

Form 1.1 Assumptions Parameters

S. No.	Assumption Head	Sub-Head	Sub-Head (2)	Unit	Base Case Wind Zone 1
1	Power Generation	Capacity	Installed Power Generation Capacity	MW	1
			Capacity Utilization Factor	%	20%
			Deration Factor	%	0.00%
			Useful Life	Years	25
2	Project Cost	Capital Cost/MW	Power Plant Cost	Rs Lacs/MW	515
3	Sources of Fund	Debt: Equity	Tariff Period	Years	13
			Debt	%	70%
			Equity	%	30%
			Total Debt Amount	Rs Lacs	360.5
		Total Equity Amout	Rs Lacs	154.5	
		Debt Component	Loan Amount	Rs Lacs	360.5
			Moratorium Period	years	0
			Repayment Period(incld Moratorium)	years	10
			Interest Rate	%	14.29%
		Equity Component	Equity amount	Rs Lacs	154.5
			Return on Equity for first 10 years	% p.a	19.00%
			RoE Period	Year	10
			Return on Equity 11th year onwards	% p.a	24.00%
Weighted average of ROE			22.00%		
Discount Rate		16.60%			
4	Financial Assumptions	Fiscal Assumptions	Income Tax	%	33.99%
			MAT Rate (for first 10 years)	%	16.995%
			80 IA benefits	Yes/No	Yes
		Depreciation	Depreciation Rate for first 10 years	%	0.0%
			Depreciation Rate 11th year onward	%	1.33%
			Years for 7% rate		10
5	Working Capital	For Fixed Charges	O&M Charges	Months	1
			Maintenance Spare ((% of O&M exepenses)		15%
		For Variable Charges	Receivables for Debtors	Months	2
			Interest On Working Capital	%	13.79%
6	Operation & Maintenance	power plant	Rs Lakh	6.5	
		Total O & M Expenses Escalation	%	5.72%	

Determination of Accelerated Depreciation for Wind Power Projects under Wind zone -1

Depreciation amount	90%
Book Depreciation rate	5.28%
Tax Depreciation rate	80%
Income Tax (MAT)	16.995%
Income Tax (Normal Rates)	33.99%
Capital Cost	515.0

Years ----->	Unit	1	2	3	4	5	6	7	8	9	10
Book Depreciation	%	5.28%	5.28%	5.28%	5.28%	5.28%	5.28%	5.28%	5.28%	5.28%	5.28%
Book Depreciation	Rs Lakh	27.19	27.19	27.19	27.19	27.19	27.19	27.19	27.19	27.19	27.19

Accelerated Depreciation											
Opening	%	100%	60%	12%	2%	0%	0%	0%	0%	0%	0%
Allowed during the year	%	40%	48.00%	9.60%	1.92%	0.38%	0.08%	0.02%	0.00%	0.00%	0.00%
Closing	%	60%	12%	2.40%	0.48%	0.10%	0.02%	0.00%	0.00%	0.00%	0.00%
Accelerated Deprn.	Rs Lakh	206.00	247.20	49.44	9.89	1.98	0.40	0.08	0.02	0.00	0.00

Net Depreciation Benefit	Rs Lakh	178.81	220.01	22.25	-17.30	-25.21	-26.80	-27.11	-27.18	-27.19	-27.19
Tax Benefit	Rs Lakh	30.39	37.39	3.78	-2.94	-4.29	-4.55	-4.61	-4.62	-4.62	-4.62
Energy generation	MU	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
Per unit benefit	Rs/Unit	1.73	2.13	0.22	-0.17	-0.24	-0.26	-0.26	-0.26	-0.26	-0.26
Discounting Factor		1.00	0.86	0.74	0.63	0.54	0.46	0.40	0.34	0.29	0.25

Levellised benefit	0.37	Rs/Unit
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11	12	13	14	15	16	17	18	19	20
5.28%	5.28%	5.28%	5.28%	5.28%	5.28%	5.28%	0.24%	0.00%	0.00%
27.19	27.19	27.19	27.19	27.19	27.19	27.19	1.24	0.00	0.00

0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

-27.19	-27.19	-27.19	-27.19	-27.19	-27.19	-27.19	-1.24	0.00	0.00
-9.24	-9.24	-9.24	-9.24	-9.24	-9.24	-9.24	-0.42	0.00	0.00
1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
-0.53	-0.53	-0.53	-0.53	-0.53	-0.53	-0.53	-0.02	0.00	0.00
0.22	0.18	0.16	0.14	0.12	0.10	0.09	0.07	0.06	0.05