

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 228/2010**

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

**DATE OF HEARING: 18.1.2011**

**DATE OF ORDER: 2.5.2011**

**In the matter of**

Petition for approval of revision of tariff for the period from 1.4.2004 to 31.3.2009 due to additional capital expenditure incurred during 2004-05 to 2008-09 for 1X500 MW HVDC back to back station at Sasaram with associated AC switchboard at Sasaram and Allahabad and Auxilliary system including 400 kV Sarnath-Allahabad transmission line with associated bays under Eastern-Northern Inter-regional HVDC transmission system.

**And**

**In the matter of:**

Power Grid Corporation of India Limited, Gurgaon ... **Petitioner**

**Vs**

- 1 Bihar State Electricity Board, Patna
- 2 West Bengal State Electricity Board, Kolkata
- 3 Grid Corporation of Orissa Ltd., Bhubaneswar
- 4 Damodar Valley Corporation, Kolkata
- 5 Power Department, Govt. of Sikkim, Gangtok
- 6 Jharkhand State Electricity Board, Ranchi
- 7 Rajasthan Rajya Vidyut Prasaran Nigam Limited, Jaipur
- 8 Ajmer Vidyut Vitaran Nigam Ltd., Jaipur
- 9 Jaipur Vidyut Vitaran Nigam Ltd, Jaipur
- 10 Jodhpur Vidyut Vitaran Nigam Ltd, Jaipur
- 11 Himachal Pradesh State Electricity Board, Shimla
- 12 Punjab State Electricity Board, Patiala
- 13 Haryana Power Purchase Centre, Panchkula
- 14 Power Development Department, Govt. of J&K, Jammu
- 15 Uttar Pradesh Power Corporation Ltd, Lucknow
- 16 Delhi Transco Ltd, New Delhi
- 17 BSES Yamuna Power Limited, New Delhi
- 18 BSES Rajdhani Power Ltd., New Delhi
- 19 North Delhi Power Ltd., New Delhi
- 20 Chandigarh Administration, Chandigarh
- 21 Uttarakhand Power Corporation Ltd, Dehradun

22 North Central Railway, Allahabad  
23 New Delhi Municipal Corporation, New Delhi...

## Respondents

### The following were present:

1. Shri Rajeev Gupta, PGCIL
2. Shri M.M. Mondal, PGCIL
3. Shri Rakesh Prasad, PGCIL
4. Shri R.B.Sharma, Advocate, BSEB

### ORDER

This petition has been filed for revision of transmission tariff due to additional capital expenditure incurred during 2004-05 to 2008-09 in respect of 1X500 MW HVDC back to back station at Sasaram with associated AC switchboard at Sasaram and Allahabad and Auxilliary system including 400 kV Sarnath-Allahabad transmission line with associated bays (hereinafter referred to as the "the transmission asset") under Eastern-Northern Region inter-regional HVDC transmission system (hereinafter referred to as the "the transmission system") during the period from 1.4.2004 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"). The petitioner has also prayed for reimbursement of the petition filing fee, licence fee and other expenditure in connection with the filing of the petition.

2. Investment approval for the transmission asset was initially accorded by Ministry of Power under its letter dated 4.9.1998 at an estimated cost of Rs. 67156.00 lakh including IDC of Rs. 9219.00 lakh, based on 3<sup>rd</sup> quarter of 1997 price level. Subsequently, the scope of the

work was changed based on system studies. Techno-economic clearance for the work with the revised scope was issued by the Central Electricity Authority vide Office Memorandum dated 21.2.2003 at an estimated cost of Rs. 59310.00 lakh including IDC of Rs. 4607.00 lakh. Date of commercial operation of the transmission asset covered in the petition is 1.12.2002.

3. The transmission charges for the transmission asset were approved by the Commission vide its order dated 9.5.2006 in Petition No. 64/2005, based on the capital cost of ₹32521.90 lakh. The summary of the transmission charges approved by the said order dated 9.5.2006 is extracted hereunder:

(₹ in lakh)

	2004-05	2005-06	2006-07	2007-08	2008-09
Depreciation	1060.94	1060.94	1060.94	1060.94	1060.94
Interest on Loan	1346.09	1208.83	1099.94	986.77	862.35
Return on Equity	264.54	264.54	264.54	264.54	264.54
Advance Against Depreciation	0.00	0.00	0.00	1121.49	1509.80
Interest on Working Capital	113.68	114.75	116.51	137.81	146.50
O & M Expenses	1106.04	1150.45	1196.63	1244.01	1294.17
<b>Total</b>	<b>3891.28</b>	<b>3799.51</b>	<b>3738.55</b>	<b>4815.60</b>	<b>5138.29</b>

4. The relevant details of the capital expenditure of the transmission assets claimed by the petitioner are as under:

(₹ in lakh)

Capital expenditure up to the date of commercial operation	34066.45
Expenditure after the date of commercial operation to 31.3.2004	711.78
De-capitalization due to FERV up to 31.3.2004	(-)-2256.33
Additional Capital Expenditure during 2004-05	111.08
Additional Capital Expenditure during 2005-06	61.90
Additional Capital Expenditure during 2006-07	37.93
Additional Capital Expenditure during 2007-08	39.67
Additional Capital Expenditure during 2008-09	216.63
Balance Estimated Expenditure	109.00
<b>Total expenditure</b>	<b>33098.11</b>

5. The petitioner has claimed the transmission charges during 2004-09 as under:

	(₹ in lakh)				
	2004-05	2005-06	2006-07	2007-08	2008-09
Depreciation	1062.84	1065.67	1067.17	1068.44	1073.03
Interest on Loan	1348.08	1213.43	1105.74	993.19	871.88
Return on Equity	266.09	268.51	269.91	271.00	274.59
Advance against Depreciation	0.00	0.00	0.00	1129.91	1516.21
Interest on Working Capital	113.77	114.99	116.81	138.36	147.16
O & M Expenses	1106.04	1150.45	1196.63	1244.01	1294.17
<b>Total</b>	<b>3896.82</b>	<b>3813.05</b>	<b>3756.26</b>	<b>4844.91</b>	<b>5177.04</b>

6. The details submitted by the petitioner in support of its claim for Interest on Working Capital are given hereunder:

	(₹ in lakh)				
	2004-05	2005-06	2006-07	2007-08	2008-09
Maintenance Spares	368.33	390.43	413.85	438.68	465.00
O & M expenses	92.17	95.87	99.72	103.67	107.85
Receivables	649.47	635.51	626.04	807.49	862.84
<b>Total</b>	<b>1109.97</b>	<b>1121.81</b>	<b>1139.61</b>	<b>1349.84</b>	<b>1435.69</b>
Rate of Interest	10.25%	10.25%	10.25%	10.25%	10.25%
<b>Interest</b>	<b>113.77</b>	<b>114.99</b>	<b>116.81</b>	<b>138.36</b>	<b>147.16</b>

7. Bihar State Electricity Board (BSEB) has filed its reply vide affidavit dated 2.11.2010. BSEB in its reply has made following submissions:

- (i) The additional capital expenditure claimed in the petition are mainly on account of retention/final payments and a confirmation be taken from the petitioner that no part of the claim belongs to any other category not covered by Regulation 53 of the 2004 regulations;

(ii) In regard to levies, duties, cess or any other statutory taxes etc, there is no provisions in the 2004 regulations for such payments as these charges are generally included in the O & M expenses. However, respondents are already sharing the charges towards tax on income, extra rupee liability and towards interest and loan repayment corresponding to the foreign debt under Regulations 7 and 9 of the 2004 regulations; and

(iii) In regard to filing fee, the 2004 regulations does not make any provision for such payment. Therefore, the claim relating to the reimbursement of expenditure towards petition filing fee etc. be rejected.

8. The petitioner vide its rejoinder dated 4.12.2010 has made following submissions:

(i) The petitioner has confirmed that the expenditure shown in the petition for the year 2004-09 has been claimed as per Regulation 53 (2) of the 2004 regulation on account of final/retention payments;

(ii) In regard to taxes, duties levies etc., the petitioner has submitted that same have been claimed as per order issued by the Commission; and

(iii) The petitioner has submitted that the petition filing fee be considered as per the 2004 regulations.

9. We have considered the submission made by the BSEB and petitioner. The expenditure shown in the petition for the year 2004-09 has been claimed as per Regulation 53 (2) of the 2004 regulation on account of final/retention payments. In view of the clarification of the petitioner, the objection of BSEB no more survives. The concern expressed by BSEB regarding reimbursement of filing fee have been dealt with subsequently in this order.

#### **CAPITAL COST**

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

Year	Nature and details of expenditure	Amount (₹ in lakh)
2004-05	<b>Building</b> : Final and retention payments <b>Sub-station</b> : Final and retention payments	9.98 101.10
2005-06	<b>Building</b> : Final and retention payments <b>Sub-station</b> : Final and retention payments	21.78 40.12
2006-07	<b>Building</b> : Final and retention payments <b>Sub-station</b> : Final and retention payments	11.82 26.11
2007-08	<b>Building</b> : Final and retention payments <b>Sub-station</b> : Final and retention payments	2.26 37.41
2008-09	<b>Sub-station</b> : Final and retention payments	216.63
<b>Total</b>		<b>467.21</b>

11. The petitioner has submitted audited capital cost up to 31.3.2009 duly certified by Chartered Accountant. The additional capital expenditure claimed is within the original scope of work and on account of retention/balance payments. The additional expenditure sought to

be capitalised is allowed under Regulation 53 of the 2004 regulations. The petitioner vide affidavit dated 20.12.2010 has submitted that it was felt prudent to approach the Commission after the main package of Areva and Techno Electric were contractually concluded and final payments released. As per the petitioner, there was some dispute in respect of the Techno Electric contract which could be resolved only during the year 2008-09. The Areva contract for HVDC sub-station could however not be concluded due to some outstanding matters relating to mandatory spares and other issues. As a result, ₹ 109 lakh has been shown as balance expenditure in the Auditor's certificate. This has not been considered for the purpose of tariff.

### **TOTAL CAPITAL COST**

12. Based on the above, capital cost for the purpose of tariff in respect of the transmission assets as on 31.3.2009 works out as under:

<b>(₹ in lakh)</b>	
Capital expenditure up to the date of commercial operation	34066.45
Expenditure after the date of commercial operation to 31.3.2004	711.78
De-capitalization due to FERV up to 31.3.2004	(-)2256.33
Additional Capital Expenditure during 2004-05	111.08
Additional Capital Expenditure during 2005-06	61.90
Additional Capital Expenditure during 2006-07	37.93
Additional Capital Expenditure during 2007-08	39.67
Additional Capital Expenditure during 2008-09	216.63
<b>Capital expenditure as on 1.4.2009</b>	<b>32989.12</b>

### **DEBT- EQUITY RATIO**

13. The petitioner has considered the amount of additional capital expenditure in the debt-equity ratio of 70:30. The expenditure incurred

for additional capital expenditure pertains to final/ retention payments within the original approved scope of work. The original financial package was approved in the Debt-Equity ratio of 80:20. Therefore, in accordance with Regulation 54 (1) (b) of the 2004 regulations, Debt-Equity ratio for the years 2004-09 has been segregated in the ratio of 80:20. Accordingly, for the purpose of tariff, equity considered for the transmission assets is as under:

**(₹ in lakh)**

Equity as on 1.4.2004	Notional equity due to additional capital expenditure during 2004-05	Notional equity due to additional capital expenditure during 2005-06	Notional equity due to additional capital expenditure during 2006-07	Notional equity due to additional capital expenditure during 2007-08	Notional equity due to additional capital expenditure during 2008-09	Equity as on 1.4.2009
1889.55	22.22	12.38	7.59	7.93	43.33	1982.99

### **RETURN ON EQUITY**

14. 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.

15. Equity as given in the table under para 14 above has been considered. However, tariff for 2004-05 to 2008-09 has been allowed on average equity. Accordingly, return on equity allowed for the period 2004-05 to 2008-09 is given as under:

**(₹ in lakh)**

	2004-05	2005-06	2006-07	2007-08	2008-09



Opening Equity	1889.55	1911.77	1924.15	1931.73	1939.67
Addition due to Additional Capitalisation	22.22	12.38	7.59	7.93	43.33
Equity	1911.77	1924.15	1931.73	1939.67	1982.99
Average Equity	1900.66	1917.96	1927.94	1935.70	1961.33
Return on Equity	<b>266.09</b>	<b>268.51</b>	<b>269.91</b>	<b>271.00</b>	<b>274.59</b>

## **INTEREST ON LOAN**

16. 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.”*

17. The interest on loan has been worked out as detailed below:
- (a) These being existing assets, net amount of loan, repayment of installments, rate of interest and weighted average rate of interest on actual average loan have been considered as per earlier order in Petition No. 64/2005;
  - (b) Notional loan arising out of additional capital expenditure up to 31.3.2009 has been added to the loan amount as on 1.4.2004 to arrive at total notional loans. This adjusted gross loan has been considered as normative loans for the purpose of tariff calculations;
  - (c) Tariff has been worked out considering normative loan and normative repayments. Once the normative loan has been arrived at, it is considered for all purposes in the tariff. Normative repayment has been worked out by the following formula:
 
$$\frac{\text{Actual repayment of actual loan during the year}}{\text{Opening balance of actual loan during the year}} \times \text{Opening balance of normative loan during the year}$$
  - (d) 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 including Advance Against Depreciation

during the year, it is considered as moratorium and depreciation including Advance Against Depreciation during the year is deemed as normative repayment of loan during the year; and

- (e) Weighted average rate of interest on actual loan worked as per (a) above has been applied on the notional average loan during the year to arrive at the interest on loan.

18. The detailed calculations in support of the weighted average rates of interest on loan have been computed as per the **Annexure** attached to this order. Based on the above, the details of interest worked out are given hereunder:

	(₹ in lakh)				
	2004-05	2005-06	2006-07	2007-08	2008-09
Gross Normative Loan	30632.35	30721.21	30770.73	30801.08	30832.81
Cumulative Repayment up to Previous Year	591.98	1654.83	2720.50	4332.50	6830.28
Net Loan-Opening	30040.37	29066.39	28050.24	26468.58	24002.54
Addition due to Additional capital expenditure	88.86	49.52	30.34	31.74	173.30
Repayment during the year	1062.85	1065.67	1612.00	2497.78	2589.25
Net Loan-Closing	29066.39	28050.24	26468.58	24002.54	21586.60
Average Loan	29553.38	28558.31	27259.41	25235.56	22794.57
Weighted Average Rate of Interest on Loan	4.5615%	4.2490%	4.0564%	3.9357%	3.8250%
<b>Interest</b>	<b>1348.08</b>	<b>1213.43</b>	<b>1105.74</b>	<b>993.19</b>	<b>871.88</b>

### **DEPRECIATION**

19. 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."*

20. Depreciation allowed has been worked out as below:

Details of Depreciation	(₹ in lakh)					
	Up to 31.3.2004	2004-05	2005-06	2006-07	2007-08	2008-09
Gross block as on date of the commercial operation	32521.91	32521.91	32632.99	32694.89	32732.82	32772.49
Addition during 2004-09 due to Additional Capital Expenditure		111.08	61.90	37.93	39.67	216.63
Gross block as on 31.3.2004		32632.99	32694.89	32732.82	32772.49	32989.12
Average gross block		-	-	-	-	-
Rate of Depreciation		3.2625%	3.2625%	3.2621%	3.2621%	3.2634%
Depreciable Value (90%)		29319.71	29397.55	29442.47	29477.39	29592.72
Remaining Depreciable Value		27883.47	26898.46	25877.71	24845.46	22762.45
<b>Depreciation</b>		<b>1062.85</b>	<b>1065.67</b>	<b>1067.17</b>	<b>1068.44</b>	<b>1073.03</b>

### **ADVANCE AGAINST DEPRECIATION**

21. 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."

22. 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.

23. Accordingly, in our calculation the Advance Against Depreciation has been worked as detailed below:

(a) 1/10th of gross loan is worked out from the Gross Notional Loan as per para 18 above;

(b) Repayment of notional loan during the year is considered as per para 18 above;

(c) Depreciation is worked out as per para 20 above; and

(d) In the calculation of Advance Against Depreciation, cumulative depreciation/Advance Against Depreciation up to the preceding year along with the depreciation of the current year have been considered for working out the Advance Against Depreciation.

24. The Advance Against Depreciation has been worked as under:

(₹ in lakh)					
Advance Against Depreciation	2004-05	2005-06	2006-07	2007-08	2008-09
1/10th of Gross Loan(s)	3063.24	3072.12	3077.07	3080.11	3083.28
Repayment of the Loan	1062.85	1065.67	1612.00	2497.78	2589.25
Minimum of the above	1062.85	1065.67	1612.00	2497.78	2589.25
Depreciation during the year	1062.85	1065.67	1067.17	1068.44	1073.03
(A) Difference	0.00	0.00	544.83	1429.34	1516.21
Cumulative Repayment of the Loan	1654.83	2720.50	4332.50	6830.28	9419.52
Cumulative Depreciation/ Advance against Depreciation	2499.09	3564.76	4631.93	5700.36	7903.31
(B) Difference	(-)844.26	(-)844.26	(-)299.43	1129.91	1516.21
<b>Advance against Depreciation Minimum of (A) and (B)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1129.91</b>	<b>1516.21</b>

### **OPERATION & MAINTENANCE EXPENSES**

25. In accordance with clause (iv) of Regulation 56 the 2004 regulations, the following norms have been specified 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

26. O&M expenses as taken for the tariff calculations in the order dated 9.5.2006 in Petition No. 64/2005 has been considered, since line length and number of bays remain unchanged.

### **INTEREST ON WORKING CAPITAL**

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

(a) **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. Accordingly, maintenance spares as considered in the order dated 9.5.2006 in Petition No. 64/2005 have been considered.

(b) **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. O&M expenses as considered in the orders dated 9.5.2006 in Petition No. 64/2005 have been considered.

(c) **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. Accordingly, in the tariff being allowed, receivables have been worked out on the basis of 2 months' transmission charges.

(d) **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 petitioner has claimed interest on working capital @ 10.25% based

on SBI PLR as on 1.4.2004, which is in accordance with the 2004 regulations and has been allowed.

28. The necessary computations in support of interest on working capital are as under:

(₹ in lakh)					
	2004-05	2005-06	2006-07	2007-08	2008-09
Maintenance Spares	368.33	390.43	413.86	438.69	465.01
O & M expenses	92.17	95.87	99.72	103.67	107.85
Receivables	649.47	635.51	626.04	807.48	862.84
<b>Total</b>	<b>1109.97</b>	<b>1121.81</b>	<b>1139.62</b>	<b>1349.84</b>	<b>1435.70</b>
Rate of Interest	10.25%	10.25%	10.25%	10.25%	10.25%
<b>Interest</b>	<b>113.77</b>	<b>114.99</b>	<b>116.81</b>	<b>138.36</b>	<b>147.16</b>

### **TRANSMISSION CHARGES**

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

(₹ in lakh)					
	2004-05	2005-06	2006-07	2007-08	2008-09
Depreciation	1062.85	1065.67	1067.17	1068.44	1073.03
Interest on Loan	1348.08	1213.43	1105.74	993.19	871.88
Return on Equity	266.09	268.51	269.91	271.00	274.59
Advance against Depreciation	0.00	0.00	0.00	1129.91	1516.21
Interest on Working Capital	113.77	114.99	116.81	138.36	147.16
O & M Expenses	1106.04	1150.45	1196.63	1244.01	1294.17
<b>Total</b>	<b>3896.83</b>	<b>3813.06</b>	<b>3756.26</b>	<b>4844.91</b>	<b>5177.64</b>

30. The petitioner shall recover from the beneficiaries the additional transmission charges in one instalment and these charges shall be shared in accordance with the 2004 regulations.

31. The petitioner has also sought reimbursement of filing fee paid. The Commission by its separate general order dated 11.9.2008 in Petition No. 129/2005 (*suo-motu*) has decided that the petitioner shall not be



allowed reimbursement of the petition filing fee. The decision on reimbursement of the licence fee shall be communicated separately.

32. 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.

33. This order disposes of Petition No. 228/2010.

**Sd/-**  
**(V.S.Verma)**  
**Member**

**Sd/-**  
**(S.Jayaraman)**  
**Member**

**Sd/-**  
**(Dr. Pramod Deo)**  
**Chairperson**

**Annexure****CALCULATION OF WEIGHTED AVERAGE RATE OF INTEREST ON LOAN**

(₹ in lakh)

	Details of Loan	2004-05	2005-06	2006-07	2007-08	2008-09
<b>1</b>	<b>BOND VII</b>					
	Gross loan opening	107.00	107.00	107.00	107.00	107.00
	Cumulative Repayment up to the date of commercial operation /previous year	21.40	42.80	64.20	85.60	107.00
	Net Loan-Opening	85.60	64.20	42.80	21.40	0.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	21.40	21.40	21.40	21.40	0.00
	Net Loan-Closing	64.20	42.80	21.40	0.00	0.00
	Average Loan	74.90	53.50	32.10	10.70	0.00
	Rate of Interest	13.64%	13.64%	13.64%	13.64%	13.64%
	Interest	10.22	7.30	4.38	1.46	0.00
	Rep Schedule	5 Annual Instalments from 4.8.2003				
<b>2</b>	<b>BOND IX</b>					
	Gross loan opening	4493.00	4493.00	4493.00	4493.00	4493.00
	Cumulative Repayment up to the date of commercial operation /previous year	449.30	898.60	1347.90	1797.20	2246.50
	Net Loan-Opening	4043.70	3594.40	3145.10	2695.80	2246.50
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	449.30	449.30	449.30	449.30	449.30
	Net Loan-Closing	3594.40	3145.10	2695.80	2246.50	1797.20
	Average Loan	3819.05	3369.75	2920.45	2471.15	2021.85
	Rate of Interest	12.25%	12.25%	12.25%	12.25%	12.25%
	Interest	467.83	412.79	357.76	302.72	247.68
	Rep Schedule	10 Annual Instalment from 22.8.2003				
<b>3</b>	<b>BOND X</b>					
	Gross loan opening	1053.00	1053.00	1053.00	1053.00	1053.00
	Cumulative Repayment up to the date of commercial operation /previous year	0.00	87.75	175.50	263.25	351.00
	Net Loan-Opening	1053.00	965.25	877.50	789.75	702.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	87.75	87.75	87.75	87.75	87.75
	Net Loan-Closing	965.25	877.50	789.75	702.00	614.25
	Average Loan	1009.13	921.38	833.63	745.88	658.13
	Rate of Interest	10.90%	10.90%	10.90%	10.90%	10.90%
	Interest	109.99	100.43	90.87	81.30	71.74
	Rep Schedule	12 Annual Instalment from 21.6.2004				
<b>4</b>	<b>BOND XIII- Option - II</b>					
	Gross loan opening	83.00	83.00	83.00	83.00	83.00
	Cumulative Repayment up to the date of commercial operation /previous year	13.83	27.66	41.49	55.32	69.15
	Net Loan-Opening	69.17	55.34	41.51	27.68	13.85
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	13.83	13.83	13.83	13.83	13.83
	Net Loan-Closing	55.34	41.51	27.68	13.85	0.02
	Average Loan	62.26	48.43	34.60	20.77	6.94
	Rate of Interest	7.85%	7.85%	7.85%	7.85%	7.85%
	Interest	4.89	3.80	2.72	1.63	0.54

	Rep Schedule	6 annual instalments from 31-7-2003				
<b>5</b>	<b>ICICI</b>					
	Gross loan opening	1377.00	1377.00	1377.00	1377.00	1377.00
	Cumulative Repayment up to DOCO/previous year	137.70	275.40	413.10	550.80	688.50
	Net Loan-Opening	1239.30	1101.60	963.90	826.20	688.50
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	137.70	137.70	137.70	137.70	137.70
	Net Loan-Closing	1101.60	963.90	826.20	688.50	550.80
	Average Loan	1170.45	1032.75	895.05	757.35	619.65
	Rate of Interest	12.15%	8.48%	7.32%	7.32%	7.32%
	Interest	142.21	87.58	65.52	55.44	45.36
	Rep Schedule	12 annual instalments from 21-6-2004				
<b>6</b>	<b>CORPORATION BANK</b>					
	Gross loan opening	53.00	53.00	53.00	53.00	53.00
	Cumulative Repayment up to DOCO/previous year	2.65	7.95	13.25	18.55	23.85
	Net Loan-Opening	50.35	45.05	39.75	34.45	29.15
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	5.30	5.30	5.30	5.30	5.30
	Net Loan-Closing	45.05	39.75	34.45	29.15	23.85
	Average Loan	47.70	42.40	37.10	31.80	26.50
	Rate of Interest	9.15%	9.15%	9.15%	9.15%	9.15%
	Interest	4.36	3.88	3.39	2.91	2.42
	Rep Schedule	20 Half yearly Instalments from 10.3.2004				
<b>7</b>	<b>PNB-I</b>					
	Gross loan opening	107.00	107.00	107.00	107.00	107.00
	Cumulative Repayment up to the date of commercial operation /previous year	10.70	21.40	32.10	42.80	53.50
	Net Loan-Opening	96.30	85.60	74.90	64.20	53.50
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	10.70	10.70	10.70	10.70	10.70
	Net Loan-Closing	85.60	74.90	64.20	53.50	42.80
	Average Loan	90.95	80.25	69.55	58.85	48.15
	Rate of Interest	8.66%	8.66%	8.66%	8.66%	8.66%
	Interest	7.88	6.95	6.02	5.10	4.17
	Rep Schedule	10 Annual Instalments from 30.3.2004				
<b>8</b>	<b>BOI (foreign currency )</b>					
	Gross loan opening	1696.63	1696.63	1696.63	1696.63	1696.63
	Cumulative Repayment up to the date of commercial operation /previous year	0.00	89.30	178.60	267.89	357.19
	Net Loan-Opening	1696.63	1607.33	1518.03	1428.74	1339.44
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	89.30	89.30	89.30	89.30	89.30
	Net Loan-Closing	1607.33	1518.03	1428.74	1339.44	1250.14
	Average Loan	1651.98	1562.68	1473.39	1384.09	1294.79
	Rate of Interest	2.76%	2.76%	2.76%	2.76%	2.76%
	Interest	45.59	43.13	40.67	38.20	35.74
	Rep Schedule	Equal half yearly installments from 1006-2004				
<b>9</b>	<b>IBRD-II</b>					
	Gross Loan opening	21662.72	21662.72	21662.72	21662.72	21662.72
	Cumulative Repayment up to the date of commercial	0.00	0.00	0.00	814.88	2522.62

operation /previous year						
Net Loan-Opening	21662.72	21662.72	21662.72	20847.84	19140.09	
Additions during the year	0.00	0.00	0.00	0.00	0.00	
Repayment during the year	0.00	0.00	814.88	1707.74	1818.07	
Net Loan-Closing	21662.72	21662.72	20847.84	19140.09	17322.02	
Average Loan	21662.72	21662.72	21255.28	19993.97	18231.06	
Rate of Interest	2.57%	2.57%	2.57%	2.57%	2.57%	
Interest	556.73	556.73	546.26	513.84	468.54	
Repayment Schedule	Equal half yearly instalments from 15-12-2006					
<b>Total Loan</b>						
Gross loan opening	30632.35	30632.35	30632.35	30632.35	30632.35	
Cumulative Repayment up to the date of commercial operation /previous year	635.58	1450.86	2266.14	3896.29	6419.31	
Net Loan-Opening	29996.77	29181.49	28366.21	26736.05	24213.03	
Additions during the year	0.00	0.00	0.00	0.00	0.00	
Repayment during the year	815.28	815.28	1630.16	2523.02	2611.95	
Net Loan-Closing	29181.49	28366.21	26736.05	24213.03	21601.08	
Average Loan	29589.13	28773.85	27551.13	25474.54	22907.06	
Rate of Interest	4.5615%	4.2490%	4.0564%	3.9357%	3.8250%	
<b>Interest</b>	1349.71	1222.59	1117.58	1002.60	876.18	