

Ref: Docket No. 25/GT/2011

Date: 20.10.2011

To

Dy. Chief Engineer (Tariff),
Damodar Valley Corporation,
DVC Towers, VIP Road,
Kolkatta- 700054,
West Bengal.

Subject: Docket No: 25/GT/2009- Petition for approval of tariff in respect of Mejia Thermal Power station Extension Unit No. 5 and 6 (2X 250 MW) in consideration with Addl. Capital expenditure for the tariff period 2009-14.

Sir,

With reference to your petition on the subject mentioned above, I am directed to inform you that additional information on the following is required to be filed on affidavit, with advance copy to the respondents/ beneficiaries, on or before 3.11.2011.

- (i) Item-wise details of liabilities included in the capital cost as on 31.03.2009 and the additional capitalization claimed during the period 01.04.2009 to 31.03.2011.
- (ii) Item-wise details of liabilities discharged during the years 2009-10 & 2010-11.
- (iii) Audited Financial Statements for the years 2009-10 & 2010-11.
- (iv) The following forms are to be submitted:-
 - a. Form 7 Details of project specific loan for additional capitalization, if any, over and above the Loan drawn up to 31.03.2009.
 - b. Form 8 Details of allocation of additional corporate loans to this projects, if any.
 - c. Form 9A Statement of capital cost.
 - d. Form 9B Statement of capital work in Progress.
 - e. Form 10 Financing of additional capitalization (for actual Expenditure incurred during 2009-10 & 2010-11 as well as for expenditure projected to be incurred during 2011-12 to 2013-14.)

- (v) It is noticed from Form no. 7 & 13 of the petition as under:

- (a) Loan of ₹1408 crore is payable towards principal payment of PFC Loan.
- (b) Loan drawn in five Installments & Moratorium Period is effective from 31.03.2007. Repayment of loan has been started from October, 2007 on quarterly basis with interest at floating rate.
- (c) The loan is to be repaid in 60 quarterly installment of ₹ 23.46 crore.
- (d) First repayment is due from October 2007 in the Year 2007-08.
- (vi) It could be construed from the above that only two installments of ₹ 23.46 crore were due in financial year 2007-08. Hence copy of loan agreement along with clarification on the following is required to be submitted:
 - (a) Why the provision for Sinking Fund has been calculated considering the principal payment towards PFC Loan to the extent of ₹ 93.86 crore (instead of ₹ 46.93 crore due as per Form no. 7) during the financial year 2007-08.
 - (b) The method and underlying assumptions along with detailed working notes about the calculation of provision towards Sinking Fund.
- (vii) Editable soft copy with linkage, and formulae of all calculations, including the provisions of Sinking Fund.
- (viii) Assumptions, if any, and detailed working notes for the provisions of Sinking Fund calculations.

2. Further action in this matter will be taken as per Regulation 87 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations 1999 on receipt of the above information/ clarification.

Yours Sincerely,

Sd/-
(Ritu Randeva)
Asstt. Chief (Legal)

