

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

PETITION NO. 24/RP/2016

Coram:

**Shri A.S. Bakshi, Member
Dr. M. K. Iyer, Member**

**Date of Hearing: 10.08.2016
Date of Order : 26.08.2016**

In the matter of:

Review of Commission's order dated 29.4.2016 in Petition No. 58/TT/2015 under section 94(1) of the Electricity Act, 2003 read with Regulation 103 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999

And in the Matter of:

Power Grid Corporation of India Ltd,
SAUDAMINI, Plot No. 2,
Sector-29, Gurgaon-122001 (Haryana)

.....Petitioner

Versus

1. Madhya Pradesh Power Management Company Ltd.
Shakti Bhawan, Rampur
Jabalpur – 482008
2. Maharashtra State Electricity Distribution Co. Ltd.
Prakashgad, 4th Floor
Andheri (East), Mumbai - 400 052
3. Gujarat Urja Vikas Nigam Ltd.
Sardar Patel Vidyut Bhawan,
Race Course Road
Vadodara - 390 007
4. Electricity Department Govt. Of Goa
Vidyut Bhawan, Panaji,
Near Mandvi Hotel, Goa - 403 001
5. Electricity Department
Administration of Daman & Diu



Daman - 396 210

6. Electricity Department
Administration of Dadra Nagar Haveli
U.T., Silvassa - 396 230
7. Chhattisgarh State Electricity Board
P.O. Sunder Nagar, Dangania, Raipur
Chhatisgarh-492013
8. Madhya Pradesh Audyogik Kendra
Vikas Nigam (Indore) Ltd.
3/54, Press Complex, Agra-Bombay Road,
Indore -452008

....Respondent(s)

The following were present:

For Petitioner: Ms. Suparna Srivastava, Advocate, PGCIL
Shri Mohd. Mohsin, PGCIL
Shri S. K. Venkatesan, PGCIL
Shri Avinash M. Pavgi, PGCIL
Shri Piyush Awasthi, PGCIL

For Respondents: None

ORDER

This review petition has been filed by Power Grid Corporation of India (PGCIL) seeking review of the order dated 29.4.2016 in Petition No. 58/TT/2015, wherein the tariff for (i) 765 kV D/C Wardha-Aurangabad Transmission Line 1 and associated Bays along with 765 kV 3X80 MVAR line reactor at Aurangabad Sub-station (ii) 765/400 kV 1500 MVA ICT-1 with Bays and equipments at Aurangabad Sub-station (iii) 400 kV, 80 MVAR switchable line reactor for Aurangabad - Boiser transmission line circuit-1 charged as bus reactor at Aurangabad Sub-station (iv) 400 kV, 80 MVAR switchable line reactor for Aurangabad - Boiser transmission line circuit-2

charged as bus reactor at Aurangabad Sub-station (v) 765/400 kV 500 MVA ICT-3 with Bays and equipments at Boiser (vi) 400 kV, 80 MVAR line reactor for Aurangabad - Boiser transmission line circuit-1 charged as bus reactor at Boiser Sub-station (vii) 400 kV, 80 MVAR line reactor for Aurangabad-Boiser transmission line circuit-2 charged as bus reactor at Boiser Sub-station was allowed for the tariff period 2014-19 under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred as "2014 Tariff Regulations").

2. The transmission tariff for the instant assets was approved vide order dated 29.4.2016. However, the petitioner's prayer for grant of additional ROE of 0.5% for Assets I to IV for commissioning them within the timeline specified in 2014 Tariff Regulations was not allowed as the whole project was not completed and as the review petitioner has not filed the RPC certificate clearly stating that commissioning of the assets will benefit the system operation in the regional/ national grid. The relevant portion of the order dated 29.4.2016 is extracted hereunder:-

"40. The petitioner has claimed ROE at the rate of 20.961% during 2014-15 and at 21.342% during 2015-2019 after grossing up the ROE of 15.5% with MAT rate as per the above said Regulation. The petitioner has also claimed the additional RoE of 0.5%. The petitioner has submitted that as per Investment Approval dated 9.2.2012 and CERC time line of 40 months the asset is anticipated to be commissioned on 1.1.2015 which is within CERC time line specified for claiming additional ROE of 0.5 %, the provision of Regulation 24 (i) of CERC (Terms and Conditions of Tariff) Regulations, 2014 may be invoked. The Commission has observed that the Investment Approval for the instant project was accorded on 22.11.2011. Based on this date and Appendix-I of 2014 Tariff Regulations, the completion period for the purpose for assessing the claim of additional RoE works out to be 40 months for Asset-I, 36 months for Asset-II and V, 30 months for Asset-III, IV, VI and VII. It is observed that Asset-I and II have been commissioned within the aforesaid timeline. However, since the project is yet not completed and the petitioner has not submitted the certificate by the Regional Power Committee/National Power Committee certifying that commissioning of the concerned element of the project will benefit the system operation in the regional/national grid, the claim of additional RoE of the petitioner is not allowed in accordance with Regulation 24(2) (iii) of the 2014 Tariff Regulations. It is to mention that though the additional ROE is allowed in the 2014 Tariff Regulations for individual element, the completion of the entire project is to be examined to ensure the intended use of the individual element benefitting the system."

3. Aggrieved by the said order, the review petitioner has filed the instant review petition. The review petitioner has submitted that disallowance of additional ROE of 0.5% is an error apparent on the face of record and it needs to be rectified.

4. The grounds submitted by the review petitioner for review of the order dated 29.4.2016 are as under:-

- a) As per proviso (i) of clause (2) of Regulation 24 of the 2014 Tariff Regulations if the entire transmission project gets commissioned within the timelines specified in Appendix I, an additional RoE of 0.5% will be admissible. However, as per proviso (iii) of clause (2) of Regulation 24, additional ROE of 0.5% may be allowed if any element of the transmission project is completed within the specified timelines and certified by RPC/ NPC that commissioning of particular element will benefit the system operation in regional/ national grid.
- b) It was submitted in the main petition that Assets I to IV were commissioned within the timelines specified in the 2014 Tariff Regulations and hence qualify for additional ROE of 0.5%. The certificates issued by WRPC were also placed on record. The Commission proceeded on an erroneous assumption that the petitioner has not submitted the certificate from RPC certifying that the commissioning of that particular element would benefit the system operation the regional/national grid and additional ROE was disallowed. The Commission had erred in omitting to take into account the necessary certificate issued by WRPC stating that the subject transmission assets were completed within the timelines.

- c) The Commission in a similar case, vide order dated 29.4.2016 in Petition No. 104/TT/2014 has allowed the additional ROE 0.5%. The relevant extract of the order is as under:-

"17. The petitioner has claimed ROE at the rate of 15.50% as per the above said Regulation. In addition to that the petitioner has also claimed additional ROE at the rate of 0.50% with regard to timely commissioning of the scheme as per 2014 Tariff Regulations. The petitioner has further submitted that the grossed up ROE is subject to truing up based on the actual tax paid along with any additional tax or interest, duly adjusted for any refund of tax including the interest received from IT authorities, pertaining to the tariff period 2014-19 on actual gross income of any financial year. Any under-recovery or over-recovery of grossed up ROE after truing up shall be recovered or refunded to the beneficiaries on year to year basis.

19. We have considered the submissions made by the petitioner. With reference to Regulations 24 and Appendix I of 2014 tariff Regulations, the instant asset has been completed in time and qualifies for additional RoE"

- d) The Commission in exercise of its power of review under Section 94 of the Electricity Act, 2003 and on the principles contained in order 47 Rule I of the Code of Civil Procedure, 1908 may review impugned order and allow additional ROE of 0.5% as the review petitioner has demonstrated sufficient cause to review and rectify the error in the order dated 29.4.2016 in Petition No. 58/TT/2015.

5. The hearing in the matter was held on 11.7.2016, 10.8.2016 and 24.8.2016. None of the respondents have filed their reply. The learned counsel of the review petitioner has submitted that WRPC certificate has been filed vide affidavit dated 4.8.2016 stating that the commissioning of the Asset I, II, III and IV will benefit the system.

6. We have heard the learned counsel of the review petitioner and the documents on the record. The additional RoE of 0.5% was not allowed as the review petitioner did not produce the certificate from Regional Power Committee/National Power

Committee certifying that commissioning of the particular element will benefit the system operation in the regional/national grid as required under proviso (iii) to Regulation 24(2) of the 2014 Tariff Regulations. Alongwith the review petition, the review petitioner has submitted a certificate issued by the WRPC in respect of Assets I to IV wherein it has been stated that the assets were commissioned within the timelines specified in the 2014 Tariff Regulations but the certificate does not specifically state that the commissioning of the elements would benefit the system operation in the regional/national grid. However, the review petitioner has submitted revised WRPC certificate vide affidavit dated 4.8.2016, wherein it has been stated that the commissioning of Assets I to IV will be beneficial for system operation. The relevant extract of WRPC certificate dated 13.6.2016 is as under:-

"This is to certify that the following transmission elements of PGCIL WRTS-I project have been commissioned within timelines as per the claim made by PGCIL WR-I, vide letter dated 28.10.2015 and certification issued by WRLDC stating commissioning of the following elements will be beneficial for system operation in Regional/ National grid vide their letter dated 8.1.2016."

7. We are convinced that Assets I to IV were commissioned within the timeline specified in the 2014 Tariff Regulations and commissioning of these assets will benefit system operation in national/regional grid. Accordingly, in exercise of the power of review under Section 94 of the Electricity Act, 2003 read with Regulation 103 of the Electricity Regulatory Commission (Conduct of Business) Regulations, 1999, the review petition is allowed and additional RoE of 0.5% is allowed for Assets I to IV. Accordingly, the tariff allowed for (i) 765 kV D/C Wardha-Aurangabad Transmission Line 1 and associated Bays along with 765 kV 3X80 MVAR line reactor at Aurangabad Sub-station (ii) 765/400 kV 1500 MVA ICT-1 with Bays and equipments at Aurangabad Sub-station (iii) 400 kV, 80 MVAR switchable line reactor for Aurangabad - Boiser transmission line circuit-1 charged as bus reactor at

Aurangabad Sub-station and (iv) 400 kV, 80 MVAR switchable line reactor for Aurangabad - Boiser transmission line circuit-2 charged as bus reactor at Aurangabad Sub-station vide order dated 29.4.2016 in Petition No. 58/TT/2015 is revised.

8. The consequential effects of allowing the additional RoE for Assets I to IV necessitate amendment of para 40, 43, 55 and 56 of the order dated 29.4.2016. Accordingly, these paras have been modified as under:-

“40. The petitioner has claimed ROE at the rate of 20.961% during 2014-15 and at 21.342% during 2015-2019 after grossing up the ROE of 15.5% with MAT rate as per the above said Regulation. The review petitioner has also claimed the additional RoE of 0.5% under Regulation 24 (iii) of 2014 Tariff Regulations. The petitioner has submitted WRPC certificate stating that Asset I, II, III and IV were commissioned within the timeline specified in the 2014 Tariff Regulations and will be beneficial for the system operation in national/ regional grid. Hence, the petitioner's claim for additional RoE is allowed in accordance with Regulation 24(2) (iii) of the 2014 Tariff Regulations.”

“43. We have considered the submissions made by the petitioner. Regulation 24 read with Regulation 25 of the 2014 Tariff Regulations provides for grossing up of return on equity with the effective tax rate for the purpose of return on equity. It further provides that in case the generating company or transmission licensee is paying Minimum Alternative Tax (MAT), the MAT rate including surcharge and cess will be considered for the grossing up of return on equity. The petitioner has submitted that MAT rate is applicable to the petitioner's company. Accordingly, the MAT rate applicable during 2013-14 has

been considered for the purpose of return on equity, which shall be trued up with actual tax rate in accordance with Regulation 25 (3) of the 2014 Tariff Regulations. The ROE allowed for the instant transmission asset is given below:-

Asset-I

(₹ in lakh)

Return on Equity	2014-15 (pro-rata)	2015-16	2016-17	2017-18	2018-19
Opening Equity	34409.33	38028.51	38888.25	38888.25	38888.25
Additions	3619.17	859.74	0.00	0.00	0.00
Closing Equity	38028.51	38888.25	38888.25	38888.25	38888.25
Average Equity	36218.92	38458.38	38888.25	38888.25	38888.25
Return on Equity (Base Rate) (%)	16.000	16.000	16.000	16.000	16.000
MAT Rate for respective year (%)	20.961	20.961	20.961	20.961	20.961
Rate of Return on Equity (%)	20.243	20.243	20.243	20.243	20.243
Return on Equity	5363.27	7785.15	7872.17	7872.17	7872.17

Asset-II

(₹ in lakh)

Return on Equity	2014-15 (pro-rata)	2015-16	2016-17	2017-18	2018-19
Opening Equity	1886.99	2345.21	2595.64	2595.64	2595.64
Additions	458.23	250.43	0.00	0.00	0.00
Closing Equity	2345.21	2595.64	2595.64	2595.64	2595.64
Average Equity	2116.10	2470.43	2595.64	2595.64	2595.64
Return on Equity (Base Rate) (%)	16.000	16.000	16.000	16.000	16.000
MAT Rate for respective year (%)	20.961	20.961	20.961	20.961	20.961
Rate of Return on Equity (%)	20.243	20.243	20.243	20.243	20.243
Return on Equity	321.57	500.09	525.44	525.44	525.44

Asset-III

(₹ in lakh)

Return on Equity	2014-15 (pro-rata)	2015-16	2016-17	2017-18	2018-19
Opening Equity	159.92	190.23	202.59	202.59	202.59
Additions	30.31	12.36	0.00	0.00	0.00
Closing Equity	190.23	202.59	202.59	202.59	202.59
Average Equity	175.07	196.41	202.59	202.59	202.59
Return on Equity (Base Rate) (%)	16.000	16.000	16.000	16.000	16.000
MAT Rate for respective year (%)	20.961	20.961	20.961	20.961	20.961
Rate of Return on Equity (%)	20.243	20.243	20.243	20.243	20.243
Return on Equity	17.57	39.76	41.01	41.01	41.01



Asset-IV

(₹ in lakh)

Return on Equity	2014-15 (pro-rata)	2015-16	2016-17	2017-18	2018-19
Opening Equity	158.29	187.81	200.05	200.05	200.05
Additions	29.52	12.24	0.00	0.00	0.00
Closing Equity	187.81	200.05	200.05	200.05	200.05
Average Equity	173.05	193.93	200.05	200.05	200.05
Return on Equity (Base Rate) (%)	16.000	16.000	16.000	16.000	16.000
MAT Rate for respective year (%)	20.961	20.961	20.961	20.961	20.961
Rate of Return on Equity (%)	20.243	20.243	20.243	20.243	20.243
Return on Equity	17.47	39.26	40.50	40.50	40.50

“55. The interest on working capital is worked out in accordance with Regulation 28 of the 2014 Tariff Regulations. The rate of interest on working capital considered is 13.50% (SBI Base Rate of 10% plus 350 basis points). The components of the working capital and interest thereon have been worked as follows:-

Asset-I

(₹ in lakh)

Interest on Working Capital	2014-15 (pro-rata)	2015-16	2016-17	2017-18	2018-19
O & M expenses	37.80	39.04	40.33	41.68	43.06
Maintenance Spares	68.03	70.28	72.59	75.02	77.52
Receivables	3587.36	3726.58	3672.97	3575.79	3476.83
Total	3693.18	3835.90	3785.88	3692.49	3597.41
Rate of Interest (%)	13.50	13.50	13.50	13.50	13.50
Interest on Working Capital	364.71	517.85	511.09	498.49	485.65

Asset-II

(₹ in lakh)

Interest on Working Capital	2014-15 (pro-rata)	2015-16	2016-17	2017-18	2018-19
O & M expenses	12.06	12.46	12.87	13.30	13.74



Interest on Working Capital	2014-15 (pro-rata)	2015-16	2016-17	2017-18	2018-19
Maintenance Spares	21.71	22.43	23.17	23.94	24.74
Receivables	222.44	251.76	258.56	253.39	248.24
Total	256.20	286.65	294.60	290.63	286.71
Rate of Interest (%)	13.50	13.50	13.50	13.50	13.50
Interest on Working Capital	25.96	38.70	39.77	39.24	38.71

Asset-III

(₹ in lakh)

Interest on Working Capital	2014-15 (pro-rata)	2015-16	2016-17	2017-18	2018-19
O & M expenses	10.05	10.38	10.73	11.09	11.45
Maintenance Spares	18.09	18.69	19.31	19.95	20.61
Receivables	38.72	41.14	41.95	42.15	42.39
Total	66.86	70.21	71.99	73.19	74.46
Rate of Interest (%)	13.50	13.50	13.50	13.50	13.50
Interest on Working Capital	4.48	9.48	9.72	9.88	10.05

Asset-IV

(₹ in lakh)

Interest on Working Capital	2014-15 (pro-rata)	2015-16	2016-17	2017-18	2018-19
O & M expenses	10.05	10.38	10.73	11.09	11.45
Maintenance Spares	18.09	18.69	19.31	19.95	20.61
Receivables	38.14	40.49	41.32	41.57	41.84
Total	66.28	69.56	71.36	72.61	73.90
Rate of Interest (%)	13.50	13.50	13.50	13.50	13.50
Interest on Working Capital	4.46	9.39	9.63	9.80	9.98

“56. The transmission charges allowed for the instant transmission assets for the 2014-19 tariff period are summarised below:-

Asset-I

(₹ in lakh)

Particulars	2014-15 (Pro-rata from 8.7.2014)	2015-16	2016-17	2017-18	2018-19
Depreciation					
Opening Gross Block	114697.78	126761.69	129627.50	129627.50	129627.50
Additional Capitalisation	12063.91	2865.81	0.00	0.00	0.00
Closing Gross Block	126761.69	129627.50	129627.50	129627.50	129627.50
Average Gross Block	120729.74	128194.60	129627.50	129627.50	129627.50



Particulars	2014-15 (Pro-rata from 8.7.2014)	2015-16	2016-17	2017-18	2018-19
Rate of Depreciation	5.27	5.26	5.26	5.26	5.26
Depreciable Value	108656.76	115375.14	116664.75	116664.75	116664.75
Balance Useful life of the asset	35	34	33	32	31
Elapsed Life	0	1	2	3	4
Remaining Depreciable Value	108656.76	110724.06	105268.11	98448.19	91628.27
Depreciation	4651.08	6745.57	6819.92	6819.92	6819.92
Cumulative depreciation	4651.08	11396.64	18216.56	25036.48	31856.39
Interest on Loan					
Gross Normative Loan	80288.45	88733.18	90739.25	90739.25	90739.25
Cumulative Repayment upto Previous Year	0.00	4651.08	11396.64	18216.56	25036.48
Net Loan-Opening	80288.45	84082.11	79342.61	72522.69	65702.77
Additions	8444.74	2006.07	0.00	0.00	0.00
Repayment during the year	4651.08	6745.57	6819.92	6819.92	6819.92
Net Loan-Closing	84082.11	79342.61	72522.69	65702.77	58882.86
Average Loan	82185.28	81712.36	75932.65	69112.73	62292.82
Weighted Average Rate of Interest on Loan	8.3737	8.3737	8.3636	8.3401	8.2938
Interest	5034.22	6842.38	6350.71	5764.05	5166.47
Return on Equity					
Opening Equity	34409.33	38028.51	38888.25	38888.25	38888.25
Additions	3619.17	859.74	0.00	0.00	0.00
Closing Equity	38028.51	38888.25	38888.25	38888.25	38888.25
Average Equity	36218.92	38458.38	38888.25	38888.25	38888.25
Return on Equity (Base Rate)	16.000	16.000	16.000	16.000	16.000
MAT rate for the respective year	20.961	20.961	20.961	20.961	20.961
Rate of Return on Equity	20.243	20.243	20.243	20.243	20.243
Return on Equity	5363.27	7785.15	7872.17	7872.17	7872.17
Interest on Working Capital					
O & M expenses	37.80	39.04	40.33	41.68	43.06
Maintenance Spares	68.03	70.28	72.59	75.02	77.52
Receivables	3587.36	3726.58	3672.97	3575.79	3476.83
Total	3693.18	3835.90	3785.88	3692.49	3597.41
Rate of Interest (%)	13.50	13.50	13.50	13.50	13.50
Interest on working capital	364.71	517.85	511.09	498.49	485.65
Annual Transmission Charges					
Depreciation	4651.08	6745.57	6819.92	6819.92	6819.92
Interest on Loan	5034.22	6842.38	6350.71	5764.05	5166.47
Return on Equity	5363.27	7785.15	7872.17	7872.17	7872.17



Particulars	2014-15 (Pro-rata from 8.7.2014)	2015-16	2016-17	2017-18	2018-19
Interest on Working Capital	364.71	517.85	511.09	498.49	485.65
O & M Expenses	331.77	468.51	483.92	500.12	516.77
Total	15745.05	22359.45	22037.81	21454.75	20860.97

Asset-II

(₹ in lakh)

Particulars	2014-15 (pro-rata from 1.7.2014)	2015-16	2016-17	2017-18	2018-19
Depreciation					
Opening Gross Block	6289.96	7817.38	8652.13	8652.13	8652.13
Additional Capitalisation	1527.42	834.75	0.00	0.00	0.00
Closing Gross Block	7817.38	8652.13	8652.13	8652.13	8652.13
Average Gross Block	7053.67	8234.76	8652.13	8652.13	8652.13
Rate of Depreciation	5.13	5.11	5.10	5.10	5.10
Depreciable Value	6348.30	7411.28	7786.92	7786.92	7786.92
Balance Useful life of the asset	25	24	23	22	21
Elapsed Life	0	1	2	3	4
Remaining Depreciable Value	6348.30	7140.05	7095.17	6653.72	6212.27
Depreciation	271.57	420.51	441.45	441.45	441.45
Cumulative depreciation	271.57	691.74	1133.20	1574.65	2016.10
Interest on Loan					
Gross Normative Loan	4402.97	5472.17	6056.49	6056.49	6056.49
Cumulative Repayment upto Previous Year	0.00	271.57	692.08	1133.54	1574.99
Net Loan-Opening	4402.97	5200.60	5364.41	4922.95	4481.50
Additions	1069.19	584.33	0.00	0.00	0.00
Repayment during the year	271.57	420.51	441.45	441.45	441.45
Net Loan-Closing	5200.60	5364.41	4922.95	4481.50	4040.05
Average Loan	4801.78	5282.50	5143.68	4702.23	4260.78
Weighted Average Rate of Interest on Loan	7.6052	7.6052	7.5858	7.5410	7.4848
Interest	274.14	401.75	390.19	354.60	318.91
Return on Equity					
Opening Equity	1886.99	2345.21	2595.64	2595.64	2595.64
Additions	458.23	250.43	0.00	0.00	0.00
Closing Equity	2345.21	2595.64	2595.64	2595.64	2595.64
Average Equity	2116.10	2470.43	2595.64	2595.64	2595.64
Return on Equity (Base Rate)	16.000	16.000	16.000	16.000	16.000



Particulars	2014-15 (pro-rata from 1.7.2014)	2015-16	2016-17	2017-18	2018-19
MAT rate for the respective year	20.961	20.961	20.961	20.961	20.961
Rate of Return on Equity	20.243	20.243	20.243	20.243	20.243
Return on Equity	321.57	500.09	525.44	525.44	525.44
Interest on Working Capital					
O & M expenses	12.06	12.46	12.87	13.30	13.74
Maintenance Spares	21.71	22.43	23.17	23.94	24.74
Receivables	222.44	251.76	258.56	253.39	248.24
Total	256.20	286.65	294.60	290.63	286.71
Rate of Interest (%)	13.50	13.50	13.50	13.50	13.50
Interest on working capital	25.96	38.70	39.77	39.24	38.71
Annual Transmission Charges					
Depreciation	271.57	420.51	441.45	441.45	441.45
Interest on Loan	274.14	401.75	390.19	354.60	318.91
Return on Equity	321.57	500.09	525.44	525.44	525.44
Interest on Working Capital	25.96	38.70	39.77	39.24	38.71
O & M Expenses	108.64	149.52	154.49	159.62	164.91
Total	1001.88	1510.57	1551.34	1520.34	1489.42

Asset-III

(₹ in lakh)

Particulars	2014-15 (pro-rata from 2.10.2014)	2015-16	2016-17	2017-18	2018-19
Depreciation					
Opening Gross Block	533.06	634.10	675.29	675.29	675.29
Additional Capitalisation	101.04	41.19	0.00	0.00	0.00
Closing Gross Block	634.10	675.29	675.29	675.29	675.29
Average Gross Block	583.58	654.70	675.29	675.29	675.29
Rate of Depreciation	5.06	5.02	5.01	5.01	5.01
Depreciable Value	525.22	589.23	607.76	607.76	607.76
Balance Useful life of the asset	25	24	23	22	21
Elapsed Life	0	1	2	3	4
Remaining Depreciable Value	525.22	318.00	303.69	269.85	236.01
Depreciation	14.64	32.84	33.84	33.84	33.84
Cumulative depreciation	14.64	304.07	337.91	371.75	405.59
Interest on Loan					



Particulars	2014-15 (pro-rata from 2.10.2014)	2015-16	2016-17	2017-18	2018-19
Gross Normative Loan	373.14	443.87	472.70	472.70	472.70
Cumulative Repayment upto Previous Year	0.00	14.64	47.48	81.32	115.16
Net Loan-Opening	373.14	429.23	425.22	391.38	357.54
Additions	70.73	28.83	0.00	0.00	0.00
Repayment during the year	14.64	32.84	33.84	33.84	33.84
Net Loan-Closing	429.23	425.22	391.38	357.54	323.70
Average Loan	401.18	427.22	408.30	374.46	340.62
Weighted Average Rate of Interest on Loan	9.4001	9.4001	9.4001	9.3926	9.4073
Interest	18.70	40.16	38.38	35.17	32.04
Return on Equity					
Opening Equity	159.92	190.23	202.59	202.59	202.59
Additions	30.31	12.36	0.00	0.00	0.00
Closing Equity	190.23	202.59	202.59	202.59	202.59
Average Equity	175.07	196.41	202.59	202.59	202.59
Return on Equity (Base Rate)	16.000	16.000	16.000	16.000	16.000
MAT rate for the respective year	20.961	20.961	20.961	20.961	20.961
Rate of Return on Equity	20.243	20.243	20.243	20.243	20.243
Return on Equity	17.57	39.76	41.01	41.01	41.01
Interest on Working Capital					
O & M expenses	10.05	10.38	10.73	11.09	11.45
Maintenance Spares	18.09	18.69	19.31	19.95	20.61
Receivables	38.72	41.14	41.95	42.15	42.39
Total	66.86	70.21	71.99	73.19	74.46
Rate of Interest (%)	13.50	13.50	13.50	13.50	13.50
Interest on working capital	4.48	9.48	9.72	9.88	10.05
Annual Transmission Charges					
Depreciation	14.64	32.84	33.84	33.84	33.84
Interest on Loan	18.70	40.16	38.38	35.17	32.04
Return on Equity	17.57	39.76	41.01	41.01	41.01
Interest on Working Capital	4.48	9.48	9.72	9.88	10.05
O & M Expenses	59.80	124.60	128.74	133.02	137.42
Total	115.20	246.84	251.69	252.92	254.36

Asset-IV

(₹ in lakh)

Particulars	2014-15 (pro-rata from 1.10.2014)	2015-16	2016-17	2017-18	2018-19
Depreciation					
Opening Gross Block	527.64	626.03	666.83	666.83	666.83
Additional Capitalisation	98.39	40.80	0.00	0.00	0.00
Closing Gross Block	626.03	666.83	666.83	666.83	666.83
Average Gross Block	576.84	646.43	666.83	666.83	666.83
Rate of Depreciation	5.06	5.01	5.01	5.01	5.01
Depreciable Value	519.15	581.79	600.15	600.15	600.15
Balance Useful life of the asset	25	24	23	22	21
Elapsed Life	0	1	2	3	4
Remaining Depreciable Value	519.15	310.56	296.51	263.12	229.73
Depreciation	14.55	32.40	33.39	33.39	33.39
Cumulative depreciation	14.55	303.63	337.03	370.42	403.81
Interest on Loan					
Gross Normative Loan	369.35	438.22	466.78	466.78	466.78
Cumulative Repayment upto Previous Year	0.00	14.55	46.95	80.35	113.74
Net Loan-Opening	369.35	423.67	419.83	386.44	353.04
Additions	68.87	28.56	0.00	0.00	0.00
Repayment during the year	14.55	32.40	33.39	33.39	33.39
Net Loan-Closing	423.67	419.83	386.44	353.04	319.65
Average Loan	396.51	421.75	403.13	369.74	336.35
Weighted Average Rate of Interest on Loan	8.8424	8.8424	8.8424	8.8422	8.8420
Interest	17.48	37.29	35.65	32.69	29.74
Return on Equity					
Opening Equity	158.29	187.81	200.05	200.05	200.05
Additions	29.52	12.24	0.00	0.00	0.00
Closing Equity	187.81	200.05	200.05	200.05	200.05
Average Equity	173.05	193.93	200.05	200.05	200.05
Return on Equity (Base Rate)	16.000	16.000	16.000	16.000	16.000
MAT rate for the respective year	20.961	20.961	20.961	20.961	20.961
Rate of Return on Equity	20.243	20.243	20.243	20.243	20.243
Return on Equity	17.47	39.26	40.50	40.50	40.50
Interest on Working Capital					
O & M expenses	10.05	10.38	10.73	11.09	11.45
Maintenance Spares	18.09	18.69	19.31	19.95	20.61
Receivables	38.14	40.49	41.32	41.57	41.84



Particulars	2014-15 (pro-rata from 1.10.2014)	2015-16	2016-17	2017-18	2018-19
Total	66.28	69.56	71.36	72.61	73.90
Rate of Interest (%)	13.50	13.50	13.50	13.50	13.50
Interest on working capital	4.46	9.39	9.63	9.80	9.98
Annual Transmission Charges					
Depreciation	14.55	32.40	33.39	33.39	33.39
Interest on Loan	17.48	37.29	35.65	32.69	29.74
Return on Equity	17.47	39.26	40.50	40.50	40.50
Interest on Working Capital	4.46	9.39	9.63	9.80	9.98
O & M Expenses	60.13	124.60	128.74	133.02	137.42
Total	114.09	242.95	247.91	249.40	251.03

9. This order disposes of Petition No. 24/RP/2016. All other terms contained in order dated 29.4.2016 in Petition No. 58/TT/2015 remain unaltered.

Sd/-
(Dr. M.K. Iyer)
Member

Sd/-
(A.S. Bakshi)
Member