of the transmission charges on the ground that there was upward revision of the capital cost for the transmission system to Rs. 105990 lakh (apportioned cost of Rs. 35560.44 lakh for the transmission line) consequent to approval of the revised cost estimate by the competent authority by the letter dated 2.12.2005. This prayer of the petitioner was rejected by the Commission by its order dated 5.3.2007.

6. Thereupon, the petitioner filed an appeal, Appeal No. 106 of 2007, before the Appellate Tribunal which was disposed of vide judgment dated 5.2.2008.

The Appellate Tribunal vide the above judgment held as under:

“10. The appeal is therefore entitled to be allowed. The appellant is entitled to re-fixation of tariff on the basis of revised approved capital cost of the Kathalguri transmission system and the revised allocation of cost for the Malda-Bongaigaon section. This, however, does not mean the Commission has to blindly accept the cost of the Malda-Bongaigaon line at Rs. 355 crores. The Commission is entitled to carry out prudence check and to examine accounts of the appellant to verify the claims about reapportioned cost of the Malda Bongaigaon line.

11. In view of the above, we allow the appeal and direct the Commission to redetermine the transmission tariff for Malda Bongaigaon line w.e.f. 1.4.2000 on the basis of revised approved capital cost of the Kathalguri transmission system. The Commission is at liberty to make provisions for facilitating easy recovery of the additional amount payable on account of the revision consequent on implementation of our direction.”

7. Pursuant to the order of the Appellate Tribunal, the proceedings before the Commission have been revived. The petitioner has filed revised calculations of transmission charges for the period 2000-01 and 2001-04 under its letter dated 13.5.2008. The tariff in both these petitions is being revised through this order, based on the revised apportioned cost of Rs. 35560. lakh for the transmission line.

8. The petitioner has claimed the revised transmission charges as under:

(Rs. in lakh)

Period	2000-01	2001-02	2002-03	2003-04
Interest on loan	2999.88	2951.11	2804.47	2608.10
Interest on working capital	191.87	189.79	179.04	199.17
Depreciation	1983.95	962.59	962.59	962.59
Advance against Depreciation	0.00	583.70	0.00	1021.81
Return on Equity	1901.34	1901.34	1901.34	1901.34
O&M expenses	533.41	745.71	777.83	821.49
Total	7610.45	7334.24	6625.27	7514.50

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

(Rs. in lakh)

	2000-01	2001-02	2002-03	2003-04
Maintenance Spares	355.60	365.86	387.81	411.07
O & M expenses	44.45	62.14	64.82	68.46
Receivables	1268.41	1222.37	1104.21	1252.42
Total	1668.46	1650.37	1556.84	1731.95
Rate of Interest	11.50%	11.50%	11.50%	11.50%
Interest	191.87	189.79	179.04	199.17

10. We have gone through the pleadings and heard the representatives present and accordingly proceed to revise the tariff for the transmission line for the period from 1.4.2000 to 31.3.2004 in terms of the directions of the Appellate Tribunal. We proceed to deal with the objections of the respondents in the first instance.

11. Replies have now been filed by Assam State Electricity Board, Bihar State Electricity Board and West Bengal State Electricity Distribution Company.

12. ASEB has urged that so long as UCPTT was in vogue in North-Eastern Region, constituents of that region need not pay inter-regional charges. In this connection we clarify that scope of the present proceedings is limited to the consideration of the impact of the revision of the capital cost subject to prudence check. Liability of the constituents of the North-Eastern Region has already been considered in the Commission's order dated 4.7.2002 and the same decision shall continue to apply.

13. BSEB has pointed out that comparison of the apportioned approved cost based on RCE-I and RCE-II reveals that increase in the apportioned approved cost is the highest in the case of the transmission line vis-a-vis other elements of the transmission system.

14. The petitioner vide its affidavit dated 25.8.2008 has submitted that the cost estimate was approved for the transmission system as a whole and the letter of approval issued by Ministry of Power did not contain any break-up cost of elements thereof. Further, the feasibility report prepared at the time of approval contained cost of various lines, sub-stations, buildings and civil works, land etc. It did not contain composite cost of any element like line/ICT/Reactor together with cost of bays on either side together with apportioned cost of common facilities and land etc. Keeping in view of the direction of the Commission, the petitioner apportioned the approved cost which worked out to Rs. 29743 lakh for the transmission line. As there was some error in apportionment, revised apportionment was submitted in Review Petition No. 102/2002 in Petition No.

48/2002. The revised apportioned cost for the transmission line worked out to Rs. 33175 lakh, based on RCE-I of Rs. 101010 lakh, which was also in tune with the actual booking of cost.

15. The petitioner has submitted that the total estimated cost of the transmission system as per the RCE-II worked out to Rs. 105990 lakh and apportioned cost of for the transmission line worked out to Rs. 35560 lakh. The main reasons contributing to increase in cost of the transmission system between RCE-I and RCE -II are stated to be as under:

(a) **Inevitable change in type of foundations due to change in river**

course: Originally it was envisaged to adopt normal foundation for 400 kV Balipara Rowta-Bongaigaon transmission line and accordingly the cost for normal foundation was considered in FR and in RCE -I prepared in year 1996. However, during construction of the transmission line unprecedented rains caused heavy floods and eroded river banks resulting in the change of course of river Brahmaputra. This natural calamity necessitated change in type of a number of foundations from normal to pile/shallow foundations, to ensure safety and reliability of the transmission line.

(b) **Increase in IDC:** As per last revised cost estimate, IDC was estimated at Rs. 24854 lakh whereas an amount of Rs. 29512 lakh has actually been incurred under this head. As various assets were already commissioned, no liability on account of IDC was envisaged beyond the year 1998-99, in the RCE-I. However, in view of the delay in acceptance of

various assets as commercially operational, there has been an increase in liability on account of IDC amount to Rs. 4658 lakh.

16. The petitioner further stated that RCE -II of the transmission system works out to Rs. 105990 lakh, which includes IDC of Rs. 29512 lakh against RCE - I cost of Rs. 101010 lakh including IDC of Rs. 24854 lakh. The major heads of cost variation as given by the petitioner are as under:

Details of variations	Variation (Rs. in lakh)	Variation over approved cost (%)
Price variation	(-)1106	(-)1.09
Inevitable change in type of foundation due to change in river course	2061	2.04
Other reasons		
(a) Centages	(-) 667	(-)0.66
(b) IDC	46.58	4.61
Sub-total (a+b)	3991	3.95

17. The final apportioned/actual cost of the transmission line (Rs. 35560 lakh) is only 7.19% higher than the earlier apportioned approved cost of Rs. 33173 lakh,

18. BSEB has further stated that the additional amount on account of re-determination of tariff could be recovered from the funds available with the petitioner which were collected as `Development Surcharge`. This amount was collected @ 10% on every bill raised by the petitioner on account of transmission charges at regional level during the tariff period 2001-04 in response to the provisions contained in regulation 4.1.0 of the CERC (Terms & Conditions of tariff) Regulations, 2001. BSEB has requested to reject the contention of the petitioner for retaining the benefits accruing on account of re-financing of the loans. It has been further stated that request of considering the

impact of wage revision due w.e.f. 1.1.2007 and claimed by the petitioner may not be accepted.

19. In respect of Development Surcharge, the petitioner has stated that as per the order dated 7.4.2005 in Petition No. 27/2005 the amount pertaining to development surcharge has already been refunded/adjusted against the bills of the State utilities.

20. WBSEDCL in its reply has contended that its tariff has already been fixed up by West Bengal Electricity Regulatory Commission. It has been stated that since there was no indication earlier of such revision, they will not be able to recover such cost retrospectively from ultimate consumers. WBSEDCL has prayed to reject RCE-II of Rs. 105990 lakh submitted by the petitioner as the cost escalation is attributable to mismanagement and inefficiency of the petitioner leading to delay of nearly 5 years in completion of the transmission line, which should be attributed to the petitioner.

21. In this respect, it is stated that the issue regarding inability to recover the additional amount raised by WBSEDCL has already been dealt with in order dated 5.3.2007 in I.A. No. 6/2007 in Petition No. 48/2000. The Appellate Tribunal has not considered this as a valid ground for restricting the petitioner's claim. The relevant para in this regard is as under:

“ 9. So far as the difficulty in recovering the additional amount is concerned, the Commission can make appropriate arrangements by creating a regulatory asset or by providing for financial support for the customers of the appellant falling in the ER or by granting installments or by any other suitable measure. Neither the Electricity Act, 2003 nor the National Electricity Policy debars a transmitter from the recovering the capital cost merely because it is difficult to pay for.”

22. As regards the demand for rejecting the RCE-II holding that the cost escalation is attributable to mismanagement and inefficiency of the petitioner leading to delay in completion of the project, we observe that this aspect has already been dealt with by the Commission in its order dated 4.7.2002 as extracted hereunder:

11. The petitioner has claimed tariff based on completion cost of Rs.356.35 crores. In accordance with the completion schedule decided by the Central Government, the transmission system was to be commissioned during 1995-96. The transmission line was, however, declared under commercial operation with effect from 1.4.2000. There is thus a delay of about four years in completion of the project. According to the respondents, the petitioner should not be entitled to IDC on account of delayed completion of the project. The petitioner has clarified that as per the schedule laid down by Ministry of Power the entire transmission system was to be completed by March 1996, but Malda-Bongaigaon line was actually commissioned on 1.4.2000. The delay is primarily on account of law and order situation and insurgency problems in the North- Eastern region. The petitioner has adverted to forcible abduction of its personnel and also killing of contractor's personnel as the contributory factors for delay. We have considered the explanation furnished by the petitioner in support of the delay in execution of the project. On consideration of the circumstances placed on record by the petitioner, we are satisfied that the reasons for delay are not directly attributable to the petitioner and delay is on account of special circumstances prevailing in the North Eastern region, over which the petitioner had no control. Therefore, we overrule the objection raised on behalf of the respondents in this regard.”

Capital cost

23. The petitioner has claimed tariff based on the capital cost of Rs. 35560.44 lakh which includes capitalised initial spares of Rs. 52.29 lakh and IDC of Rs. 12160.04 lakh up to 31.3.2001. The petitioner has considered additional capitalization of Rs. 135.77 lakh on account of FERV up to 31.3.2001. Based on the above, capital cost as on 31.3.2001 has been worked out as Rs. 35696.21 lakh. Details of the capital cost furnished by the petitioner are as under:

(Rs.in lakh)

Particulars	Capital cost as on date of commercial operation to 1.4.2000	FERV up to 31.3.2001	Total expenditure as on 31.3.2001
Land	113.89	0.43	114.32
Building	1019.10	3.89	1022.99
Sub-station	5295.16	20.22	5315.38
Transmission line	29095.43	111.09	29206.52
PLCC	36.86	0.14	37.00
Total	35560.44	135.77	35696.21

24. For the period from 1.4.2001 to 31.3.2004 no additional capital expenditure on works has been claimed. Therefore, the cost of Rs. 35696.21 lakh has been considered as on 1.4.2001 for revision of tariff. The capital cost claimed by the petitioner has been found to be in order and allowed for the purpose of computation of tariff.

25. Accordingly, tariff has been revised based on the above mentioned capital cost, keeping all other factors such as debt-equity ratio, rate of return on equity, rate of depreciation, O&M charges, rate of interest of loan as well as on working capital. the same as per the order dated 5.1.2008.

26. In view of the foregoing, the respondents (Nos. 8 to 13) are directed to pay outstanding amount on account of re-determination of tariff for two tariff periods i.e. 1.4.2000 to 31.3.2001 and 1.4.2001 to 31.3.2004 in 10 equal monthly installments, starting from January 2009.

27. The detailed calculations in respect of the revised transmission charges allowed for the periods 1.4.2000 to 31.3.2001 and 1.4.2001 to 31.3.2004 are incorporated in Annexure-I and Annexure- II respectively.

28. 50% of the revised transmission charges shall be borne by the beneficiaries in the Eastern Region. As regard the beneficiaries in North-Eastern

Region, revision of the transmission charges will not impact them as they will pay at UCPTT rate during the periods in question.

Sd/=
(S.JAYARAMAN)
MEMBER

Sd/=
(BHANU BHUSHAN)
MEMBER

Sd/=
(DR.PRAMOD DEO)
CHAIRPERSON

New Delhi, dated 7th January 2009

Annexure- I

Revised tariff for the period 1.4.2000 to 31.3.2001

- (a) Date of order : 30.7.2004 in Petition No. 48/2000
- (b) Capital considered in the original order: Rs. 29743.02 lakh
- (c) Revised capital cost considered in this order: Rs. 35560.44 lakh.
- (i) Gross Loan : Rs. 23677.08 lakh
- (ii) Equity : Rs. 11883.36 lakh

Revised components of tariff

- (d) Interest on loan

(Rs. in lakh)

Interest on Loan	2000-01
Gross loan	23677.08
Less paid prior to 31.4.2000	310.71
Opening Balance as on 1.4.2000	23366.38
Addition	0.0
Repayment	0.0
Closing Balance	23366.38
Interest	2999.88

The details of revised calculations on interest on loan are annexed as Annexure-A

- (e) Depreciation:

(Rs. in lakh)

	2000-01
Opening Balance as on date of commercial operation	35560.44
Addition	0.00
Cumulative gross block	35560.44
Average gross block	35560.44
Rate of depreciation	5.5791%
Depreciation	1983.95
Cumulative depreciation	1983.95

- (f) Advance Against Depreciation: Not applicable

(g) Operation & Maintenance expenses

The O & M expenses for the period 1.4.2000 to 31.3.2001 shall be 1.5% of Rs. 3556.44 lakh: Rs. 533.41 lakh

(h) Return on equity:

(Rs. in lakh)	
	2000-01
Opening Balance of equity as on date of commercial operation	11883.36
Addition	0.00
Closing balance	11883.36
Average equity	11883.36
Return on equity @ 16%	1901.34

(i) Interest on Working capital

(Rs. in lakh)		
Interest on Working Capital		2000-01
Maintenance Spares		355.60
O & M expenses		44.45
Receivables		1268.41
Total		1668.46
Rate of Interest		11.50%
Interest		191.87

(j) Revised transmission charges:

(Rs. in lakh)	
Transmission Charges	2000-01
Interest on Loan	2999.88
Depreciation	1983.95
Operation & Maintenance Expenses	533.41
Return on Equity @ 16%	1901.34
Interest on Working Capital	191.87
Total	7610.46

Annexure-II

Revised tariff computations for the period 2001-04

(a) Date of order: 13.4.2004 as modified vide order dated 5.1.2008 in Petition No. 71/2002.

(b) Capital cost considered in the order: : Rs. 35696.21 lakh

(i) Gross loan as on 1.4.2000 : Rs. 23677.08 lakh

(ii) Addition during 2000-01 : Rs. 135.77 lakh

(iii) Gross loan as on 1.4.2001 : Rs. 23812.85 lakh

(iv) Equity : Rs. 11883.36 lakh

(c) Interest on loan

(Rs. in lakh)

Interest on Loan	2001-02	2002-03	2003-04
Gross Loan –Opening	23812.85	23812.85	23812.85
Cumulative Repayment up to Previous Year	310.71	1857.00	2445.22
Net Loan-Opening	23502.14	21955.85	21367.62
Repayment during the year	1546.29	588.22	1591.07
Net Loan-Closing	21955.85	21367.62	19776.56
Interest	2951.12	2712.62	1968.40

The details of revised calculations on interest on loan are annexed as Annexure-B

(d) **Advance Against Depreciation**

(Rs. in lakh)

Advance against Depreciation	2001-02	2002-03	2003-04
1/12th of Gross Loan(s)	1984.40	1984.40	1984.40
Scheduled Repayment of the Loan(s)	1546.29	588.22	1591.07
Minimum of the above	1546.29	588.22	1591.07
Depreciation during the year	962.59	962.59	962.59
Advance against Depreciation	583.70	0.00	628.48
Cumulative Depreciation/AAD recovered in Tariff	1983.95	3530.24	4492.83
			6083.90

(e) **Return on equity**

(Rs. in lakh)

Advance against Depreciation		2001-02	2002-03	2003-04
Equity		11883.36	11883.36	11883.36
Return on equity	16%	1901.34	1901.34	1901.34

(f) **Operation & Maintenance expenses**

(i) The rates approved by the Commission in its order dated 28.8.2006 in Petition No. 43/2006 are as under:

(Rs. in lakh)

	2001-02	2002-03	2003-04
Allowable O & M per unit of line length	0.7686	0.8017	0.8467
Allowable O & M per bay	20.4107	21.2904	22.4848

(ii) The petitioner's entitlement to O & M expenses has been worked out as given hereunder:

(Rs. in lakh)

	2001-02	2002-03	2003-04
Allowable O & M for 864 kms of line length	664.07	692.67	731.55
Allowable O & M 4 bay	81.64	85.16	89.94
	745.71	777.83	821.49

(g) **Interest on Working capital**

(Rs. in lakh)

Interest on Working Capital		2001-02	2002-03	2003-04
Maintenance Spares		365.86	387.81	411.07
O & M expenses		62.14	64.82	68.46
Receivables		1222.38	1088.60	1076.88
Total		1,650.37	1,541.23	1,556.41
Rate of Interest		11.50%	11.50%	11.50%
Interest		189.79	177.24	178.99

Maintenance spares of Rs. 365.86 lakh (1% of date of commercial operation cost less 1/5th of initial spares) has been considered for interest on working capital for the year 2001-02. Further escalation @ 6% has been taken.

(h) Revised Annual Transmission charges:

(Rs. in lakh)

Transmission Tariff		2001-02	2002-03	2003-04
Interest on Loan		2951.12	2712.62	1968.40
Interest on Working Capital		189.79	177.24	178.99
Depreciation		962.59	962.59	962.59
Advance against Depreciation		583.70	0.00	628.48
Return on Equity	16%	1901.34	1901.34	1901.34
O & M Expenses		745.71	777.83	821.49
Total		7334.25	6531.62	6461.29

Annexure-A

calculation of Interest on Loan			
Details of Loan	2000-01	Details of Loan	2000-01
Actual Date of commercial operation	01.04.2000	Actual date of commercial operation	01.04.2000
Period from Date of commercial operation(Year)	1.00	Period from DOCO (Year)	1.00
	(Rs. in lakh)		
Loan 1A - Grid-I (Issue-I/II)		Loan 6-PNB Loan	
Opening Balance	0.00	Opening Balance	697.00
Addition	0.00	Addition	0.00
Repayment	0.00	Repayment	0.00
Closing Balance	0.00	Closing Balance	697.00
Rate of Interest	16.75%	Rate of Interest	12.01%
Interest	0.00	Interest	83.71
Loan 1B - Grid-I (Issue-III)		Loan 7-SBI Loan-II	
Opening Balance	329.29	Opening Balance	5227.00
Addition	0.00	Addition	0.00
Repayment	0.00	Repayment	0.00
Closing Balance	329.29	Closing Balance	5227.00
Rate of Interest	9.00%	Rate of Interest	11.57%
Interest	29.64	Interest	604.76
Loan 2- Grid Bond-III(1st/II nd)		Loan 8-BOI Loan (Foreign Currency)	
Opening Balance	817.00	Opening Balance	2000.08
Addition	0.00	Addition	0.00
Repayment	0.00	Repayment	0.00
Closing Balance	817.00	Closing Balance	2000.08
Rate of Interest*	10.27%	Rate of Interest	8.13%
Interest	83.88	Interest	162.61
Loan 3- IOB Loan		Loan 9-GOI Loan	
Opening Balance	4934.00	Opening Balance	8317.01
Addition	0.00	Addition	0.00
Repayment	0.00	Repayment	0.00
Closing Balance	4934.00	Closing Balance	8317.01
Rate of Interest	12.00%	Rate of Interest	Mentioned seperately
Interest	592.08	Interest	1306.37
Loan 4- Grid Bond-VII		Total	
Opening Balance	697.00	Opening Balance	23366.38
Addition	0.00	Addition	0.00
Repayment	0.00	Repayment	0.00
Closing Balance	697.00	Closing Balance	23366.38
Rate of Interest	13.64%	Interest	2999.88
Interest	95.07		

Loan 5- Corp.Bank Loan	
Opening Balance	348.00
Addition	0.00
Repayment	0.00
Closing Balance	348.00
Rate of Interest	12.00%
Interest	41.76

Annexure-B

Calculation of Interest on Loan			
Details of Loan	2001-02	2002-03	2003-04
No. of days in the Year	365	365	366
Bond-I			
Gross Loan -Opening	640.00	640.00	640.00
Cumulative Repayment upto Previous Year	310.71	640.00	640.00
Net Loan-Opening	329.29	0.00	0.00
Repayment during the year	329.29	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00
Rate of Interest	9.00%	9.00%	9.00%
Interest	27.85	0.00	0.00
Repayment Schedule	Bullet on 10.3.2002		
Bond-III (Issue-II)			
Gross Loan -Opening	704.31	704.31	704.31
Cumulative Repayment upto Previous Year	0.00	704.31	704.31
Net Loan-Opening	704.31	0.00	0.00
Repayment during the year	704.31	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00
Rate of Interest	9.75%	9.75%	9.75%
Interest	39.51	0.00	0.00
Repayment Schedule	Bullet on 28.10.2001		
Bond-III (Issue-I)			
Gross Loan -Opening	112.69	112.69	112.69
Cumulative Repayment upto Previous Year	0.00	112.69	112.69
Net Loan-Opening	112.69	0.00	0.00
Repayment during the year	112.69	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00
Rate of Interest	13.50%	13.50%	13.50%
Interest	13.88	0.00	0.00
Repayment Schedule	Bullet on 28.2.2002		
IOB Loan			
Gross Loan -Opening	4934.00	4934.00	4934.00
Cumulative Repayment upto Previous Year	0.00	0.00	0.00
Net Loan-Opening	4934.00	4934.00	4934.00
Repayment during the year	0.00	0.00	493.40
Net Loan-Closing	4934.00	4934.00	4440.60
Rate of Interest	12.50%	12.50%	12.50%
Interest	616.75	616.75	608.32
Repayment Schedule	10 Annual Instalments from 11.2.2004		
Grid Bond-VII			
Gross Loan -Opening	697.00	697.00	697.00
Cumulative Repayment upto Previous Year	0.00	0.00	0.00
Net Loan-Opening	697.00	697.00	697.00
Repayment during the year	0.00	0.00	139.40
Net Loan-Closing	697.00	697.00	557.60
Rate of Interest	13.64%	13.64%	13.64%
Interest	95.07	95.07	82.55
Repayment Schedule	5 Annual Instalments from 4.8.2003		

Corp. Bank				
Gross Loan -Opening	348.00	348.00	348.00	
Cumulative Repayment upto Previous Year	0.00	0.00	0.00	
Net Loan-Opening	348.00	348.00	348.00	
Repayment during the year	0.00	0.00	17.40	
Net Loan-Closing	348.00	348.00	330.60	
Rate of Interest	12.25%	12.25%	12.25%	
Interest	42.63	42.63	42.50	
Repayment Schedule	20 Half yearly Instalments from 10.3.2004			
PNB				
Gross Loan -Opening	697.00	697.00	697.00	
Cumulative Repayment upto Previous Year	0.00	0.00	0.00	
Net Loan-Opening	697.00	697.00	697.00	
Repayment during the year	0.00	0.00	69.70	
Net Loan-Closing	697.00	697.00	627.30	
Rate of Interest	12.01%	12.01%	12.01%	
Interest	83.71	83.71	83.66	
Repayment Schedule	10 Annual Instalments from 30.3.2004			
Bond XIII Option II (Replacement of SBI II in 2002-03)				
Gross Loan -Opening	5227.00	5227.00	5227.00	
Cumulative Repayment upto Previous Year	0.00	0.00	0.00	
Net Loan-Opening	5227.00	5227.00	5227.00	
Repayment during the year-	0.00	0.00	871.17	
Net Loan-Closing	5227.00	5227.00	4355.83	
Rate of Interest - SBI-II	12.07%	12.07%		
Rate of Interest - Bond XIII -Option-II		7.85%	7.85%	
Interest	630.90	539.04	364.54	
Repayment Schedule	SBI-II - 6 Annual Instalments from 3.7.2003 (replaced on 31.10.2002) / Bond XIII -Option-II (6 Annual Instalments from 31.7.2003)			

BOI (Foreign Currency Loan)				
Gross Loan -Opening	2000.08	2000.08	2000.08	
Cumulative Repayment upto Previous Year	0.00	0.00	0.00	
Net Loan-Opening	2000.08	2000.08	2000.08	
Repayment during the year- 10 th June	0.00	0.00	0.00	
	2000.08	2000.08	2000.08	
Repayment during the year- 10 th December	0.00	0.00	0.00	
Net Loan-Closing	2000.08	2000.08	2000.08	
Rate of Interest	6.31%	6.31%	6.31%	
Interest	126.21	126.21	126.21	
Repayment Schedule	Equal Half yearly instalments from 10.6.2004			

GOI /Bond XIV Loan (Replaced on 17.7.2003)				
Gross Loan -Opening	8317.00	8317.00	8317.00	
Cumulative Repayment upto Previous Year	0.00	400.00	988.22	
Net Loan-Opening	8317.00	7917.00	7328.78	
Repayment during the year	400.00	588.22	0.00	
Net Loan-Closing	7917.00	7328.78	7328.78	
Rate of Interest	Given seperately			
Interest	1266.05	1200.65	652.05	
Repayment Schedule-Gol Loan	Given seperately			
Repayment Schedule-Bond XIV	12 Annual Instalments from 17.7.2004			
Notional Loan-BOI (Foreign Currency Loan)				
Gross Loan -Opening	135.77	135.77	135.77	
Cumulative Repayment upto Previous Year	0.00	0.00	0.00	
Net Loan-Opening	135.77	135.77	135.77	
Repayment during the year- 10 th June	0.00	0.00	0.00	
	135.77	135.77	135.77	
Repayment during the year- 10 th December	0.00	0.00	0.00	
Net Loan-Closing	135.77	135.77	135.77	
Rate of Interest	6.31%	6.31%	6.31%	
Interest	8.57	8.57	8.57	
Repayment Schedule	Considered same as of BOI (Foreign Currency)loan i.e.Equal Half yearly from 10.6.2004			
Total Loan				
Gross Loan -Opening	23812.85	23812.85	23812.85	
Cumulative Repayment upto Previous Year	310.71	1857.00	2445.22	
Net Loan-Opening	23502.14	21955.85	21367.62	
Repayment during the year	1546.29	588.22	1591.07	
Net Loan-Closing	21955.85	21367.62	19776.56	
Interest	2951.12	2712.62	1968.40	