

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 130/TT/2012**

**Coram:**

**Dr. Pramod Deo, Chairperson  
Shri S. Jayaraman, Member  
Shri V.S. Verma, Member  
Shri A.S. Bakshi, Member (*Ex-officio*)**

**Date of Hearing:14.06.2012  
Date of order :18.10.2012**

**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 in respect of 315 MVA ICT – II at Bhattapara S/S (date of commercial operation: 1.1.2009) under Sipat - II transmission system in Western Region for the period from 1.4.2009 to 31.3.2014.

**And In the matter of:**

Power Grid Corporation of India Limited, 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 were present:**

1. Shri S.S Raju, PGCIL
2. Shri B.K. Sahoo, PGCIL
3. Shri Mahender Singh, PGCIL
4. Shri Pankaj Rastogi, PGCIL



## ORDER

This petition has been filed by Power Grid Corporation of India Ltd. (PGCIL) for determination of transmission tariff in respect of 315 MVA ICT – II at Bhattapara sub-station (date of commercial operation: 1.1.2009) under Sipat - II transmission system in Western Region (hereinafter referred to “as the transmission asset”) 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 Tariff Regulations”).

2. Transmission tariff for the transmission assets from the date of commercial operation to 31.3.2009 was approved by the Commission’s order dated 18.6.2010 in Petition No. 242/2009. In the instant petition, the petitioner has sought transmission tariff for the period 2009-14 taking into account the additional capital expenditure projected to be incurred during the above period.

3. The instant petition covers determination of tariff based on estimated additional capital expenditure projected to be incurred from 1.4.2009 to 31.3.2014. The details of costs including additional capital expenditure projected to be incurred during 2009-14 period for the above mentioned asset, as claimed by the petitioner, is as below:-

( ` in lakh)

Approved capital cost as per REC	Admitted capital cost as on 31. 3.2009	Total estimated capital cost as on 31.3.2014					
		2009-10	2010-11	2011-12	2012-13	2013-14	Total
1778.90	1452.30	38.71	0.00	60.47	0.00	0.00	1551.48



4. Details of the transmission charges claimed by the petitioner are as under:-

(` in lakh)

Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	77.98	79.00	80.59	82.19	82.19
Interest on Loan	91.69	85.60	80.10	74.44	66.74
Return on equity	77.17	78.18	79.77	81.35	81.35
Interest on Working Capital	9.60	9.77	9.99	10.23	10.36
O & M Expenses	89.08	94.18	99.57	105.26	111.28
<b>Total</b>	<b>345.52</b>	<b>346.73</b>	<b>350.02</b>	<b>353.47</b>	<b>351.92</b>

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

(` in lakh)

Particulars	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	57.59	57.79	58.34	58.91	58.65
<b>Total</b>	<b>78.37</b>	<b>79.77</b>	<b>81.58</b>	<b>83.47</b>	<b>84.61</b>
Interest	9.60	9.77	9.99	10.23	10.36
Rate of Interest	12.25%	12.25%	12.25%	12.25%	12.25%

6. 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. None of the respondents have filed reply.

7. Having heard the representatives of the parties and perused the material on records, we proceed to dispose of the petition.



## **CAPITAL COST**

8. As regards the capital cost, Regulation 7 (1) of the 2009 Tariff regulations provides as under.

*“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.”*

9. The Commission, vide order dated 18.6.2010 in Petition No. 242/2009, had approved the tariff for 2004-09 period based on the capital cost of `1423.29 lakh as on date of commercial operation and `1452.30 lakh as on 31.3.2009. The Commission while passing the above order had deducted `62.34 lakh from the capital cost claimed by the petitioner as on the date of commercial operation, on account of time overrun. Further, the petitioner filed Review Petition No. 213/2010 seeking review of order dated 18.6.2010 in Petition No. 242/2009, which was dismissed by the Commission vide order dated 3.2.2012.

10. The petitioner has submitted that it has filed an appeal in Appellate Tribunal for Electricity (hereinafter referred to as "the Tribunal") to restore the deducted capital cost. The petitioner has further mentioned that the admitted capital cost as on 31.3.2009 is subject to outcome of the pending appeal filed before the Tribunal for restoration of capital cost and revision of transmission tariff during 2004-09 period.

11. Accordingly, the capital cost of `1452.30 lakh as on 31.3.2009, determined by the Commission, vide order dated 18.6.2010 in Petition No. 242/2009, is being



considered as the capital cost on 1.4.2009 for the purpose of transmission tariff for the period of 2009-14.

### **PROJECTED ADDITIONAL CAPITAL EXPENDITURE**

12. As regards additional capital expenditure, Regulation 9 (1) of the 2009 Tariff Regulations provides as under:

*"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"

13. As 2009 Tariff Regulations,

*"cut-off date means 31<sup>st</sup> march of the year closing after 2 years of the year of commercial operation of the project, and in-case of the project is declared under commercial operation in the last quarter of the year, the cut-off date shall be 31<sup>st</sup> March of the year closing after 3 years of the year of commercial operation".*

Therefore, cut-off date for the above mentioned assets is 31.3.2011.

14. The petitioner has claimed additional capital expenditure of `38.71 lakh and `60.47 lakh for the years 2009-10 and 2011-12 respectively. The additional capital expenditure incurred is mainly on account of balance and retention payments. The expenditure during 2009-10 has been incurred within the cut-off date and is covered under Regulation 9(1)(I) of the 2009 Tariff Regulations. The expenditure during 2011-12 has been incurred after the cut-off date and has been incurred under

Regulation 9(2)(viii) of the 2009 Tariff Regulations. Accordingly, the expenditure has been allowed in the respective years.

### **DEBT- EQUITY RATIO**

15. Regulation 12 of the 2009 Tariff regulations provides that :-

*“12. **Debt-Equity Ratio.** (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.*

**Explanation.-** *The premium, if any, raised by the generating company or the transmission licensee, as the case may be, while issuing share capital and investment of internal resources created out of its free reserve, for the funding of the project, shall be reckoned as paid up capital for the purpose of computing return on equity, provided such premium amount and internal resources are actually utilised for meeting the capital expenditure of the generating station or the transmission system.*

*(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.*

*(3) Any expenditure incurred or projected to be incurred on or after 1.4.2009 as may be admitted by the Commission as additional capital expenditure for determination of tariff, and renovation and modernisation expenditure for life extension shall be serviced in the manner specified in clause (1) of this regulation.”*

16. Details of debt-equity in respect of the transmission assets as on 1.4.2009 is as under:-

( ` in lakh)

Particulars	Cost as on 31.3.2009	
	Amount	%
Debt	1016.67	70.00
Equity	435.63	30.00
<b>Total</b>	<b>1452.30</b>	<b>100.00</b>

17. As regards the additional capital expenditure, debt-equity ratio is as under:-

(` in lakh)

2009-10	Normative	
Particulars	Amount	%
Debt	27.10	70.00
Equity	11.61	30.00
<b>Total</b>	<b>38.71</b>	<b>100.00</b>
2011-12	Normative	
Particulars	Amount	%
Debt	42.33	70.00
Equity	18.14	30.00
<b>Total</b>	<b>60.47</b>	<b>100.00</b>

18. Debt- equity ratio as on 31.3.2014 is as under:-

(` in lakh)

	Cost as on 31.3.2014	
Particulars	Amount	%
Debt	1086.10	70.00
Equity	465.38	30.00
<b>Total</b>	<b>1551.48</b>	<b>100.00</b>

## **RETURN ON EQUITY**

19. Regulation 15 of the 2009 tariff 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:*

*(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 tried up in accordance with Regulation 6 of these regulations"*

20. The petitioner has computed return on equity 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%.

21. Petitioner's request to allow grossing up the base rate of return on equity based on the tax rates viz. MAT, surcharge, any other cess, charges, levies etc., as per the relevant Finance Acts, shall be settled in accordance with the provisions of Regulation 15 of 2009 Tariff Regulations.

22. The return on equity works out to `77.17 lakh, `79.77 lakh, `81.35 lakh and `81.35 lakh for the years 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14 respectively.

23. Based on the above, the following return on equity has been allowed:-





( ₹ in lakh)					
Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
Opening Equity	435.63	447.24	447.24	465.38	465.38
Addition due to additional Capital expenditure	11.61	0.00	18.14	0.00	0.00
Closing Equity	447.24	447.24	465.38	465.38	465.38
Average Equity	441.44	447.24	456.31	465.38	465.38
Return on Equity (Base Rate )	15.50%	15.50%	15.50%	15.50%	15.50%
Tax rate for the year 2008-09	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)	77.17	78.18	79.77	81.35	81.35

## **INTEREST ON LOAN**

24. Regulation 16 of the 2009 Tariff 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.”*

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

(a) 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;

(b) Tariff is worked out considering normative loan and normative repayments. Depreciation allowed has been taken as normative repayment for the tariff period 2009-14 and

(c) 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.

26. Detailed calculation of the weighted average rate of interest has been given in the Annexure to this order.

27. Details of the interest on loan worked on the above basis are given overleaf:-



( ` in lakh)					
Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
Gross Normative Loan	1016.67	1043.77	1043.77	1086.10	1086.10
Cumulative Repayment upto Previous Year	13.09	91.05	170.04	250.62	332.80
Net Loan-Opening	1003.58	952.71	873.73	835.47	753.30
Addition due to additional capital expenditure	27.10	0.00	42.33	0.00	0.00
Repayment during the year	77.96	78.99	80.58	82.18	82.18
Net Loan-Closing	952.71	873.73	835.47	753.30	671.12
Average Loan	978.15	913.22	854.60	794.39	712.21
Weighted Average Rate of Interest on Loan	9.37%	9.37%	9.37%	9.37%	9.37%
Interest	91.69	85.60	80.10	74.45	66.74

## **DEPRECIATION**

28. 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.*

xxxx  
xxxx

*(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.”*



29. The transmission assets in the instant petition were put on commercial operation on 1.1.2009 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 of the 2009 Tariff Regulations.

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

( ` in lakh)					
Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
As per previous tariff order	1452.30	1491.01	1491.01	1551.48	1551.48
Addition during 2009-14 due to projected additional capital expenditure	38.71	0.00	60.47	0.00	0.00
Gross Block	1491.01	1491.01	1551.48	1551.48	1551.48
Average Gross Block	1471.66	1491.01	1521.25	1551.48	1551.48
Rate of Depreciation	5.30%	5.30%	5.30%	5.30%	5.30%
Depreciable Value	1324.49	1341.91	1369.12	1396.33	1396.33
Remaining Depreciable Value	1311.40	1250.86	1199.08	1145.71	1063.53
Depreciation	77.96	78.99	80.58	82.18	82.18

### **OPERATION & MAINTENANCE EXPENSES**

31. Clause (g) of Regulation 19 of the 2009 Tariff 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:-

( ` in lakh)					
Element	2009-10	2010-11	2011-12	2012-13	2013-14
400 kV bays ( ` in lakh per bay)	52.40	55.40	58.57	61.92	65.46
220 kV bays ( ` in lakh per bay)	36.68	38.78	41.00	43.34	45.82

32. Based on the above norms, the petitioner has calculated the following operation and maintenance expenses which is allowed:-

( ` in lakh)

Elements	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, 200 kV bay	36.68	38.78	41.00	43.34	45.82
<b>Total O&amp;M</b>	<b>89.08</b>	<b>94.18</b>	<b>99.57</b>	<b>105.26</b>	<b>111.28</b>

33. The petitioner submitted that the O&M expenses 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 expenses for tariff period 2009-14. The petitioner has submitted that it would approach the Commission for suitable revision in the norms for O&M expenses in case the impact of wage hike w.e.f 1.1.2007 is more than 50%.

34. The issue of O&M expenses is being considered and a view is yet to be taken by the Commission. Any decision, as when taken will be applicable to the present case as well.

#### **INTEREST ON WORKING CAPITAL**

35. As per the 2009 Tariff Regulations the components of the working capital and the interest thereon are discussed are given as under:-

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

**(iii) O & M expenses:** Regulation 18(1) (c) (iii) of the 2009 tariff regulations provides for operation and maintenance expenses for one month as a component of working capital. The petitioner has claimed O&M expenses for one month of the respective year .This has been considered in the working capital.

**(iv) Rate of interest on working capital:** In the calculations, interest rate of 12.25% has been considered as the rate of interest on working capital.

36. Necessary computations in support of interest on working capital are appended hereunder :-

(' in lakh)					
Particulars	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	57.58	57.79	58.34	58.91	58.65
<b>Total</b>	<b>78.37</b>	<b>79.76</b>	<b>81.57</b>	<b>83.47</b>	<b>84.62</b>
Rate of Interest	12.25%	12.25%	12.25%	12.25%	12.25%
Interest	<b>9.60</b>	<b>9.77</b>	<b>9.99</b>	<b>10.23</b>	<b>10.37</b>

## **TRANSMISSION CHARGES**

37. The transmission charges being allowed for the transmission assets are summarized below:-

Particulars	(` in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	77.96	78.99	80.58	82.18	82.18
Interest on Loan	91.69	85.60	80.10	74.45	66.74
Return on equity	77.17	78.18	79.77	81.35	81.35
Interest on Working Capital	9.60	9.77	9.99	10.23	10.37
O & M Expenses	89.08	94.18	99.57	105.26	111.28
<b>Total</b>	<b>345.50</b>	<b>346.72</b>	<b>350.01</b>	<b>353.47</b>	<b>351.92</b>

## **FILING FEE AND THE PUBLICATION EXPENSES:-**

38. The petitioner has sought reimbursement of fee paid by it for filing the petition and publication expenses. In accordance with the Commission's order dated 11.1.2010 in Petition No. 109/2009, the petitioner shall be entitled to recover the filing fee directly from the beneficiaries on *pro-rata* basis. The petitioner shall also be entitled for reimbursement of the publication expenses in connection with the present petition, directly from the beneficiary on *pro-rata* basis.

## **LICENCE FEE**

39. The petitioner has 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. The petitioner's prayer for licence fee shall be dealt with in accordance with our order dated 25.10.2011 in Petition No. 21/2011 and 22/2011.



### **SERVICE TAX**

40. The petitioner has made a prayer to be allowed to bill and recover the service tax on transmission charges separately from the respondents, if it is subjected to such service tax in future. We consider the prayer of the petitioner pre-mature and accordingly this prayer is rejected.

### **SHARING OF TRANSMISSION CHARGES**

41. 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 regulation up to 30.6.2011. With effect from 1.7.2011, the billing, collection & disbursement of the transmission charges shall be governed by the provision of Central Electricity Regulatory Commission (sharing of inter-state transmission charges and losses) Regulations, 2010 as amended.

42. This order disposes of Petition No. 130/TT/2012.

sd/-  
**(A. S. Bakshi)**  
**Member (EO)**

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	2009-10	2010-11	2011-12	2012-13	2013-14
<b>1</b>	<b>Bond- XXVI</b>					
	Gross loan opening	200.00	<b>200.00</b>	<b>200.00</b>	<b>200.00</b>	<b>200.00</b>
	Cumulative Repayment upto DOCO/previous year	0.00	<b>0.00</b>	<b>0.00</b>	<b>16.67</b>	<b>33.33</b>
	Net Loan-Opening	200.00	200.00	200.00	183.33	166.67
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	16.67	16.67	16.67
	Net Loan-Closing	200.00	200.00	183.33	166.67	150.00
	Average Loan	200.00	200.00	191.67	175.00	158.33
	Rate of Interest	9.30%	9.30%	9.30%	9.30%	9.30%
	Interest	18.60	18.60	17.83	16.28	14.73
	Rep Schedule	12 Annual instalments from 07.03.2012				
<b>2</b>	<b>Bond XXVII</b>					
	Gross loan opening	366.00	<b>366.00</b>	<b>366.00</b>	<b>366.00</b>	<b>366.00</b>
	Cumulative Repayment upto DOCO/previous year	0.00	<b>0.00</b>	<b>0.00</b>	<b>30.50</b>	<b>61.00</b>
	Net Loan-Opening	366.00	366.00	366.00	335.50	305.00
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	30.50	30.50	30.50
	Net Loan-Closing	366.00	366.00	335.50	305.00	274.50
	Average Loan	366.00	366.00	350.75	320.25	289.75
	Rate of Interest	9.47%	9.47%	9.47%	9.47%	9.47%
	Interest	34.66	34.66	33.22	30.33	27.44
	Rep Schedule	12 Annual instalments from 31.03.2012				
<b>3</b>	<b>Bond XXVIII</b>					
	Gross loan opening	474.00	<b>474.00</b>	<b>474.00</b>	<b>474.00</b>	<b>474.00</b>
	Cumulative Repayment upto DOCO/previous year	0.00	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>39.50</b>
	Net Loan-Opening	474.00	474.00	474.00	474.00	434.50
	Additions during the year	0.00	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	39.50	39.50
	Net Loan-Closing	474.00	474.00	474.00	434.50	395.00
	Average Loan	474.00	474.00	474.00	454.25	414.75
	Rate of Interest	9.33%	9.33%	9.33%	9.33%	9.33%
	Interest	44.22	44.22	44.22	42.38	38.70
	Rep Schedule	12 Annual instalments from 15.12.2012				
	<b>Total Loan</b>					
	Gross loan opening	1040.00	1040.00	1040.00	1040.00	1040.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	47.17	133.83



Net Loan-Opening	1040.00	1040.00	1040.00	992.83	906.17
Additions during the year	0.00	0.00	0.00	0.00	0.00
Repayment during the year	0.00	0.00	47.17	86.67	86.67
Net Loan-Closing	1040.00	1040.00	992.83	906.17	819.50
Average Loan	1040.00	1040.00	1016.42	949.50	862.83
<b>Weighted Average Rate of Interest</b>	<b>9.37%</b>	<b>9.37%</b>	<b>9.37%</b>	<b>9.37%</b>	<b>9.37%</b>
<b>Interest</b>	97.48	97.48	95.27	88.98	80.86

