

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

1. **Shri Ashok Basu, Chairperson**
2. **Shri K.N.Sinha, Member**
3. **Shri Bhanu Bhushan, Member**
4. **Shri A.H.Jung, Member**

Petition No. 67/2004

In the matter of

Approval of transmission charges for Hathidah River Crossing section of 220 kV D/C Biharsharif-Begusarai transmission line in Eastern Region for the period from 1.4.2004 to 31.3.2009.

And in the matter of

Power Grid Corporation of India Limited

...**Petitioner**

Vs

1. Bihar State Electricity Board, Patna
2. West Bengal State Electricity Board, Calcutta
3. Grid Corporation of Orissa Ltd., Bhubaneswar
4. Damodar Valley Corporation, Calcutta
5. Power Deptt., Govt. of Sikkim, Gangtok
6. Jharkhand State Electricity Board, Ranchi

.... **Respondents**

The following were present:

1. Shri U.K. Tyagi, PGCIL
2. Shri C. Kannan, PGCIL
3. Shri P.C. Pankaj, PGCIL
4. Shri M.M. Mondal, CM (Fin), PGCIL
5. Shri V.K. Singh, BSEB
6. Shri S.R. Sarangi, GRIDCO

**ORDER
(DATE OF HEARING: 21.7.2005)**

The petition has been filed for approval for transmission charges for the Hathidah River Crossing Section of 220 kV D/C Biharsharif-Begusarai transmission line belonging to Bihar SEB (the transmission line) in Eastern Region for the period from 1.4.2004 to 31.3.2009, based on the Central Electricity Regulatory Commission

(Terms and Conditions of Tariff) Regulations, 2004, (hereinafter referred to as “the 2004 regulations”). The petitioner had also prayed that it be permitted to continue the billing of transmission charges on the same basis as charged on 31.3.2004, pending determination of tariff in the present petition. No other specific relief is prayed for.

2. The investment approval for construction of Hathidah River Crossing section of 220 kV D/C Biharsharif-Begusarai transmission line was accorded by the Board of Directors of the petitioner company in its 71st meeting held on 9.3.1998 at an estimated cost of Rs. 1169.00 lakh. The project has been completed at a cost of Rs. 1066.80 lakh. The date of commercial operation of the transmission line is 1.3.2001.

3. The annual transmission charges for the period from 1.4.2001 to 31.3.2004 were decided by the Commission in its order dated 30.6.2003 in Petition No. 63/2002 at a gross block of Rs. 1066.56 lakh, including de-capitalization of Rs. 0.24 lakh from 1.3.2001 to 31.3.2001 on account of FERV over the gross block of Rs. 1066.80 lakh earlier considered by the Commission for the period up to 31.3.2001. The length of the transmission line is 5.2 ckt-kms for the purpose of claiming O&M expenses.

4. The petitioner has claimed the total transmission charges as under:

(Rs. in lakh)					
	2004-05	2005-06	2006-07	2007-08	2008-09
Depreciation	27.15	27.15	27.15	27.15	27.15
Interest on Loan	66.22	56.57	46.91	37.26	29.04
Return on Equity	28.40	28.40	28.40	28.40	28.40
Advance Against Depreciation	58.21	58.21	58.21	58.21	44.84
Interest on Working Capital	4.49	4.40	4.32	4.25	3.97
O & M Expenses	1.18	1.23	1.28	1.33	1.38
Total	185.65	175.96	166.27	156.60	134.78

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

(Rs. in lakh)

	2004-05	2005-06	2006-07	2007-08	2008-09
Maintenance Spares	12.77	13.54	14.35	15.21	16.12
O & M expenses	0.10	0.10	0.11	0.11	0.12
Receivables	30.94	29.33	27.71	26.10	22.46
Total	43.81	42.97	42.17	41.42	38.70
Rate of Interest	10.25%	10.25%	10.25%	10.25%	10.25%
Interest	4.49	4.40	4.32	4.25	3.97

6. The replies to the petition have been filed by West Bengal State Electricity Board and Bihar State Electricity Board. No objection has been received in response to the public notices published by the petitioner in accordance with the procedure specified by the Commission in terms of Section 64 of the Electricity Act, 2003.

CAPITAL COST

7. As per clause (2) of Regulation 52 of the 2004 regulations in case of the projects existing up to 31.3.2004, the project cost admitted by the Commission for determination of tariff prior to 1.4.2004 shall form the basis for determination of tariff.

8. The petitioner has considered the capital expenditure of Rs. 1066.56 lakh up to 31.3.2004. The petitioner has not claimed additional capitalisation on works. The petitioner has considered de-capitalisation of Rs. 10.07 lakh on account of FERV for the period 1.4.2001 to 31.3.2004. Accordingly, gross block of Rs. 1056.49 lakh has been claimed for the purpose of tariff.

Extra Rupee Liability during the years 2001-04

9. Regulation 1.13 (a) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2001 provided as under:

- (a) Extra rupee liability towards interest payment and loan repayment actually incurred, in the relevant year shall be admissible; provided it directly arises out of foreign exchange rate variation and is not attributable to Utility or its suppliers or contractors. Every utility shall follow the method as per the Accounting Standard-11 (Eleven) as issued by the Institute of Chartered Accountants of India to calculate the impact of exchange rate variation on loan repayment
- (b) Any foreign exchange rate variation to the extent of the dividend paid out on the permissible equity contributed in foreign currency, subject to the ceiling of permissible return shall be admissible. This as and when paid, may be spread over the twelve-month period in arrears

10. Regulation 1.7 of the 2001 further provided that recovery of foreign exchange rate variation would be done directly by the utilities from the beneficiaries without filing a petition before the Commission. In case of any objections by the beneficiaries to the amounts claimed on these counts, they may file an appropriate petition before the Commission.

11. It is, however, noticed that while calculating FERV for the period ending 31.3.2004, there was a minor error in the calculation of Bank of India, Cayman Island loan, based on which the petitioner has claimed de-capitalization of Rs. 10.07 lakh. After reconciling the error, de-capitalization on account of FERV works out to Rs. 10.18 lakh, which has been considered in the present petition.

12. Based on the above, gross block of Rs. 1056.39 lakh, including de-capitalisation of FERV of Rs. 10.18 lakh, as on 1.4.2004 over gross block of Rs.1066.56 lakh considered by the Commission in its order dated 30.6.2003 *ibid* has been considered for the purpose of tariff:

DEBT- EQUITY RATIO

13. Regulation 54 of the 2004 regulations *inter alia* provides that in case of the existing project, debt–equity ratio considered by the Commission for fixation of tariff for the period ending 31.3.2004 shall be considered for determination of tariff. It further provides that the debt and equity amount arrived at in the above manner shall be used for calculation of interest on loan, return on equity, advance against depreciation and foreign exchange rate variation.

14. The petitioner has claimed tariff based on debt-equity of 80:80:19:20 as considered by the Commission in its order dated 30.6.2003 *ibid*, including de-capitalisation of an amount of Rs.10.07 lakh on account of FERV, against the approved debt-equity of 80:20. The entire amount of de-capitalisation of Rs. 10.18 lakh has been adjusted against the loan to bring it closer to approved debt-equity ratio of 80:20. Based on this, Rs. 204.75 lakh has been considered as the equity for the purpose of determination of tariff in the present petition against equity of Rs. 202.84 lakh claimed by the petitioner.

RETURN ON EQUITY

15. As per clause (iii) of Regulation 56 of the 2004 regulations, return on equity shall be computed on the equity base determined in accordance with regulation 54 @ 14% per annum. Equity invested in foreign currency is to be allowed a return in the

same currency and the payment on this account is made in Indian Rupees based on the exchange rate prevailing on the due date of billing.

16. The petitioner has claimed return on equity of Rs. 202.84 lakh, after adjustment of amount of FERV from 1.4.2001 to 31.3.2004. However, as indicated in para 14 hereinabove, equity of Rs. 204.75 lakh has been considered. Accordingly, the petitioner shall be entitled to return on equity @ Rs. 28.67 lakh each year during the tariff period.

INTEREST ON LOAN

17. Clause (i) of regulation 56 of the 2004 regulations *inter alia* provides that,-

(a) Interest on loan capital shall be computed loan wise on the loans arrived at in the manner indicated in regulation 54.

(b) The loan outstanding as on 1.4.2004 shall be worked out as the gross loan as per regulation 54 minus cumulative repayment as admitted by the Commission for the period up to 31.3.2004. The repayment for the period 2004-09 shall be worked out accordingly on normative basis.

(c) The transmission licensee shall make every effort to swap the loan as long as it results in net benefit to the long-term transmission customers. The costs associated with such swapping shall be borne by the long-term transmission customers.

(d) The changes to the loan terms and conditions shall be reflected from the date of such swapping and benefits passed on to the beneficiaries.

(e) In case any moratorium period is availed of by the transmission licensee, depreciation provided for in the tariff during the years of moratorium shall be treated as repayment during those years and interest on loan capital shall be calculated accordingly.

18. The petitioner has claimed interest on loan in the following manner:

- (i) Gross loans, cumulative loan repayment up to previous year as admitted by the Commission in the order dated 30.6.2003 have been taken as the opening balance as on 1.4.2004.
- (ii) On the basis of actual rate of interest on actual average loan, the weighted average rate of interest on loan is worked out for various years.
- (iii) Gross loans as admitted by the Commission in the order dated 30.6.2003 ibid has been considered as notional loan and the weighted average rate of interest on loan for respective years as per above has been multiplied to arrive at interest on loan.
- (iv) Notional loan component of FERV up to 31.3.2001 has been considered separately and actual applicable rate of interest on Foreign Loan has been considered to workout the interest on this component.

19. In our calculation, the interest on loan has been worked out as detailed below:

- (i) Details of net outstanding loan as on 31.3.2004, repayment schedule for the period 2004-09, rate of interest as on 1.4.2004, exchange rate as on 31.3.2004 etc. have been taken from above loan allocation statement for working out weighted average rate of interest.

- (ii) Gross notional loan and cumulative repayment up to 31.3.2004 has been taken from the order dated 30.6.2003.
- (iii) Notional loan of (-) Rs. 10.18 lakh arising out of FERV during the years 2001-04 has been considered.
- (iv) The repayment of notional loan arising due to FERV during the years 2001-04 has been worked out in proportion to the repayment of actual loan during these years by the following formula:

$$\frac{\text{Actual repayment of actual loan during the year}}{\text{Opening balance + addition during the year of actual loan}} \times \text{Opening balance + addition during the year of notional loan arising due to FERV}$$

- (v) Tariff is worked out considering normative loan and normative repayments. Once the normative loan is arrived at, it is considered for all purposes in the tariff. Normative repayment is worked out by the following formula:

$$\frac{\text{Actual repayment of actual loan during the year}}{\text{Opening balance of actual loan during the year}} \times \text{Opening balance of normative loan during the year}$$

- (vi) Moratorium in repayment of loan is considered with reference to normative loan and if the normative repayment of loan during the year is less than the depreciation during the year, it is considered as moratorium and depreciation during the year is deemed as normative repayment of loan during the year.

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

(viii) Corporation Bank, PNB and Bank of India, Cayman Island loans carry the floating rate of interest and rate of interest as applicable as on 1.4.2004 has been considered in the calculation, subject to mutual settlement between the parties in case of any change/resetting of the interest rate during the tariff period.

20. Based on the above, the year-wise details of interest worked out are given hereunder:

	(Rs in lakh)					
	Up to 31.3.2004	2004-05	2005-06	2006-07	2007-08	2008-09
Gross Loan as per last Order	861.81					
Addition due to Additional Capitalisation	0.00					
Addition due to FERV	(-)10.18					
Gross Normative Loan	851.63	851.63	851.63	851.63	851.63	851.63
Cumulative Repayment up to Previous Year		80.16	173.06	265.95	358.85	451.74
Net Loan-Opening		771.47	678.57	585.68	492.78	399.89
Repayment during the year		92.90	92.90	92.90	92.90	71.92
Net Loan-Closing		678.57	585.68	492.78	399.89	327.97
Average Loan		725.02	632.13	539.23	446.33	363.93
Weighted Average Rate of Interest on Loan		9.1222%	8.3122%	7.8523%	7.4823%	7.1117%
Interest		66.14	52.54	42.34	33.40	25.88

DEPRECIATION

22. Sub-clause (a) of clause (ii) of Regulation 56 of the 2004 regulations provides for computation of depreciation in the following manner, namely:

- (i) The value base for the purpose of depreciation shall be the historical cost of the asset.
- (ii) Depreciation shall be calculated annually based on straight line method over the useful life of the asset and at the rates prescribed in Appendix II to these regulations. The residual value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the historical capital cost of the asset. Land is not a depreciable asset and its cost shall be excluded from the capital cost while computing 90% of the historical cost of the asset. The historical capital cost of the asset shall include additional capitalisation on account of Foreign Exchange Rate Variation up to 31.3.2004 already allowed by the Central Government/Commission.
- (iii) On repayment of entire loan, the remaining depreciable value shall be spread over the balance useful life of the asset.
- (iv) Depreciation shall be chargeable from the first year of operation. In case of operation of the asset for part of the year, depreciation shall be charged on pro rata basis.

23. The gross depreciable value of the asset, as per (ii) above, is $0.9 \times (\text{Rs.}1056.39 \text{ lakh}) = \text{Rs.} 950.75 \text{ lakh}$. Cumulative depreciation and AAD recovered in tariff up to 31.3.2004 is Rs.131.50 lakh. Remaining depreciable value as on 1.4.2004 is thus Rs. 819.25 lakh.

24. The depreciation recoverable works out to Rs 27.15 lakh each year during the tariff period by applying the depreciation rate of 2.57% as shown below:

(Rs. in lakh)

		Up to 31.3.2004	2004-05	2005-06	2006-07	2007-08	2008-09
Gross Block							
As per Order dated 30.6.2003		1066.56					
Addition during 2001-04 due to Additional Capitalisation		0.00					
Addition during 2001-04 due to FERV		(-)10.18					
Gross Block as on 31.3.2004		1056.39	1056.39	1056.39	1056.39	1056.39	1056.39
Rate of Depreciation	2.5700%						
Depreciable Value	90%		950.75	950.75	950.75	950.75	950.75
Balance Useful life of the asset	-		-	-	-	-	-
Remaining Depreciable Value			819.24	777.69	692.53	607.36	522.20
Depreciation			27.15	27.15	27.15	27.15	27.15

ADVANCE AGAINST DEPRECIATION

25. As per sub-clause (b) of clause (ii) of Regulation 56 of the 2004 regulations, in addition to allowable depreciation, the transmission licensee is entitled to Advance Against Depreciation, computed in the manner given hereunder: AAD = Loan repayment amount as per regulation 56 (i) subject to a ceiling of 1/10th of loan amount as per regulation 54 minus depreciation as per schedule.

26. It is provided that Advance Against Depreciation shall be permitted only if the cumulative repayment up to a particular year exceeds the cumulative depreciation up to that year. It is further provided that Advance Against Depreciation in a year shall be restricted to the extent of difference between cumulative repayment and cumulative depreciation up to that year.

27. The petitioner has claimed Advance Against Depreciation in the following manner:

- (i) 1/10th of gross loan is worked out from the gross loan admitted by the Commission in the order dated 30.6.2003 *ibid*.

- (ii) Cumulative loan as well as repayment of notional loan during the year have been considered.
- (iii) Depreciation as claimed in the petition.
- (iv) In cumulative depreciation, Advance Against Depreciation allowed up to 2003-04 as per order dated 30.6.2003 ibid has not been considered.

28. In our calculation, the Advance Against Depreciation has been worked as under:

- (i) 1/10th of gross loan has been worked out from the gross notional loan as per para 20 above.
- (ii) Cumulative loan as well as repayment of notional loan during the year has been considered as per para 20 above.
- (iii) Depreciation as worked out as per para 24 has been taken into account.
- (iv) In cumulative depreciation recovered up to 2003-04, Advance Against Depreciation has been included as per order dated 30.6.2003 ibid.

29. The details of Advance Against Depreciation allowed for the transmission system, is given hereunder:

	(Rs in lakh)				
	2004-05	2005-06	2006-07	2007-08	2008-09
1/10th of Gross Loan(s)	85.16	85.16	85.16	85.16	85.16
Repayment of the Loan	92.90	92.90	92.90	92.90	71.92
Minimum of the above	85.16	85.16	85.16	85.16	71.92
Depreciation during the year	27.15	27.15	27.15	27.15	27.15
(A) Difference	58.01	58.01	58.01	58.01	44.77
Cumulative Repayment of the Loan	173.06	265.95	358.85	451.74	523.66
Cumulative Depreciation/ Advance against Depreciation	158.65	200.21	285.37	370.53	455.70
(B) Difference	14.40	65.75	73.48	81.21	67.97
Advance against Depreciation Minimum of (A) and (B)	14.40	58.01	58.01	58.01	44.77

OPERATION & MAINTENANCE EXPENSES

30. In accordance with clause (iv) of Regulation 56 the 2004 regulations, the following norms are prescribed for O & M expenses:

	Year				
	2004-05	2005-06	2006-07	2007-08	2008-09
O&M expenses (Rs in lakh per ckt-km)	0.227	0.236	0.246	0.255	0.266
O&M expenses (Rs in lakh per bay)	28.12	29.25	30.42	31.63	32.90

31. The petitioner has claimed O & M expenses for 5.2 ckt-km of line length, which has been allowed. Accordingly, the petitioner's entitlement to O & M expenses has been worked out as given hereunder:

(Rs. in lakh)

	Year				
	2004-05	2005-06	2006-07	2007-08	2008-09
O&M expenses for 5.2 ckt-km line length	1.18	1.23	1.28	1.33	1.38
Total	1.18	1.23	1.28	1.33	1.38

32. The petitioner has submitted that the wage revision of its employees is due with effect from 1.1.2007. Therefore, according to the petitioner, O & M expenses should be subject to revision on account of revision of employee cost from that date. In the alternative, it has been prayed that the increase in employee cost due to wage revision be allowed as per actuals for extra cost to be incurred consequent to wage revision. We are not expressing any view, as this issue does not arise for consideration at this stage. The petitioner may approach for a relief in this regard at an appropriate stage in accordance with law.

INTEREST ON WORKING CAPITAL

33. The components of the working capital and the interest thereon are discussed hereunder:

(i) Maintenance spares

Regulation 56(v)(1)(b) of the 2004 regulations provides for maintenance spares @ 1% of the historical cost escalated @ 6% per annum from the date of commercial operation. In the present case, the capital expenditure on the date of commercial operation is Rs 1066.80 lakh, which has been considered as the historical cost for the purpose of the present petition and maintenance spares have been worked out accordingly by escalating 1% of the historical cost @ 6% per annum. The value of maintenance spares as on 1.4.2004 works out to Rs. 12.77 lakh.

(ii) O & M expenses

Regulation 56(v)(1)(a) of the 2004 regulations provides for operation and maintenance expenses for one month as a component of working capital. The petitioner has claimed O&M expenses for 1 month of O&M expenses of the respective year as claimed in the petition. This has been considered in the working capital.

(iii) Receivables

As per Regulation 56(v)(1)(c) of the 2004 regulations, receivables will be equivalent to two months average billing calculated on target availability level. The petitioner has claimed the receivables on the basis 2 months' transmission charges claimed in the petition. In the tariff being allowed, receivables have been worked out on the basis 2 months' transmission charges.

(iv) Rate of interest on working capital

As per Regulation 56(v) (2) of the 2004 regulations, rate of interest on working capital shall be on normative basis and shall be equal to the short-term Prime Lending Rate of State Bank of India as on 1.4.2004 or on 1st April of the year in which the project or part thereof (as the case may be) is declared under commercial operation, whichever is later. The interest on working capital is payable on normative basis

notwithstanding that the transmission licensee has not taken working capital loan from any outside agency. The petitioner has claimed interest on working capital @ 10.25% based on SBI PLR as on 1.4.2004, which is in accordance with the 2004 regulations and has been allowed.

34. The necessary computations in support of interest on working capital are appended hereinbelow.

(Rs. in lakh)

	2004-05	2005-06	2006-07	2007-08	2008-09
Maintenance Spares	12.77	13.54	14.35	15.21	16.12
O & M expenses	0.10	0.10	0.11	0.11	0.12
Receivables	23.54	28.66	26.95	25.46	21.96
Total	36.41	42.29	41.40	40.77	38.20
Rate of Interest	10.25%	10.25%	10.25%	10.25%	10.25%
Interest	3.73	4.34	4.24	4.18	3.92

TRANSMISSION CHARGES

35. A summary sheet showing basic details of capital cost and other related aspects is annexed to this order. The transmission charges being allowed for the transmission line are summarised below.

(Rs. in lakh)

	2004-05	2005-06	2006-07	2007-08	2008-09
Depreciation	27.15	27.15	27.15	27.15	27.15
Interest on Loan	66.14	52.54	42.34	33.40	25.88
Return on Equity	28.67	28.67	28.67	28.67	28.67
Advance against Depreciation	14.40	58.01	58.01	58.01	44.77
Interest on Working Capital	3.73	4.34	4.24	4.18	3.92
O & M Expenses	1.18	1.23	1.28	1.33	1.38
Total	141.27	171.94	161.69	152.73	131.76

36. In addition to the transmission charges, the petitioner shall be entitled to other charges like income-tax, incentive, surcharge and other cess and taxes in accordance with the 2004 regulations. 50% of these transmission charges shall be included in the regional transmission tariff for Eastern Region and shall be shared by the regional beneficiaries in accordance with the 2004 regulations.

37. The petitioner in its affidavit dated 9.2.2005 has sought approval for the reimbursement of expenditure of Rs. 1, 14,851/- incurred on publication of notices in the newspapers. The petitioner shall claim reimbursement of the said expenditure directly from the respondents in one installment in the ratio applicable for sharing of transmission charges. The petitioner has also sought reimbursement of filing fee of Rs.5.00 lakh paid. A final view on reimbursement of filing fee is yet to be taken by the Commission for which views of the stakeholder have been called for. The view taken on consideration of the comments received shall apply in the present case as regards reimbursement of filing fee.

38. The petitioner is already billing the respondents on provisional basis in accordance with the Commission's interim directions. The provisional billing of tariff shall be adjusted in the light of final tariff now approved by us.

39. This order disposes of Petition No.67/2004.

Sd/-
(A.H.JUNG)
MEMBER

sd-/
(BHANU BHUSHAN)
MEMBER

sd-/
(K.N.SINHA)
MEMBER

sd-/
(ASHOK BASU)
CHAIRPERSON

New Delhi dated the 10th February 2006

Summary Sheet			
Name of the Company:		PGCIL	
Name of the Element:		Hathidah River Crossing of 220 kV Biharsharif-Begusarai Transmission line in Eastern Region.	
Actual DOCO:		1.3.2001	
Petition No.:		67/2004	
Tariff setting Period:		2004-09	
(Rs. in lakh)			
1	Capital Cost of the Project	1169.00	
2	Admitted Capital Cost as on 1. 4.2004 for Calculation of Debt and Equity¹	1066.56	
3	Additional Capitalization (works)	0.00	
	2001-02	0.00	
	2002-03	0.00	
	2003-04	0.00	
	Total	0.00	
4	Additional Capitalization(FERV)	(-)10.18	
	2001-02	8.24	
	2002-03	(-)4.47	
	2003-04	(-)13.94	
	Total	(-)10.18	
5	Total Capital Cost as on 1. 4.2004(2+3+4)	1056.39	
6	Means of Finance¹ :		
	Debt	80.62%	851.63
	Equity	19.38%	204.75
	Total	100.00%	1056.39
7	Gross Loan as on 1. 4.2004	851.63	
8	Cumulative Repayment up to 31.3.2009 :	523.66	
	Repaid up to 31. 3.2004	81.12	
	1. 4.2001 to 31. 3.2004 (ACE & FERV)	-0.96	
	1.4.2004 to 31. 3.2009	443.50	
	Total	523.66	
9	Balance Loan to be repaid beyond 31. 3.2009 :	327.97	
10	Depreciation recovered up to 31. 3.2009 :	500.47	
		Dep	AAD
	Recovered up to 31. 3.2004	86.92	44.41
	From 1. 4.2001 to 31. 3.2004 (ACE & FERV)	0.18	0.00
	From 1. 4.2004 to 31. 3.2009	135.75	233.22
	Total		500.47
11	Balance Depreciation to be recovered beyond 31. 3.2009 :	450.28	
	Capital cost for the purpose of Depreciation	1066.56	
	ACE + FERV	(-)10.18	
	Capital cost as 1. 4.2004	1056.39	
	Less: Land Cost	0.00	
		1056.39	
	90% of Capital Cost as above	950.75	
	Cum. Depreciation to be recovered up to 31. 3.2009	500.47	
	Balance Depreciation to be recovered beyond 31. 3.2009	450.28	