

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

- 1. Dr. Pramod Deo, Chairperson**
- 2. Shri R.Krishnamoorthy, Member**
- 3. Shri S.Jayaraman, Member**
- 4. Shri V.S.Verma, Member**

Petition No. 4/2009

In the matter of

Determination of final transmission tariff LILO of 1st Ckt of Patratu-Hatia-Chandil 220 kV D/C transmission line at Ranchi sub-station and LILO of 2nd Ckt of Patratu-Hatia-Chandil 220 kV D/C transmission line at Ranchi sub-station for the period from 1.9.2007 to 31.3.2009 associated with 220 kV Interconnection with Jharkhand State Electricity Board system at Ranchi sub-station in Eastern Region.

And in the matter of

Power Grid Corporation of India Limited, Gurgaon		..Petitioner
Vs		
Jharkhand State Electricity Board, Ranchi	Respondent

The following were present:

1. Shri U.K.Tyagi, PGCIL
2. Shri V.V. Sharma, PGCIL
3. Shri B.C.Pant, PGCIL
4. Shri S.K. Niranjana, PGCIL
5. Shri Manesh Kumar, PGCIL

**ORDER
(DATE OF HEARING: 16.4.2009)**

This petition has been filed for approval of transmission charges for LILO of 1st Ckt of Patratu-Hatia-Chandil 220 kV D/C transmission line at Ranchi sub-station and LILO of 2nd Ckt of Patratu-Hatia-Chandil 220 kV D/C transmission line at Ranchi sub-station (collectively referred to as the transmission assets) associated with 220 kV Interconnection with the transmission system of Jharkhand State Electricity Board for the period from date of commercial 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. Scope of work covered under 220 kV interconnection with Jharkhand State Electricity Board (JSEB) system at Ranchi sub-station was agreed to at the meeting held with the officials of the Jharkhand State Electricity Board on 9.1.2007. At the meeting, it was agreed that till the proposal for the scheme was accepted as the regional project by the beneficiaries of the Eastern Region and till such time they agreed to share the transmission charges, Jharkhand State Electricity Board would pay the transmission charges.

3. The investment approval for execution of the transmission assets was accorded by the Board of Directors of the petitioner company vide memorandum dated 9.2.2007 at an estimated cost of Rs. 1248 lakh, which included IDC of Rs. 0.16 lakh.

4. The provisional transmission charges for the transmission assets were approved by the Commission in its order dated 21.5.2008 in Petition No. 36/2008. The details of transmission assets and their dates of commercial operation as indicated by the petitioner are as under:

S. No.	Name of the assets	Date of commercial operation
1.	LILO of 1st Ckt of Patratu-Hatia-Chandil 220 kV D/C transmission line at Ranchi sub-station (Asset-I)	1.6.2007
2.	LILO of 2nd Ckt of Patratu-Hatia-Chandil 220 kV D/C transmission line at Ranchi sub-station (Asset-II)	1.9.2007

5. The details of the apportioned approved cost, the estimated completion cost, etc. of the transmission assets are as under:

(Rs. in lakh)

Name of the assets	Apportioned approved cost	Capital expenditure as on the date of commercial operation	Capital Expenditure from the date of commercial operation to 31.3.2008	Capital expenditure up to 31.3.2008	Balance estimated Expenditure	Total estimated completion cost
Asset- I	624.00	400.99	54.00	454.99	92.00	546.99
Asset-II	624.00	413.16	51.00	464.16	92.00	556.16

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

(Rs.in lakh)

	Asset- I		Asset-II	
	2007-08 (Pro rata)	2008-09	2007-08 (Pro rata)	2008-09
Depreciation	9.17	11.69	6.73	12.45
Interest on Loan	23.20	28.64	16.68	30.21
Return on Equity	14.94	19.07	10.76	19.52
Advance against Depreciation	0.00	0.00	0.00	0.00
Interest on Working Capital	1.51	1.90	1.08	1.95
O & M Expenses	3.43	4.29	2.06	3.68
Total	52.25	65.59	37.31	67.81

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

(Rs. in lakh)

	Asset- I		Asset-II	
	2007-08 (Pro rata)	2008-09	2007-08 (Pro rata)	2008-09
Maintenance Spares	4.01	4.21	4.13	4.28
O & M expenses	0.34	0.36	0.29	0.31
Receivables	10.45	10.93	10.66	11.30
Total	14.80	15.50	15.08	15.89
Rate of Interest	12.25%	12.25%	12.25%	12.25%
Interest	1.51	1.90	1.08	1.95

8. No reply has been filed by the respondent. In response to the public notices published by the petitioner in accordance with the procedure specified by the Commission, no comments have been received from the general public.

CAPITAL COST

9. As per clause (1) of Regulation 52 of the 2004 regulations, subject to prudence check, the actual expenditure incurred on completion of the project shall form the basis for determination of final tariff. The final tariff shall be determined based on the admitted capital expenditure actually incurred up to the date of commercial operation of the transmission system and shall include

capitalised initial spares subject to a ceiling norm as 1.5% of original project cost. The regulation is applicable in case of the transmission system declared under commercial operation on or after 1.4.2004.

10. The petitioner has claimed tariff after accounting for additional capitalization from the date of commercial operation up to 31.3.2008 as given in the table below para 5 above.

ADDITIONAL CAPITALIZATION 2007-08

11. Clause (1) of Regulation 53 of the 2004 regulations provides-

“(1) The following capital expenditure within the original scope of work actually incurred after the date of commercial operation and up to the cut off date may be admitted by the Commission, subject to prudence check:

- (i) Deferred liabilities;
- (ii) Works deferred for execution;
- (iii) Procurement of initial capital spares in the original scope of works subject to the ceiling norm specified in regulation 52;
- (iv) Liabilities to meet award of arbitration or compliance of the order or decree of a court; and
- (v) On account of change in law:

Provided that original scope of work along with estimates of expenditure shall be submitted along with the application for provisional tariff:

Provided further that a list of the deferred liabilities and works deferred for execution shall be submitted along with the application for final tariff after the date of commercial operation of the transmission system.”

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

Asset-I				Asset-II		
Sl. No.	Year	Amount (Rs. in lakh)	Nature and details of expenditure	Year	Amount (Rs. in lakh)	Nature and details of expenditure
	2007-08	Transmission line= Rs. 54.00 lakh	Balance and retention payments	2007-08	Sub-station= Rs. 51.00 lakh	Balance payments
	Total	Rs. 54.00 lakh		Total	Rs. 51.00 lakh	

13. The additional capital expenditure claimed is within the original scope of work and is found to be in order as it was against the committed liability. Accordingly, capitalization of the additional expenditure claimed by the petitioner has been allowed for the transmission Asset-I and Asset-II, respectively.

Initial Spares included in the Capital cost

14. It is observed from the petition that the cost of initial spares included in the capital cost for Asset-I certified by the auditors was Rs. 23.58 lakh which was 4.31% of estimated capital cost of Rs. 546.99 lakh and 5.02% of capital cost of Rs. 454.99 lakh as on 31.3.2008. The auditors certificate was, however, silent on cost of initial spares as regards Asset-II. It has been confirmed during the hearing that there were no initial spares included in the capital cost for Asset-II.

15. The cost of initial spares included in the capital cost of Asset-I has been restricted to 1.5 % of actual capital expenditures incurred up to the cut-off date as per clause 52, read with clause 49 (xiv) of the 2004 regulations. In case of Asset -I, the date of commercial operation is 1. 6.2007 and so the cut-off date is 31.3.2009. The petitioner has submitted the details of actual capital expenditures incurred and audited up to 31. 3.2008. So for computation of initial spares, 1.5% of the project cost has been considered as on 31. 3.2008 as per the 2004 regulations. The balance estimated expenditure of Rs. 92.00 lakh after 31.3.2008 has not been considered as this expenditure is not based on the audited books of accounts. As such, the initial spares have been restricted to Rs. 6.57 lakh. The amount has been worked out as under:

(Rs. in lakh)

	Asset-I	Capital expenditure up to the date of commercial operation	Expenditure from the date of commercial operation to 31.3.2008	Actual capital expenditure as on 31.3.2008
i.	Capital Expenditures	400.99	54.00	454.99
ii.	Initial spares included in Capital cost	23.58		23.58
iii.	Capital cost admitted without initial spares (i-ii)	377.41		431.41
iv.	Add Initial spares (restricted to 1.5% of admitted cost as on 31.3.2008 (iii x 1.5%)/98.5%	6.57		6.57
v.	Capital cost Admitted including initial spares of 1.5 % (iii+iv)	383.98		437.98

TOTAL CAPITAL COST

16. Against the above background, gross block of Rs. 437.98 lakh and Rs. 464.16 lakh as on 31.3.2008 has been worked out for the purpose of tariff over the gross block of Rs. 383.98 lakh and Rs. 413.16 lakh as on the date of commercial operation, after accounting for additional capitalisation of Rs. 54.00 lakh and Rs. 51.00 lakh for the year 2007-08 for the Asset-I and Asset-II respectively. The capital cost allowed for the purpose of tariff has been worked out as under:

(Rs. in lakh)

	Capital expenditure up to the date of commercial operation	Capital Expenditure from the date of commercial operation to 31.3.2008	Capital expenditure up to 31.3.2008
Asset-I			
Land	-	-	-
Building & Civil Works	-	-	-
Sub-station	-	-	-
Transmission line	383.98	54.00	437.98
PLCC	-	-	-
Total	383.98		437.98
Asset-II			
Land	-	-	-
Building & Civil Works	-	-	-
Sub-station	-	51.00	51.00
Transmission line	413.16	-	413.16
PLCC	-	-	-
Total	413.16		464.16

.DEBT- EQUITY RATIO

17. 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 consider 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.”

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

19. The petitioner has considered debt-equity ratio of 70.08:29.92 and 69.95:30.05 for Asset-I and Asset-II respectively, as actually deployed on the date of commercial operation. The petitioner has further considered the amount of additional capitalization in the debt-equity ratio of 70:30. In our calculations, actual debt-equity ratio on the date of commercial operation has been considered. The additional capital expenditure approved has been considered in the ratio of 70:30 in accordance with the 2004 regulations. Accordingly, for the purpose of tariff, equity considered for the transmission assets is as under:

(Rs. in lakh)

	Equity as on date of commercial operation	Notional additional equity during 2007-08	Average equity for 2007-08	Equity as on 1.4.2008
Asset-I	114.90	16.20	123.00	131.10
Asset-II	123.95	15.30	131.60	139.25

RETURN ON EQUITY

20. 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.

21. Equity has been considered as on the date of commercial operation and as on 1.4.2007 onwards as given in the table in para 19 above. However, tariff for the period from date of commercial operation to 31.3.2008 has been allowed on average equity. Accordingly, the petitioner shall be entitled to return on equity as under:

(Rs. in lakh)

Name of the asset	Return on equity	
	2007-08 (Pro rata)	2008-09
Asset-I	14.35	18.35
Asset-II	10.75	19.49

INTEREST ON LOAN

22. 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.”

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

(i) Gross loans opening has been considered from 2006-07;

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

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

- (i) Gross amount of loan and repayment of instalments as per the petition have been used to work out weighted average rate of interest on actual loan.
- (ii) The petitioner has computed rate of Interest of 8.15% on Bond XXVI for the period 2007-08 by taking Weighted Average of 8.00% (short term Bridge loan from ICICI) interest from 1. 9.2007 to 6. 3.2008 for 188 days and 9.30% from 7. 3.2008 to 31. 3.2008 for 25 days. This has been found in order.
- (iii) On the basis of actual rate of interest on actual average loan, the weighted average rate of interest on loan has been worked out for various years.
- (iv) 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 :

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

- (v) 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.

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

Details	(Rs. in lakh)			
	Asset-I		Asset-II	
	2007-08 (Pro rata)	2008-09	2007-08 (Pro rata)	2008-09
Opening Gross Loan	269.08	306.88	289.21	324.91
Cumulative Repayment upto Previous Year/date of commercial operation	0.00	8.80	0.00	6.73
Net Loan-Opening	269.08	298.08	289.21	318.18
Addition due to Additional Capitalisation	37.80		35.70	
Repayment during the year	8.80	11.26	6.73	12.45
Net Loan-Closing	298.08	286.82	318.18	305.73
Average Loan	283.58	292.45	303.70	311.96
Weighted Average Rate of Interest on Loan	9.43%	9.43%	9.42%	9.69%
Interest	22.28	27.57	16.69	30.23

26. The detailed calculations in support of the weighted average rate of interest are contained in Annexure-I and Annexure-II attached.

DEPRECIATION

27. 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.

28. Depreciation allowed has been worked out as below:

(Rs. in lakh)

	Asset-I		Asset-II	
	2007-08 (Pro rata)	2008-09	2007-08 (Pro rata)	2008-09
Gross block as on the date of commercial operation	383.98	437.98	413.16	464.16
Additional Capitalisation during 2007-08	54.00		51.00	
Gross Block at the end of the year	437.98	437.98	464.16	464.16
Rate of Depreciation	2.5700%	2.5700%	2.6299%	2.6832%
Depreciable Value	369.88	394.18	394.79	417.74
Balance Useful life of the asset	-	-	-	-
Remaining Depreciable Value	369.88	385.38	394.79	411.01
Depreciation	8.80	11.26	6.73	12.45
Cumulative Depreciation/ Advance against Depreciation	8.80	20.06	6.73	19.18

ADVANCE AGAINST DEPRECIATION

29. 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

30. 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.

31. The petitioner has not claimed Advance Against Depreciation and accordingly, Advance Against Depreciation has not been considered.

OPERATION & MAINTENANCE EXPENSES

32. 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

33. The petitioner has claimed O & M expenses for 16.14 ckt km for Asset-I and 13.84 ckt km for Asset-II which have been allowed. Accordingly, the petitioner's entitlement to O & M expenses has been worked out as given hereunder:

(Rs. in lakh)					
	Asset-I			Asset - II	
	2007-08 (Pro rata)	2008-09		2007-08 (Pro rata)	2008-09
O&M expenses for 16.14 ckt km	3.435	4.29	O&M expenses for 13.84 ckt km	2.06	3.68
Total	3.435	4.29	Total	2.06	3.68

34. The petitioner has submitted that the wage revision of its employees is due with effect from 1.1.2007. Therefore, according to the petitioner, O & M expenses should be subject to revision on account of revision of employee cost from that date. In the alternative, it has been prayed that the increase in employee cost due to wage revision be allowed as per actuals for extra cost to be incurred consequent to wage revision. We are not expressing any view, as this issue does not arise for consideration at this stage. The petitioner may

approach for a relief in this regard at an appropriate stage in accordance with law.

INTEREST ON WORKING CAPITAL

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

(i) Maintenance spares

Regulation 56(v) (1) (b) of the 2004 regulations provides for maintenance spares @ 1% of the historical cost escalated @ 6% per annum from the date of commercial operation. In the present case, element wise capital expenditure on the date of commercial operation which has been considered as the historical cost for the purpose of the present petition and maintenance spares have been worked out accordingly by escalating 1% of the historical cost @ 6% per annum. In this manner, the value of maintenance spares works out to Rs.3.84 lakh and Rs. 4.13 lakh for Asset-I and Asset-II , respectively as on date of commercial operation. The necessary details are given hereunder:

Transmission assets	Date of Commercial Operation	Capital Expenditure (Rs. in lakh) on the date of commercial operation	Cost of maintenance spares as on the date of commercial operation (Rs. in lakh)
Asset- I	1.6.2007	383.98	3.84
Asset-II	1.9.2007	413.16	4.13

(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.

36. The necessary computations in support of interest on working capital are appended herein below:

(Rs. in lakh)

	Asset-I		Asset-II	
	2007-08 (Pro rata)	2008-09	2007-08 (Pro rata)	2008-09
Maintenance Spares	3.84	4.03	4.13	4.28
O & M expenses	0.34	0.36	0.29	0.31
Receivables	10.06	10.55	10.66	11.30
Total	14.25	14.94	15.09	15.88

Rate of Interest	12.25%	12.25%	12.25%	12.25%
Interest	1.45	1.83	1.08	1.95

TRANSMISSION CHARGES

37. The transmission charges being allowed for the two transmission assets are summarised below:

	(Rs. in lakh)			
	Asset-I		Asset-II	
	2007-08 (Pro rata)	2008-09	2007-08 (Pro rata)	2008-09
Depreciation	8.80	11.26	6.73	12.45
Interest on Loan	22.28	27.57	16.69	30.23
Return on Equity	14.35	18.35	10.75	19.49
Advance against Depreciation	0.00	0.00	0.00	0.00
Interest on Working Capital	1.45	1.83	1.08	1.95
O & M Expenses	3.43	4.29	2.06	3.68
Total	50.31	63.30	37.31	67.80

38. 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.

39. The petitioner has sought approval for the reimbursement of expenditure of Rs. 40,334/- 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 Commission by its separate general order dated 11.9.2008 in Petition No. 129/2005 has decided that the petitioner shall not be allowed reimbursement of the petition filing fee.

40. This order disposes of Petition No. 4/2009.

Sd/- sd/- sd/- sd/-
(V.S.VERMA) (S.JAYARAMAN) (R.KRISHNAMOORTHY) (DR.PRAMOD DEO)
MEMBER MEMBER MEMBER CHAIRPERSON
New Delhi dated the 6th May 2009

Annexure-I

CALCULATION OF WEIGHTED AVERAGE RATE OF INTEREST ON LOAN

LILO of 1st Ckt of Patratu-Hatia-Chandil 220 kV D/C transmission line at Ranchi sub-station

(Rs. in lakh)

	Details of Loan	2007-08	2008-09
1	Bond-XVIII		
	Gross Loan opening	97.00	97.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00
	Net Loan-Opening	97.00	97.00
	Additions during the year	0.00	0.00
	Repayment during the year	0.00	0.00
	Net Loan-Closing	97.00	97.00
	Average Loan	97.00	97.00
	Rate of Interest	8.15%	8.15%
	Interest	7.91	7.91

	Repayment Schedule	12 equal Annual instalments from 9.3.2010	
2	Bond-XXV		
	Gross Loan opening	184.00	184.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00
	Net Loan-Opening	184.00	184.00
	Additions during the year	0.00	0.00
	Repayment during the year	0.00	0.00
	Net Loan-Closing	184.00	184.00
	Average Loan	184.00	184.00
	Rate of Interest	10.10%	10.10%
	Interest	18.58	18.58
	Repayment Schedule	12 equal Annual instalments from 12.06.2011	
	Total Loan		
	Gross Loan opening	281.00	281.00
	Cumulative Repayment upto DOCO	0.00	0.00
	Net Loan-Opening	281.00	281.00
	Additions during the year	0.00	0.00
	Repayment during the year	0.00	0.00
	Net Loan-Closing	281.00	281.00
	Average Loan	281.00	281.00
	Rate of Interest	9.43%	9.43%
	Interest	26.49	26.49

Annexure-II

LILO of 2nd Ckt of Patratu-Hatia-Chandil 220 kV D/C transmission line at Ranchi sub-station

(Rs. in lakh)

	Details of Loan	2007-08	2008-09
1	Bond-XVIII		
	Gross Loan opening	11.00	11.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00
	Net Loan-Opening	11.00	11.00
	Additions during the year	0.00	0.00
	Repayment during the year	0.00	0.00
	Net Loan-Closing	11.00	11.00
	Average Loan	11.00	11.00
	Rate of Interest	8.15%	8.15%
	Interest	0.90	0.90
	Repayment Schedule	12 equal Annual instalments from 9.3.2010	
2	Bond-XX		

	Gross Loan opening	9.00	9.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00
	Net Loan-Opening	9.00	9.00
	Additions during the year	0.00	0.00
	Repayment during the year	0.00	0.00
	Net Loan-Closing	9.00	9.00
	Average Loan	9.00	9.00
	Rate of Interest	8.93%	8.93%
	Interest	0.80	0.80
	Repayment Schedule	12 equal Annual instalments from 7. 9.2010	
3	Bond-XXII		
	Gross Loan opening	2.00	2.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00
	Net Loan-Opening	2.00	2.00
	Additions during the year	0.00	0.00
	Repayment during the year	0.00	0.00
	Net Loan-Closing	2.00	2.00
	Average Loan	2.00	2.00
	Rate of Interest	8.68%	8.68%
	Interest	0.17	0.17
	Repayment Schedule	12 equal Annual instalments from 7.12.2010	
4	Bond-XXIV		
	Gross Loan opening	200.00	200.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00
	Net Loan-Opening	200.00	200.00
	Additions during the year	0.00	0.00
	Repayment during the year	0.00	0.00
	Net Loan-Closing	200.00	200.00
	Average Loan	200.00	200.00
	Rate of Interest	9.95%	9.95%
	Interest	19.90	19.90
	Repayment Schedule	12 Annual instalments from 26.03.2011	
5	Bond-XXVI @ 9.30% w.e.f. 07.03.2008 (Replaced ICICI short Term Bridge Loan @ 8.00% w.e.f. 01.09.2007 to 06.03.2008		
	Gross Loan opening	67.00	67.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00
	Net Loan-Opening	67.00	67.00
	Additions during the year	0.00	0.00
	Repayment during the year	0.00	0.00
	Net Loan-Closing	67.00	67.00
	Average Loan	67.00	67.00
	Rate of Interest	8.15%	9.30%
	Interest	5.46	6.23
	Repayment Schedule	12 equal Annual instalments from 7. 3.2012	
	Total Loan		
	Gross Loan opening	289.00	289.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00

	Net Loan-Opening	289.00	289.00
	Additions during the year	0.00	0.00
	Repayment during the year	0.00	0.00
	Net Loan-Closing	289.00	289.00
	Average Loan	289.00	289.00
	Rate of Interest	9.42%	9.69%
	Interest	27.23	28.00