

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 291/2010

**Coram: Dr. Pramod Deo, Chairperson
Shri S.Jayaraman, Member
Shri V.S.Verma, Member
Shri M.Deena Dayalan, Member**

Date of Hearing: 10.2.2011

Date of Order: 19.4.2011

In the matter of:

Approval under Regulation 86 of CERC (Conduct of Business) Regulations'1999, and CERC (Terms and Conditions of Tariff) Regulations'2009, for Tariff determination for the Combined Asset which comprises (i)765 KV S/C Bina-Gwalior transmission line, (ii)315 MVA,400/220/33 KV ICT-I along with associated bays at Gwalior S/S, (iii) LILO of 400 KV S/C Korba-Raipur transmission line at Bhatapara S/S along with associated bays (iv) 400 KV Khandwa-Rajgarh Ckt-II along with associated bays and 765/400 kV ICT-III at Seoni sub-station (v) 400 KV Khandwa-Rajgarh Ckt-I along with associated bays, 63 MVAR Bus reactor at Bina sub-station and the single asset viz. 400 KV ICT-II at Gwalior S/S under Sipat II Transmission system in Western Region from period from 1.4.2009 to 31.3.2014.

And

In the matter of:

PowerGrid Corporation of India Ltd., Gurgaon**Petitioner**

Vs

1. Madhya Pradesh Power Trading company Ltd., Jabalpur
2. Maharashtra State Electricity Distribution Company Ltd., Mumbai
3. Gujarat Urja Vikas Nigam Ltd. Vadodara
4. Electricity Department. Goa, Panaji
5. Electricity Deptt. Administration of Daman and Diu, Daman
6. Electricity Deptt., Govt. of UT of Dadra and Nagar Haveli, Silvassa
7. Chattisgarh State Electricity Board, Raipur.
8. Madhya Pradesh Audyogik Kendra Vikas Nigam Ltd., Indore **Respondents**

The following was present:

Shri.R Prasad, PGCIL
Shri M. M. Mondal, PGCIL
Shri Rajeev Gupta, PGCIL



ORDER

This petition has been filed seeking approval of transmission tariff in respect of (i) 765 KV S/C Bina-Gwalior transmission line (Asset 1), (ii) 315 MVA, 400/220/33 KV ICT-I along with associated bays at Gwalior S/S (Asset 2), (iii) LILO of 400 KV S/C Korba-Raipur transmission line at Bhatapara S/S along with associated bays (Asset 3) (iv) 400 KV Khandwa-Rajgarh Ckt-II along with associated bays and 765/400 kV ICT-III at Seoni sub-station (Asset 4) (v) 400 KV Khandwa-Rajgarh Ckt-I along with associated bays, 63 MVAR Bus reactor at Bina sub-station (Asset 5) (all the five above mentioned assets collectively referred to hereinafter as “the combined assets”) and 400 KV ICT-II at Gwalior S/S (hereinafter referred to as “the single asset”) under Sipat II Transmission system (all the above named six elements collectively referred to hereinafter as “the transmission assets”) in the Western Region for the period from 1.4.2009 to 31.3.2014, based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009, (hereinafter referred to as “the 2009 regulations”). The petitioner has also sought the following reliefs:

- (a) Allow the petitioner, in case of the assets being combined, to calculate the transmission charges to recover full depreciation (90% of the gross block) of the assets during the useful life (25 years for S/S and 35 years for Transmission lines) reckoning from the actual date of commissioning and permit the petitioner to treat the recovery of depreciation after achieving the useful life by an asset in accordance with para 8.3 of the petition.

- (b) Allow grossing up of base rate of return with the applicable tax rate as per the Finance Act for the relevant year and direct settlement of tax liability between the generating company/transmission licensee and the beneficiaries/long term transmission customers on year to year basis.
- (c) Approve reimbursement of expenditure towards petition filling fee and publishing of notices in newspapers in terms of regulation 42 of the 2009 regulations and other expenditure (if any) in relating to filling of petition.
- (d) Allow the petitioner to bill and recover Service Tax on transmission charges separately from the respondents if at any time exemption from Service Tax is withdrawn and transmission of power is notified as a taxable service.
- (e) Allow the petitioner to bill and recover Licensee fee separately from the respondents
- (f) Pass such other relief as Hon'ble Commission deems fit and appropriate under the circumstances of the case and in the interest of justice.

2. The petitioner has submitted that it has executed the various assets of Sipat II Transmission System in Western Region and the elements of the transmission system were put under commercial operation progressively from 2007 to 2009 as per the details given overleaf.

Asset	Name of Asset	Date of Commercial Operation
Asset I	765 kV S/C Bina Gwalior transmission line	1.4.2007
Asset II	315 MVA ,400/220/33 kV ICT-I alongwith associated bays at Gwalior sub-station	1.5.2007
Asset III	LILO of 400 kV S/C Korba-Rajpur transmission line at Bhatapara sub-station alongwith associated bays	1.12.2007
Asset IV	400 kV Khandwa-Rajgarh Ckt-II alongwith associated bays and 765/400 kV ICT-III at Seoni sub-station	1.4.2008
Asset V	400 kV ICT II at Gwalior	1.4.2008
Asset VI	400 kV Khandwa-Rajgarh Ckt-I alongwith associated bays and 63 MVAR Bus reactor at Bina sub-station	1.5.2008

3. In respect of the first three assets, transmission charges for the transmission assets for the period up to 31.3.2009 were approved by the Commission vide its order dated 10.5.2010 in Petition No. 330/2009. In respect of the remaining assets, transmission charges were approved vide order dated 19.5.2010 in Petition No. 166/2009. The petitioner has submitted that in terms of the Commission's decision contained in the letter No.C-7/189(204)/2009 dated 23.10.2009, Asset Nos. I, II, III, IV and VI have been clubbed as "combined assets" with notional date of commercial operation as 1.5.2008. Asset V has been dealt with as "single asset" with date of commercial operation as 1.4.2008.

4. The petitioner has claimed the following transmission charges:

(₹ in lakh)

Combined Assets					
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	3741.39	3835.71	3894.15	3894.15	3894.15
Interest on Loan	4028.83	3811.52	3540.92	3196.88	2852.79
Return on equity	3759.85	3854.54	3912.61	3912.61	3912.61
Interest on Working Capital	307.06	310.29	311.12	308.22	305.55
O & M Expenses	1334.40	1410.87	1491.50	1576.90	1666.93
Total	13171.53	13222.93	13150.30	12888.76	12632.03
Single Asset					
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	64.94	69.05	72.35	72.35	72.35
Interest on Loan	70.85	69.82	67.46	60.94	54.43
Return on equity	64.40	68.49	71.76	71.76	71.76
Interest on Working Capital	8.63	9.03	9.39	9.54	9.70
O & M Expenses	89.08	94.18	99.57	105.26	111.28
Total	297.90	310.57	320.53	319.85	319.52

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

(₹ in lakh)

Combined Assets					
	2009-10	2010-11	2011-12	2012-13	2013-14
Maintenance Spares	200.16	211.63	223.72	236.54	250.04
O & M expenses	111.20	117.57	124.29	131.41	138.91
Receivables	2195.26	2203.82	2191.72	2148.13	2105.34
Total	2506.62	2533.02	2539.73	2516.08	2494.29
Interest	307.06	310.29	311.12	308.22	305.55
Rate of Interest	12.25%	12.25%	12.25%	12.25%	12.25%
Single Asset					
	2009-10	2010-11	2011-12	2012-13	2013-14
Maintenance Spares	13.36	14.13	14.94	15.79	16.69
O & M expenses	7.42	7.85	8.30	8.77	9.27
Receivables	49.65	51.76	53.42	53.31	53.25
Total	70.43	73.74	76.66	77.87	79.21
Interest	8.63	9.03	9.39	9.54	9.70
Rate of Interest	12.25%	12.25%	12.25%	12.25%	12.25%

6. Reply to the petition has been filed by the Respondent No. 1, Madhya Pradesh Power Trading Company Ltd. (MPPTCL) and Respondent No 2, Maharashtra State Electricity Distribution Company Ltd (MSEDCL). The petitioner has filed rejoinders to the replies of MPPTCL and MSEDCL.

7. MPPTCL in its reply has contended that the additional capital expenditure amounting to ₹ 1102.71 lakh in respect of Asset Nos. I, II and III and ₹ 2339.72 lakh during 2010-11 in respect of all the assets claimed after the cut-off date are not in accordance with the provisions of 2009 regulations and therefore should not be admitted. MPPTCL has also objected to the claim of ₹ 810.79 lakh towards entry tax deposited in accordance with the notification of Government of Madhya Pradesh. It has been submitted that since the petitioner has challenged the said notification in the Supreme Court, the petitioner should bear the expenses from its own funds till the matter is decided. The respondent has further submitted that the petitioner be directed

to furnish the final outcome of the recovery process of liquidated damages for delay imposed on the contractor and the amount of liquidated damages recovered and adjusted against the capital cost before finalizing the petition.

8. MSEDCL in its reply has submitted that the expenditure on manpower cost account of wage revision with effect from 1.7.2007 should not be allowed because the petitioner has not given the exact impact of wage revision. The respondent has further pointed out that huge expenditure has been shown against building and sub-station up to date of commercial operation and for subsequent two financial years in respect of Asset I and Asset II for which item-wise detailed expenditure have not been furnished.

9. The petitioner in its rejoinders has reiterated its submissions in the petition. As regards the admissibility of the additional capital expenditure, the petitioner has clarified that since the tariff block 2004-09 expired before the expiry of the cut-off date as per the provisions of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004, (hereinafter called the 2004 regulations), the petitioner has calculated the cut-off date as per the 2009 regulations and accordingly the cut-off date of combined assets has been considered as 31.3.2011. As regards depositing entry tax, the petitioner has clarified that though it had originally planned to deposit the tax after final disposal of the appeal in the Supreme Court, the same was deposited after obtaining legal opinion to avoid heavy penalty. As regards the liquidated damages, it has been submitted that as and when the process for is completed, the amount of liquidated damages if any recovered from the

contractor shall be adjusted against the capital cost. As regards the reply by MSEDCL, the petitioner has pointed out that the reply dated 11.1.2011 pertains to an earlier Petition No. 330/2009 for the period 2004-09 which has since been disposed of vide Commission's order dated 10.5.2010

10. With regard to admissibility of additional capital expenditure after cut-off date, the Commission has relaxed the provisions of Regulation 9(2) in order dated 8.2.2011 in Petition No.176/2010 to allow the additional capital expenditure within the original scope of work particularly relating to Balance and Retention payments incurred after the cutoff date. As regards the entry tax and liquidated damages, the petitioner shall be required to furnish the details of outcome of the appeal and process of recovery at the time of truing up.

11. Having heard the representatives of the parties and examined the material on record, we proceed to dispose of the petition.

CAPITAL COST

12. Last proviso to Clause (2) of Regulation 7 of the 2009 regulations provides as under:

"Provided also that in case of the existing projects, the capital cost admitted by the Commission prior to 1.4.2009 and the additional capital expenditure projected to be incurred for the respective year of the tariff period 2009-14, as may be admitted by the Commission, shall form the basis for determination of tariff."

13. Details of the capital cost admitted by the Commission for determination of tariff prior to 1.4.2009 for determination of tariff is as under:

(₹ in lakh)

Asset	Capital Cost Admitted	Commission's Order reference
Asset-I	35388.87	Order dated 10.05.2010 in Petition No. 330/2009.
Asset-II	1951.01	
Asset-III	6015.92	
Asset-IV	21026.91	Order dated 19.05.2010 in Petition No. 166/2009.
Asset-V	6614.37	
Asset-VI	1214.51	
TOTAL	72211.59	

14. The above capital costs have been considered for computation of tariff in the present order.

ADDITIONAL CAPITAL EXPENDITURE

15. Details of the additional capital expenditure projected by the petitioner vis-a-vis the apportioned cost and the total estimated capital cost as on 31.3.2014 are as under:

(₹ in lakh)

Name of Asset	Apportioned cost	Admitted capital cost as on 01.04.2009	Proposed Add-Cap for 2009-10	Proposed Add-Cap for 2010-11	Total estimated Capital cost as on 31.03.2009
Combined Assets					
Asset 1	36950.88	35388.87	699.64	841.86	36930.37
Asset 2	2152.63	1951.01	66.49	114.14	2131.64
Asset 3	6569.07	6015.94	336.58	83.51	6436.03
Asset 4	23357.70	21026.91	279.2	970.98	22277.09
Asset 5	7133.06	6614.37	14.55	204.25	6833.17
Single Asset					
Asset 6	1408.56	1214.51	30.78	124.98	1370.27

16. Details of the projected additional capital expenditure are as under:

(₹ in lakh)

Name of Asset	Year	Nature	Amount	Detail of Expenditure	
Asset I	2009-10	Building and civil works	38.28	Final/retention Payment	
		Transmission Line	624.87		
		Sub-station	36.49		
	2010-11	Building and civil works	0.71	Final/retention Payment	
		Transmission Line	58.45	Final/retention Payment	
			422.47	Entry tax liabilities	
Sub-station		360.23	Final/retention Payment		
Asset II	2009-10	Building and civil works	0.00	Final/retention Payment	
		Transmission Line	0.00		
		Sub-station	66.49		
	2010-11	Transmission Line	0.00	Final/retention Payment	
		Sub-station	114.14		
Asset III	2009-10	Building and civil works	52.25	Final/retention Payment	
		Sub-station	284.33		
	2010-11	Building and civil works	2.94		
		Transmission Line	0.00		
		Sub-station	80.57		
Asset IV	2009-10	Transmission Line	90.39	Final/retention Payment	
		Sub-station	178.81		
	2010-11	Transmission Line	3.43		Final/retention Payment
			241.46		Entry tax liabilities
		Sub-station	726.09		Final/retention Payment
Asset V	2009-10	Transmission Line	0.00	Final/retention Payment	
		Sub-station	14.55		
	2010-11	Transmission Line	177.06		Final/retention Payment & Entry tax liabilities
		Sub-station	27.19		Final/retention Payment
Asset VI	2009-10	Transmission Line	0.00	Final/retention Payment	
		Sub-station	30.78		
	2010-11	Transmission Line	0.00		
		Sub-station	124.98		

17. As stated above, MPPTCL in its reply has objected to the admissibility of the above stated additional capital expenditure on the ground that the 2009 regulations does not have any provision for incurring additional capital expenditure towards un-discharged liabilities after the cut-off date. We examine hereunder the rival submissions in this regard hereunder:

18. Regulation 9 of 2009 regulations provides for computation of additional capital expenditure as under:

“9. Additional Capitalisation. (1) *The capital expenditure incurred or projected to be incurred, on the following counts within the original scope of work, after the date of commercial operation and up to the cut-off date may be admitted by the Commission, subject to prudence check:*

- (i) Undischarged liabilities;*
- (ii) Works deferred for execution;*
- (iii) Procurement of initial capital spares within the original scope of work, subject to the provisions of regulation 8;*
- (iv) Liabilities to meet award of arbitration or for compliance of the order or decree of a court; and*
- (v) Change in law:*

Provided that the details of works included in the original scope of work along with estimates of expenditure, undischarged liabilities and the works deferred for execution shall be submitted along with the application for determination of tariff.

(2) *The capital expenditure incurred on the following counts after the cut-off date may, in its discretion, be admitted by the Commission, subject to prudence check:*

- (i) Liabilities to meet award of arbitration or for compliance of the order or decree of a court;*
- (ii) Change in law;*
- (iii) Deferred works relating to ash pond or ash handling system in the original scope of work;*
- (iv) In case of hydro generating stations, any expenditure which has become necessary on account of damage caused by natural calamities (but not due to flooding of power house attributable to the negligence of the generating company) including due to geological reasons after adjusting for proceeds from any insurance scheme, and expenditure incurred due to any additional work which has become necessary for successful and efficient plant operation; and*
- (v) In case of transmission system any additional expenditure on items such as relays, control and instrumentation, computer system, power line carrier communication, DC batteries, replacement of switchyard equipment due to increase of fault level, emergency restoration system, insulators cleaning infrastructure, replacement of damaged equipment not covered by insurance and any other expenditure which has become necessary for successful and efficient operation of transmission system:*

Provided that in respect sub-clauses (iv) and (v) above, any expenditure on acquiring the minor items or the assets like tools and tackles, furniture, airconditioners, voltage stabilizers, refrigerators, coolers, fans, washing machines, heat convectors, mattresses, carpets etc. brought after the cut-off date shall not be considered for additional capitalization for determination of tariff w.e.f. 1.4.2009.”

19. From the details relating to additional capital expenditure given hereinabove, it is seen that the petitioner has projected additional capitalisation during 2009-10 and 2010-11 towards final/retention payment. Since the notional dates of commercial operation of the combined Assets and the single Asset are 1.5.2008 and 1.4.2008, the cut-off date of these assets extends upto 31.3.2010 as per the 2004 tariff regulations. Therefore, the additional capital expenditure incurred/projected to be incurred during 2009-10 is covered under Regulation 9(1)(i) of 2009 regulations and is accordingly allowed. As regards the expenditure projected in respect of 2010-11, the same falls beyond the cut-off date and is therefore not covered under Regulation 9(1)(i) of 2009 regulations. However, in view of our decision in order dated 8.2.2011 in Petition No.176/2010, we allow the additional expenditure during 2010-11 to be capitalised by relaxing the provisions of Regulation 9(2) of 2009 regulations.

20. Based on the above, the additional capital expenditure projected by the petitioner is allowed for the purpose of tariff calculation. Needless to add that the same will be trued up at the end of the tariff period based on actual.

DEBT- EQUITY RATIO

21. Clause (2) of Regulation 12 of the 2009 regulations *inter alia* provides that,-

“(2) In case of the generating station and the transmission system declared under commercial operation prior to 1.4.2009, debt-equity ratio allowed by the Commission for determination of tariff for the period ending 31.3.2009 shall be considered.”

22. Details of debt-equity considered by the petitioner for the transmission assets as on 1.4.2009 are as under:-

Particulars		As Admitted on 31.3.2009	
Asset - I	Amount (₹ in lakh)	%	
Debt	24772.21	70.00%	
Equity	10616.66	30.00%	
Total	35388.87	100.00%	
Particulars		As Admitted on 31.3.2009	
Asset - II	Amount (₹ in lakh)	%	
Debt	1365.71	70.00%	
Equity	585.30	30.00%	
Total	1951.01	100.00%	
Particulars		As Admitted on 31.3.2009	
Asset - III	Amount (₹ in lakh)	%	
Debt	4211.29	70.00%	
Equity	1804.65	30.00%	
Total	6015.94	100.00%	
Particulars		As Admitted on 31.3.2009	
Asset - IV	Amount (₹ in lakh)	%	
Debt	14718.84	70.00%	
Equity	6308.07	30.00%	
Total	21026.91	100.00%	
Particulars		As Admitted on 31.3.2009	
Asset - V	Amount (₹ in lakh)	%	
Debt	4630.33	70.00%	
Equity	1984.04	30.00%	
Total	6614.37	100.00%	
Single Asset			
Particulars		As Admitted on 31.3.2009	
Asset - VI	Amount (₹ in lakh)	%	
Debt	850.71	70.05%	
Equity	363.80	29.95%	
Total	1214.51	100.00%	

23. As regards the additional capital expenditure, the petitioner has claimed debt equity ratio of 70:30 and the same has been allowed.

RETURN ON EQUITY

24. Regulation 15 of the 2009 regulations provides that,-

“15. (1) Return on equity shall be computed in rupee terms, on the equity base determined in accordance with regulation 12.

(2) Return on equity shall be computed on pre-tax basis at the base rate of 15.5% to be grossed up as per clause (3) of this regulation:

*Provided that in case of projects commissioned on or after 1st April, 2009, an additional return of 0.5% shall be allowed if such projects are completed within the timeline specified in **Appendix-II**:*

Provided further that the additional return of 0.5% shall not be admissible if the project is not completed within the timeline specified above for reasons whatsoever.

(3) The rate of return on equity shall be computed by grossing up the base rate with the normal tax rate for the year 2008-09 applicable to the concerned generating company or the transmission licensee, as the case may be:

Provided that return on equity with respect to the actual tax rate applicable to the generating company or the transmission licensee, as the case may be, in line with the provisions of the relevant Finance Acts of the respective year during the tariff period shall be trued up separately for each year of the tariff period along with the tariff petition filed for the next tariff period.

(4) Rate of return on equity shall be rounded off to three decimal points and be computed as per the formula given below:

Rate of pre-tax return on equity = Base rate / (1-t)

Where t is the applicable tax rate in accordance with clause (3) of this regulation.”

25. The petitioner has computed ROE on pre- tax basis on 11.33% MAT in accordance with the tax rate applicable for 2008-09 and has claimed return on equity @ 17.481%.

26. The petitioner has also prayed that it may be allowed to gross up the base rate of ROE as per the Finance Acts of the relevant years. This prayer has already been taken cognizance of in the Commission's order dated 3.8.2010 in Petition No. 17/2010 wherein a decision has been taken to address the issue raised by the petitioner. Relevant portion of the said order is

extracted as under:

“We are of the view that this issue of ‘grossing up the base rate with the normal tax rate for the year 2008-09’ is generic in nature and therefore, it will be appropriate to make suitable provisions in the 2009 regulations to cater to any future changes in the tax rate. Accordingly, we direct the staff of the Commission to prepare and submit draft amendment to the 2009 regulations for allowing grossing up of base rate of return with the applicable tax rate as per the Finance Act for the relevant year and direct settlement of tax liability between the generating company/transmission licensee and the beneficiaries/long term transmission customers on year to year basis. Any under/over recovery on account of direct settlement of tax liability shall be subject to the final adjustment at the time of true up exercise.”

27. Pending decision on revision of MAT rate, ROE has been computed as per Regulation 15 of the 2009 regulations, and pre-tax ROE of 17.481% has been considered.

28. Detailed calculation of the ROE in respect the transmission assets is as under:

(₹ in lakh)

Combined Assets						
		2009-10	2010-11	2011-12	2012-13	2013-14
Opening Equity	21298.73	21298.73	21717.67	22382.09	22382.09	22382.09
Addition due to Additional Capitalisation		418.94	664.42	0.00	0.00	0.00
Closing Equity		21717.67	22382.09	22382.09	22382.09	22382.09
Average Equity		21508.20	22049.88	22382.09	22382.09	22382.09
Return on Equity (Base Rate)		15.50%	15.50%	15.50%	15.50%	15.50%
Tax rate for the year 2008-09 (MAT)		11.330%	11.330%	11.330%	11.330%	11.330%
Rate of Return on Equity (Pre Tax)	11.33%	17.481%	17.481%	17.481%	17.481%	17.481%
Return on Equity (Pre Tax)		3759.85	3854.54	3912.61	3912.61	3912.61
Single Asset						
		2009-10	2010-11	2011-12	2012-13	2013-14
Opening Equity	363.80	363.80	373.03	410.52	410.52	410.52
Addition due to Additional Capitalisation		9.23	37.49	0.00	0.00	0.00
Closing Equity		373.03	410.52	410.52	410.52	410.52
Average Equity		368.41	391.78	410.52	410.52	410.52
Return on Equity (Base Rate)		15.50%	15.50%	15.50%	15.50%	15.50%
Tax rate for the year 2008-09 (MAT)		11.330%	11.330%	11.330%	11.330%	11.330%
Rate of Return on Equity (Pre Tax)		17.481%	17.481%	17.481%	17.481%	17.481%
Return on Equity (Pre Tax)		64.40	68.49	71.76	71.76	71.76

INTEREST ON LOAN

29. Regulation 16 of the 2009 regulations provides that,-

“16. (1) The loans arrived at in the manner indicated in regulation 12 shall be considered as gross normative loan for calculation of interest on loan.

(2) *The normative loan outstanding as on 1.4.2009 shall be worked out by deducting the cumulative repayment as admitted by the Commission up to 31.3.2009 from the gross normative loan.*

(3) *The repayment for the year of the tariff period 2009-14 shall be deemed to be equal to the depreciation allowed for that year:*

(4) *Notwithstanding any moratorium period availed by the generating company or the transmission licensee, as the case may be the repayment of loan shall be considered from the first year of commercial operation of the project and shall be equal to the annual depreciation allowed,.*

(5) *The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each year applicable to the project:*

Provided that if there is no actual loan for a particular year but normative loan is still outstanding, the last available weighted average rate of interest shall be considered: Provided further that if the generating station or the transmission system, as the case may be, does not have actual loan, then the weighted average rate of interest of the generating company or the transmission licensee as a whole shall be considered.

(6) *The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.*

(7) *The generating company or the transmission licensee, as the case may be, shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the beneficiaries and the net savings shall be shared between the beneficiaries and the generating company or the transmission licensee, as the case may be, in the ratio of 2:1.*

(8) *The changes to the terms and conditions of the loans shall be reflected from the date of such re-financing.*

(9) *In case of dispute, any of the parties may make an application in accordance with the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999, as amended from time to time, including statutory re-enactment thereof for settlement of the dispute:*

Provided that the beneficiary or the transmission customers shall not withhold any payment on account of the interest claimed by the generating company or the transmission licensee during the pendency of any dispute arising out of re-financing of loan."

30. In these calculations, interest on loan has been worked out as detailed below:

(a) Details of net outstanding loan as on 31.3.2009, cumulative repayment up to 31.3.2009, repayment schedule for the loans, rate of interest etc. have been taken from the order dated 10.05.2010 in petition no: 330/2009 for first three asset in

Combined Asset and further order dated 19.05.2010 in petition no: 166/2009 for working out weighted average rate of interest.

- (b) Tariff has been worked out considering normative loan and normative repayments. Depreciation allowed has been taken as normative repayment for the tariff period 2009-14.
- (c) Weighted average rate of interest on actual loan worked out as above has been applied on the notional average loan during the year to arrive at the interest on loan.

31. Detailed calculation of the weighted average rate of interest in respect of the transmission assets as annexed to this order as Annexure –I and Annexure – II. Details of the calculation of Interest on Loan are as under:

(₹ in lakh)						
Combined Assets						
		2009-10	2010-11	2011-12	2012-13	2013-14
Gross Normative Loan	49698.37	49698.37	50675.89	52226.21	52226.21	52226.21
Cumulative Repayment upto Previous Year		2899.60	6640.99	10476.71	14370.85	18265.00
Net Loan-Opening		46798.77	44034.90	41749.51	37855.36	33961.21
Addition due to Additional Capitalisation		977.52	1550.32	0.00	0.00	0.00
Repayment during the year		3741.39	3835.71	3894.15	3894.15	3894.15
Net Loan-Closing		44034.90	41749.51	37855.36	33961.21	30067.07
Average Loan		45416.83	42892.20	39802.43	35908.29	32014.14
Weighted Average Rate of Interest on Loan		8.8708%	8.8863%	8.8962%	8.9029%	8.9111%
Interest		4028.83	3811.52	3540.91	3196.88	2852.80

(₹ in lakh)						
Single Asset						
		2009-10	2010-11	2011-12	2012-13	2013-14
Gross Normative Loan	850.71	850.71	872.26	959.75	959.75	959.75
Cumulative Repayment upto Previous Year		43.70	108.64	177.69	250.04	322.39
Net Loan-Opening		807.01	763.62	782.05	709.70	637.35
Addition due to Additional Capitalisation		21.55	87.49	0.00	0.00	0.00
Repayment during the year		64.94	69.05	72.35	72.35	72.35
Net Loan-Closing		763.62	782.05	709.70	637.35	565.00
Average Loan		785.31	772.83	745.88	673.53	601.18
Weighted Average Rate of Interest on Loan		9.0219%	9.0344%	9.0441%	9.0483%	9.0537%
Interest		70.85	69.82	67.46	60.94	54.43

DEPRECIATION

32. Regulation 17 of the 2009 regulations provides for computation of depreciation in the following manner, namely:

“17. (1) The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission.

(2) The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the capital cost of the asset.

Provided that.....

Provided further that.....

(3) Land other than the land held under lease and the land for reservoir in case of hydro generating station shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the asset.

(4) Depreciation shall be calculated annually based on Straight Line Method and at rates specified in Appendix-III to these regulations for the assets of the generating station and transmission system:

Provided that, the remaining depreciable value as on 31st March of the year closing after a period of 12 years from date of commercial operation shall be spread over the balance useful life of the assets.

(5) In case of the existing projects, the balance depreciable value as on 1.4.2009 shall be worked out by deducting the cumulative depreciation as admitted by the Commission up to 31.3.2009 from the gross depreciable value of the assets.

(6) Depreciation shall be chargeable from the first year of commercial operation. In case of commercial operation of the asset for part of the year, depreciation shall be charged on pro rata basis.”

33. Depreciation has been worked out on the admitted capital expenditure as on 1.4.2009 and projected additional capitalization as under:

(₹ in lakh)

Combined Assets						
		2009-10	2010-11	2011-12	2012-13	2013-14
Rate of Depreciation		5.2185%	5.2186%	5.2195%	5.2195%	5.2195%
Depreciable Value	90%	64287.16	65912.20	66908.84	66908.84	66908.84
Remaining Depreciable Value		61387.56	59271.21	56432.13	52537.98	48643.84
Depreciation		3741.39	3835.71	3894.15	3894.15	3894.15
Single Asset						
		2009-10	2010-11	2011-12	2012-13	2013-14
Rate of Depreciation		5.2800%	5.2800%	5.2800%	5.2800%	5.2800%
Depreciable Value	90%	1106.91	1177.00	1233.24	1233.24	1233.24
Elapsed Life (Beginning of the year)		2	3	4	5	6
Weighted Balance Useful life of the combine assets		23	22	21	20	19
Remaining Depreciable Value		1063.21	1068.36	1055.55	983.20	910.85
Depreciation		64.94	69.05	72.35	72.35	72.35

OPERATION & MAINTENANCE EXPENSES

34. Clause (g) of Regulation 19 the 2009 regulations prescribes the following norms for operation and maintenance expenses based on the type of sub-station and line:

(₹ in lakh)

Element	2009-10	2010-11	2011-12	2012-13	2013-14
400 kV D/C, twin conductor, transmission line (lakh per km)	0.627	0.663	0.701	0.741	0.783
765 kV S/C, quad. Conductor, transmission line (lakh per km)	0.537	0.568	0.600	0.635	0.671
765 kV, bays (lakh per Bay)	73.36	77.56	81.99	86.68	91.64
400 kV, bays (lakh per Bay)	52.40	55.40	58.57	61.92	65.46
220 kV, bays (lakh per Bay)	36.68	38.78	41.00	43.34	45.82

35. The petitioner has calculated the following operation and maintenance expenses in accordance with the above norms and the same are allowed as such:

(₹ in lakh)

Combined assets					
Element	2009-10	2010-11	2011-12	2012-13	2013-14
222.1325 (220.588+1.5445) km, 400 kV D/C, twin conductor transmission line.	139.28	147.27	155.71	164.60	173.93
234.931 km., 765 kV S/C, quad conductor transmission line.	126.16	133.44	140.96	149.18	157.64
1 no. 765 kV bay	73.36	77.56	81.99	86.68	91.64
12 nos. 400 kV bays	628.80	664.80	702.84	743.04	785.52
10 nos. 220 kV bays	366.80	387.80	410.00	433.40	458.20
Total O&M expenses	1334.40	1410.87	1491.50	1576.90	1666.93
Single asset					
Element	2009-10	2010-11	2011-12	2012-13	2013-14
1 no. 400 kV bay	52.40	55.40	58.57	61.92	65.46
1 no. 220 kV bay	36.68	38.78	41.00	43.34	45.82
Total O&M expenses	89.08	94.18	99.57	105.26	111.28

36. The petitioner has submitted that the wage revision of its employees is due with effect from 1.1.2007 and actual impact of wage revision is not known. The petitioner intends to approach the Commission for suitable revision in the norms for O&M expenditure in case the impact of wage hike

w.e.f 1.1.2007 is more than 50%. This issue is premature at this stage. Petition, if any, filed by the petitioner will be dealt with in accordance with law.

INTEREST ON WORKING CAPITAL

37. As per the 2009 regulations the components of the working capital and the interest thereon are discussed hereunder:

(i) Receivables: As per Regulation 18(1)(c)(i) of the 2009 regulations, receivables will be equivalent to two months' average billing calculated on target availability level. The petitioner has claimed the receivables on the basis of 2 months' transmission charges claimed in the petition. In the tariff being allowed, receivables have been worked out on the basis of 2 months' transmission charges.

(ii) Maintenance spares: Regulation 18(1)(c)(ii) of the 2009 regulations provides for maintenance spares @ 15% per annum of the O & M expenses from 1.4.2009. The value of maintenance spares has accordingly been worked out.

(iii) O & M expenses: Regulation 18(1) (c) (iii) of the 2009 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 the respective year as claimed in the petition. This has been considered in the working capital.

(iv) Rate of interest on working capital: As per Regulation 18(3) of the 2009 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 1.4.2009 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 1.4.2009, which is in accordance with the 2009 regulations and has been allowed.

38. Necessary computations in support of interest on working capital are appended hereinbelow:

(₹ in lakh)

Combined Assets					
	2009-10	2010-11	2011-12	2012-13	2013-14
Maintenance Spares	200.16	211.63	223.73	236.54	250.04
O & M expenses	111.20	117.57	124.29	131.41	138.91
Receivables	2195.25	2203.82	2191.72	2148.13	2105.34
Total	2,506.61	2,533.03	2,539.73	2,516.07	2,494.29
Rate of Interest	12.25%	12.25%	12.25%	12.25%	12.25%
Interest	307.06	310.30	311.12	308.22	305.55
Single Asset					
	2009-10	2010-11	2011-12	2012-13	2013-14
Maintenance Spares	13.36	14.13	14.94	15.79	16.69
O & M expenses	7.42	7.85	8.30	8.77	9.27
Receivables	49.65	51.76	53.42	53.31	53.25
Total	70.44	73.74	76.65	77.87	79.22
Rate of Interest	12.25%	12.25%	12.25%	12.25%	12.25%
Interest	8.63	9.03	9.39	9.54	9.70

TRANSMISSION CHARGES

39. The transmission charges being allowed for the transmission lines are summarized below:

(₹ in lakh)

Combined Assets					
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	3741.39	3835.71	3894.15	3894.15	3894.15
Interest on Loan	4028.83	3811.52	3540.91	3196.88	2852.80
Return on equity	3759.85	3854.54	3912.61	3912.61	3912.61
Interest on Working Capital	307.06	310.30	311.12	308.22	305.55
O & M Expenses	1334.40	1410.87	1491.50	1576.90	1666.93
Total	13171.52	13222.94	13150.29	12888.76	12632.04
Single Asset					
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	64.94	69.05	72.35	72.35	72.35
Interest on Loan	70.85	69.82	67.46	60.94	54.43
Return on equity	64.40	68.49	71.76	71.76	71.76
Interest on Working Capital	8.63	9.03	9.39	9.54	9.70
O & M Expenses	89.08	94.18	99.57	105.26	111.28
Total	297.90	310.57	320.53	319.86	319.53

APPLICATION FEE AND THE PUBLICATION EXPENSES

40. The petitioner has sought approval for the reimbursement of fee paid by it for filing the petition. In accordance with our decision in order dated 11.1.2010 in Petition No. 109/2009, the petitioner shall be entitled to recover the filing fee from the beneficiaries.

41. Accordingly, expenses incurred by the petitioner on application filing fees and publication of notices in connection with the present petition shall be directly recovered from the beneficiaries on pro rata basis.

SERVICE TAX

42. The petitioner has made a specific prayer to be allowed to bill and recover the Service tax on Transmission charges separately from the respondents if at any time exemption from Service tax is withdrawn and

transmission of power is notified as a taxable Service. This prayer is premature and if such a contingency arises, the issue will be decided in accordance with law.

LICENCE FEE

43. The petitioner has sought reimbursement of licence fees on the ground that licence fee has become incidental to the petitioner/CTU with effect from 2008-09 and the normative O&M rates in 2009 regulations do not capture the cost associated with licence fees. In this connection, it is clarified that the question of reimbursement of licence fees is separately under consideration and any decision taken in the matter will be applicable to this petition.

44. The transmission charges allowed in this order shall be recovered on monthly basis in accordance with Regulation 23 and shall be shared by the respondents in accordance with Regulation 33 of the 2009 regulations.

45. This order disposes of Petition No. 291/2010.

Sd/-
(M.Deena Dayalan)
Member

Sd/-
(V.S.Verma)
Member

Sd/-
(S.Jayaraman)
Member

Sd/-
(Dr. Pramod Deo)
Chairperson

Combined assets						
CALCULATION OF WEIGHTED AVERAGE RATE OF INTEREST ON LOAN						
(₹ in lakh)						
	Details of Loan	2009-10	2010-11	2011-12	2012-13	2013-14
1	Bond XV					
	Gross loan opening	150.00	150.00	150.00	150.00	150.00
	Cumulative Repayment upto DOCO/previous year	25.00	37.50	50.00	62.50	75.00
	Net Loan-Opening	125.00	112.50	100.00	87.50	75.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	12.50	12.50	12.50	12.50	12.50
	Net Loan-Closing	112.50	100.00	87.50	75.00	62.50
	Average Loan	118.75	106.25	93.75	81.25	68.75
	Rate of Interest	6.68%	6.68%	6.68%	6.68%	6.68%
	Interest	7.93	7.10	6.26	5.43	4.59
	Rep Schedule	12 Annual instalments from 23. 2.2008				
2	Bond XVII					
	Gross loan opening	4039.00	4039.00	4039.00	4039.00	4039.00
	Cumulative Repayment upto DOCO/previous year	0.00	403.90	807.80	1211.70	1615.60
	Net Loan-Opening	4039.00	3635.10	3231.20	2827.30	2423.40
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	403.90	403.90	403.90	403.90	403.90
	Net Loan-Closing	3635.10	3231.20	2827.30	2423.40	2019.50
	Average Loan	3837.05	3433.15	3029.25	2625.35	2221.45
	Rate of Interest	7.39%	7.39%	7.39%	7.39%	7.39%
	Interest	283.56	253.71	223.86	194.01	164.17
	Rep Schedule	10 Annual instalments from 22-9-2009				
3	Bond XVIII					
	Gross loan opening	4183.00	4183.00	4183.00	4183.00	4183.00
	Cumulative Repayment upto DOCO/previous year	0.00	348.58	697.17	1045.75	1394.33
	Net Loan-Opening	4183.00	3834.42	3485.83	3137.25	2788.67
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	348.58	348.58	348.58	348.58	348.58
	Net Loan-Closing	3834.42	3485.83	3137.25	2788.67	2440.08
	Average Loan	4008.71	3660.13	3311.54	2962.96	2614.38
	Rate of Interest	8.15%	8.15%	8.15%	8.15%	8.15%
	Interest	326.71	298.30	269.89	241.48	213.07
	Rep Schedule	12 Annual installments from 9-3-2010				
4	Bond XX					
	Gross loan opening	17495.00	17495.00	17495.00	17495.00	17495.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	1457.92	2915.83	4373.75
	Net Loan-Opening	17495.00	17495.00	16037.08	14579.17	13121.25
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	1457.92	1457.92	1457.92	1457.92
	Net Loan-Closing	17495.00	16037.08	14579.17	13121.25	11663.33
	Average Loan	17495.00	16766.04	15308.13	13850.21	12392.29
	Rate of Interest	8.93%	8.93%	8.93%	8.93%	8.93%
	Interest	1562.30	1497.21	1367.02	1236.82	1106.63
	Rep Schedule	12 Annual installments from 7-9-2010				
5	Bond XXI					
	Gross loan opening	198.00	198.00	198.00	198.00	198.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	16.50	33.00	49.50
	Net Loan-Opening	198.00	198.00	181.50	165.00	148.50
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	16.50	16.50	16.50	16.50
	Net Loan-Closing	198.00	181.50	165.00	148.50	132.00
	Average Loan	198.00	189.75	173.25	156.75	140.25
	Rate of Interest	8.73%	8.73%	8.73%	8.73%	8.73%

	Interest	17.29	16.57	15.12	13.68	12.24
	Rep Schedule	12 Annual installments from 11-10-2010				
6	Bond XXII					
	Gross loan opening	1185.00	1185.00	1185.00	1185.00	1185.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	98.75	197.50	296.25
	Net Loan-Opening	1185.00	1185.00	1086.25	987.50	888.75
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	98.75	98.75	98.75	98.75
	Net Loan-Closing	1185.00	1086.25	987.50	888.75	790.00
	Average Loan	1185.00	1135.63	1036.88	938.13	839.38
	Rate of Interest	8.68%	8.68%	8.68%	8.68%	8.68%
	Interest	102.86	98.57	90.00	81.43	72.86
	Rep Schedule	12 Annual installments from 7-12-2010				
7	Bond XXIII					
	Gross loan opening	8695.00	8695.00	8695.00	8695.00	8695.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	724.58	1449.17	2173.75
	Net Loan-Opening	8695.00	8695.00	7970.42	7245.83	6521.25
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	724.58	724.58	724.58	724.58
	Net Loan-Closing	8695.00	7970.42	7245.83	6521.25	5796.67
	Average Loan	8695.00	8332.71	7608.13	6883.54	6158.96
	Rate of Interest	9.25%	9.25%	9.25%	9.25%	9.25%
	Interest	804.29	770.78	703.75	636.73	569.70
	Rep Schedule	12 Annual installments from 9-2-2011				
8	Bond-XXVII					
	Gross loan opening	5975.00	5975.00	5975.00	5975.00	5975.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	497.92	995.83
	Net Loan-Opening	5975.00	5975.00	5975.00	5477.08	4979.17
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	497.92	497.92	497.92
	Net Loan-Closing	5975.00	5975.00	5477.08	4979.17	4481.25
	Average Loan	5975.00	5975.00	5726.04	5228.13	4730.21
	Rate of Interest	9.47%	9.47%	9.47%	9.47%	9.47%
	Interest	565.83	565.83	542.26	495.10	447.95
	Rep Schedule	12 Annual installments from 31.3.2012				
9	Bond XXVI					
	Gross loan opening	2341.00	2341.00	2341.00	2341.00	2341.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	195.08	390.17
	Net Loan-Opening	2341.00	2341.00	2341.00	2145.92	1950.83
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	195.08	195.08	195.08
	Net Loan-Closing	2341.00	2341.00	2145.92	1950.83	1755.75
	Average Loan	2341.00	2341.00	2243.46	2048.38	1853.29
	Rate of Interest	9.30%	9.30%	9.30%	9.30%	9.30%
	Interest	217.71	217.71	208.64	190.50	172.36
	Rep Schedule	12 Annual installments from 7.3.2012				
10	Bond XXVIII					
	Gross loan opening	75.00	75.00	75.00	75.00	75.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00	6.25
	Net Loan-Opening	75.00	75.00	75.00	75.00	68.75
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	6.25	6.25
	Net Loan-Closing	75.00	75.00	75.00	68.75	62.50
	Average Loan	75.00	75.00	75.00	71.88	65.63
	Rate of Interest	9.33%	9.33%	9.33%	9.33%	9.33%
	Interest	7.00	7.00	7.00	6.71	6.12
	Rep Schedule	12 Annual installments from 15.12.2012				
11	Bond XXIX					
	Gross loan opening	500.00	500.00	500.00	500.00	500.00



	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00	41.67
	Net Loan-Opening	500.00	500.00	500.00	500.00	458.33
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	41.67	41.67
	Net Loan-Closing	500.00	500.00	500.00	458.33	416.67
	Average Loan	500.00	500.00	500.00	479.17	437.50
	Rate of Interest	9.20%	9.20%	9.20%	9.20%	9.20%
	Interest	46.00	46.00	46.00	44.08	40.25
	Rep Schedule	12 Annual installments from 12.3.2013				
12	Bond XXXI (AddCap 2009-10)					
	Gross loan opening	0.00	44.55	44.55	44.55	44.55
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Opening	0.00	44.55	44.55	44.55	44.55
	Additions during the year	44.55	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	3.71
	Net Loan-Closing	44.55	44.55	44.55	44.55	40.84
	Average Loan	22.28	44.55	44.55	44.55	42.69
	Rate of Interest	8.90%	8.90%	8.90%	8.90%	8.90%
	Interest	1.98	3.96	3.96	3.96	3.80
	Rep Schedule	12 Annual installments from 25. 2.2014				
13	Bond XXX (Add Cap 2009-10)					
	Gross loan opening	0.00	933.00	933.00	933.00	933.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Opening	0.00	933.00	933.00	933.00	933.00
	Additions during the year	933.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	77.75
	Net Loan-Closing	933.00	933.00	933.00	933.00	855.25
	Average Loan	466.50	933.00	933.00	933.00	894.13
	Rate of Interest	8.80%	8.80%	8.80%	8.80%	8.80%
	Interest	41.05	82.10	82.10	82.10	78.68
	Rep Schedule	12 Annual installments from 29.9.13				
	Total Loan					
	Gross loan opening	44836.00	45813.55	45813.55	45813.55	45813.55
	Cumulative Repayment upto DOCO/previous year	25.00	789.98	3852.72	7608.45	11412.10
	Net Loan-Opening	44811.00	45023.57	41960.83	38205.10	34401.45
	Additions during the year	977.55	0.00	0.00	0.00	0.00
	Repayment during the year	764.98	3062.73	3755.73	3803.65	3885.11
	Net Loan-Closing	45023.57	41960.83	38205.10	34401.45	30516.34
	Average Loan	44917.28	43492.20	40082.97	36303.28	32458.89
	Weighted Average Rate of Interest	8.8708%	8.8863%	8.8962%	8.9029%	8.9111%
	Interest	3984.51	3864.84	3565.87	3232.05	2892.43

Single Asset						
CALCULATION OF WEIGHTED AVERAGE RATE OF INTEREST ON LOAN						
(₹ in lakh)						
	Details of Loan	2009-10	2010-11	2011-12	2012-13	2013-14
1	Bond-XVII					
	Gross loan opening	39.00	39.00	39.00	39.00	39.00
	Cumulative Repayment upto DOCO/previous year	0.00	3.90	7.80	11.70	15.60
	Net Loan-Opening	39.00	35.10	31.20	27.30	23.40
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	3.90	3.90	3.90	3.90	3.90
	Net Loan-Closing	35.10	31.20	27.30	23.40	19.50
	Average Loan	37.05	33.15	29.25	25.35	21.45
	Rate of Interest	7.39%	7.39%	7.39%	7.39%	7.39%
	Interest	2.74	2.45	2.16	1.87	1.59
	Rep Schedule	10 Annual installments from 22.9.2009				
2	Bond-XVIII					
	Gross loan opening	67.00	67.00	67.00	67.00	67.00
	Cumulative Repayment upto DOCO/previous year	0.00	5.58	11.17	16.75	22.33
	Net Loan-Opening	67.00	61.42	55.83	50.25	44.67
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	5.58	5.58	5.58	5.58	5.58
	Net Loan-Closing	61.42	55.83	50.25	44.67	39.08
	Average Loan	64.21	58.63	53.04	47.46	41.88
	Rate of Interest	8.15%	8.15%	8.15%	8.15%	8.15%
	Interest	5.23	4.78	4.32	3.87	3.41
	Rep Schedule	12 Annual installments from 9.3.2010				
3	Bond XX					
	Gross loan opening	305.00	305.00	305.00	305.00	305.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	25.42	50.83	76.25
	Net Loan-Opening	305.00	305.00	279.58	254.17	228.75
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	25.42	25.42	25.42	25.42
	Net Loan-Closing	305.00	279.58	254.17	228.75	203.33
	Average Loan	305.00	292.29	266.88	241.46	216.04
	Rate of Interest	8.93%	8.93%	8.93%	8.93%	8.93%
	Interest	27.24	26.10	23.83	21.56	19.29
	Rep Schedule	12 Annual installments from 7.9.2010				
4	Bond XXI					
	Gross loan opening	3.00	3.00	3.00	3.00	3.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.25	0.50	0.75
	Net Loan-Opening	3.00	3.00	2.75	2.50	2.25
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the	0.00	0.25	0.25	0.25	0.25

	year					
	Net Loan-Closing	3.00	2.75	2.50	2.25	2.00
	Average Loan	3.00	2.88	2.63	2.38	2.13
	Rate of Interest	8.73%	8.73%	8.73%	8.73%	8.73%
	Interest	0.26	0.25	0.23	0.21	0.19
	Rep Schedule	12 Annual installments from 11.10.2010				
5	Bond XXII					
	Gross loan opening	22.00	22.00	22.00	22.00	22.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	1.83	3.67	5.50
	Net Loan-Opening	22.00	22.00	20.17	18.33	16.50
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	1.83	1.83	1.83	1.83
	Net Loan-Closing	22.00	20.17	18.33	16.50	14.67
	Average Loan	22.00	21.08	19.25	17.42	15.58
	Rate of Interest	8.68%	8.68%	8.68%	8.68%	8.68%
	Interest	1.91	1.83	1.67	1.51	1.35
	Rep Schedule	12 Annual installments from 7.12.2010				
6	Bond-XXIII					
	Gross loan opening	105.00	105.00	105.00	105.00	105.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	8.75	17.50	26.25
	Net Loan-Opening	105.00	105.00	96.25	87.50	78.75
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	8.75	8.75	8.75	8.75
	Net Loan-Closing	105.00	96.25	87.50	78.75	70.00
	Average Loan	105.00	100.63	91.88	83.13	74.38
	Rate of Interest	9.25%	9.25%	9.25%	9.25%	9.25%
	Interest	9.71	9.31	8.50	7.69	6.88
	Rep Schedule	12 Annual installments from 9.2.2011				
7	Bond-XXVI					
	Gross loan opening	50.00	50.00	50.00	50.00	50.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	4.17	8.33
	Net Loan-Opening	50.00	50.00	50.00	45.83	41.67
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	4.17	4.17	4.17
	Net Loan-Closing	50.00	50.00	45.83	41.67	37.50
	Average Loan	50.00	50.00	47.92	43.75	39.58
	Rate of Interest	9.30%	9.30%	9.30%	9.30%	9.30%
	Interest	4.65	4.65	4.46	4.07	3.68
	Rep Schedule	12 Annual installments from 7.3.2012				
8	Bond-XXVII					
	Gross loan opening	259.00	259.00	259.00	259.00	259.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	21.58	43.17
	Net Loan-Opening	259.00	259.00	259.00	237.42	215.83
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	21.58	21.58	21.58



	Net Loan-Closing	259.00	259.00	237.42	215.83	194.25
	Average Loan	259.00	259.00	248.21	226.63	205.04
	Rate of Interest	9.47%	9.47%	9.47%	9.47%	9.47%
	Interest	24.53	24.53	23.51	21.46	19.42
	Rep Schedule	12 Annual installments from 31.3.2012				
9	Bond-XXVIII					
	Gross loan opening	1.00	1.00	1.00	1.00	1.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00	0.08
	Net Loan-Opening	1.00	1.00	1.00	1.00	0.92
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.08	0.08
	Net Loan-Closing	1.00	1.00	1.00	0.92	0.83
	Average Loan	1.00	1.00	1.00	0.96	0.88
	Rate of Interest	9.33%	9.33%	9.33%	9.33%	9.33%
	Interest	0.09	0.09	0.09	0.09	0.08
	Rep Schedule	12 Annual installments from 15.12.2012				
10	Bond-XXXI					
	Gross loan opening	0.00	21.55	21.55	21.55	21.55
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00	0.00
	Net Loan-Opening	0.00	21.55	21.55	21.55	21.55
	Additions during the year	21.55	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00	1.80
	Net Loan-Closing	21.55	21.55	21.55	21.55	19.75
	Average Loan	10.78	21.55	21.55	21.55	20.65
	Rate of Interest	8.90%	8.90%	8.90%	8.90%	8.90%
	Interest	0.96	1.92	1.92	1.92	1.84
	Rep Schedule	12 Annual installments from 25.2.2014				
	Total Loan					
	Gross loan opening	851.00	872.55	872.55	872.55	872.55
	Cumulative Repayment upto DOCO/previous year	0.00	9.48	55.22	126.70	198.27
	Net Loan-Opening	851.00	863.07	817.33	745.85	674.28
	Additions during the year	21.55	0.00	0.00	0.00	0.00
	Repayment during the year	9.48	45.73	71.48	71.57	73.36
	Net Loan-Closing	863.07	817.33	745.85	674.28	600.92
	Average Loan	857.03	840.20	781.59	710.07	637.60
	Rate of Interest	9.0219%	9.0344%	9.0441%	9.0483%	9.0537%
	Interest	77.32	75.91	70.69	64.25	57.73