

**MANGDECHHU HYDROELECTRIC PROJECT (720 MW), BHUTAN**

**SUMMARY OF THE FIRST REVISED COST ESTIMATE (MARCH 2014 PRICE LEVEL), IDC & TARIFF PROJECTIONS AS APPROVED BY CEA**

**1. GENERAL ABSTRACT OF COST**

(fig. in Rs./Nu. million)

<b>Works</b>	<b>AS PER DPR (March 2008 Price Level)</b>	<b>APPROVED FIRST RCE ( March,2014 Price Level)</b>
Civil Works & Others	20,079.97	24,975.98
Electro-Mechanical	6,032.84	8,912.49
Transmission	2,850.00	6,317.83
<b>Total</b>	<b>28,962.81</b>	<b>40,206.30</b>

**2. INTEREST DURING CONSTRUCTION(IDC) & TOTAL PROJECT COST**

	(In Nu/Rs. Million)
Civil Works & Others	24,975.98
Electro-Mechanical Works	8,912.49
<b>Total (Generation Hard Cost)</b>	<b>33,888.47</b>
IDC on Generation Cost	8,271.00
<b>Total(Generation Cost)</b>	<b>42,159.47</b>
Transmission Works(Hard Cost)	6,317.83
IDC on Transmission Cost	1,271.00
<b>Total (Transmission Cost)</b>	<b>7,588.83</b>
<b>TOTAL PROJECT COST(HARD COST)</b>	<b>40,206.30</b>
<b>TOTAL IDC</b>	<b>9,542.00</b>
<b>TOTAL PROJECT COST(INCLUDING</b>	<b>49,748.30</b>

**3. THEORETICAL TARIFF PROJECTION BASED ON APPROVED RCE (March, 2014 P.L)**

	<b>First Year Tariff</b>	<b>Levellized Tariff</b>
As Per CERC Norms	3.46	3.24

**4. FINANCIAL INTERNAL RATE OF RETURN(FIRR) BASED ON DCF METHOD**

<b>FINANCIAL IRR (Based on 1st RCE Figures)</b>	<b>14.23 (%)</b>
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