

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 484/TT/2014

Coram:

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

Date of Hearing : 08.02.2016

Date of Order : 25.02.2016

In the matter of:

Truing up of transmission tariff for 2009-14 tariff period under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 and determination of transmission tariff for 2014-19 under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 for transmission system associated with immediate evacuation system for Nabinagar TPS in Eastern Region under Regulation 86 of 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 -122 001 (Haryana).

.....**Petitioner**

Versus

1. Bhartiya Rail Bijlee Company Limited
(A JV of NTPC Ltd. and Ministry of Railways)
Vidyut Bhawan II, Bailey Road,
Patna 800001
2. East Central Railway,
Patna
3. Bihar State Electricity Board, Vidyut Bhawan,
Bailey Road, Patna-800001



4. West Bengal State Electricity Distribution Company
Bidyut Bhawan, Bidhan Nagar, Block DJ, Sector-II,
Salt Lake City, Calcutta-700091
5. Grid Corporation of Orissa Ltd., Shahid Nagar,
Bhubaneshwar-751007
6. Damodar Valley Corporation, DVC Tower, Maniktala
Civic Centre, VIPO Road, Calcutta-700054
7. Power Department, Govt. of Sikkim,
Gangtok-737101
8. Jharkhand State Electricity Board,
In front of Main Secretariat,
Doranda, Ranchi-834002

.....Respondents

The following were present:-

For Petitioner: Mohd. Mohsin, PGCIL
Shri S. K. Venkatesan, PGCIL
Shri M. M. Mondal
Shri Jasbir Singh, PGCIL
Shri S.S. Raju, PGCIL
Shri Rakesh Prasad, PGCIL
Shri Subhash C. Taneja, PGCIL

For Respondent: None

ORDER

The present petition has been filed by Power Grid Corporation of India Ltd. (“the petitioner”) for trueing up of capital expenditure under Regulation 6 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulation, 2009 (hereinafter referred to as “the 2009 Tariff Regulations”) based on actual capital expenditure for the period 1.4.2009 to 31.3.2014, and for determination of tariff under



Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulation, 2014 (hereinafter referred to as “the 2014 Tariff Regulations”) for the period from 1.4.2014 to 31.3.2019 for Transmission system associated with immediate evacuation system for Nabinagar TPS in Eastern Region (hereinafter referred to as “the transmission asset”).

2. The respondents are electricity departments, centralised power companies and distribution licensees, who are procuring transmission service from the petitioner, mainly beneficiaries of Eastern Region.

3. The petitioner has served the petition on the respondents and notice of this application has been published in the newspaper in accordance with Section 64 of the Electricity Act, 2003 (“the Act”). No comments have been received from the public in response to the notices published by the petitioner under Section 64 of the Act. None of the respondents have filed reply to the petition. The hearing in this matter was held on 8.2.2016. Having heard the representatives of the petitioner and the respondents and perused the material on record; we proceed to dispose of the petition.

4. The brief facts of the case are as follows:-

(a) Investment approval for the “Immediate Evacuation System for Nabinagar TPS (100 MW)” scheme was accorded by the petitioner’s board vide their letter no. C/CP/Nabinagar TPS dated 8.2.2010 at an estimated cost of ₹21586 lakh including IDC of ₹1561 lakh (based on 3rd Quarter 2009 price level). The transmission assets were put into commercial operation on 1.7.2012 (“COD”).



- (b) The tariff from 1.7.2012 to 31.3.2014 was allowed vide order dated 21.6.2013 in Petition No. 83/TT/2012 considering the capital cost of ₹19088.18 lakh (excluding excess initial spares of ₹25.01 lakh) as on 1.7.2012. Further, additional capital expenditure of ₹293.59 lakh for 2012-13 (i.e. from COD of 1.7.2012 to 31.3.2013) and ₹154.55 lakh for 2013-14 towards balance and retention payment was allowed under Regulation 9(1) of the 2009 Tariff Regulations for the tariff period 2009-14.
- (c) The cut-off date of the assets falls beyond 31.3.2014. The admissible initial spares was worked out by considering capital cost upto 31.3.2014 excluding the capital cost of 2014-15. In order dated 21.6.2013, it was observed that the same will be reviewed at the time of truing up on submission of actual capital expenditure. The petitioner has submitted actual capital expenditure of 2009-14 tariff period along with estimated capital expenditure during 2014-19 tariff period for determination of tariff in accordance with 2014 Tariff Regulations.
- (d) The tariff for the 2012-13 to 2013-14 was allowed vide order dated 21.6.2013 in Petition No. 83/TT/2012 in accordance with the 2009 Tariff Regulations. The tariff allowed for 2012-13 to 2013-14 is as under:-

Approved in 2009-14	(₹ in lakh)	
	2012-13 (Pro-rata)	2013-14
Depreciation	762.49	1028.52
Interest on Loan	889.81	1119.47
Return on Equity	756.55	1020.49
Interest on Working Capital	63.07	83.68
O&M Expenses	137.99	194.49
Total	2609.91	3446.65



(e) The MAT rate applicable as on 2008-09 was considered to arrive at rate of return on equity for the tariff period 2009-14, which is required to be adjusted as per the actual MAT rate applicable for the respective year at the time of truing up of tariff for 2009-14 tariff period.

TRUING UP OF ANNUAL FIXED CHARGES FOR TARIFF PERIOD 2009-14

5. Clause (3) of the Regulation 6 of the 2009 Tariff Regulations provides as under:-

“(3) The generating company or the transmission licensee, as the case may be, shall submit for the purpose of truing up, details of capital expenditure and additional capital expenditure incurred for the period from 1.4.2009 to 31.3.2014, duly audited and certified by the auditors”.

6. The petitioner has submitted the information as required under the 2009 Tariff Regulations for truing up of annual fixed charges for 2009-14 tariff period. The tariff for 2009-14 tariff period has been trued up in the subsequent paragraphs.

Capital Cost

7. The petitioner has claimed admitted capital cost of ₹19142.21 lakh (including excess initial spares of ₹17.50 lakh) as on COD of 1.7.2012 for the purpose of tariff. However, in order dated 21.6.2013 capital cost of ₹19088.18 lakh (excluding excess initial spares) as on COD was approved. The petitioner was directed vide letter dated 8.2.2016 to provide justification for claiming revised capital cost as on COD. The petitioner, in response, vide affidavit dated 18.2.2016 has submitted that the capital cost of ₹19113.19 lakh (including excess initial spares) as on COD was unaudited and based on management certificate dated 30.7.2012. However, in instant petition the capital cost of ₹19142.21 lakh (including excess initial spares) as on COD is based on Auditor's



Certificate dated 2.8.2014. Thus, there is marginal difference of ₹29.02 lakh due to submission of audited figures.

8. Clause (1) of Regulation 7 of the 2009 Tariff Regulations provides as follows:-

“(1) Capital cost for a project shall include:

(a) 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 funds deployed, - up to the date of commercial operation of the project, as admitted by the Commission, after prudence check;

(b) capitalised initial spares subject to the ceiling rates specified in regulation 8; and

(c) additional capital expenditure determined under regulation 9:

Provided that the assets forming part of the project, but not in use shall be taken out of the capital cost.”

Initial Spares”

9. Regulation 8(iv) of the 2009 tariff Regulations provides that:-

“Initial spares shall be capitalised as a percentage of the original project cost, subject to following ceiling norms:

(iv)Transmission system

(a)Transmission line - 0.75%

(b) Transmission Sub-station - 2.5%

(c) Series Compensation devices and HVDC Station - 3.5%

(d) Gas Insulated Sub-station (GIS) – 3.5%

xxx”

10. The petitioner has claimed initial spares of ₹93.53 lakh and ₹54.00 lakh pertaining to the transmission line and sub-station respectively. The petitioner has claimed capital cost of ₹ 19124.71 lakh (excluding excess initial spares of ₹17.50 lakh) as on COD of 1.7.2012 for the purpose of tariff computation. In order dated 21.6.2013,



excess initial spares of ₹25.01 lakh was disallowed considering the capital cost as on COD and additional capital expenditure upto 31.3.2014. The relevant portion of the order dated 21.6.2013 is extracted hereunder:-

“19. The details of the initial spares claimed by the petitioner for the substation and the initial spares allowed are as follows:-

Capital cost up to cut-off date	Initial spares claimed	Ceiling limits as per Regulation 8 of 2009 Tariff Regulations	Initial spares worked out	Excess initial spares
(a)	(b)	(c)	(d)= {(a)-(b)}*(c)/{100%-(c)}	(e)=(d)-(b)
1184.52	54.00	2.50%	28.99	(25.01)

20. The petitioner has claimed capital cost of ₹19113.19 lakh as on the date of commercial operation, vide Management Certificate dated 30.7.2012. Capital cost of ₹19088.18 lakh, excluding excess initial spares, has been considered as the opening capital cost for the purpose of tariff calculations.”

11. The petitioner has submitted actual capital expenditure for true up of tariff during 2009-14 tariff period as per 2009 Tariff Regulations and also submitted the estimated capital expenditure for determination of tariff during 2014-19 tariff period in accordance with the 2014 Tariff Regulations. The initial spares have been worked out by considering the additional capital expenditure upto cut-off date which falls beyond 31.3.2014 period.

12. The petitioner has submitted the Auditor’s Certificate certifying the capital cost and additional capitalization claimed. We have worked out the initial spares as per ceiling norms specified in Regulation 8 of the 2009 Tariff Regulations. The details of initial spares claimed by the petitioner and allowed are shown in Table below:-



(₹ in lakh)

Description	Capital cost as on cut-off date i.e. 31.3.2016	Initial spares claimed	Ceiling limits as per Regulation 8 of the 2009 Tariff Regulation	Initial spares worked out and allowed	Excess initial spares claimed
	(a)	(b)	(c)	$(d) = ((a - b) * c) / (100 - c)\%$	$(e) = (d) - (b)$
Transmission Line	19699.59	93.53	0.75%	148.16	0.00
Sub-station (including PLCC)	1477.36	54.00	2.50%	36.50	17.50

13. Accordingly, we have considered the capital cost of ₹ 19124.71 lakh (excluding excess initial spares of ₹17.50 lakh) as on the actual COD 1.7.2012 for the purpose of tariff for tariff period 2009-14.

Additional Capital Expenditure

14. Clause 1 of Regulation 9 of the 2009 Tariff Regulations provides as follows:-

“(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) Works deferred for execution;

(iii) Procurement of initial capital spares within the original scope of work, subject to the provisions of regulation 8;

(iv) Liabilities to meet award of arbitration or for compliance of the order or decree of a court; and

(v) Change in law:

Provided that the details of works included in the original scope of work along with estimates of expenditure, undischarged liabilities and the works deferred for execution shall be submitted along with the application for determination of tariff.”

15. In order dated 21.6.2013 in Petition No. 83/TT/2012, additional capital expenditure of ₹293.59 lakh for 2012-13 and ₹154.55 lakh for 2013-14 was allowed towards balance and retention payment under Regulation 9(1) of the 2009 Tariff



Regulations for the tariff period 2009-14. Against this, the petitioner has claimed additional capitalization of ₹1130.54 lakh and ₹798.13 lakh during 2012-13 (from COD of 1.7.2012 to 31.3.2013) and 2013-14, respectively, towards balance and retention payment for sub-station and transmission line under Regulation 9(1) of the 2009 Tariff Regulations for the tariff period 2009-14. In this regard, the petitioner was directed vide letter dated 8.2.2016 to provide reasons for variation in actual additional capitalization during 2009-14 period with respect to additional capital expenditure approved in the order dated 21.6.2013. The petitioner, in response, vide affidavit dated 18.2.2016 has submitted that in order dated 21.6.2013, the additional capital expenditure from 2012-13 to 2013-14 was unaudited and based on management certificate dated 30.7.2012. However, in instant petition the actual additional capital expenditure incurred in 2012-13 to 2013-14 is based on Auditor's Certificate dated 2.8.2014. Thus, the variation in additional capitalization of ₹1480.53 lakh is on account of Price Variation (PV) amounting to ₹1410.14 lakh and entry tax of ₹70.39 lakh.

16. The petitioner has also submitted the Auditor's Certificate dated 2.8.2014 to verify the actual additional capital expenditure incurred in 2009-14. As the total capital cost of ₹21053.38 lakh for transmission asset including actual additional capitalization of ₹1928.67 lakh during 2012-14 tariff period claimed by the petitioner is within the overall approved apportioned cost of ₹21586.25 lakh, we have considered the same for the purpose for computation of the tariff. The additional capitalisation incurred within cut-off date against balance and retention payment is allowed under Regulation 9(1)(i) of the 2009 Tariff Regulations. Variation in tariff, if any, recovered/refunded by the petitioner



shall be treated as provided under Regulation 6(6) of the 2009 Tariff Regulations. The details of the capital cost of the instant asset are as follows:-

(₹ in lakh)

Approved Apportioned Cost: ₹21586.25 lakh					
Particulars	Capital cost upto COD (i.e. 1.7.2012)	2012-13 (from 1.7.2012 to 31.3.2013)	2013-14	Total add cap	Total capital cost as on 31.3.2014
Approved in order dated 20.1.2014	19088.18 (=19113.19-25.01)	293.59	154.55	484.14	19536.32
Actual	19124.71 (=19142.21-17.50)	1130.54	798.13	1928.67	21053.38

Debt: Equity

17. Clause 1 of Regulation 12 of the 2009 Tariff Regulations provides that:-

“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.”

.....

(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.”

18. The petitioner has claimed revised tariff based on debt-equity ratio of 70:30 as on COD as approved in order dated 21.6.2013 in Petition No. 83/TT/2012. The petitioner was directed to submit an undertaking on affidavit that actual equity infused for the additional capitalisation during 2009-14 period is not less than 30% for the given transmission asset. The petitioner, in response, vide affidavit dated 18.2.2016 has submitted that the actual equity infused during the tariff period 2009-14 is as given below:-



Year	Cash Expenditure/add cap during the year	Actual Debt		Actual Equity	
		Amount	%	Amount	%
2012-13	1130.54	791.38	70.00	339.16	30.00
2013-14	798.13	558.69	70.00	239.44	30.00

19. The debt:equity ratio of 70:30 as on COD has been considered as opening debt:equity ratio as on COD of 1.7.2012 for the purpose of truing up of the tariff for the period 2009-14. The details are as follows:-

(₹ in lakh)		
Funding	Amount	(%)
Debt	13387.29	70.00
Equity	5737.41	30.00
Capital Cost	19124.71	100.00

Further, the debt:equity ratio of 70:30 for the additional capital during the year 2012-13 and 2013-14 has been allowed for tariff period 2014-19. The details of the debt:equity including additional capitalization as on 31.3.2014 is as follows:-

(in ₹ lakh)		
Particulars	Amount	(%)
Debt	14737.36	70.00
Equity	6316.01	30.00
Total	21053.38	100.00

Interest on Loan (“IOL”)

20. Regulation 16 of the 2009 Tariff Regulations provides the methodology for working out weighted average rate of interest on loan.



21. The petitioner has submitted the weighted average rate of interest on loan based on its actual loan portfolio and rate of interest. The Commission in its earlier order dated 8.6.2011 in Petition No. 238/2010 has held that:-

“...in case of floating rate of interest, any change in the rates of interest during the tariff period will be considered at the time of true up”.

22. We have considered the submissions of the petitioner and accordingly calculated the IOL based on actual interest rate submitted by the petitioner, in accordance with Regulation 16 of the 2009 Tariff Regulations. The details of weighted average rate of interest are placed at **Annexure-I** and the IOL has been worked out and allowed as follows:-

Particulars	(₹ in lakh)	
	2012-13 (Pro-rata)	2013-14
Approved vide order dated 21.6.2013	889.81	1119.47
As claimed by the petitioner	910.65	1193.99
Allowed after trued up	910.65	1193.99

23. The IOL has increased due to increase in additional capitalisation during 2009-14 period.

Return on Equity (“ROE”)

24. Clause (3), (4) and (5) of Regulation 15 of the 2009 Tariff Regulations provide that:-

“(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 maybe, 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 year during the tariff period shall be trued up in accordance with Regulation 6 of these regulations.”

25. The petitioner has submitted that MAT rate of 11.330% applicable for 2008-09 was considered in the order dated 21.6.2013. However, for truing up purpose, the computation of RoE for the tariff period 2009-14 has been done on the basis of actual MAT rate applicable during 2009-14. The petitioner has submitted the variation in the MAT rate during 2009-14 as per the Finance Act of the relevant year for the purpose of grossing up of ROE, as below:-

Particulars	MAT Rate (t) %	Grossed up ROE (Base rate/(1-t)) %
2012-13	20.008	19.377
2013-14	20.961	19.610

26. Accordingly, the ROE as trued up is as shown in the table below:-

Particulars	(₹ in lakh)	
	2012-13 (Pro-rata)	2013-14
Approved vide order dated 21.6.2013	756.55	1020.49
As claimed by the petitioner	858.45	1215.09
Allowed after trued up	858.45	1215.09

27. The return on equity allowed in the instant order is more than the return on equity allowed vide order dated 21.6.2013 due to increase in equity on account of additional



capitalisation and increase in the applicable MAT rate for the purpose of grossing up of base rate of return on equity.

Depreciation

28. Clause (42) of Regulation 3 of the 2009 Tariff Regulations defines useful life as follows:-

“‘**useful life**’ in relation to a unit of a generating station and transmission system from the COD shall mean the following, namely:-

.....	
(c) AC and DC sub-station	25 years
(d) Hydro generating station	35 years
(e) Transmission line	35 years”

29. Clause (4) of Regulation 17 of the 2009 Tariff Regulations provides as follows:-

"17. Depreciation:

...

(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.”

30. In order dated 21.6.2013 in Petition No. 83/TT/2012, depreciation was worked out in accordance with Regulation 17 of the 2009 Tariff Regulations. As per Regulations 3(42) and 17 (4) of the 2009 Tariff Regulations, useful life for transmission line and sub-station is 35 years and 25 years, respectively. For the purpose of calculation, the life of PLCC has been considered as 25 years. In the present case, weighted average value of asset as on COD has been considered to work out the weighted average life of the transmission asset as 34 years.



31. The depreciation for the tariff period 2009-14 has been worked out in accordance with Regulation 17 of the 2009 Tariff Regulations based on admitted capital expenditure and additional capitalisation as under:-

Particulars	(₹ in lakh)	
	2012-13 (Pro-rata)	2013-14
Approved vide order dated 21.6.2013	762.49	1028.52
As claimed by the petitioner	780.47	1091.54
Allowed after trued up	780.48	1091.55

32. The depreciation allowed in the instant order is more than the depreciation allowed vide order 21.6.2013 due to increase in additional capitalisation during 2009-14 period.

Operation & Maintenance Expenses (“O&M Expenses”)

33. The petitioner has computed O&M Expenses in accordance with the O&M norms for 400 kV D/C twin conductor transmission line, 400 kV S/C twin conductor transmission line 400 kV bays specified in Regulation 19(g) of the 2009 Tariff Regulations. Accordingly, the O&M Expenses for the asset have been worked out as given below:-

Particulars		(₹ in lakh)	
		2012-13 (Pro-rata)	2013-14
Actual line length (km)	Single Circuit (Twin Conductor)	1.02	1.02
	Double Circuit (Twin Conductor)	80.605	80.605
Actual (No. of bays)	400 kV Bays	2	2
Norms as per Regulation	Single Circuit (Twin Conductor) (₹ lakh/km)	0.423	0.447
	Double Circuit (Twin Conductor)	0.741	0.783



Particulars		2012-13 (Pro-rata)	2013-14
	(₹ lakh/km)		
	400 kV Bays (₹ lakh/bay)	61.92	65.46
Total		138.00	194.49

34. The O&M Expenses claimed by the petitioner for tariff period 2009-14 are same as that approved in the tariff order dated 21.6.2013 in Petition No. 83/TT/2012. Accordingly, the O&M Expenses claimed by the petitioner, allowed and trued up are the same, and they are as follows:-

(₹ in lakh)		
Particulars	2012-13 (Pro-rata)	2013-14
Approved vide order dated 21.6.2013	137.99	194.49
As claimed by the petitioner	138.00	194.49
Allowed after trued up	138.00	194.49

Interest on working capital (“IWC”)

35. Sub-clause (c) of clause (1) of Regulation 18 of the 2009 Tariff Regulations provides the components of the working capital for the transmission system and clause (3) of Regulation 18 of the 2009 Tariff Regulations provides for the rate of interest of working capital.

36. The petitioner has submitted that the rate of interest on working capital as 13.50% as per clause (3) of Regulation 18 of the 2009 Tariff Regulations and the components of working capital are also considered in accordance with Sub-clause (c) of clause (1) of Regulation 18 of the 2009 Tariff Regulations.



37. The Commission, vide order dated 21.6.2013 in Petition No. 83/TT/2012, has approved The Commission in accordance with Clause (3) of Regulation 18 of the 2009 Tariff Regulations, as amended, has considered the rate of interest on working capital on normative basis, i.e., equal to State Bank of India Base Rate as applicable as on 1.4.2012 plus 350 basis points. State Bank of India Base Rate on 1.4.2012 was 10.00%. Therefore, interest rate of 13.50% (10.00% plus 350 basis points) has been considered to work out the interest on working capital in the instant case.

38. The IWC trued up is as under:-

Particulars	(₹ in lakh)	
	2012-13 (Pro-rata)	2013-14
Approved vide order dated 21.6.2013	63.07	83.68
As claimed by the petitioner	66.31	91.32
Allowed after trued up	66.31	91.32

39. The variation IWC in the instant order with respect to IWC allowed vide order 21.6.2013 is due to increase in additional capitalization for 2009-14 and variation in RoE due to MAT rate.

ANNUAL FIXED CHARGES FOR 2009-14 TARIFF PERIOD

40. The detailed computation of the various components of the trued up annual fixed charges for the transmission asset for the tariff period 2009-14 is summarised below:-

Particulars	(₹ in lakh)	
	2012-13 (Pro-rata)	2013-14
Gross Block		
Opening Gross Block	19124.71	20255.25
Additional Capitalization	1130.54	798.13
Closing Gross block	20255.25	21053.38



Particulars	2012-13 (Pro-rata)	2013-14
Average Gross block	19689.98	20654.31
Depreciation		
Rate of Depreciation (%)	5.285	5.285
Depreciable Value	17720.98	18588.88
Elapsed Life of the assets at beginning of the year	0	1
Weighted Balance Useful life of the assets	34	33
Remaining Depreciable Value	17720.98	0.00
Depreciation	780.48	1091.55
Interest on Loan		
Gross Normative Loan	13387.29	14178.67
Cumulative Repayment upto Previous Year	0.00	780.48
Net Loan-Opening	13387.29	13398.20
Additions	791.38	558.69
Repayment during the year	780.48	1091.55
Net Loan-Closing	13398.20	12865.34
Average Loan	13392.75	13131.77
Weighted Average Rate of Interest on Loan (%)	9.0661	9.0924
Interest	910.65	1193.99
Return on Equity		
Opening Equity	5737.41	6076.57
Additions	339.16	239.44
Closing Equity	6076.57	6316.01
Average Equity	5906.99	6196.29
Return on Equity (Base Rate) (%)	15.50	15.50
MAT rate for the respective year (%)	20.008	20.961
Rate of Return on Equity (Pre Tax) (%)	19.377	19.610
Return on Equity (Pre Tax)	858.45	1215.09



Particulars	2012-13 (Pro-rata)	2013-14
Interest on Working Capital		
Maintenance Spares	20.70	29.17
O & M Expenses	11.50	16.21
Receivables	458.98	631.07
Total	491.18	676.45
Interest	66.31	91.32
Annual Transmission Charges		
Depreciation	780.48	1091.55
Interest on Loan	910.65	1193.99
Return on Equity	858.45	1215.09
Interest on Working Capital	66.31	91.32
O & M Expenses	138.00	194.49
Total	2753.89	3786.44

DETERMINATION OF ANNUAL TRANSMISSION CHARGES FOR 2014-19

41. The petitioner has claimed the transmission charges as under:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Depreciation	1115.42	1118.23	1118.23	1118.23	1118.23
Interest on Loan	1125.82	1028.67	927.39	825.72	724.01
Return on Equity	1241.69	1244.81	1244.81	1244.81	1244.81
Interest on Working Capital	90.00	88.23	86.24	84.24	82.26
O&M Expenses	178.00	183.95	190.04	196.35	202.86
Total	3750.93	3663.89	3566.71	3469.35	3372.17

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

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Maintenance Spares	26.70	27.59	28.51	29.45	30.43
O & M Expenses	14.83	15.33	15.84	16.36	16.91



Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Receivables	625.16	610.65	594.45	578.23	562.03
Total	666.69	653.57	638.80	624.04	609.37
Interest	13.50%	13.50%	13.50%	13.50%	13.50%
Rate of Interest	90.00	88.23	86.24	84.24	82.26

Capital Cost

43. Clause (1) & (3) of Regulation 9 of the 2014 Tariff Regulations specify as follows:-

“(1) The Capital cost as determined by the Commission after prudence check in accordance with this regulation shall form the basis of determination of tariff for existing and new projects.”

“(3) The Capital cost of an existing project shall include the following:

- (a) the capital cost admitted by the Commission prior to 1.4.2014 duly trued up by excluding liability, if any, as on 1.4.2014;
- (b) additional capitalization and de-capitalization for the respective year of tariff as determined in accordance with Regulation 14; and
- (c) expenditure on account of renovation and modernisation as admitted by this Commission in accordance with Regulation 15.”

44. The petitioner has claimed capital expenditure of ₹21053.38 lakh as on 31.3.2014. The trued up capital cost of ₹21053.38 lakh as on 31.3.2014 is considered to workout tariff for tariff period 2014-19.

Additional Capital Expenditure

45. The petitioner has projected ₹106.07 lakh during 2014-15 as an additional capitalization for the tariff period 2014-19 towards balance and retention payments under Clause 1 of Regulation 14 of the 2014 Tariff Regulations.

46. The Commission vide its letter dated 8.2.2016 directed the petitioner to confirm the amount of balance and retention payment yet to be made along with the details of



contract for which the payment has been retained. In response the petitioner vide its affidavit dated 18.2.2016 submitted that the amount of balance and retention payment is ₹106.07 lakh during 2014-15.

47. Clause 1 of Regulation 14 of the 2014 Tariff Regulations provides as follows:

“(1) The capital expenditure in respect of the new project or an existing project 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 recognized to be payable at a future date;
- (ii) Works deferred for execution;
- (iii) Procurement of initial capital spares within the original scope of work, in accordance with the provisions of Regulation 13;
- (iv) Liabilities to meet award of arbitration or for compliance of the order or decree of a court of law; and
- (v) Change in law or compliance of any existing law:

Provided that the details of works asset wise/work wise included in the original scope of work along with estimates of expenditure, liabilities recognized to be payable at a future date and the works deferred for execution shall be submitted along with the application for determination of tariff.

48. The total capital cost of the transmission asset for the asset including additional capitalisation of ₹106.07 lakh works out to ₹ 21159.45 lakh, which is less than the approved apportioned cost of ₹21586.25 lakh for the asset given in the investment approval dated 8.2.2010. Accordingly, the Commission has considered the petitioner’s submission and allows additional capitalisation of ₹106.07 lakh in 2014-15 towards balance and retention payment as claimed by the petitioner in accordance with Clause 1(i) of Regulation 14 of the 2014 Tariff Regulations. The additional capitalisation for tariff period 2014-19 shall be finally approved after the detailed scrutiny of additional capitalisation while carrying out the true up for 2014-19 period.



(₹ in lakh)

AppORTIONED approved cost: ₹21586.25 lakh							
Capital cost as on 31.3.2014	Additional capitalisation					Total additional capitalisation	Total capital cost including additional capitalisation
	2014-15	2015-16	2016-17	2017-18	2018-19		
21053.38	106.07	0.00	0.00	0.00	0.00	0.00	21159.45

Debt:Equity Ratio

49. Clause 3 of Regulation 19 of the 2014 Tariff Regulations specifies as under:-

“(3) In case of the generating station and the transmission system declared under commercial operation prior to 1.4.2014, debt-equity ratio allowed by the Commission for determination of tariff for the period ending 31.3.2014 shall be considered.”

50. The petitioner has considered debt:equity ratio as 70:30 as on 31.3.2014. The admitted debt:equity ratio of 70:30 after true-up for the tariff period ending 31.3.2014 has been considered as opening debt:equity ratio as on 1.4.2014. The details of the debt:equity as on 1.4.2014 considered for the purpose of tariff for the 2014-19 tariff period is as follows:-

Funding	Amount (in ₹ lakh)	(%)
Debt	14737.36	70.00
Equity	6316.01	30.00
Total	21053.38	100.00

51. Further the debt:equity ratio as on 31.3.2019 after taking into consideration the additional capitalization during 2014-19 period is as shown below:

Funding	Amount (in ₹ lakh)	(%)
Debt	14811.61	70.00
Equity	6347.83	30.00
Total	21159.45	100.00



Interest on Loan (“IOL”)

52. Clause (5) & (6) of Regulation 26 of the 2014 Tariff Regulations are reproduced as under:-

“(5) The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio after providing appropriate accounting adjustment for interest capitalized:

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.”

53. The weighted average rate of IOL has been considered on the basis of rate prevailing as on 1.4.2014. The IOL has been worked out in accordance with Regulation 26 of the 2014 Tariff Regulations. The details of weighted average rate of interest are placed at **Annexure-II** and the IOL has been worked out and allowed as follows:-

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Gross Normative Loan	14737.36	14811.61	14811.61	14811.61	14811.61
Cumulative Repayment upto Previous Year	1872.03	2987.46	4105.70	5223.94	6342.18
Net Loan-Opening	12865.34	11824.15	10705.91	9587.67	8469.43
Additions	74.25	0.00	0.00	0.00	0.00
Repayment during the year	1115.43	1118.24	1118.24	1118.24	1118.24
Net Loan-Closing	11824.15	10705.91	9587.67	8469.43	7351.19
Average Loan	12344.74	11265.03	10146.79	9028.55	7910.31
Weighted Average Rate of Interest on Loan (%)	9.1198	9.1315	9.1397	9.1456	9.1526
Interest	1125.81	1028.67	927.38	825.71	724.00



Return on Equity (“ROE”)

54. Clause (1)& (2) of Regulation 24 and Clause (2) of Regulation 25 of the 2014 Tariff Regulations specify as under:-

“24. Return on Equity: (1) Return on equity shall be computed in rupee terms, on the equity base determined in accordance with regulation 19.

(2) Return on equity shall be computed at the base rate of 15.50% for thermal generating stations, transmission system including communication system”

“25. Tax on Return on Equity:

(2) Rate of return on equity shall be rounded off to three decimal places and shall be computed as per the formula given below:

Rate of pre-tax return on equity = Base rate / (1-t)

Where “t” is the effective tax rate in accordance with Clause (1) of this regulation and shall be calculated at the beginning of every financial year based on the estimated profit and tax to be paid estimated in line with the provisions of the relevant Finance Act applicable for that financial year to the company on pro-rata basis by excluding the income of non-generation or non-transmission business, as the case may be, and the corresponding tax thereon. In case of generating company or transmission licensee paying Minimum Alternate Tax (MAT), “t” shall be considered as MAT rate including surcharge and cess.”

55. The petitioner has computed ROE at the rate of 19.610% after grossing up the ROE with MAT rate as per the above Regulation. 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.

56. The petitioner has further submitted that adjustment due to any additional tax demand including interest duly adjusted for any refund of the tax including interest



received from IT authorities shall be recoverable/adjustable after completion of income tax assessment of the financial year.

57. 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. Accordingly, the ROE determined by the Commission is given below:-

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Opening Equity	6316.01	6347.83	6347.83	6347.83	6347.83
Addition due to Additional Capitalization	31.82	0.00	0.00	0.00	0.00
Closing Equity	6347.83	6347.83	6347.83	6347.83	6347.83
Average Equity	6331.92	6347.83	6347.83	6347.83	6347.83
Return on Equity (Base Rat) (%)	15.50	15.50	15.50	15.50	15.50
Tax rate for the year (%)	20.961	20.961	20.961	20.961	20.961
Rate of Return on Equity (Pre Tax) (%)	19.610	19.610	19.610	19.610	19.610
Return on Equity (Pre Tax)	1241.69	1244.81	1244.81	1244.81	1244.81



Depreciation

58. Clause (2), (5) and (6) of Regulation 27 of the 2014 Tariff Regulations provide as follows:-

"27. Depreciation:

(2) The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission. In case of multiple units of a generating station or multiple elements of transmission system, weighted average life for the generating station of the transmission system shall be applied. 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"

"(5) Depreciation shall be calculated annually based on Straight Line Method and at rates specified in **Appendix-II** 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 the effective date of commercial operation of the station shall be spread over the balance useful life of the assets.

(6) In case of the existing projects, the balance depreciable value as on 1.4.2014 shall be worked out by deducting the cumulative depreciation as admitted by the Commission upto 31.3.2014 from the gross depreciable value of the assets."

59. The petitioner has computed depreciation considering capital expenditure of ₹21053.38 lakh as on 31.3.2014.

60. We have considered the submission made by the petitioner with reference to depreciation. Depreciation is allowed as provided under Regulation 27 of the 2014 Tariff Regulations. The details of the depreciation allowed is given here under:-

	(₹ in lakh)				
Details of Depreciation	2014-15	2015-16	2016-17	2017-18	2018-19
Opening Gross Block	21053.38	21159.45	21159.45	21159.45	21159.45
Addition during the year due to projected additional capitalization	106.07	0.00	0.00	0.00	0.00
Closing Gross Block	21159.45	21159.45	21159.45	21159.45	21159.45
Average Gross Block	21106.41	21159.45	21159.45	21159.45	21159.45
Rate of Depreciation (%)	5.285	5.285	5.285	5.285	5.285
Depreciable Value	18995.77	19043.50	19043.50	19043.50	19043.50
Elapsed Life of the assets at beginning of the year	2	3	4	5	6



Details of Depreciation	2014-15	2015-16	2016-17	2017-18	2018-19
Weighted Balance Useful life of the assets	32	31	30	29	28
Remaining Depreciable Value	17123.74	16056.04	14937.80	13819.56	12701.32
Depreciation	1115.43	1118.24	1118.24	1118.24	1118.24

Operation & Maintenance Expenses (“O&M Expenses”)

61. The petitioner has computed normative O&M Expenses as per sub-clause (a) of clause (3) of Regulation 29 of the 2014 Tariff Regulations. Accordingly, the petitioner’s entitlement to O&M expenses have been worked out as given hereunder:-

Particulars		2014-15	2015-16	2016-17	2017-18	2018-19
Actual line length (km)	Single Circuit (Twin Conductor)	1.02	1.02	1.02	1.02	1.02
	Double Circuit (Twin Conductor)	80.605	80.605	80.605	80.605	80.605
Actual (No. of bays)	400 kV Bays	2	2	2	2	2
Norms as per Regulation	Single Circuit (Twin Conductor) (₹ lakh/km)	0.404	0.418	0.432	0.446	0.461
	Double Circuit (Twin Conductor) (₹ lakh/km)	0.707	0.731	0.755	0.780	0.806
	400 kV Bays (₹ lakh/bay)	60.30	62.30	64.37	66.51	68.71
Total (₹ in lakh)		178.00	183.95	190.04	196.35	202.86

62. The petitioner has submitted that norms for O&M Expenses for the tariff period 2014-19 have been arrived on the basis of normalized actual O&M Expenses during the period 2008-13. The petitioner has further submitted that the wage revision of the employees of the petitioner Company is due during 2014-19 and actual impact of wage hike, which will be effective at a future date, has not been factored in fixation of the normative O&M rate specified for the tariff period 2014-19. The petitioner has prayed to



be allowed to approach the Commission for suitable revision in the norms of O&M Expenses for claiming the impact of such increase.

63. The O&M Expenses have been worked out as per the norms of O&M Expenses specified in the 2014 Tariff Regulations. As regards impact of wage revision, we would like to clarify that any application filed by the petitioner in this regard will be dealt with in accordance with the appropriate provisions of the 2014 Tariff Regulations.

64. The details of O&M Expenses allowed are given hereunder:-

Particulars	Year				
	2014-15	2015-16	2016-17	2017-18	2018-19
Allowed	178.00	183.95	190.04	196.35	202.86

Interest on Working Capital (“IWC”)

65. Clause 1 (c) of Regulation 28 and Clause 5 of Regulation 3 of the 2014 Tariff Regulations specify as follows:

“28. Interest on Working Capital

(c)(i) Receivables equivalent to two months of fixed cost;

(i) Maintenance spares @ 15% of operation and maintenance expenses specified in regulation 29; and

(iii) Operation and maintenance expenses for one month”

“(5) 'Bank Rate' means the base rate of interest as specified by the State Bank of India from time to time or any replacement thereof for the time being in effect plus 350 basis points;”



66. The petitioner has submitted that it has computed Interest on working capital for the tariff period 2014-19 considering the SBI Base Rate as on 1.4.2014 plus 350 basis points. The rate of interest on working capital considered is 13.50%.

67. 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 interest on working capital as determined by the Commission is shown in the table below:-

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Maintenance Spares	26.70	27.59	28.51	29.45	30.43
O & M expenses	14.83	15.33	15.84	16.36	16.90
Receivables	625.16	610.65	594.45	578.23	562.03
Total	666.69	653.57	638.79	624.04	609.36
Rate of Interest (%)	13.50	13.50	13.50	13.50	13.50
Interest	90.00	88.23	86.24	84.25	82.26

Annual Transmission Charges

68. The detailed computation of the various components of the annual fixed charges for the transmission asset for the tariff period 2014-19 is summarised below:-

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Gross Block					
Opening Gross Block	21053.38	21159.45	21159.45	21159.45	21159.45
Additional Capitalization	106.07	0.00	0.00	0.00	0.00
Closing Gross Block	21159.45	21159.45	21159.45	21159.45	21159.45
Average Gross Block	21106.41	21159.45	21159.45	21159.45	21159.45
Depreciation					
Rate of Depreciation	5.285	5.285	5.285	5.285	5.285



Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Depreciable Value	18995.77	19043.50	19043.50	19043.50	19043.50
Elapsed Life of the assets at beginning of the year	2	3	4	5	6
Weighted Balance Useful life of the assets	32	31	30	29	28
Remaining Depreciable Value	17123.74	16056.04	14937.80	13819.56	12701.32
Depreciation	1115.43	1118.24	1118.24	1118.24	1118.24
Interest on Loan					
Gross Normative Loan	14737.36	14811.61	14811.61	14811.61	14811.61
Cumulative Repayment upto Previous Year	1872.03	2987.46	4105.70	5223.94	6342.18
Net Loan-Opening	12865.34	11824.15	10705.91	9587.67	8469.43
Additions	74.25	0.00	0.00	0.00	0.00
Repayment during the year	1115.43	1118.24	1118.24	1118.24	1118.24
Net Loan-Closing	11824.15	10705.91	9587.67	8469.43	7351.19
Average Loan	12344.74	11265.03	10146.79	9028.55	7910.31
Weighted Average Rate of Interest on Loan (%)	9.1198	9.1315	9.1397	9.1456	9.1526
Interest	1125.81	1028.67	927.38	825.71	724.00
Return on Equity					
Opening Equity	6316.01	6347.83	6347.83	6347.83	6347.83
Additions	31.82	0.00	0.00	0.00	0.00
Closing Equity	6347.83	6347.83	6347.83	6347.83	6347.83
Average Equity	6331.92	6347.83	6347.83	6347.83	6347.83
Return on Equity (Base Rate) (%)	15.50	15.50	15.50	15.50	15.50
MAT Rate for the year 2013-14 (%)	20.961	20.961	20.961	20.961	20.961
Rate of Return on Equity (Pre Tax) (%)	19.610	19.610	19.610	19.610	19.610
Return on Equity (Pre Tax)	1241.69	1244.81	1244.81	1244.81	1244.81
Interest on Working Capital					
Maintenance Spares	26.70	27.59	28.51	29.45	30.43
O & M expenses	14.83	15.33	15.84	16.36	16.90
Receivables	625.16	610.65	594.45	578.23	562.03



Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Total	666.69	653.57	638.79	624.04	609.36
Interest	90.00	88.23	86.24	84.25	82.26
Annual Transmission Charges					
Depreciation	1115.43	1118.24	1118.24	1118.24	1118.24
Interest on Loan	1125.81	1028.67	927.38	825.71	724.00
Return on Equity	1241.69	1244.81	1244.81	1244.81	1244.81
Interest on Working Capital	90.00	88.23	86.24	84.25	82.26
O & M Expenses	178.00	183.95	190.04	196.35	202.86
Total	3750.93	3663.90	3566.71	3469.36	3372.17

69. The petitioner has sought recovery of deferred tax liability before 1.4.2009 from the beneficiaries or long term consumers/ DICs as and when materialized. However, the COD of the asset is after 2009, hence the claim of the petitioner is not maintainable.

Filing Fee and Publication Expenses

70. The petitioner has sought reimbursement of fee paid by it for filing the petition and publication expenses, in terms of Regulation 52 of the 2014 Tariff Regulations. The petitioner shall be entitled for reimbursement of the filing fees and publication expenses in connection with the present petition, directly from the beneficiaries on pro-rata basis in accordance with clause (1) of Regulation 52 of the 2014 Tariff Regulations.

Licence Fee and RLDC Fees and Charges

71. The petitioner has requested to allow the petitioner to bill and recover License fee and RLDC fees and charges, separately from the respondents. The petitioner shall be entitled for reimbursement of licence fee and RLDC fees and charges in accordance



with Clause (2)(b) and (2)(a), respectively, of Regulation 52 of the 2014 Tariff Regulations.

Service Tax

72. The petitioner has sought to recover Service Tax on Transmission Charges separately from the Respondents, if at any time service tax on transmission is withdrawn from negative list in future. We are of the view that the petitioner's prayer is premature.

Sharing of Transmission Charges

73. The billing, collection and disbursement of the transmission charges approved shall be governed by the provisions of Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010, as amended from time to time, as provided in Regulation 43 of the 2014 Tariff Regulations.

74. This Order disposes of Petition No. 484/TT/2014.

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

**Sd/-
(A.S. Bakshi)
Member**



WEIGHTED AVERAGE RATE OF INTEREST ON LOAN DURING 2009-14 TARIFF PERIOD

(₹ in lakh)

Particulars	2009-14			
	Interest Rate (%)	Loan deployed as on 1.7.2012	Additions during the tariff period	Total
Bond XXXI-DOCO DRAWL ON 01-JUL-2012-	8.90	708.00	0.00	708.00
BOND XXXIII-DOCO DRAWL ON 01-JUL-2012-	8.64	1450.00	0.00	1450.00
BOND-XXXIV-DOCO DRAWL ON 01-JUL-2012-	8.84	4880.00	0.00	4880.00
BOND-XXXV-DOCO DRAWL ON 01-JUL-2012-	9.64	735.00	0.00	735.00
BOND XXXVI-DOCO DRAWL ON 01-JUL-2012-	9.35	720.00	0.00	720.00
BOND XXXVII-ADD CAP 12-13 XXXVII-	9.25	0.00	95.07	95.07
BOND XXXVII-DOCO DRAWL ON 01-JUL-2012-	9.25	1275.00	0.00	1275.00
BOND XXXVIII-DOCO DRAWL ON 01-JUL-2012-	9.25	783.00	0.00	783.00
BOND XXXIX-DOCO DRAWL ON 01-JUL-2012-	9.40	2000.00	0.00	2000.00
SBI (21.03.2012)-ADDCAP FOR 2012-2013 200-	10.56	0.00	181.31	181.31
SBI (21.03.2012)-ADDCAP FOR 2013-2014 200-	10.29	0.00	558.69	558.69
BOND XL-DOCO Drawal on 01-July-2012-	9.30	594.00	0.00	594.00
BOND - XLI-ADD CAP 12-13 XLI-	8.85	0.00	171.00	171.00
BOND - XLI-DOCO XLI-	8.85	242.00	0.00	242.00
BOND - XLII-ADDCAP FOR 2012-2013 200-	8.80	0.00	344.00	344.00
TOTAL		13387.00	1350.07	14737.07

(₹ in lakh)

Particulars	2012-13	2013-14
Gross Opening Loan	13387.00	14178.38
Cumulative Repayments of Loans upto Previous Year	0.00	0.00
Net Loans Opening	13387.00	14178.38
Add: Drawl(s) during the year	791.38	558.69
Less: Repayment(s) of Loan during the year	0.00	59.00
Net Closing Loan	14178.38	14678.07
Average Net Loan	13782.69	14428.23
Interest on Loan	1249.56	1311.87
Rate of Interest on Loan (%)	9.0661	9.0924



Annexure –2

WEIGHTED AVERAGE RATE OF INTEREST ON LOAN DURING 2014-19 TARIFF PERIOD

(₹ in lakh)

Particulars	2014-19			
	Interest Rate (%)	Loan deployed as on 1.4.2014	Additions during the tariff period	Total
Bond XXXI-DOCO DRAWL ON 01-JUL-2012-	8.90	708.00	0.00	708.00
BOND XXXIII-DOCO DRAWL ON 01-JUL-2012-	8.64	1450.00	0.00	1450.00
BOND-XXXIV-DOCO DRAWL ON 01-JUL-2012-	8.84	4880.00	0.00	4880.00
BOND-XXXV-DOCO DRAWL ON 01-JUL-2012-	9.64	735.00	0.00	735.00
BOND XXXVI-DOCO DRAWL ON 01-JUL-2012-	9.35	720.00	0.00	720.00
BOND XXXVII-ADD CAP 12-13 XXXVII-	9.25	95.07	0.00	95.07
BOND XXXVII-DOCO DRAWL ON 01-JUL-2012-	9.25	1275.00	0.00	1275.00
BOND XXXVIII-DOCO DRAWL ON 01-JUL-2012-	9.25	783.00	0.00	783.00
BOND XXXIX-DOCO DRAWL ON 01-JUL-2012-	9.40	2000.00	0.00	2000.00
SBI (21.03.2012)-ADDCAP FOR 2012-2013 200-	10.25	181.31	0.00	181.31
SBI (21.03.2012)-ADDCAP FOR 2013-2014 200-	10.25	558.69	0.00	558.69
BOND XL-DOCO Drawal on 01-July-2012-	9.30	594.00	0.00	594.00
BOND - XLI-ADD CAP 12-13 XLI-	8.85	171.00	0.00	171.00
BOND - XLI-DOCO XLI-	8.85	242.00	0.00	242.00
BOND - XLII-ADDCAP FOR 2012-2013 200-	8.80	344.00	0.00	344.00
TOTAL		14737.07	0.00	14737.07

(₹ in lakh)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Gross Opening Loan	14737.07	14737.07	14737.07	14737.07	14737.07
Cumulative Repayments of Loans upto Previous Year	59.00	645.50	1407.42	2368.53	3329.64
Net Loans Opening	14678.07	14091.57	13329.65	12368.54	11407.43
Add: Drawal(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of Loan during the year	586.50	761.92	961.11	961.11	961.11
Net Closing Loan	14091.57	13329.65	12368.54	11407.43	10446.32
Average Net Loan	14384.82	13710.61	12849.10	11887.99	10926.88
Interest on Loan	1311.86	1251.99	1174.37	1087.23	1000.09
Rate of Interest on Loan (%)	9.1198	9.1315	9.1397	9.1456	9.1526

