

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 346/2010

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

Date of Hearing: 19.7.2011

Date of Order: 29. 11.2011

In the matter of:

Approval under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2009 for determination of Transmission Tariff for Combined Assets of Tirunelveli- Edamon 400 kV D/C Line (initially to be operated at 220 kV) alongwith associated bays and equipments at Tirunelveli and Edamon (KSEB) (DOCO: 1.7.2010) and 2 nos. switchable line reactors at Udumalpet Sub-station with associated bays and equipments (DOCO: 1.12.2010) for the period from 1.12.2010 to 31.3.2014 under Transmission System associated with Kudankulum in Southern Region for tariff block 2009-14.

And

In the matter of:

Power Grid Corporation of India Limited, Gurgaon

.....Petitioner

Vs

1. Karnataka Power Transmission Corporation, Ltd.
Bangalore
2. Transmission Corporation of Andhra Pradesh Ltd.
Hyderabad
3. Kerala State Electricity Board, Thiruvananthapuram
4. Tamil Nadu Electricity Board, Chennai
5. Electricity Department, Govt. of Goa, Panaji
6. Electricity Department, Govt. of Pondicherry,
Pondicherry
7. Eastern Power Distribution Company of Andhra
Pradesh Ltd., Visakhapatnam
8. Southern Power Distribution Company of Andhra
Pradesh Ltd., Tirupati
9. Central Power Distribution Company of Andhra
Pradesh Ltd., Hyderabad
10. Northern Power Distribution Company of Andhra
Pradesh Ltd. Warangal
11. Bangalore Electricity Supply Company Ltd., Bangalore
12. Gulbarga Electricity Supply Company Ltd., Gulbarga



13. Hubli Electricity Supply Company Ltd., Hubli
14. Mangalore Electricity Supply Company Ltd.,
Mangalore
15. Chamundeswari Electricity Supply Company Ltd.,
Mysore

.....Respondents

The following were present:

1. Shri S S Raju, PGCIL
2. Shri Gunjan Agrawal, PGCIL
3. M. M. Mondal, PGCIL
4. Shri. Rajeev Gupta, PGCIL

ORDER

This petition has been filed seeking approval for determination of transmission tariff for Combined Assets of Tirunelveli- Edamon 400 kV D/C Line (initially to be operated at 220 kV) along with associated bays and equipments at Tirunelveli and Edamon (KSEB) (date of commercial operation: 1.7.2010) and 2 nos. switchable line reactors at Udumalpet Sub-station with associated bays and equipment (hereinafter referred to as "transmission assets") (date of commercial operation: 1.12.2010) for the period from 1.12.2010 to 31.3.2014 under Transmission System associated with Kudankulam in Southern Region for tariff block 2009-14, based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter referred to as "2009 regulations").

2. The investment approval of the project was accorded by the Government of India vide Memorandum No. 12/18/2003-PG dated 25.5.2005 of Ministry of Power at an estimated cost of ₹ 177929 lakh including Interest During Construction of ₹ 7141 lakh, at 4th quarter 2004 price level. Further, the Revised Cost Estimate for the subject project has been approved by the Board of Directors of the Petitioner vide Memorandum C/CCP/ Kudankulam dated 3.9.2010 at an estimated cost of ₹ 215907 lakh including Interest During Construction of ₹ 22342 lakh, at 1st Quarter, 2010 price level.



3. The tariff for assets falling under Kudankulam Atomic Power Project in SR has been approved by the Commission in various orders. The details of the assets and the petitions are as follows:-

S. No.	Asset	Reference
1	LILO of both circuits of Madurai-Trivandrum 400 kV D/C line and 1x 63 MVAR Bus reactor	Order dated 21.12.2009 in Petition No. 192/2009. Revised tariff vide Order dated 6.7.2011 in Petition No. 12/2011
2	LILO of both circuits of Madurai-Trivandrum 400 kV D/C line and 1x 63 MVAR Bus reactor	
3	LILO of both circuits of Madurai-Trivandrum 400 kV D/C line and 1x 63 MVAR Bus reactor	
4	LILO of both circuits of Madurai-Trivandrum 400 kV D/C line and 1x 63 MVAR Bus reactor	
5	LILO of both circuits of Madurai-Trivandrum 400 kV D/C line and 1x 63 MVAR Bus reactor	
6	3rd 315 MVA Transformer at Udumalpet S/S with associated bays and equipments	Order Dated 20.7.2011 in Petition No 258/2010
7	315 MVA 400/220 kV ICT-III at Trivandrum S/S with associated bays and equipments	
8	400 kV Tirunelveli- Udumalpet D/C Line for the period	
9	1x63 MVAR Reactors at Tirunelveli Sub-station	
10	Tirunelveli- Edamon 400 kV D/C line (initially to be operated at 220 kV) along with associated bays and equipments at Tirunelveli and Edamon (KSEB)	Order dated 19.8.2011 in Petition No 306/2010
11	Kudankulam (NPC) – Tirunelveli (POWERGRID) 400 kV (QUAD) D/C Line – I & II with associated bays and Equipments	Order dated 4.5.2011 in Petition No.307/2010

4. The present petition covers determination of tariff based on actual expenditure incurred upto date of commercial operation and additional capital expenditure projected to be incurred from date of commercial operation to 31.3.2011 and during 2011-12 & 2012-13 respectively of the following the assets under “Transmission System associated with Kudankulam Atomic Power Project” in Southern Region.

Srl. No.	Name of Asset	Schedule completion as per Investment Approval	Actual date of commercial operation	Remarks
01	Tirunelveli-Edamon 400 kV D/C line (initially to be operated at 220 kV) alongwith associated bays and equipments at Tirunelveli and Edamon (KSEB) (hereinafter " Asset-1 ")*	42 months from the date of investment approval i.e. November, 2008	1.7.2010	Tariff has been approved vide order dated 19.8.2011 in petition no 306/2010.
02	1st no. switchable line reactors at Udumalpet S/S with associated bays and equipments (hereinafter " Asset-2 ")	December, 2007 to match with the commissioning of second unit of Kudankulam Project.	1.12.2010	Covered under current Petition

03	2nd no. switchable line reactors at Udumalpet S/S with associated bays and equipments (hereinafter "Asset-3")		1.3.2011	
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Asset-1 has been clubbed with Asset-2 for the purpose of tariff determination.

5. The petitioner was directed to submit the status of commissioning the Asset 3 (2nd Reactor) covered in the instant petition. Petitioner, vide affidavit dated 7.6.2011, has submitted as under:-

"Provisions 5(1) and (2) of the regulations provide for filing application for determination of tariff which are completed or projected to be completed within six months from the date of application based on projected expenditure. The tariff can be determined based on estimated expenditure at initial stage and tariff determination based on actual DOCO /expenditure duly audited at a later stage i.e. at the truing up time and that tariff may be allowed as claimed in the petition. The Petitioner has further intimated that the actual date of commissioning of the Asset (2nd Reactor) is 01.03.2011.

With Letter reference no. C-7/189(204)/2009-CERC dated 23.10.2009 it was decided that "for determining the tariff of the combined assets, the DOCO of the last asset commissioned will be treated as Notional DOCO for that stage of transmission project".

Therefore, notional date of commercial operation of the combined elements of the assets is the date of commercial operation of last asset commissioned i.e. 1.3.2011.

6. The petitioner initially furnished the combined capital cost of 2 line reactors on the basis of anticipated date of commercial operation of 1.12.2010. As the date of commercial operation shifted from 1.12.2010 to 1.3.2011, the petitioner was directed to submit the separate individual capital costs for both the reactors along with the means of finance and loan details, capital cost for three months from 1.12.2010 to 28.2.2011 in case of 1st reactor and additional capital expenditure for one month i.e. 1.3.2011 to 31.3.2011 and all the revised forms for computation of tariff.

7. The petitioner, vide affidavit dated 26.8.2011, has submitted the Auditor's Certificate dated 18.8.2011 and has also submitted the revised capital cost for the Asset-1, which has been clubbed with Asset-2 for the purpose of tariff calculation. Tariff

for Asset-1 had already been approved, vide order dated 19.8.2011 in Petition no. 306/2010. However, the petitioner has not claimed revision of tariff for Asset-1 with revised capital cost and revised projected capital expenditure. Revised capital cost and revised projected additional capital expenditure of Asset-1 has been considered for the purpose of clubbing Asset-1 and Asset-2.

8. Tariff of Combined Assets 1 & 2, as on the notional date of commercial operation i.e. 1.12.2010, has been computed for the year 2010-11 on pro-rata basis for 3 months from December 2010 to February 2011 and the same shall supersede the tariff allowed earlier in Petition no 306/2010. The petitioner has submitted, as mentioned above, the revised opening capital cost and projected additional capital expenditure of Asset-1 and it has been considered for working out the capital cost as on commercial operation of Asset 2 for the purpose of clubbing of the assets (Asset-1 and Asset-2). Tariff for Combined Assets-1, 2 & 3 (notional date of commercial operation 1.3.2011) has been computed for the period 1.3.2011 to 31.3.2014.

9. The petitioner has claimed the transmission charges as under:-

	(₹ in lakh)			
	2010-11 (pro-rata)	2011-12	2012-13	2013-14
Depreciation	503.70	1545.66	1552.47	1556.01
Interest on Loan	239.35	688.82	621.83	554.71
Return on equity	503.51	1546.61	1553.80	1557.32
Interest on Working Capital	30.02	91.75	91.62	91.40
O&M Expenses	106.74	338.55	357.89	378.33
Total	1383.32	4211.39	4177.61	4137.77

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

	(₹ in lakh)			
	2010-11 (pro-rata)	2011-12	2012-13	2013-14
Maintenance Spares	48.03	50.78	53.68	56.75
O&M Expenses	26.69	28.21	29.82	31.53
Receivables	691.66	701.90	696.27	689.63
Total	766.38	780.89	797.77	777.91
Interest	30.02	91.75	91.62	91.40
Rate of Interest	11.75%	11.75%	11.75%	11.75%

11. No comments or suggestions have been received from the general public in response to the notices published by the petitioner under section 64 of the Electricity Act, 2003. Reply to the petition has been filed by Tamil Nadu Generation and Distribution Corporation Ltd. (TANGEDCO), Respondent No.4.

12. Tamil Nadu Generation and Distribution Corporation Ltd. (TANGEDCO), Respondent No.4, vide its affidavit dated 21.1.2011 has raised the following objections:-

- (a) The initial spares capitalised should be restricted in line with Regulation 8 of the 2009 regulations;
- (b) That there has been a huge time over-run in execution of the project. Limit the IDC as per the original approval. There is no justification for increase in IDC from ₹ 7141 lakh to ₹ 22342 lakh while the capital cost has increased from ₹ 177929 lakh to ₹ 215907 lakh;
- (c) Allow the additional capitalisation under undischarged liabilities after prudence check;
- (d) Allow grossing up of tax on base rate of return, on account of change in income tax rates during the tariff period, in line with the proposed amendment to 2009 regulation;
- (e) The petitioner's prayer for service tax was may be dismissed as per the Commission order dated 23.9.2010 in Petition No.62/2009;

- (f) The 2009 regulations do not provide for billing the change in interest rate due to floating rate of interest applicable adjusted over the tariff block directly from the beneficiaries;
- (g) The petitioner's request for revision of O&M expenses to take care of the impact of wage hike effective from 1.1.2007, if the same is more than 50%, be rejected as the 2009 regulations do not provide for revisiting the normative O&M charges;
- (h) The 2009 regulations do not provide for reimbursement of licence fee and hence it should not be passed on to the beneficiaries; and
- (i) The petitioner has delayed the filing of the petition and hence the beneficiaries should not be burdened with the payment of transmission charges from the date of commercial to the date of order with interest charges.

13. Having heard the representatives of the parties and perused the material on records, we proceed to dispose of the petition. The issues raised by TANGEDCO have been considered in the relevant paragraphs.

CAPITAL COST

14. As regards capital cost, Regulation 7(1)(a) of the 2009 regulations provides that-

"The expenditure incurred or projected to be incurred, including interest during construction and financing charges, any gain or loss on account of foreign exchange risk variation during construction on the loan – (i) being equal to 70% of the funds deployed, in the event of the actual equity in excess of 30% of the funds deployed, by treating the excess equity as normative loan, or (ii) being equal to the actual amount of loan in the event of the actual equity less than 30% of the fund deployed, - up to the date of commercial operation of the project, as admitted by the Commission, after prudence check."

15. The details of the opening capital cost and projected additional capital expenditure submitted by the petitioner are as under:-

(₹ in Lakh)

Assets	Date of commercial operation /Notional date of commercial operation	Cost as on 1.7.2010/ date of commercial operation	Additional Capital Expenditure	
			July 2010 to November 2010	December 2010 to February 2011
Asset-1	1.7.2010	25550.05	197.09	13.64
Asset-2	1.12.2010	583.38		7.00
Combined Assets-1&2	1.12.2010	26330.52		20.64
Asset-3	1.3.2011	626.77		
Combined Asset-1, 2 & 3	1.3.2011		26977.93	

Treatment of Initial Spares:

16. Initial spares have been calculated considering revised capital cost of Asset-1 as on cut off date. Methodology followed in petition no. 306/2010 has been adopted in the instant petition. Details are given hereunder:-

In Petition No. 192/2010					
Particulars	Cost as on 31.3.2009	Apportioned initial spares claimed	Ceiling limit as per 2004 regulations	Initial spares worked out	Bifurcation of short fall
Capital Cost	24046.70				140.36
Transmission Line	10599.21	222.45	1.50%	362.81	63.61
Sub-Station	12786.39				76.74

In Petition No. 258/2010 and 307/2010							
Particulars	Cost as on cut-off date	Apportioned initial spares claimed	Ceiling limit as per 2009 regulations	Initial spares worked out	Excess initial spares claimed	Shortfall of 192/2009 adjusted	Balance
Transmission Line	54154.77	324.05	0.75%	406.78	0.00	0	NIL
Sub-Station	6820.82	199.08	2.50%	169.79	-29.29	-29.29	NIL
Total	60975.59	523.13		576.57	-29.29		

In Petition No. 306/2010								
Particulars	Cost as on cut-off date	Apportioned initial spares claimed	Ceiling limit as per 2009 regulations	Initial spares worked out	Excess initial spares claimed	Shortfall of Petition 192/2009 and 258/2010	Initial spares deducted in Petition No 307/2010	Initial spares deducted in current petition
Transmission Line	25504.42	627.43	0.75%	187.99	-439.44	146.35	105.92	-187.17
Sub-Station	778.26	0.00	2.50%	19.96	0.00	0	0	0.00
Total	26282.68	627.43		207.94	-439.44		105.92	



The petitioner has not claimed initial spares for the Transmission Line for 1st switchable Line Reactor at Udumalpet and 2nd switchable Line reactor at Udumalpet.

17. Accordingly, excess initial spares of ₹187.17 lakh claimed by the petitioner has been deducted from the opening cost pertaining to Transmission Line as on 1.7.2010 of Asset-1 and thereafter calculations have been made as per 2009 regulations to work out the capital cost, cumulative depreciation and cumulative repayment of normative loan as on notional date of commercial operation (i.e. 1.12.2010) for the purpose of clubbing with Asset-2. The ceiling limit of initial spares shall be reviewed as per Regulation 8 of 2009 regulations at the time of truing up.

Treatment of IDC and IEDC

18. There has been a delay of 20 months in commissioning the first reactor and 23 months in commissioning of second reactor from the date of commissioning of Udumalpet sub-station on 1.4.2009. It is observed that the delay was due to manufacturing defects in the reactors and hence is a bilateral issue between the petitioner and the supplier. The petitioner has a remedy to claim "Liquidated Damages" on account of delay in commissioning of the reactors from the supplier. Accordingly, IDC and IEDC for delayed period of 20 months and 23 months for Asset-2 and Asset-3 have been deducted from the capital cost of the Asset as on the date of commercial operation. Details of IDC and IEDC disallowed are given overleaf:-

Asset-2

(₹ In lakh)		
Details of IDC and IEDC as per CA Certificate dated 18.8.2011		
	IEDC	IDC
Up to date of commercial operation	31.74	55.14
Total IDC and IEDC Claimed	31.74	55.14
Details of IDC and IEDC disallowed for 20 months		
From April 2009 to November 2010 (for 20 months)	9.62	16.71
Total Disallowed IDC and IEDC (for 20 months)	9.62	16.71

Asset-3

(₹ In lakh)		
Details of IDC and IEDC as per CA Certificate dated 18.08.2011		
	IEDC	IDC
Up to date of commercial operation	33.87	63.25
Total IDC and IEDC Claimed	33.87	63.25
Details of IDC and IEDC disallowed for 23 months		
From April 2009 to February 2011 (for 23 months)	11.29	21.08
Total Disallowed IDC and IEDC (for 23 months)	11.29	21.08

19. Details of capital cost considered for the purpose of tariff calculation are given hereunder:-

(₹ in lakh)					
Particulars	Asset-1	Asset-2	Combined Asset-1 & 2	Asset-3	Combined Asset-1,2 & 3
Actual DOCO/ Notional DOCO	1.7.2010	1.12.2010	1.12.2010	1.3.2011	1.3.2011
Expenditure upto 30.6.2010	25550.05	583.38	26117.02	626.77	26732.06
Excess Initial Spares Restricted	(187.17)				
Exp from July to November 2010	197.09				
IDC and IEDC Disallowed for 20 months	-	(26.33)			
Total as on 1.12.2010	25559.97	557.05	26117.02		
Exp from December 2010 to February 2011	13.64	7.00	20.64		
IDC and IEDC disallowed for 23 months	-	-	-	(32.37)	
Total as on 1.3.2011	25573.61	564.05	26137.66	594.40	26732.06

20. The combined capital cost of ₹ 26117.02 lakh for Combined Asset-1 & 2 as on 1.12.2010 and combined capital cost of ₹ 26732.06 lakh for Combined Asset-1, 2 & 3 has been considered as opening capital cost as on the respective notional date of commercial operations.

PROJECTED ADDITIONAL CAPITAL EXPENDITURE

21. As per Clause 9(1) of 2009 regulations-

“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) XXX
- (iii) XXX
- (iv) XXX
- (v) XXX”

22. As per 2009 regulations,

“cut-off date means 31st march of the year closing after 2 years of the year of commercial operation of the project, and incase of the project is declared under commercial operation in the last quarter of the year, the cut-off date shall be 31st March of the year closing after 3 years of the year of commercial operation”.

Therefore, cut-off date for the above mentioned assets is 31.3.2014.

23. Details of the additional capital expenditure claimed the petitioner is as under-

(₹ in lakh)			
Year	Work/Equipment proposed to be added after date of commercial operation up to cut off date / beyond cutoff date	Amount capitalized and proposed to be capitalized	Justification as per purpose
Asset-1			
2010-11	Transmission line	205.50	Balance & Retention Payments
	Building & Civil Works	41.42	
	PLCC	4.23	
	251.15		
2011-12	Transmission line	947.99	
	Building & Civil Works	77.39	
	1025.38		
2012-13	Transmission line	67.14	
	67.14		
Asset-2			
2010-11	Substation	7.00	Balance & Retention Payments
2012-13	Substation	42.91	

Asset-3			Balance & Retention Payments
2010-11	Building & Civil Works	5.25	
2011-12	Building & Civil Works	29.29	
2012-13	Substation	42.41	
	Building & Civil Works	20.00	

DEBT- EQUITY RATIO:

24. Regulation 12(1) of the 2009 regulations provides that,

“(1) For a project declared under commercial operation on or after 1.4.2009, if the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as normative loan:

Provided that where equity actually deployed is less than 30% of the capital cost, the actual equity shall be considered for determination of tariff:

Provided further that the equity invested in foreign currency shall be designated in Indian rupees on the date of each investment.”

25. The details of opening debt-equity of assets are as follows:-

Capital cost as on date of commercial operation		
	(₹ in lakh)	%
Combined Asset- 1 & 2 (DOCO:1.12.2010)		
Debt	18281.94	70.00
Equity	7835.08	30.00
Total	26117.02	100.00
Combined Asset- 1, 2 & 3 (DOCO:1.3.2011)		
Debt	18712.46	70.00
Equity	8019.59	30.00
Total	26732.06	100.00

26. The details of closing debt-equity of the Combined Assets are as follows:-

Capital cost as on 31.3.2014		
	(₹ in lakh)	%
Combined Asset- 1 ,2 & 3		
Debt	19603.42	70.00
Equity	8401.43	30.00
Total	28004.86	100.00

27. Details of debt-equity ratio considered for projected additional capital expenditure (referred to as “Add-Cap” herein below) are given overleaf:-

	Normative	
	Amount (₹ in lakh)	%
Combined Asset 1 & 2		
Add-Cap for 2010-11		
Debt	42.74	70.00
Equity	18.32	30.00
Total	61.06	100.00
Combined Asset 1, 2 & 3		
Add-Cap for 2010-11		
Debt	31.97	70.00
Equity	13.70	30.00
Total	45.67	100.00
Add-Cap for 2011-12		
Debt	738.27	70.00
Equity	316.40	30.00
Total	1054.67	100.00
Add-Cap for 2012-13		
Debt	120.72	70.00
Equity	51.74	30.00
Total	172.46	100.00

RETURN ON EQUITY

28. 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 Minimum Alternate/Corporate Income Tax Rate for the year 2008-09, as per the Income Tax Act, 1961, as applicable to the concerned generating company or the transmission licensee, as the case may be.

(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.

(5) The generating company or the transmission licensee as the case may be, shall recover the shortfall or refund the excess Annual Fixed charge on account of Return on Equity due to change in applicable Minimum Alternate/ Corporate Income Tax Rate as per the Income Tax Act, 1961 (as amended from time to time) of the respective financial year directly without making any application before the Commission.

Provided further that Annual Fixed charge with respect to the 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 financial year during the tariff period shall be trued up in accordance with Regulation 6 of these regulations"

29. The following amount of equity has been considered for calculation of return of equity:-

(₹ In lakh)

Description	Equity on DOCO (Actual/ Notional)	Notional equity due to ACE for the period 2010-11	Total equity considered for tariff calculations for the period 2010-11	Notional equity due to ACE for the period 2011-12	Total equity considered for tariff calculations for the period 2011-12	Notional equity due to ACE for the period 2012-13	Total equity considered for tariff calculations for the period 2012-13	Notional equity due to ACE for the period 2013-14	Total equity considered for tariff calculations for the period 2013-14
Combined Asset 1&2	7835.08	18.32	7844.24	-	-	-	-	-	-
Combined Asset 1,2&3	8019.59	13.70	8026.44	316.40	8191.49	51.74	8375.56	0.00	8401.43

30. Average equity corresponding to additional capital expenditure has been considered for working out return of equity. Return on Equity has been calculated as per the prescribed formula , i.e. $\text{Base rate}/(1-t)$, where Base Rate is 15.5% and 't' is normal tax rate for the period 2008-09 applicable to Power Grid which is under MAT i.e. 10%+ surcharge@10%+3%Education Cess.

31. Petitioner's prayer to allow grossing up the base rate of ROE based on the tax rates viz., MAT, surcharge, any other cess, charges, levies etc., as per the relevant Finance Act, shall be settled in accordance with the provisions of Regulation 15 of 2009 regulations as amended by Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (Second Amendment) Regulations, 2011.

32. In view of the above, the following amount of equity has been considered for calculation of return of equity:-

(₹ in lakh)

Combined Asset I & II	
	2010-11 (pro-rata from December 2010 to March 2011)
Opening Equity	7835.08
Addition due to additional capital expenditure	18.32
Closing Equity	7853.40
Average Equity	7844.24
Return on Equity (Base Rate)	15.50%
Tax rate for the year 2008-09	11.33%
Rate of Return on Equity (Pre Tax)	17.481%
Return on Equity (Pre-tax)	457.08

(₹ in lakh)

Combined Asset I, II & III				
	2010-11 (pro-rata – 1.3.2011 to 31.3.2011)	2011-12	2012-13	2013-14
Opening Equity	8019.59	8033.29	8349.69	8401.43
Addition due to additional capital expenditure	13.70	316.40	51.74	0.00
Closing Equity	8033.29	8349.69	8401.43	8401.43
Average Equity	8026.44	8191.49	8375.56	8401.43
Return on Equity (Base Rate)	15.50%	15.50%	15.50%	15.50%
Tax rate for the year 2008-09	11.33%	11.33%	11.33%	11.33%
Rate of Return on Equity (Pre Tax)	17.481%	17.481%	17.481%	17.481%
Return on Equity (Pre-tax)	116.93	1431.96	1464.13	1468.65

INTEREST ON LOAN

33. 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."

34. In the calculations, the interest on loan has been worked out as detailed below:-
- (i) Gross amount of loan, repayment of instalments and rate of interest and weighted average rate of interest on actual average loan have been considered as per the petition.
 - (ii) The repayment for the tariff period 2009-14 shall be deemed to be equal to the depreciation allowed for that period.
 - (iii) Moratorium period availed by the transmission licensee, the repayment of the loan shall be considered from the first year of commercial operation of the project and shall be equal to the annual depreciation allowed.
 - (iv) Weighted average rate of interest on actual average loan worked out as per (i) above is applied on the notional average loan during the year to arrive at the interest on loan.

35. The petitioner has claimed rate of interest @ 2.715%, for the quarter in which notional date of commercial operation falls, for ADB-III loan pertaining to Asset-1 and

Asset-2 for the purpose of clubbing of assets. But, the rate of interest on the actual date of commercial operation of Asset-1 was 1.72% and it has been considered as rate of interest for ADB-III loan. Further, the methodology followed for the calculation of weighted average rate of interest, in case of floating interest loans in Petition 132/2010 has been adopted in the instant petition. Accordingly, the interest on loan has been calculated on the basis of rate prevailing as on the actual date of commercial operation. Any change in rate of interest subsequent to the actual date of commercial operation will be considered at the time of truing up.

36. Repayment corresponding to normative loan till 30.11.2010 for Asset-1 of ₹ 557.41 lakh have been considered as cumulative repayment of normative loan for Combined Asset-1 & 2. Tariff is allowed for the Combined Asset-1 & 2 for three months (December 2010 to February 2011), Repayment of normative loan i.e. ₹ 900.48 lakh of Combined Asset-1 & 2 for three months has been considered as cumulative repayment of normative loan for Combined Asset-1, 2 & 3 as on the notional date of commercial operation i.e. 1.3.2011. Funding details of loans for projected additional capital expenditure are not provided by the petitioner for the assets covered in the instant petition. Therefore, weighted average rate of interest computed as on the date of commercial operation, has been considered for the entire tariff period. The same will be reviewed at the time of at the time of truing up.

37. Detailed calculations of the weighted average rate of interest are annexed to this order as Annexure I and II.

38. Details of the calculation of interest on loan are given as under:-

(₹ in lakh)

Combined Asset- I & II	
	2010-11 (pro-rata from December 2010 to March 2011)
Gross Normative Loan	18281.94
Cumulative Repayment upto Previous Year	557.41
Net Loan-Opening	17724.53
Addition due to Additional Capitalisation	42.74
Repayment during the year	457.43
Net Loan-Closing	17309.84
Average Loan	17517.18
Weighted Average Rate of Interest on Loan	3.3728%
Interest	196.94

(₹ in lakh)

Combined Asset I, II & III				
	2010-11 (pro-rata – 1.3.2011 to 31.3.2011)	2011-12	2012-13	2013-14
Gross Normative Loan	18712.46	18744.43	19482.70	19603.42
Cumulative Repayment upto Previous Year	900.48	1017.44	2448.88	3911.48
Net Loan-Opening	17811.98	17726.99	17033.82	15691.94
Addition due to Additional Capitalisation	31.97	738.27	120.72	0.00
Repayment during the year	116.96	1431.44	1462.61	1466.96
Net Loan-Closing	17726.99	17033.82	15691.94	14224.98
Average Loan	17769.49	17380.41	16362.88	14958.46
Weighted Average Rate of Interest on Loan	3.3684%	3.3277%	3.2592%	3.1879%
Interest	49.88	578.38	533.30	476.87

DEPRECIATION

39. Regulation 17 of the 2009 regulations provides for computation of depreciation in the following manner:-

"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 in case of hydro generating stations, the salvage value shall be as provided in the agreement signed by the developers with the State Government for creation of the site:

Provided further that the capital cost of the assets of the hydro generating station for the purpose of computation of depreciable value shall correspond to the percentage of sale of electricity under long-term power purchase agreement at regulated tariff.

(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.”

40. Petitioner has claimed actual depreciation as a component of Annual Fixed Charges. However, depreciation shall be calculated annually based on Straight Line Method at the rates specified, as per Regulation 17 (4) of 2009 regulations, provided the remaining depreciable value as on 31th 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 asset. Date of commercial operation of all the assets is 2010-11 and accordingly will complete 12 years beyond 2013-14 and thus depreciation has been calculated annually based on straight line method and at rates specified in Appendix-III to the 2009 regulations. Depreciation calculated till 30.11.2010 for Asset 1 of ₹ 557.41 lakh has been considered as cumulative depreciation for Combined Asset 1 & 2. Depreciation of ₹ 900.48 lakh of combined Assets 1 & 2 for three months i.e. December 2010 to February 2011 has been considered as cumulative Depreciation for the Combined Assets 1, 2 & 3.

41. Details of the depreciation worked out are as under:-

(₹ in lakh)	
Combined Asset I & II	
	2010-11 (pro-rata from December 2010 to March 2011)
Opening Gross Block	26117.02
Addition due to Projected Additional Capitalisation	61.06
Closing Gross Block	26178.08
Average Gross Block	26147.55
Rate of Depreciation	5.2483%
Depreciable Value	23532.79
Remaining Depreciable Value	22975.39
Depreciation	457.43
Cumulative Depreciation/ Advance against Depreciation	1014.84

Combined Asset I, II & III				
	2010-11 (pro-rata – 1.3.2011 to 31.3.2011)	2011-12	2012-13	2013-14
Opening Gross Block (As per Last Order)	26732.06	26777.73	27832.40	28004.86
Addition due to Projected Additional Capitalisation	45.67	1054.67	172.46	0.00
Closing Gross Block	26777.73	27832.40	28004.86	28004.86
Average Gross Block	26754.89	27305.06	27918.63	28004.86
Rate of Depreciation	5.2457%	5.2424%	5.2388%	5.2383%
Depreciable Value	24079.40	24574.55	25126.76	25204.37
Remaining Depreciable Value	23178.92	23557.12	22677.89	21292.89
Depreciation	116.96	1431.44	1462.61	1466.96
Cumulative Depreciation/ Advance against Depreciation	1017.44	2448.88	3911.48	5378.45

OPERATION & MAINTENANCE EXPENSES

42. Clause (g) of Regulation 19 of the 2009 regulations prescribes the norms for operation and maintenance expenses based on the type of sub-station and line. Norms prescribed in respect of the elements covered in the instant petition are as under:-

Elements	2009-10	2010-11	2011-12	2012-13	2013-14
400 kV, twin conductor, D/C T/Line (₹ Lakh/ km)	0.627	0.663	0.701	0.741	0.783
400 kV bay (₹ Lakh/ bay)	52.40	55.40	58.57	61.92	65.46
220 kV bay (₹ Lakh/ bay)	36.68	38.78	41.00	43.34	45.82

43. As per the above mentioned norms the allowable O&M expenses for the combined assets covered in the petition are as under:-

Elements	2010-11 (July to November 2010 - Pro-rata for 5 months)
81.899 km (2.607+ 79.292) 400 kV D/C twin conductor T/Line	22.62
4 Nos. 220 kV Bays.	64.63
Total O&M for the Assets	87.62

44. As per the above mentioned norms the allowable O&M expenses after the commercial operation of the combined assets as on 1.12.2010 works out as given overleaf:-

Elements	2010-11 (December, 2010 to February, 2011 - Pro-rata for 3 months)
81.899 km (2.607+ 79.292) 400 kV D/C twin conductor T/Line	13.57
1 Nos. 440 kV Bay	13.85
4 Nos. 220 kV Bays.	38.78
Total O&M for the Assets	66.20

45. After commercial operation of the combined assets on 1.3.2011, the allowable O&M expenses works out as under :-

Element	2010-11 (March, 2011 Pro-rata for 1 month)	2011-12	2012-13	2013-14
81.899 km (2.607+ 79.292) 400 kV D/C twin conductor T/Line	4.52	57.41	60.69	64.13
2 Nos 440 kV Bays	9.23	117.14	123.84	130.92
4 Nos. 220 kV Bays.	12.93	164.00	173.36	183.28
Total O&M for the Assets	26.68	338.55	357.89	378.33

46. The Petitioner has stated that O&M expenditure for 2009-14 tariff block had been arrived on the basis of normalized actual O&M expenses of the petitioner during the year 2003-04 to 2007-08. The wage hike of 50% on account of pay revision of the employees of public sector undertaking was also considered while calculating the O&M charges for tariff period 2009-14. The petitioner has submitted that it would 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%.

47. The petitioner further submitted that in O&M norms for tariff block 2009-14 the cost associated with license fees had not been captured and the license fee may be allowed to be recovered separately from the respondents. TANGEDCO has requested to reject the petitioner's claim for reimbursement of licence fee.

48. As regards the reimbursement of cost of wage hike it is clarified that if any petition is filed by the petitioner it will be dealt in accordance with law. As regards

licence fee, it is clarified that licence fee will be dealt in accordance with order dated 25.10.2011 in Petition No.21/2011 and 22/2011.

INTEREST ON WORKING CAPITAL

49. As per the 2009 regulations the components of the working capital and the interest thereon are discussed as under:-

- (i) **Receivables:** As per Regulation 18(1) (c) (i) of the 2009 regulations, receivables will be equivalent to two months of fixed cost. The petitioner has claimed the receivables on the basis of 2 months transmission charges . 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** SBI Base Rate Plus 350 BPS as on 1.7.2010 (i.e. 11.00%) has been considered, in accordance with the 2009 regulations as amended vide the second amendment regulations notified in June 2011, for calculating interest on working capital.

50. The necessary computations in support of interest on working capital are given as under:-

(₹ in lakh)

Combined Asset I & II		
	2010-11	Allowed December 2010 to February 2011
Maintenance Spares	39.72	29.79
O & M expenses	22.07	16.55
Receivables	612.22	459.16
Total	674.01	505.50
Rate of Interest	11.00%	11%
Interest	24.71	18.54

(₹ in lakh)

Combined Asset I, II & III				
	2010-11	2011-12	2012-13	2013-14
Maintenance Spares	48.02	50.78	53.68	56.75
O & M expenses	26.68	28.21	29.82	31.53
Receivables	633.87	643.30	649.76	645.25
Total	708.57	722.29	733.27	733.53
Rate of Interest	11.00%	11.00%	11.00%	11.00%
Interest	6.50	79.45	80.66	80.69

TRANSMISSION CHARGES

51. The transmission charges being allowed for the transmission asset are summarized below:-

(₹ in lakh)

Combined Asset I & II		
	2010-11	Allowed December 2010 to February 2011
Depreciation	457.43	343.07
Interest on Loan	196.94	147.71
Return on equity	457.08	342.81
Interest on Working Capital	24.71	18.54
O & M Expenses	88.27	66.20
Total	1224.44	918.33

(₹ in lakh)

Combined Asset I, II & III				
	2010-11	2011-12	2012-13	2013-14
Depreciation	116.96	1431.44	1462.61	1466.96
Interest on Loan	49.88	578.38	533.30	476.87
Return on equity	116.93	1431.96	1464.13	1468.65
Interest on Working Capital	6.50	79.45	80.66	80.69
O & M Expenses	26.68	338.55	357.89	378.33
Total	316.94	3859.77	3898.59	3871.50

OTHER ISSUES

52. The petitioner has sought approval for the reimbursement of fee paid by it for filing the petition. In accordance with the Commission's 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. Accordingly, expenses incurred by the petitioner on petition filing fees and publication of notices in connection with the present petition shall be directly recovered from the beneficiary on pro-rata basis.

53. 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 the exemption granted to it is withdrawn and transmission of power is made a taxable service. The respondent, TANGEDCO, requested to negate the petitioner's prayer for service tax in view of the Commission order dated 23.9.2010 in Petition No.62/2009. We consider the petitioner's prayer pre-mature.

54. The transmission charges allowed shall be recovered on monthly basis in accordance with Regulation 23 and shared by the beneficiaries in accordance with Regulation 33 of the 2009 regulations upto 30.6.2011. With effect from 1.7.2011, the billing collection and disbursement of the transmission charges shall be governed by the provisions of Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010 and the Removal of Difficulties orders issued thereunder.

55. This order disposes Petition No.346/2010.

Sd/-

(M. Deena Dayalan)
Member

Sd/-

(V.S. Verma)
Member

Sd/-

(Dr. Pramod Deo)
Chairperson



Combined Asset I & II

CALCULATION OF WEIGHTED AVERAGE RATE OF INTEREST ON LOAN		
(₹ in lakh)		
Details of Loan	2010-11	
1 ADB-III (Exchange Rate@ 47.26)		
Gross loan opening	13940.28	
Cumulative Repayment upto DOCO/previous year	430.75	
Net Loan-Opening	13509.53	
Additions during the year	0.00	
Repayment during the year	231.41	
Net Loan-Closing	13278.12	
Average Loan	13393.82	
Rate of Interest	1.7200%	
Interest	230.37	
Rep Schedule	30 Half yearly instalments w.e.f. 15.01.2010	
2 Bond XXII		
Gross loan opening	2500.00	
Cumulative Repayment upto DOCO/previous year	0.00	
Net Loan-Opening	2500.00	
Additions during the year	0.00	
Repayment during the year	208.33	
Net Loan-Closing	2291.67	
Average Loan	2395.83	
Rate of Interest	8.68%	
Interest	207.96	
Rep Schedule	12 Equal Annual Installments from 07.12.2010	
3 Bond XXI		
Gross loan opening	200.00	
Cumulative Repayment upto DOCO/previous year	16.67	
Net Loan-Opening	183.33	
Additions during the year	0.00	
Repayment during the year	0.00	
Net Loan-Closing	183.33	
Average Loan	183.33	
Rate of Interest	8.73%	
Interest	16.01	
Rep Schedule	12 Equal Annual Installments from 11.10.2010	
4 Bond XXV		
Gross loan opening	817.75	
Cumulative Repayment upto DOCO/previous year	0.00	
Net Loan-Opening	817.75	
Additions during the year	0.00	
Repayment during the year	0.00	
Net Loan-Closing	817.75	
Average Loan	817.75	
Rate of Interest	10.100%	
Interest	82.59	
Rep Schedule	12 Equal Annual Installments from 12.06.2011	

5	Bond XXIV	
	Gross loan opening	500.00
	Cumulative Repayment upto DOCO/previous year	0.00
	Net Loan-Opening	500.00
	Additions during the year	0.00
	Repayment during the year	41.67
	Net Loan-Closing	458.33
	Average Loan	479.17
	Rate of Interest	9.95%
	Interest	47.68
	Rep Schedule	12 Equal Annual Installments from 26.03.2011
6	ADB III (Exchange Rate @ 46.26)	
	Gross loan opening	335.39
	Cumulative Repayment upto DOCO/previous year	10.36
	Net Loan-Opening	325.03
	Additions during the year	0.00
	Repayment during the year	5.57
	Net Loan-Closing	319.46
	Average Loan	322.24
	Rate of Interest	2.715%
	Interest	8.75
	Rep Schedule	30 Half yearly instalments w.e.f. 15.01.2010
	Total Loan	
	Gross loan opening	18293.42
	Cumulative Repayment upto DOCO/previous year	457.78
	Net Loan-Opening	17835.64
	Additions during the year	0.00
	Repayment during the year	486.98
	Net Loan-Closing	17348.66
	Average Loan	17592.15
	Rate of Interest	3.3728%
	Interest	593.36

Combined Asset I, II & III

CALCULATION OF WEIGHTED AVERAGE RATE OF INTEREST ON LOAN					
(₹ in lakh)					
	Details of Loan	2010-11	2011-12	2012-13	2013-14
1	ADB-III (Exchange Rate @ 47.26)				
	Gross loan opening	13940.28	13940.28	13940.28	13940.28
	Cumulative Repayment upto DOCO/previous year	662.16	662.16	1159.83	1709.08
	Net Loan-Opening	13278.12	13278.12	12780.45	12231.20
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	497.67	549.25	605.01
	Net Loan-Closing	13278.12	12780.45	12231.20	11626.19
	Average Loan	13278.12	13029.28	12505.83	11928.70
	Rate of Interest	1.72%	1.72%	1.72%	1.72%
	Interest	228.38	224.10	215.10	205.17
	Rep Schedule	30 Half yearly instalments w.e.f. 15.01.2010			
2	Bond XXII				
	Gross loan opening	2500.00	2500.00	2500.00	2500.00
	Cumulative Repayment upto DOCO/previous year	208.33	208.33	416.67	625.00
	Net Loan-Opening	2291.67	2291.67	2083.33	1875.00
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	208.33	208.33	208.33
	Net Loan-Closing	2291.67	2083.33	1875.00	1666.67
	Average Loan	2291.67	2187.50	1979.17	1770.83
	Rate of Interest	8.68%	8.68%	8.68%	8.68%
	Interest	198.92	189.88	171.79	153.71
	Rep Schedule	12 Equal Annual Installments from 07.12.2010			
3	Bond XXI				
	Gross loan opening	200.00	200.00	200.00	200.00
	Cumulative Repayment upto DOCO/previous year	16.67	16.67	33.33	50.00
	Net Loan-Opening	183.33	183.33	166.67	150.00
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	16.67	16.67	16.67
	Net Loan-Closing	183.33	166.67	150.00	133.33
	Average Loan	183.33	175.00	158.33	141.67
	Rate of Interest	8.73%	8.73%	8.73%	8.73%
	Interest	16.01	15.28	13.82	12.37
	Rep Schedule	12 Equal Annual Installments from 11.10.2010			
4	Bond XXV				
	Gross loan opening	893.25	893.25	893.25	893.25
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	74.44	148.88
	Net Loan-Opening	893.25	893.25	818.81	744.38
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	74.44	74.44	74.44
	Net Loan-Closing	893.25	818.81	744.38	669.94
	Average Loan	893.25	856.03	781.59	707.16
	Rate of Interest	10.100%	10.100%	10.100%	10.100%
	Interest	90.22	86.46	78.94	71.42

	Rep Schedule	12 Equal Annual Installments from 12.06.2011			
5	Bond XXIV				
	Gross loan opening	500.00	500.00	500.00	500.00
	Cumulative Repayment upto DOCO/previous year	0.00	41.67	83.33	125.00
	Net Loan-Opening	500.00	458.33	416.67	375.00
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	41.67	41.67	41.67	41.67
	Net Loan-Closing	458.33	416.67	375.00	333.33
	Average Loan	479.17	437.50	395.83	354.17
	Rate of Interest	9.95%	9.95%	9.95%	9.95%
	Interest	47.68	43.53	39.39	35.24
	Rep Schedule	12 Equal Annual Installments from 26.03.2011			
6	ADB III (Exchange Rate @ 46.26)				
	Gross loan opening	335.39	335.39	335.39	335.39
	Cumulative Repayment upto DOCO/previous year	15.93	15.93	27.90	41.12
	Net Loan-Opening	319.46	319.46	307.49	294.27
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	11.97	13.21	14.56
	Net Loan-Closing	319.46	307.49	294.27	279.72
	Average Loan	319.46	313.47	300.88	286.99
	Rate of Interest	2.715%	2.715%	2.715%	2.715%
	Interest	8.67	8.51	8.17	7.79
	Rep Schedule	30 Half yearly instalments w.e.f. 15.01.2010			
7	ADB III (Exchange Rate @ 45.69)				
	Gross loan opening	363.24	363.24	363.24	363.24
	Cumulative Repayment upto DOCO/previous year	17.25	17.25	30.22	44.53
	Net Loan-Opening	345.99	345.99	333.02	318.71
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	12.97	14.31	15.76
	Net Loan-Closing	345.99	333.02	318.71	302.94
	Average Loan	345.99	339.50	325.86	310.82
	Rate of Interest	2.715%	2.715%	2.715%	2.715%
	Interest	9.39	9.22	8.85	8.44
	Rep Schedule	30 Half yearly instalments w.e.f. 15.01.2010			
	Total Loan				
	Gross loan opening	18732.16	18732.16	18732.16	18732.16
	Cumulative Repayment upto DOCO/previous year	920.35	962.01	1825.73	2743.61
	Net Loan-Opening	17811.81	17770.15	16906.43	15988.55
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	41.67	863.71	917.88	976.43
	Net Loan-Closing	17770.15	16906.43	15988.55	15012.12
	Average Loan	17790.98	17338.29	16447.49	15500.34
	Rate of Interest	3.3684%	3.3277%	3.2592%	3.1879%
	Interest	599.27	576.97	536.06	494.14