

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 64/TT/2018**

**Coram:**

**Shri P.K. Pujari, Chairperson  
Shri A. K. Singhal, Member  
Shri A. S. Bakshi, Member  
Shri M. K. Iyer, Member**

**Date of Order: 20.7.2018**

**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 tariff period under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 for Transmission System Associated with System Strengthening in NR for Sasan and Mundra UMPP in Northern Region consisting of Asset-A: 400 KV Agra-Sikar (D/C QUAD) Line with associated Bays at Agra (COD: 01.01.2014) ; Asset-B: 2 nos. 400 kV line bays for 400 kV D/C Agra-Sikar line including 2 nos. 50 MVAR Line Reactors under Bus Reactor operation mode at 400/220 kV Sikar Sub-station (COD: 01.08.2013) 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**

**Vs**

1. Rajasthan Rajya Vidyut Prasaran Nigam Limited  
Vidyut Bhawan, Vidyut Marg, Jaipur - 302 005



2. Ajmer Vidyut Vitran Nigam Ltd  
400 KV GSS Building ( Ground Floor), Ajmer Road,  
Heerapura, Jaipur.
3. Jaipur Vidyut Vitran Nigam Ltd  
400 KV GSS Building (Ground Floor), Ajmer Road,  
Heerapura, Jaipur.
4. Jodhpur Vidyut Vitran Nigam Ltd  
400 KV GSS Building (Ground Floor), Ajmer Road,  
Heerapura, Jaipur.
5. Himachal Pradesh State Electricity Board  
Vidyut Bhawan  
Kumar House Complex Building li  
Shimla-171 004
6. Punjab State Electricity Board  
Thermal Shed Tia  
Near 22 Phatak  
Patiala-147001
7. Haryana Power Purchase Centre  
Shakti Bhawan, Sector-6  
Panchkula (Haryana) 134 109
8. Power Development Deptt.  
Govt. Of Jammu & Kashmir  
Mini Secretariat, Jammu
9. Uttar Pradesh Power Corporation Ltd.  
(Formerly Uttar Pradesh State Electricity Board)  
Shakti Bhawan, 14, Ashok Marg  
Lucknow - 226 001
10. Delhi Transco Ltd  
Shakti Sadan, Kotla Road,  
New Delhi-110 002
11. BSES Yamuna Power Ltd,  
Bses Bhawan, Nehru Plakhe ,  
New Delhi.
12. BSES Rajdhani Power Ltd,



BSES Bhawan, Nehru Place,  
New Delhi

13. North Delhi Power Ltd,  
Power Trading & Load Dispatch Group  
Cennet Building,  
Adjacent To 66/11 Kv Pitampura-3  
Grid Building, Near Pp Jewellers  
Pitampura, New Delhi - 110034
14. Chandigarh Administration  
Sector -9, Chandigarh.
15. Uttarakhand Power Corporation Ltd.  
Urja Bhawan  
Kanwali Road  
Dehradun.
16. North Central Railway  
Allahabad.
17. New Delhi Municipal Council  
Palika Kendra, Sansad Marg,  
New Delhi-110002

....Respondents

**Parties Present:**

**For Petitioner:**

Shri Rakesh Prasad, PGCIL  
Shri S.S.Raju , PGCIL  
Shri S.K Venkatesan, PGCIL  
Shri Vivek Kumar Singh, PGCIL  
Shri V.P. Rastogi, PGCIL  
Shri Pankaj Sharma, PGCIL

**For Respondent:**

Shri R.B. Sharma, Advocate, BRPL

**ORDER**

The present petition has been filed by Power Grid Corporation of India Ltd.  
("the petitioner") for truing up of capital expenditure and tariff for assets (02 Nos)



under “Transmission System Associated with System Strengthening in NR for Sasan and Mundra UMPP” in Northern Region consisting of Asset-A: 400 KV Agra-Sikar (D/C QUAD) Line with associated Bays at Agra; Asset-B: 2 nos. 400 kV line bays for 400 kV D/C Agra-Sikar line including 2 nos. 50 MVAR Line Reactors under Bus Reactor operation mode at 400/220 kV Sikar Sub-station (hereinafter referred as “transmission assets”) under Regulation 6 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter referred to as “the 2009 Tariff Regulations”) based on actual capital expenditure for the period from COD of respective assets to 31.3.2014 and for determination of tariff for the period from 1.4.2014 to 31.3.2019 under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as “the 2014 Tariff Regulations”) for the Combined Assets.

2. The petitioner has made the following prayers in the instant petition:-
  - i. Approve the Trued up Transmission Tariff for the tariff block 2009-14 block for the assets covered under this petition. The adjustment billing shall be raised.
  - ii. Admit the capital cost as on 31.03.2014 as claimed in the Petition and approve the Additional Capitalization incurred during 2009-14 period and projected to be incurred during the tariff block 2014-19 as claimed in the petition.
  - iii. Approve the Transmission Tariff for the tariff block 2014-19 block for the



assets covered under this petition.

- iv. Allow the petitioner to recover the shortfall or refund the excess Annual Fixed Charges, 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 as provided under clause 25 of the Tariff regulations 2014.
- v. Allow the Petitioner to approach Hon'ble Commission for suitable revision in the norms for O&M expenditure for claiming the impact of wage hike, if any, during period 2014-19.
- vi. Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 52 Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014, and other expenditure ( if any) in relation to the filing of petition.
- vii. Allow the initial spares as procured in the current project in full based on total project cost under Regulation 8 of CERC tariff regulation, 2009.
- viii. Allow the petitioner to bill and recover Licensee fee and RLDC fees and charges, separately from the respondents in terms of Regulation 52 Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.
- ix. Allow the Petitioner to bill and recover Service tax on Transmission Charges separately from the respondents, if at any time service tax on



transmission is withdrawn from negative list at any time in future. Further, any taxes and duties including cess etc. imposed by any statutory/Govt/municipal authorities shall be allowed to be recovered from the beneficiaries.

- x. Allow reimbursement of tax if any on account of the proposed implementation of GST.
- xi. Pass such other relief as Hon'ble Commission deems fit and appropriate under the circumstances of the case and in the interest of justice.

3. The petitioner has served the petition to the respondents and notice of this application has been published in the newspapers in accordance with Section 64 of 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. The hearing of the matter was held on 8.5.2018. BRPL has filed reply in this petition vide letter dated 23.3.2018. In response, the petitioner has submitted the rejoinder vide affidavit dated 7.5.2018. The petitioner was directed to file certain additional information vide ROP dated 8.5.2018. The petitioner has also submitted the add-cap details vide affidavit dated 23.3.2018. Having heard the representatives of both petitioner and BRPL and perused the material on record, we proceed to dispose of the petition.

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

- (a) The investment approval for the project was accorded by Board of Directors



of the petitioner company vide letter no. C/CP/SS dated 10.12.2009 for ₹121683 lakh, including IDC of ₹5770 lakh. RCE of the project was accorded by the Board of Directors of the Petitioner company vide letter no. C/CP/RCE-SS NR Sasan & Mundra UMPP dated 1.6.2016 for ₹142887 lakhs including IDC of ₹7969 lakhs. The petitioner has developed the present transmission asset in the Northern Region. The details of the assets along with COD and the approved apportioned cost are as under:-

Asset	Date of commercial operation
400 KV Agra-Sikar (D/C QUAD) Line with associated Bays at Agra (COD: 01.08.2013). (referred as “ <b>Asset-A</b> ”)	1.1.2014
2 nos. 400 kV line bays for 400 kV D/C Agra-Sikar line including 2 nos. 50 MVAR Line Reactors under Bus Reactor operation mode at 400/220 kV Sikar Sub-station (referred as “ <b>Asset-B</b> ”)	1.8.2013

(b) The petitioner filed Petition No. 300/TT/2013 for determination of tariff from COD to 31.3.2014 for Asset-A and Asset-B under “Transmission System Associated with System Strengthening in NR for Sasan and Mundra UMPP”. Tariff in Petition No. 300/TT/2013 was passed vide order dated 13.8.2015 wherein the Commission shifted the COD of Asset-B to 1.1.2014 from 1.8.2013 and allowed the capital cost of both the assets after deduction of IDC and IEDC w.r.t. the time over-run.

(c) Against the order dated 13.8.2015 in Petition No. 300/TT/2013, the Petitioner filed Review Petition No. 21/RP/2015 challenging the shifting of COD of



Asset-B and the deduction of IDC and IEDC with reference to time over-run of Asset-A & B.

(d) The Commission vide order dated 21.12.2015 disposed of the said Review Petition No. 21/RP/2015 preponing the COD of the Asset-B to 1.8.2013 and directed the petitioner to submit the capital cost of the line reactors and line bays of Asset-B as on 1.8.2013 at the time of truing up. The Commission however rejected the submission and the plea on the issue of time over run. Against this order, the petitioner preferred Appeal No. 85 of 2016 before the Appellate Tribunal of electricity (APTEL) on the issue of deduction of IDC and IEDC due to time over-run in respect of Assets-A and B. The APTEL vide the judgment dated 1.5.2018 upheld the Commission's decision with respect to the time over-run, observing as below:

- “o) After considering all the relevant aspects of the Appeal, material placed on record and in view of our discussions as above, we are of the considered opinion that the Central Commission has rightly carried out prudence check while considering the submissions made by the Appellant and we do not see any legal infirmity in the order of the Central Commission in disallowing time over-run of 12 months for Asset-A and 11 months for Asset-B of the Transmission System.
- p) We do not find any error or material irregularity in the Impugned Order passed by the Central Commission in the main Order and also in the Review Order. The Central Commission after careful evaluation of the oral, documentary and other relevant materials on record has rightly justified recording the findings in answering the issues against the Appellant. Therefore, interference of this Tribunal does not call for. Hence, on this ground also the Appeal filed by the Appellant is liable to dismissed.
- q) Accordingly, the issues raised by the Appellant are decided against the Appellant.”





(e) BRPL has submitted that the COD of the asset should continue to be 1.1.2014 instead of 1.8.2013 as the Tribunal judgment dated 18.1.2018 in Appeal Nos. 198 of 2015 and 6 of 2016 has held that some parts of the transmission system viz bays and line reactors cannot be considered as commissioned and claimed to be put in commercial operation without commissioning of the associated transmission line(s). Accordingly, the completeness/ intended use of the transmission system should be viewed in it's entirety. In reply, the petitioner submitted that the issue of COD has been settled vide Commission's order dated 21.12.2015 in Petition No 21/RP/2015 and as such the respondent, BRPL cannot raise the same issue once again at the stage of truing up.

(f) As stated, the tariff from respective COD to 31.3.2014 was allowed vide order dated 13.8.2015 in Petition No. 300/TT/2013 for Assets-A, Asset-B which is as under:-

(₹ in lakh)		
Sl. No	Name of Asset	2013-14 (Pro-rata)
01	Asset-A	1925.07
02	Asset-B	118.26

(g) The Commission vide order dated 13.8.2015 in Petition No. 300/TT/2013 had considered the capital cost of ₹56979.34 lakh for Asset-A, ₹1218.21 lakh for Asset-B as on COD for determination of tariff for 2009-14 period.



(h) The MAT rate applicable as on 2008-09 was considered to arrive at the rate of Return on Equity for the 2009-14 tariff period. However, the same is required to be adjusted as per the actual MAT rate applicable for the respective years at the time of truing up.

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

5. The tariff for the 2009-14 tariff period for the assets has been trued up as follows:-

#### **Capital Cost**

6. Clause (1) of Regulation 7 of the 2009 Tariff Regulations provides that:-

“(1) Capital cost for a project shall include:  
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;  
capitalised initial spares subject to the ceiling rates specified in regulation 8; and  
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.”

7. The petitioner has claimed the capital cost of ₹61313.46 lakh & ₹1330.08 lakh as on respective COD for Assets-A, & Asset-B respectively. The petitioner has submitted the Auditor’s Certificate certifying the capital cost as on COD and additional capitalization claimed thereafter. The petitioner was directed vide ROP



dated 8.5.2018, to submit Form 5B i.e. “Details of Element-wise cost of the Project” as per RCE” and Calculations for Weighted Average Life of the combined assets. In response, the petitioner vide affidavit dated 25.5.2018, has submitted the required information. We have considered the capital cost as on COD after adjustment of initial spares and IDC paid on cash basis.

8. **Treatment of IDC:-**

The petitioner has claimed following IDC with respect to each asset in the instant petition:-

SI. No	Name of Asset	IDC as per certificate	Discharged upto COD	(₹ in lakh)	
				discharged during 2013-14	discharged during 2014-15
01	Asset-A	3933.48	3841.49	91.99	0.00
02	Asset-B	165.24	142.30	22.70	0.24

9. BRPL has submitted that the claim of the petitioner for IDC included in the additional capitalization for the period 2014-15 under Regulation 14(1)(i) of 2014 Tariff Regulations is liable to be rejected as there is the provision for accrual IDC under the said Regulations. To this, the petitioner has replied that the accrued IDC as on COD has not been considered for corresponding tariff since the same was undischarged upto COD. The accrued IDC has been taken out of COD expenditure and added in the additional capitalization as and when it is discharged.



10. In Petition No. 300/TT/2013, the petitioner did not file the information required for computation and verification of the petitioner's claim of IDC. As such, based on the available information, the Commission vide order dated 13.8.2015, had allowed ₹40.18 lakh and ₹61.26 lakh towards IDC for Asset-A and Asset-B, respectively. The Commission had further directed the petitioner to submit at the time of truing up of the tariff, detailed working of loan deployed, date of disbursement, supporting documents for exchange rates and interest rates for each interest payment dates till the date of commercial operation and revised loan agreement, if applicable and actual cash expenditure in Form 14A in respect of IDC.

11. However, we observe that in the instant truing up petition, the petitioner has not submitted the above said details as directed vide order dated 13.8.2015. The petitioner has submitted "statement showing IDC discharged upto COD" along with the petition. Further, vide affidavit dated 17.5.2018, the petitioner has submitted a "statement of details regarding interest undischarged as on COD". However, the details as per both the statements are not sufficient in terms of dates of drawl, rate of interest, amounts etc. for each loan. As such, it is not possible to compute and to verify the IDC claimed by the petitioner vide Auditor's certificates dated 12.1.2018. Accordingly, it is not possible to verify the claimed IDC and hence the same cannot be considered. Therefore, we decide to allow IDC same as that allowed by the Commission vide order dated 13.8.2015 which is as below:



(₹ in lakh)

Sl. No	Name of Asset	Total IDC claimed as per Auditor's certificate	Total IDC on COD considered	pro-rata deduction due to time over-run	IDC allowed as on COD on cash basis
01	Asset-A	3933.48	51.51	11.33	40.18
02	Asset-B	165.24	75.24	13.98	61.26

12. Further, the Commission in order dated 13.8.2015, did not consider any discharge of IDC post COD period because of the non-availability of the necessary information. The petitioner was directed that the same shall be considered upon submission of adequate information at the time of truing up. As it has been noted that in the instant petition too the petitioner has not furnished the required details, therefore, the claimed discharge of the IDC in subsequent years has not been allowed.

13. **Treatment of IEDC**

The petitioner has claimed IEDC of ₹1763.29 lakh for Asset-A and ₹30.84 lakh for Asset-B and has submitted that the entire IEDC claimed has been discharged as on COD. Usually, while granting transmission tariff, the IEDC limit mentioned in the "Abstract Cost Estimate" is considered for allowing the IEDC. In the instant case, the IEDC as per the "Abstract Cost Estimate" is around 5% of the Hard Cost. The IEDC claimed by the petitioner as on COD is lower than 5% of the hard cost and as such, there is no deduction from the claimed IEDC. However, proportionate deduction on account of the time over-run has been made. Accordingly, ₹1322.47 lakh and ₹22.95



lakh have been allowed towards IEDC with respect to Asset-A and Asset-B, respectively.

### **Additional Capital Expenditure**

14. Clause (1), sub-clause(i) of Regulation 9 of the 2009 Tariff Regulation s provides that:-

“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...;”

The petitioner has claimed additional capitalization for the period from COD to 31.3.2014 for both the assets in the petition on account of balance and retention payment within the cut-off date and after cut-off date under Regulation 9(1) (i) and 9 (2)(viii) of the 2009 Tariff Regulations. The amount claimed towards add-cap for the period of COD to 31.3.2014 is ₹1516.38 lakh and ₹9.74 lakh for Asset-A and Asset-B, respectively.

15. It is observed that the total capital cost (including actual additional capitalization) claimed by the petitioner is within the overall approved cost of the assets. Further, the claim of the petitioner for additional capitalization scope is covered under Regulation 9(1) of the 2009 Tariff Regulations. Hence, the additional capitalization claimed under Regulation 9(1)(i) of the 2009 Tariff Regulations, has been allowed.



## **Initial Spares**

16. Regulation 8 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%.....”

17. The petitioner has claimed initial spares of ₹474.22 lakh (TL), ₹0.58 lakh (SS) for Asset-A & ₹20.25 lakh (SS) for Asset-B. In this regard, the petitioner has submitted that since the project is completed, the initial spares may be considered for the project as a whole and the petitioner has proposed that tariff on initial spares may be allowed as claimed in the petition. The break-up of year-wise initial spares discharged for all the assets has been submitted by the petitioner as under:-

(₹ in lakh)				
SI No	Particulars	Asset-A		Asset-B
		TL	SS	SS
1	Expenditure Up to COD and included in the auditor certificate up to COD	432.20	0.58	20.25
2	Expenditure in add-cap 2013-14 (Included in auditor certificate as add-cap 2013-14)	17.73	0.00	0.00
3	Expenditure in 2014-15(Included in auditor certificate as add-cap 2014-15)	14.72	0.00	0.00
4	Expenditure in FY 2015-16(Included in auditor certificate as add-cap 2015-16)	9.57	0.00	0.00
	<b>Total</b>	<b>373.41</b>	<b>0.58</b>	<b>20.25</b>



18. The petitioner has submitted the actual capital expenditure for truing up of tariff during the 2009-14 tariff period in term of the 2009 Tariff Regulations. The petitioner has also submitted the estimated capital expenditure for determination of tariff of the 2014-19 tariff period in accordance with the 2014 Tariff Regulations. BRPL has submitted that the initial spares claimed for transmission lines are more than the norms as the same may be restricted to the norms specified under the 2014 Tariff Regulations. We have considered the submissions made by the petitioner and the respondent. The initial spares have been worked out by considering the additional capital expenditure upto the cut-off date. As regards the submission of the petitioner to allow excess initial spares by calculating cost of the project as a whole, the Commission, in order dated 7.9.2016 in Petition No. 35/RP/2016 has decided that initial spares are to be allowed as a percentage of the apportioned cost of the individual element. In line with this decision, initial spares have been worked out by considering the capital cost upto the cut-off date for individual elements.

19. Accordingly, excess initial spares which are deducted from the claimed capital cost, have been calculated as below:-

(₹ in lakh)

Particulars	Asset-A		Asset-B
	TL	SS	SS
Total cap. cost as on cut-off date <b>(A)</b>	62638.88	2554.97	1423.97
Disallowed IDC & IEDC <b>(B)</b>	4128.30	168.39	102.30
Total capital cost after	58510.58	2386.58	1321.67





IDC/IEDC deduction (C) =A-B			
Initial spares claimed (D)	474.22	0.58	20.25
Proportionate initial spares claimed (E) =D*C/A	442.97	0.54	18.80
Ceiling Limits as per clause 8 of 2009 Tariff Regulations (F)	0.75%	2.50%	2.50%
Spares worked out (G) = $\frac{\{(C)-(E)\}*(F)}{\{(100\%)-(F)\}}$	438.80	61.18	33.41
Excess claimed (H) = E-G	4.17	-60.64*	-15.51*

\* claimed within limit, hence no excess initial spares to be deducted

20. The capital cost as on COD has been worked out by adjusting IDC, IEDC and excess initial spares as under:-

(₹ in lakh)							
	Capital cost claimed on COD	less: IDC claimed	less: IEDC claimed	add: IDC allowed on cash basis	add: IEDC allowed	less: Excess Initial spare	Admissible capital cost as on COD
Asset-A	61313.46	3933.48	1763.29	40.18	1322.47	4.17	56975.17
Asset-B	1330.08	165.24	30.84	61.26	22.95	0.00	1218.21

21. The capital cost as on COD and as on 31.3.2014 after taking into consideration the additional capitalisation allowed for the computation of tariff for the instant assets :-

(₹ in lakh)				
Name of the asset	Approved apportioned cost (RCE)	Capital cost as on COD	Addition Capital Expenditure for 2013-14	Capital cost as on 31.3.2014
Asset-A	71644.87	56975.17	1516.38	58491.55
Asset-B	1624.39	1218.21	9.74	1227.95



## **Debt:Equity Ratio**

22. Clause 1 & 3 of Regulation 12 of the 2009 Tariff Regulations provide as follows:-

“(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.

.....

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.”

23. The capital cost on the dates of commercial operation arrived at as above and additional capital expenditure allowed have been considered in the normative debt-equity ratio of 70:30. Details of debt-equity as on date of commercial operation and 31.3.2014 and with respect to the add-cap considered on normative basis are as given under:-

### **Asset-A**

(₹ in lakh)

Particulars	as on COD		Add-cap		as on 31.3.2014	
	Amount	(%)	Amount	(%)		(%)
Debt	39882.62	70.00	1061.47	70.00	40944.08	70.00
Equity	17092.55	30.00	454.91	30.00	17547.46	30.00
<b>Total</b>	<b>56975.17</b>	<b>100.00</b>	<b>1516.38</b>	<b>100.00</b>	<b>58491.55</b>	<b>100.00</b>

### **Asset-B**

(₹ in lakh)

Particulars	as on COD		Add-cap		as on 31.3.2014	
	Amount	(%)	Amount	(%)		(%)



Debt	852.75	70.00	6.82	70.00	859.57	70.00
Equity	365.46	30.00	2.92	30.00	368.39	30.00
<b>Total</b>	<b>1218.21</b>	<b>100.00</b>	<b>9.74</b>	<b>100.00</b>	<b>1227.95</b>	<b>100.00</b>

### **Return on Equity (“ROE”)**

24. Clause (3), (4) and (5) of Regulation 15 of the 2009 Tariff Regulations provides 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.

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.

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. RoE has been worked out by considering year wise MAT rate submitted by the petitioner in accordance with Regulation 15 of the 2009 Tariff Regulations. The tax rate for the year 2013-14 applicable to the petitioner for the purpose of grossing up of ROE is as under:-



Year	MAT Rate	Grossed up ROE (Base rate/(1-t))
2013-14	20.961	19.610

26. We have considered the submissions of the petitioner and have approved ROE in accordance with the provisions of the 2009 Tariff Regulations. Accordingly, the ROE as trued up in accordance with the 2009 Tariff Regulations is shown in the table below:-

Return on Equity	(₹ in lakh)	
	2013-14 (pro-rata)	2013-14 (pro-rata)
	asset-A	asset-B
Opening Equity	17092.55	365.46
Addition due to Additional Capitalisation	454.91	2.92
Closing Equity	17547.46	368.39
Average Equity	17320.01	366.92
Return on Equity (Base Rate )	15.50%	15.50%
Tax rate for the year 2013-14	20.961%	20.961%
Rate of Return on Equity (Pre Tax )	19.610%	19.610%
<b>Return on Equity (Pre Tax)</b>	<b>837.48</b>	<b>47.90</b>

### **Interest on Loan (IOL)**

27. Regulation 16 of the 2009 Tariff Regulations provides as hereinafter:-

“16. Interest on loan capital (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.”

28. In keeping with the provisions of Regulation 16 of the 2009 Tariff Regulations, the petitioner's entitlement to IOL has been calculated on the following basis:-

(a) Gross amount of loan, repayment of instalments, rate of interest and weighted average rate of interest on actual average loan have been considered as per the petition;

(b) The repayment for the tariff period 2009-14 has been considered to be equal to the depreciation allowed for that period;

(c) Weighted average rate of interest on actual average loan worked out as per (a) above is applied on the notional average loan during the year to arrive at the interest on loan;



- (d) Notwithstanding moratorium period availed by the transmission licensee, the repayment of the loan shall be considered from the first year of commercial operation of the project and shall be equal to the annual depreciation allowed; and
- (e) As per Regulation 16(5) of the 2009 Tariff Regulations, only actual loans have been considered for computation of weighted average rate of interest.

29. Detailed calculations in support of the weighted average rates of interest have been given at **Annexure-I**

30. Based on the above, IOL has been calculated as given under:-

Interest on Loan	(₹ in lakh)	
	2013-14 (pro-rata)	2013-14 (pro-rata)
	asset-A	asset-B
Gross Normative Loan	39882.62	852.75
Cumulative Repayment upto Previous Year	0.00	0.00
Net Loan-Opening	39882.62	852.75
Addition due to Additional Capitalisation	1061.47	6.82
Repayment during the year	751.88	42.76
Net Loan-Closing	40192.20	816.81
Average Loan	40037.41	834.78
Weighted Average Rate of Interest on Loan	1.6200%	4.2470%
<b>Interest</b>	<b>159.93</b>	<b>23.60</b>

### **Depreciation**

31. 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”



32. 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."

33. The Commission vide order dated 13.8.2015 has worked out depreciation for Asset-A & B in accordance with Regulation 17 of the 2009 Tariff Regulations. The weighted average useful life of the transmission asset has been considered as per Regulations 3(42) and 17(4) of the 2009 Tariff Regulations. For the purpose of calculation, the useful life of the asset as on COD has been considered as 35 years for Asset-A, 25 years for Asset-B. 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 as under:-

Depreciation	(₹ in lakh)	
	2013-14 (pro-rata)	2013-14 (pro-rata)
	asset-A	asset-B
Opening gross block	56975.17	1218.21
Addition during 2009-14 due to Projected Additional Capitalisation	1516.38	9.74
Gross Block	58491.55	1227.95
Average Gross Block	57733.36	1223.08
Rate of Depreciation	5.28%	5.25%
Depreciable Value @90%	51960.02	1100.77
Remaining Depreciable Value	51960.02	1100.77
<b>Depreciation</b>	<b>751.88</b>	<b>42.76</b>



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

34. The petitioner has computed O&M Expenses for the assets in accordance with the O&M norms specified for lines and bays under Regulation 19(g) of the 2009 Tariff Regulations. There is no change in the O&M Expenses claimed by the petitioner for the period 2009-14 as against those approved in the order dated 13.08.2015 in Petition No. 300/TT/2013 for Assets-A & B. Accordingly, the O&M expense allowed are as under:

	(₹ in lakh)	
	2013-14	2013-14
	asset-A	asset-B
O&M expense	146.02	174.32

**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 the rate of IWC as 13.20% for Asset-A and B for the period from COD to 31.3.2014 as per Clause (3) of Regulation 18 of the 2009 Tariff Regulations and the components of working capital have also been considered in accordance with sub-clause (c) of clause (1) of Regulation 18 of the 2009 Tariff Regulations.

37. Rate of interest on working capital has been considered on normative basis





in accordance with Clause (3) of Regulation 18 of the 2009 Tariff Regulations. Therefore, interest rate of 13.20% (9.70% plus 350 basis points) has been considered to work out the interest on working capital as tabulated below.

Particulars	(₹ in lakh)	
	asset-A	asset-B
	2013-14 (Pro-rata)	2013-14 (Pro-rata)
Maintenance Spares	88.83	39.28
O & M Expenses	49.35	21.82
Receivables	1313.02	75.24
<b>Total</b>	<b>1,451.20</b>	<b>136.34</b>
<b>Interest</b>	<b>47.23</b>	<b>11.98</b>

38. The revised transmission tariff for the period 2009-14 has been worked out based on truing up of the additional capitalization and adjustment of tax rate for grossing up of the ROE as per the Regulations. Accordingly, the transmission tariff has been calculated taking into account the actual expenditure up to COD and the actual additional capitalization from COD to 31.3.2014. The revised annual transmission tariff for the tariff period 2009-14 is summarized as below:

Annual Transmission Charges	(₹ in lakh)	
	asset-A	asset-B
	2013-14 (Pro-rata)	2013-14 (Pro-rata)
Depreciation	751.88	42.76
Interest on Loan	159.93	23.60
Return on Equity	837.48	47.90
Interest on Working Capital	47.23	11.98
O & M Expenses	146.02	174.32
<b>Total</b>	<b>1942.55</b>	<b>300.56</b>

### **DETERMINATION OF ANNUAL TRANSMISSION CHARGES FOR 2014-19**

39. The petitioner has claimed transmission charges for the Combined Asset for 2014-19 tariff period as under:-



(₹ in lakh)

Combined Assets	2014-15	2015-16	2016-17	2017-18	2018-19
Depreciation	3392.68	3453.51	3490.58	3512.05	3528.37
Interest on Loan	707.25	662.15	615.33	564.63	508.78
Return on equity	3739.01	3806.78	3848.09	3872.6	3891.39
Interest on Working Capital	223.07	226.4	228.58	229.99	231.08
O & M Expenses	771.73	797.24	823.56	851.07	879.32
<b>Total</b>	<b>8833.74</b>	<b>8946.08</b>	<b>9006.14</b>	<b>9030.34</b>	<b>9038.94</b>

40. 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	64.31	66.44	68.63	70.92	73.28
O & M expenses	115.76	119.59	123.53	127.66	131.9
Receivables	1472.29	1491.01	1501.02	1505.06	1506.49
Total	1652.36	1677.04	1693.18	1703.64	1711.67
Rate of Interest (%)	13.50%	13.50%	13.50%	13.50%	13.50%
<b>Interest</b>	<b>223.07</b>	<b>226.40</b>	<b>228.58</b>	<b>229.99</b>	<b>231.08</b>

#### **Effective Date of Commercial Operation (E-COD)**

41. The petitioner has stated that E-COD of the combined assets works out to be 1.4.2014. However, based on the trued up capital cost and actual COD of both the individual assets, the E-COD has been worked out as 28.12.2013 and is shown below:-

(₹ in lakh)

Assets	Actual COD	Trued up capital cost as on 31.3.2014 (in the instant petition)	Weight of the capital cost	No. of days from assets COD to project COD	Weighted days	Effective COD of Project (Project COD Weighted days)
Asset-A	1.1.2014	58491.55	97.94%	0.00	0.00	<b>28.12.2013</b>
Asset-B	1.8.2013	1227.95	2.06%	153.00	3.15	
<b>Total</b>		<b>59719.50</b>	<b>100.00%</b>		<b>3.15</b>	



42. The E-COD has been used to determine the lapsed life (i.e. the number of completed years) of both the assets as on 28.12.2013.

**Weighted Average Life (WAL)**

43. The project as a whole, has multiple elements (i.e. Land, Building, Transmission line, Sub-station and PLCC) and each element may have different span of life. Therefore, in the 2014 Tariff Regulations, the concept of Weighted Average Life (WAL) has been introduced which has been used as the useful life of the project as whole.

44. The Weighted Average Life (WAL) has been determined based on the admitted capital cost of individual elements as on 31.3.2014 and their respective life as stipulated in the 2014 Tariff Regulations. The element wise life as defined in Tariff Regulations prevailing at the time of actual COD of individual assets has been ignored for this purpose. The life as defined in the 2014 Tariff Regulations has been considered for determination of WAL. Accordingly, WAL of the all the assets commissioned during 2009-14 tariff period have been worked out as 34 years as shown below:-

(₹ in lakh)

Particulars	Asset -A	Asset -B	Combined cost	Life as per 2014 Regulation	weight
Freehold Land	0.00	0.00	0.00	0	0.00
Leasehold Land	0.00	15.52	15.52	25	388.11
Building & Other Civil Works	0.00	19.41	19.41	25	485.19



Transmission Line	56292.96	0.00	56292.96	35	1970253.54
Sub-Station Equipments	2105.01	1162.57	3267.58	25	81689.54
PLCC	93.58	30.44	124.03	15	1860.43
<b>Total</b>	<b>58491.55</b>	<b>1227.95</b>	<b>59719.50</b>	<b>34</b>	<b>2054676.81</b>
<b>WAL</b>	<b>34 years</b>				

45. It is assumed that, the WAL as on 1.4.2014 as determined above is applicable prospectively (i.e. for 2014-19 tariff period onwards) and no retrospective adjustment of depreciation in previous tariff period is required to be done. Accordingly, the WAL has been used to determine the remaining useful life as on 31.3.2014 to be 34 years.

### **Capital Cost**

46. 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.”

47. The petitioner has claimed capital cost of ₹62377.69 lakh and ₹1317.71 lakh and additional capitalization of ₹2932 lakh and ₹205.4 lakh for Assets-A & B



respectively for the 2014-19 tariff period.

48. BRPL has submitted that there is a mismatch between the capital cost and additional capitalization in respect of Assets-A and B as on 31.3.2014 as claimed by the petitioner and as allowed in order dated 13.8.2015 in Petition No. 300/TT/2013.

49. We have considered the submission made by the petitioner and the respondent. The capital cost allowed by the Commission vide order dated 13.8.2015 in Petition No. 300/TT/2013 was based on the projected additional capitalisation, whereas the claim of the petitioner is based on actual additional capital expenditure incurred. As such, in line with Clause (1) & (3) of Regulation 9 of the 2014 Tariff Regulations, the trued up capital cost as on 31.3.2014 amounting to ₹58491.55 lakh and ₹1227.95 lakh for Assets-A and B respectively, i.e. ₹59719.50 lakh for combined assets, has been considered as opening capital cost for the tariff period 2014-19.

### **Additional Capital Expenditure**

50. Clause 1, sub-clause (i) of Regulation 14 of the 2014 Tariff Regulations provides as follows:-

“(3) The capital expenditure, in respect of existing generating station or the transmission system including communication system, incurred or projected to be incurred on the following counts after 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;

51. The petitioner has proposed additional capitalization of ₹2932.00 lakh and



₹205.16 for Asset A and B respectively, towards balance and retention payments under Clause 1 of Regulation 14 of the 2014 Tariff Regulations.

52. The petitioner vide affidavit dated 23.3.2018 has submitted the details of additional capital expenditure after cut-off date, wherein it is informed that an amount of ₹567.99 lakh for Asset-A and ₹0.68 lakh for Asset-B in 2017-18 is towards retention payment.

53. The total capital cost of the transmission asset including additional capitalization incurred during the 2014-19 tariff period works out to ₹65828.10 lakh i.e. ₹64333.28 lakh, ₹1494.82 lakh for Assets-A & B respectively, and the same is within the approved RCE apportioned cost (₹73469.26 lakhs) of the Asset-A & B. It is observed that in case of Asset-A & B, the additional capitalization claimed is mainly towards retention payments due to undischarged liabilities for works executed within the cut-off date. BRPL has submitted that the claim of the petitioner towards the add-cap for FY 2017-18 amounting to ₹638.67 is liable to be rejected as there is nothing on record to show that the works were executed prior to the cut-off date. We have considered the submission of the respondent. The said claim of add-cap amounting to ₹638.67 for FY 2017-18 is on projected basis and hence we are inclined to allow the same at this stage. However, the same shall be subject to review while carrying out the true up for 2014-19 tariff period. In this regard, we direct the petitioner to submit at the time of true-up, the documentary evidences to substantiate that the add-cap claimed in FY 2017-18 is toward the payment with respect to the work executed within cut-off date.



54. Accordingly, the additional capitalisation claimed by the petitioner for tariff period 2014-19 is allowed and the same shall be finally approved after the detailed scrutiny of additional capitalisation while carrying out the true up for 2014-19 tariff.

55. The total capital cost of the transmission assets including additional capitalization projected to be incurred during 2014-19 is shown below:-

(₹ in lakh)

Name of the Asset	Apportioned Approved Cost as per RCE	Capital cost as on 1.4.2014	Additional Capital Expenditure allowed					Total completion cost
			2014-15	2015-16	2016-17	2017-18	2018-19	
<b>Asset-A</b>	71844.87	58491.55	1082.08	1097.74	184.19	567.99	0.00	61423.55
<b>Asset-B</b>	1624.39	1227.95	11.78	112.29	10.41	70.68	0.00	1433.11
<b>Combined asset</b>	<b>73469.26</b>	<b>59719.50</b>	<b>1093.86</b>	<b>1210.03</b>	<b>194.60</b>	<b>638.67</b>	<b>0.00</b>	<b>62856.66</b>

### **Debt:Equity Ratio**

56. 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.”

57. The petitioner has considered debt:equity ratio as 70:30 as on 31.3.2014. The debt:equity ratio of 70:30 considered to the period 2009-14 (as on 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:-

**(₹ in lakh)**

Particulars	Amount	(%)
Debt	41803.65	70.00
Equity	17915.85	30.00
<b>Total</b>	<b>59719.50</b>	<b>100.00</b>

For additional capitalization, the petitioner has proposed normative debt:equity ratio of 70:30 and the same has been considered. The details of the debt:equity including additional capitalization as on 31.3.2019 is as follows:-

**(₹ in lakh)**

Funding	Amount	(%)
Debt	43999.66	70.00
Equity	18857.00	30.00
<b>Total</b>	<b>62856.66</b>	<b>100.00</b>

### **Return on Equity("ROE")**

58. 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:

$$\text{Rate of pre-tax return on equity} = \text{Base rate} / (1-t)$$

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.”

59. The petitioner has submitted ROE at the rate of 19.610% after grossing up the ROE of 15.50% 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.

60. 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.

61. 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 allowed is given below:-

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Opening Equity	17915.85	18244.01	18607.02	18665.40	18857.00
Additional Capitalization	328.16	363.01	58.38	191.60	0.00
Closing Equity	18244.01	18607.02	18665.40	18857.00	18857.00
Average Equity	18079.93	18425.51	18636.21	18761.20	18857.00
Return on Equity (Base Rate) (%)	<b>15.50%</b>	<b>15.50%</b>	<b>15.50%</b>	<b>15.50%</b>	<b>15.50%</b>
MAT rate for the year (%)	20.96%	20.96%	20.96%	20.96%	20.96%
Rate of Return on Equity (Pre Tax) (%)	19.610%	19.610%	19.610%	19.610%	19.610%
<b>Return on Equity (Pre Tax)</b>	<b>3545.47</b>	<b>3613.24</b>	<b>3654.56</b>	<b>3679.07</b>	<b>3697.86</b>

### **Depreciation**

62. 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.”

63. The petitioner has claimed depreciation considering the capital expenditure of ₹63695.46 lakh as on 31.3.2014 along with additional capitalization of ₹1094.10 lakh, ₹1210.03 lakh and ₹194.6 lakh & 638.67 lakh for 2014-15, 2015-16 , 2016-17 and 2017-18, respectively, during the 2014-19 tariff period. The effective date of commercial operation is (28.12.2013) and the weighted average useful life of 34 years has been considered in accordance with Regulation 26 of the 2014 Tariff Regulations considering the actual COD and capital cost of all the elements of the transmission system for working out the depreciation for Combined Asset.

64. We have considered the submissions of the petitioner. Depreciation is allowed considering the capital expenditure of ₹59719.50 lakh as on 31.3.2014 under Regulation 27 of the 2014 Tariff Regulations. The details of the depreciation allowed are as under:-

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Opening Gross block	59719.50	60813.36	62023.39	62217.99	62856.66
Additional Capitalization	1093.86	1210.03	194.60	638.67	0.00
Gross block at the end of the year	60813.36	62023.39	62217.99	62856.66	62856.66
Average gross block	60266.43	61418.38	62120.69	62537.33	62856.66
Rate of Depreciation (%)	5.28%	5.28%	5.28%	5.28%	5.28%
Depreciable Value	54239.79	55276.54	55908.62	56283.59	56570.99
Elapsed Life of the assets at beginning of the year	0	1	2	3	4



Weighted balance useful life of the assets	34	33	32	31	30
Remaining depreciable value	53405.10	51259.16	48647.72	45742.10	42727.44
<b>Depreciation</b>	<b>3182.69</b>	<b>3243.51</b>	<b>3280.60</b>	<b>3302.06</b>	<b>3318.39</b>

### **Interest on Loan (“IOL”)**

65. 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.

(3) The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.”

66. The weighted average rate of IOL on the basis of rate prevailing as on 1.4.2014 has been considered. 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:-

<b>Particulars</b>	<b>(₹ in lakh)</b>				
	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Gross loan opening	41803.65	42569.35	43416.37	43552.59	43999.66



Cumulative Repayment up to previous year	794.64	3977.33	7220.85	10501.44	13803.51
Net Loan-Opening	41009.01	38592.02	36195.53	33051.15	30196.16
Additions during the year	765.70	847.02	136.22	447.07	0.00
Repayment during the year	3182.69	3243.51	3280.60	3302.06	3318.39
Net Loan-Closing	38592.02	36195.53	33051.15	30196.16	26877.77
Average Loan	39800.52	37393.77	34623.34	31623.65	28536.96
Rate of Interest (%)	1.66%	1.66%	1.66%	1.67%	1.67%
<b>Interest</b>	<b>660.44</b>	<b>618.95</b>	<b>575.45</b>	<b>528.07</b>	<b>475.78</b>

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

67. The petitioner has computed normative O&M Expenses as per sub-clause (a) of clause (4) of Regulation 29 of the 2014 Tariff Regulations. Accordingly, the O&M Expenses has been worked out as follow as under:

		(₹ in lakh)				
Particular		2014-15	2015-16	2016-17	2017-18	2018-19
Actual	Double Circuit (Quad Conductor) (₹ in lakh)	409.932	423.442	437.338	452.006	467.06
	400 kV Bays (Nos.)	361.8	373.8	386.22	399.06	412.26
<b>Total</b>		<b>771.732</b>	<b>797.242</b>	<b>823.558</b>	<b>851.066</b>	<b>879.32</b>
Norms as per Regulation	Double Circuit (Quad Conductor) (₹lakh/km)	1.062	1.097	1.133	1.171	1.210
	400 kV Bays (₹lakh/bay)	60.30	62.30	64.37	66.51	68.71

68. 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 is due during the 2014-19 tariff period 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.

69. BRPL has submitted that the increase in the employee cost, if any, due to wage revision must be taken care of by improvement of productivity levels by the petitioner so that the beneficiaries are not unduly burdened over and above the provisions of the 2014 Tariff Regulations.

70. We have considered the submissions made by the petitioner and the respondent. The O&M Expenses have been worked out as per O&M Expenses specified under the 2014 Tariff Regulations. As regards impact of wage revision, any application filed by the petitioner in this regard will be dealt with in accordance with the appropriate provisions of the 2014 Tariff regulations.

71. The details of O&M Expenses allowed for the combined assets are given hereunder:-

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
O&M Expenses allowed	771.732	797.242	823.558	851.066	879.32

#### **Interest on Working Capital (“IWC”)**

72. As per 2014 Tariff Regulations the components of the working capital and the interest thereon are discussed hereinafter:-

(i) **Receivables:** As per Regulation 28(1) (c) (i) of the 2014 Tariff Regulations,



receivables will be equivalent to two months average billing calculated on target availability level. 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 28 (1) (c) (ii) of the 2014 Tariff Regulations provides for maintenance spares @ 15% per annum of the O&M Expenses from 1.4.2014. The petitioner has claimed maintenance spares for the instant asset and value of maintenance spares has accordingly been worked out as 15% of O&M Expenses.
- (iii) O & M Expenses:** Regulation 28 (1) (c) (iii) of the 2014 Tariff Regulations provides for operation and maintenance expenses for one month to be included in the working capital. The petitioner has claimed O & M expenses for the instant asset and value of O & M expenses has accordingly been worked out by considering 1 month O&M Expenses.
- (iv) Rate of interest on working capital:** Rate of interest on working capital shall be on normative basis and shall be considered as the bank rate as on 1.4.2014 or as on 1st April of the year during the tariff period 2014-15 to 2018-19 in which the transmission system including communication system or element thereof, as the case may be, is declared under commercial operation, whichever is later. Further, the 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. The rate of interest on working capital considered is 13.50% (SBI Base Rate of 10% plus 350 basis points).

73. The IWC allowed is shown in the table below:-

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Maintenance Spares	115.76	119.59	123.53	127.66	131.90
O & M Expenses	64.31	66.44	68.63	70.92	73.28
Receivables	1395.51	1414.84	1425.42	1430.02	1432.06
Total	1575.58	1600.87	1617.59	1628.60	1637.24
<b>Interest</b>	<b>212.70</b>	<b>216.12</b>	<b>218.37</b>	<b>219.86</b>	<b>221.03</b>

#### **Annual Transmission Charges**

74. The annual fixed charges for the transmission asset for the tariff period 2014-19 is summarized below:-

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Depreciation	3182.69	3243.51	3280.60	3302.06	3318.39
Interest on Loan	660.44	618.95	575.45	528.07	475.78
Return on Equity	3545.47	3613.24	3654.56	3679.07	3697.86
Interest on Working Capital	212.70	216.12	218.37	219.86	221.03
O & M Expenses	771.73	797.242	823.558	851.066	879.320
<b>Total</b>	<b>8373.04</b>	<b>8489.07</b>	<b>8552.54</b>	<b>8580.13</b>	<b>8592.37</b>

#### **Filing Fee and Publication Expenses**

75. 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 is 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**

76. 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**

77. 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. Service Tax has been subsumed by GST and hence the petitioner's prayer has become infructuous.

### **Goods and Services Tax**

78. The petitioner has prayed for reimbursement of tax, if any, on account of proposed implementation of GST. The petitioner has submitted that the Commission should allow recovering GST from the beneficiaries, if imposed on transmission charges under the proposed GST when implemented by Government of India. We are of the view that petitioner's prayer is premature.



## **Sharing of Transmission Charges**

79. 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.

80. This order disposes of Petition No. 64/TT/2018.

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

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

sd/-  
**(A.K. Singhal)**  
**Member**

sd/-  
**(P.K.Pujari)**  
**Chaiperson**



**ANNEXURE-I****DETAILS OF LOAN BASED ON ACTUAL LOAN PORTFOLIO 2009-14**

	(₹ in lakh)
<b>Details of Loan</b>	<b>2013-14</b>
<b>Asset-A</b>	
<b>IBRD-V Add-cap 62.49</b>	
Gross loan opening	<b>0.00</b>
Cumulative Repayment upto COD/previous year	<b>0.00</b>
Net Loan-Opening	0.00
Additions during the year	1061.39
Repayment during the year	0.00
Net Loan-Closing	1061.39
Average Loan	530.70
<b>Rate of Interest</b>	<b>1.62%</b>
Interest	8.60
<b>IBRD-V Add-cap 62.41</b>	
Gross loan opening	<b>64.41</b>
Cumulative Repayment upto COD/previous year	<b>0.00</b>
Net Loan-Opening	64.41
Additions during the year	0.00
Repayment during the year	0.00
Net Loan-Closing	64.41
Average Loan	64.41
<b>Rate of Interest</b>	<b>1.62%</b>
Interest	1.04
<b>IBRD-V Add-cap 62.41</b>	
Gross loan opening	<b>42680.01</b>
Cumulative Repayment upto COD/previous year	<b>0.00</b>
Net Loan-Opening	42680.01
Additions during the year	0.00
Repayment during the year	0.00
Net Loan-Closing	42680.01
Average Loan	42680.01
<b>Rate of Interest</b>	<b>1.62%</b>
Interest	691.42
<b>Total Loan</b>	
Gross loan opening	42744.42
Cumulative Repayment upto COD/previous year	0.00
Net Loan-Opening	42744.42
Additions during the year	1061.39
Repayment during the year	0.00



Net Loan-Closing	43805.81
Average Loan	43275.12
<b>Rate of Interest</b>	<b>1.6200%</b>
<b>Interest</b>	701.06

<b>Asset-B</b>	<b>(₹ in lakh) 2013-14</b>
BOND XXX-loan 1-	
Gross Opening Loan	306
Cumulative Repayments of Loans upto Previous Year	0
Net Loans Opening	306
Add: Drawl(s) during the year	0
Less: Repayment(s) of Loan during the year	25.5
Net Closing Loan	280.5
Average Net Loan	293.25
Rate of Interest on Loan	8.8
Interest on Loan	25.81
BOND XXXIII-ADDCAP FOR 2013-2014 Loan 4	
Gross Opening Loan	0
Cumulative Repayments of Loans upto Previous Year	0
Net Loans Opening	0
Add: Drawl(s) during the year	15.89
Less: Repayment(s) of Loan during the year	0
Net Closing Loan	15.89
Average Net Loan	7.95
Rate of Interest on Loan	8.64
Interest on Loan	0.69
BOND XXXIII-Loan 2-	
Gross Opening Loan	25.67
Cumulative Repayments of Loans upto Previous Year	0
Net Loans Opening	25.67
Add: Drawl(s) during the year	0
Less: Repayment(s) of Loan during the year	0
Net Closing Loan	25.67
Average Net Loan	25.67
Rate of Interest on Loan	8.64
Interest on Loan	2.22



IBRD V-ADDCAP FOR 2013-2014 Loan 4-62.36	
Gross Opening Loan	0
Cumulative Repayments of Loans upto Previous Year	0
Net Loans Opening	0
Add: Drawl(s) during the year	6.8
Less: Repayment(s) of Loan during the year	0
Net Closing Loan	6.8
Average Net Loan	3.4
Rate of Interest on Loan	1.65
Interest on Loan	0.06
IBRD V-Loan 3-61.11	
Gross Opening Loan	568.02
Cumulative Repayments of Loans upto Previous Year	0
Net Loans Opening	568.02
Add: Drawl(s) during the year	0
Less: Repayment(s) of Loan during the year	0
Net Closing Loan	568.02
Average Net Loan	568.02
Rate of Interest on Loan	1.65
Interest on Loan	9.38
Summary	
Gross Opening Loan	899.69
Cumulative Repayments of Loans upto Previous Year	0
Net Loans Opening	899.69
Add: Drawl(s) during the year	22.69
Less: Repayment(s) of Loan during the year	25.5
Net Closing Loan	896.88
Average Net Loan	898.29
Rate of Interest on Loan	4.25
Interest on Loan	38.15



**ANNEXURE-II****Weighted average rate of interest for combined assets for the tariff period 2014-19**

(₹ in lakh)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
<b>BOND XXX-1.Loan 1-</b>					
Gross Opening Loan	306	306	306	306	306
Cumulative Repayments of Loans upto Previous Year	25.5	51	76.5	102	127.5
Net Loans Opening	280.5	255	229.5	204	178.5
Add: Drawl(s) during the year	0	0	0	0	0
Less: Repayment(s) of Loan during the year	25.5	25.5	25.5	25.5	25.5
Net Closing Loan	255	229.5	204	178.5	153
Average Net Loan	267.75	242.25	216.75	191.25	165.75
Rate of Interest on Loan	8.8	8.8	8.8	8.8	8.8
Interest on Loan	23.56	21.32	19.07	16.83	14.59
<b>BOND XXXIII-2.Loan 2-</b>					
Gross Opening Loan	25.67	25.67	25.67	25.67	25.67
Cumulative Repayments of Loans upto Previous Year	0	2.14	4.28	6.42	8.56
Net Loans Opening	25.67	23.53	21.39	19.25	17.11
Add: Drawl(s) during the year	0	0	0	0	0
Less: Repayment(s) of Loan during the year	2.14	2.14	2.14	2.14	2.14
Net Closing Loan	23.53	21.39	19.25	17.11	14.97
Average Net Loan	24.6	22.46	20.32	18.18	16.04
Rate of Interest on Loan	8.64	8.64	8.64	8.64	8.64
Interest on Loan	2.13	1.94	1.76	1.57	1.39
<b>BOND XXXIII-7.ADDCAP FOR 2014-2015 Loan 5 (Accural IDC)-</b>					
Gross Opening Loan	0	0.17	0.17	0.17	0.17
Cumulative Repayments of Loans upto Previous Year	0	0.01	0.02	0.03	0.04
Net Loans Opening	0	0.16	0.15	0.14	0.13
Add: Drawl(s) during the year	0.17	0	0	0	0
Less: Repayment(s) of Loan during the year	0.01	0.01	0.01	0.01	0.01



Net Closing Loan	0.16	0.15	0.14	0.13	0.12
Average Net Loan	0.08	0.16	0.15	0.14	0.13
Rate of Interest on Loan	8.64	8.64	8.64	8.64	8.64
Interest on Loan	0.01	0.01	0.01	0.01	0.01
BOND XXXIII-8.ADDCAP FOR 2013-2014 Loan 4 (Accural IDC)-					
Gross Opening Loan	15.89	15.89	15.89	15.89	15.89
Cumulative Repayments of Loans upto Previous Year	0	1.32	2.64	3.96	5.28
Net Loans Opening	15.89	14.57	13.25	11.93	10.61
Add: Drawl(s) during the year	0	0	0	0	0
Less: Repayment(s) of Loan during the year	1.32	1.32	1.32	1.32	1.32
Net Closing Loan	14.57	13.25	11.93	10.61	9.29
Average Net Loan	15.23	13.91	12.59	11.27	9.95
Rate of Interest on Loan	8.64	8.64	8.64	8.64	8.64
Interest on Loan	1.32	1.2	1.09	0.97	0.86
IBRD V-10.Loan 1-62.41					
Gross Opening Loan	42680.01	42680.01	42680.01	42680.01	42680.01
Cumulative Repayments of Loans upto Previous Year	0	772.51	2330.33	3905.22	5497.19
Net Loans Opening	42680.01	41907.5	40349.68	38774.79	37182.82
Add: Drawl(s) during the year	0	0	0	0	0
Less: Repayment(s) of Loan during the year	772.51	1557.82	1574.89	1591.97	1600.5
Net Closing Loan	41907.5	40349.68	38774.79	37182.82	35582.32
Average Net Loan	42293.76	41128.59	39562.24	37978.81	36382.57
Rate of Interest on Loan	1.61	1.61	1.61	1.61	1.61
Interest on Loan	680.93	662.17	636.95	611.46	585.76
IBRD V-12.ADDCAP FOR 2013-2014 Loan 2-62.49					
Gross Opening Loan	1061.39	1061.39	1061.39	1061.39	1061.39
Cumulative Repayments of Loans upto Previous Year	0	19.21	57.95	97.11	136.7
Net Loans Opening	1061.39	1042.18	1003.44	964.28	924.69
Add: Drawl(s) during the year	0	0	0	0	0



Less: Repayment(s) of Loan during the year	19.21	38.74	39.16	39.59	39.8
Net Closing Loan	1042.18	1003.44	964.28	924.69	884.89
Average Net Loan	1051.79	1022.81	983.86	944.49	904.79
Rate of Interest on Loan	1.61	1.61	1.61	1.61	1.61
Interest on Loan	16.93	16.47	15.84	15.21	14.57
IBRD V-13.ADDCAP FOR 2013-2014 Loan 2 (Accural IDC)-62.41					
Gross Opening Loan	64.41	64.41	64.41	64.41	64.41
Cumulative Repayments of Loans upto Previous Year	0	1.17	3.52	5.9	8.3
Net Loans Opening	64.41	63.24	60.89	58.51	56.11
Add: Drawl(s) during the year	0	0	0	0	0
Less: Repayment(s) of Loan during the year	1.17	2.35	2.38	2.4	2.42
Net Closing Loan	63.24	60.89	58.51	56.11	53.69
Average Net Loan	63.83	62.07	59.7	57.31	54.9
Rate of Interest on Loan	1.61	1.61	1.61	1.61	1.61
Interest on Loan	1.03	1	0.96	0.92	0.88
IBRD V-14.ADDCAP FOR 2014-2015 Loan 3-62.42					
Gross Opening Loan	0	757.47	757.47	757.47	757.47
Cumulative Repayments of Loans upto Previous Year	0	13.71	41.36	69.31	97.56
Net Loans Opening	0	743.76	716.11	688.16	659.91
Add: Drawl(s) during the year	757.47	0	0	0	0
Less: Repayment(s) of Loan during the year	13.71	27.65	27.95	28.25	28.41
Net Closing Loan	743.76	716.11	688.16	659.91	631.5
Average Net Loan	371.88	729.94	702.14	674.04	645.71
Rate of Interest on Loan	1.61	1.61	1.61	1.61	1.61
Interest on Loan	5.99	11.75	11.3	10.85	10.4
IBRD V-15.ADDCAP FOR 2015-2016 Loan 4-60.92					
Gross Opening Loan	0	0	768.44	768.44	768.44
Cumulative Repayments of Loans upto Previous Year	0	0	28.05	56.41	85.07





Net Loans Opening	0	0	740.39	712.03	683.37
Add: Drawl(s) during the year	0	768.44	0	0	0
Less: Repayment(s) of Loan during the year	0	28.05	28.36	28.66	28.82
Net Closing Loan	0	740.39	712.03	683.37	654.55
Average Net Loan	0	370.2	726.21	697.7	668.96
Rate of Interest on Loan	0	1.61	1.61	1.61	1.61
Interest on Loan	0	5.96	11.69	11.23	10.77
IBRD V-3.Loan 3-61.11					
Gross Opening Loan	568.02	568.02	568.02	568.02	568.02
Cumulative Repayments of Loans upto Previous Year	0	10.28	31.01	51.97	73.16
Net Loans Opening	568.02	557.74	537.01	516.05	494.86
Add: Drawl(s) during the year	0	0	0	0	0
Less: Repayment(s) of Loan during the year	10.28	20.73	20.96	21.19	21.3
Net Closing Loan	557.74	537.01	516.05	494.86	473.56
Average Net Loan	562.88	547.38	526.53	505.46	484.21
Rate of Interest on Loan	1.61	1.61	1.61	1.61	1.61
Interest on Loan	9.06	8.81	8.48	8.14	7.8
IBRD V-5.ADDCAP FOR 2013-2014 Loan 4-62.36					
Gross Opening Loan	6.8	6.8	6.8	6.8	6.8
Cumulative Repayments of Loans upto Previous Year	0	0.12	0.37	0.62	0.88
Net Loans Opening	6.8	6.68	6.43	6.18	5.92
Add: Drawl(s) during the year	0	0	0	0	0
Less: Repayment(s) of Loan during the year	0.12	0.25	0.25	0.26	0.26
Net Closing Loan	6.68	6.43	6.18	5.92	5.66
Average Net Loan	6.74	6.56	6.31	6.05	5.79
Rate of Interest on Loan	1.61	1.61	1.61	1.61	1.61
Interest on Loan	0.11	0.11	0.1	0.1	0.09
IBRD V-6.ADDCAP FOR 2014-2015 Loan 5-62.87					
Gross Opening Loan	0	6.98	6.98	6.98	6.98
Cumulative Repayments of Loans upto Previous Year	0	0.13	0.39	0.65	0.91



Net Loans Opening	0	6.85	6.59	6.33	6.07
Add: Drawl(s) during the year	6.98	0	0	0	0
Less: Repayment(s) of Loan during the year	0.13	0.26	0.26	0.26	0.26
Net Closing Loan	6.85	6.59	6.33	6.07	5.81
Average Net Loan	3.43	6.72	6.46	6.2	5.94
Rate of Interest on Loan	1.61	1.61	1.61	1.61	1.61
Interest on Loan	0.06	0.11	0.1	0.1	0.1
IBRD V-9.ADDCAP FOR 2015-2016 Loan 6-60.84					
Gross Opening Loan	0	0	78.61	78.61	78.61
Cumulative Repayments of Loans upto Previous Year	0	0	2.87	5.77	8.7
Net Loans Opening	0	0	75.74	72.84	69.91
Add: Drawl(s) during the year	0	78.61	0	0	0
Less: Repayment(s) of Loan during the year	0	2.87	2.9	2.93	2.95
Net Closing Loan	0	75.74	72.84	69.91	66.96
Average Net Loan	0	37.87	74.29	71.38	68.44
Rate of Interest on Loan	0	1.61	1.61	1.61	1.61
Interest on Loan	0	0.61	1.2	1.15	1.1
BOND LIII-4.ADDCAP FOR 2016-2017 Loan 7-					
Gross Opening Loan	0	0	0	7.29	7.29
Cumulative Repayments of Loans upto Previous Year	0	0	0	0	0
Net Loans Opening	0	0	0	7.29	7.29
Add: Drawl(s) during the year	0	0	7.29	0	0
Less: Repayment(s) of Loan during the year	0	0	0	0	0
Net Closing Loan	0	0	7.29	7.29	7.29
Average Net Loan	0	0	3.65	7.29	7.29
Rate of Interest on Loan	0	0	8.13	8.13	8.13
Interest on Loan	0	0	0.3	0.59	0.59



BOND LIII-ADDCAP FOR 2016-2017 Loan 5-					
Gross Opening Loan	0	0	0	128.93	128.93
Cumulative Repayments of Loans upto Previous Year	0	0	0	0	0
Net Loans Opening	0	0	0	128.93	128.93
Add: Drawl(s) during the year	0	0	128.93	0	0
Less: Repayment(s) of Loan during the year	0	0	0	0	0
Net Closing Loan	0	0	128.93	128.93	128.93
Average Net Loan	0	0	64.47	128.93	128.93
Rate of Interest on Loan	0	0	8.13	8.13	8.13
Interest on Loan	0	0	5.24	10.48	10.48
<b>Summary</b>					
Gross Opening Loan	44728.19	45492.81	46339.86	46476.08	46476.08
Cumulative Repayments of Loans upto Previous Year	25.5	871.6	2579.29	4305.37	6049.85
Net Loans Opening	44702.69	44621.21	43760.57	42170.71	40426.23
Add: Drawl(s) during the year	764.62	847.05	136.22	0	0
Less: Repayment(s) of Loan during the year	846.1	1707.69	1726.08	1744.48	1753.69
Net Closing Loan	44621.21	43760.57	42170.71	40426.23	38672.54
Average Net Loan	44661.97	44190.92	42965.67	41298.5	39549.4
<b>Rate of Interest on Loan</b>	<b>1.66</b>	<b>1.66</b>	<b>1.66</b>	<b>1.67</b>	<b>1.67</b>
Interest on Loan	741.11	731.46	714.1	689.62	659.38

