

**KERALA STATE ELECTRICITY REGULATORY COMMISSION
THIRUVANANTHAPURAM**

OA 32/2019

In the matter of : Truing up of accounts of M/s Thrissur Corporation
Electricity Department (TCED) for the financial year
2017-18

Applicant : M/s Thrissur Corporation Electricity Department (TCED)

Respondent : M/s Kerala State Electricity Board Limited

Present : **Shri. R. Preman Dinaraj, Chairman**
Shri. S. Venugopal, Member

ORDER DATED 28/04/2020

1. Thrissur Corporation Electricity Department under Thrissur Municipal Corporation (*hereinafter referred as TCED or the Licensee*) is a deemed licensee under Electricity Act 2003. The Commission had on 21-10-2015 issued an Order in Petition No. OA 6/2015, approving the ARR & ERC of the licensee for the first Control Period (2015-16 to 2017-18). In the said Order, the Commission had approved a revenue gap of Rs.60.26 lakh for the year 2017-18. Based on the provisions of the KSERC (Terms and Conditions for determination of tariff) Regulations 2014 (*hereinafter referred to as Tariff Regulations 2014*) the licensee filed the petition dated 27-4-2019 for the truing up of accounts for the financial year 2017-18.
2. In the petition for the truing up of accounts for 2017-18, the licensee has shown a revenue surplus of Rs.152.73 lakh. A comparison of the approved ARR and truing up petition for the years 2016-17 and 2017-18 is given below:

Table 1
Comparison of Truing Up of accounts for the year 2016-17 and 2017-18

Particulars	2016-17		2017-18		
	As per Truing up petition	Approved Trued Up	Approved in ARR	As per Truing up petition	Variance
	(Rs. lakh)	(Rs. lakh)	(Rs. lakh)	(Rs. lakh)	
			(A)	(B)	(C)=(B)-(A)
Revenue from Sale of Power	11,122.77	11,122.77	12,703.90	11,486.91	-1,216.99
Other Income	891.71	1,343.40	720.50	994.58	274.08
Total Income	12,014.48	12,466.17	13,424.40	12,481.49	-942.91
Purchase of Power	9,334.40	9,343.80	11,637.86	10,123.63	-1,514.23
R&M Expenses	83.19	54.61	57.81	90.79	32.98
Employee Cost	1,112.55	941.40	996.47	1,177.75	181.28
A &G Expenses	338.64	102.57	272.29	394.69	122.40
Interest & Finance Charges	188.86	147.61	248.32	215.97	-32.35
Depreciation	221.02	198.81	221.28	238.33	17.05
Return on Equity	85.43	85.43	50.63	87.59	36.96
Total Expenditure	11,364.10	10,874.23	13,484.66	12,328.75	-1,155.91
Net Surplus/(Deficit)	650.38	1,591.94	(60.26)	152.74	212.99

3. Based on examination of the petition, the Commission sought clarification vide letter dated 27-12-2019 and vide reminder letter dated 14-01-2020. M/s TCED furnished their clarification on 29-01-2020 and the Commission scheduled the petition for hearing.

Hearing on the matter

4. Public hearing on the petition was held at the Conference Hall, Government Guest House, Ramanilayam, Thrissur on 06-03-2020 at 11.00 A.M. Sri. Jomon, Asst. Secretary, M/s TCED, Sri. T.S. Jose, Electrical Engineer, M/s TCED, Sri. Kedaram V R, Consultant, M/s TCED and other officers represented the petitioner. Sri. T.S. Jose briefed the details of the petition and responded to the queries of the Commission. The main points given in the petition are briefed below.

- The licensee has claimed a revenue surplus of Rs.152.73 lakh as against the revenue gap of Rs.60.26 lakh, approved in the ARR order.
- There is an increase in the number of consumers and sale of power compared to the previous year. The distribution loss for the year @ 7.25% was lower than the approved loss of 7.84%.

- The employee cost consisting of salary, wages, pension contribution and salary arrears claimed at Rs.1177.75 lakh is higher than Rs.996.47 lakh approved by the Commission.
- The Repair and Maintenance (R&M) Charges claimed by the licensee is Rs.90.79 lakh as against Rs.57.81 lakh approved for the year. The licensee clarified that Rs.13.00 lakh may be treated as onetime expense for the emergency repair of transformers undertaken by M/s KEL.
- The A&G expense claimed by the licensee as per the application for truing up is Rs.394.69 lakh as against the approved amount of Rs.272.29 lakh. The major expenditure were under rents, rates & taxes (Rs.172.03 lakh), Section 3(1) duty (Rs.84.48 lakh) and expense towards UJALA LED scheme (Rs.71.76 lakh)
- The licensee had claimed Rs.215.97 lakh as interest on security deposits at an interest rate of 6.75%. The actual disbursement was Rs.159.98 lakh.
- The depreciation claimed for the year is inclusive of asset additions worth Rs.449.79 lakh.

5. Sri. Manoj. G, AEE, TRAC represented M/s KSEB Ltd and presented the counter statement/comments of M/s KSEB Ltd. The major points raised by M/s KSEB Ltd are the following:

- The actual disbursement of interest on security deposit during 2017-18 is Rs.159.88 lakh, but the claim in the petition is Rs.215.97 lakh. The Commission may allow only the actual interest paid to consumers during the year.
- The O&M expenses claimed in truing up petition is 150.53% higher than the approved cost.
- The R&M expenses claimed by the petitioner is Rs.90.79 lakh against the approved amount of Rs.57.81 lakh. The claim is higher by 57 % against the approved amount.
- Employee cost claimed by the petitioner is Rs.1177.75 lakh against the approved amount of Rs.996.47 lakh and is higher by 18.19 %.
- Section 3, Electricity duty claim of the licensee may be disallowed. Regarding rent, he stated that Commission in its Order for the Control Period 2015-16 to 2017-18 dated 21.10.2015 had restricted it to 10% of the claim. The same approach may be followed to fix the rent
- TCED has claimed expenses towards the Implementation of 'Unnat Jyothi by Affordable LED's for All' (UJALA) and Energy Efficient Fans Programme

(EEFP). The Commission clearly indicated that expenses, if any, in connection with the programme will not be allowed in the ARR.

- The licensee has claimed depreciation of Rs.238.33 lakh against the approved value of Rs.221.28 lakh. It is noticed that, the petition is silent about the capital expenditure approval of the current year's asset additions. Further, consumer contribution and grants are not deducted while calculating depreciation.
- The Return on capital claimed by the petitioner is Rs.87.53 lakh against the approved amount of Rs.50.63 lakh and is higher by 72.88 %. It may be limited to the approved level.
- The quantum of the energy purchased from M/s KSEB Ltd and the claim made by the licensee under power purchase tally with the records of M/s KSEB Ltd.
- The Commission direction to M/s TCED in the truing up order for 2015-16 to sign the PPA with M/s KSEBL has not been complied with.

6. During the hearing the Commission directed M/s TCED to submit the following additional details.

- Details regarding the revision of depreciation for the assets created using consumer contribution.
- Details of age wise analysis of sundry debtors.

7. The Commission directed the licensee to submit details, if any, within two weeks so as to substantiate the claims made in the truing up petition for 2017-18. The licensee has not furnished any additional details so far.

Analysis and decision of the Commission

8. The Commission has carefully considered the licensee petition, their additional clarifications and submissions along with the comments of M/s KSEB Ltd. The analysis and decisions of the Commission on this petition are detailed below:

Energy Sale

9. The Commission notes that the number of consumers which was 20835 during 2016-17 increased to 21150 during 2017-18 i.e. an increase of 746. This increase is mainly contributed by domestic and non-domestic category. Energy sale as per the petition is 1437.30 lakh units, as against the ARR approved sale of 1683.90 lakh units i.e. a decrease of 246.60 lakh units. A comparison of the actual sale of power for the different consumer categories for the year 2016-17 and 2017-18 is given below:

Table 2
Number of consumers and Sale of power for 2016-17 & 2017-18

Category	For Truing Up 2016-17		For Truing Up 2017-18	
	No of consumers	Energy sold (lakh units)	No of consumers	Energy sold (lakh units)
Domestic	20835	397.90	21150	396.80
Non domestic	16508	517.80	16937	530.80
Agriculture	199	0.70	197	0.70
Industry	535	37.40	528	36.60
Street lighting	178	20.20	187	18.60
High Tension	110	431.00	112	452.50
Self-Consumption		1.30		1.40
Total	38365	1406.40	39111	1437.30

- 10.** As per the truing up petition, the major sale is to the LT non- domestic category (36.93%) followed by the HT category (31.48%) and the LT domestic category (27.60%) consumers. Compared to the previous year, the Commission noted that the number of consumers under the domestic category increased by 315 consumers though sales was slightly lower than the previous year. The major increase in the sales is due to the increase in sales to Non domestic category and HT category consumers. ***After analyzing the details, the Commission approves the energy sales of 1437.30 lakh units as per the licensee's truing up petition for 2017-18.***

Energy requirement and Distribution Loss

- 11.** As per the truing up petition, the total energy input was 1549.40 lakh units against an approved purchase of 1827.20 lakh units. Of this, the energy purchased from M/s KSEB Ltd is 1546.90 lakh units and 2.50 lakh units was generated from the 200kW solar PV plant commissioned in the year 2016-17.
- 12.** The Commission in the licensee's ARR&ERC orders had approved a distribution loss of 7.84% for the year. However, the actual distribution loss reported by the licensee in the truing up petition is lower at 7.25% as shown below.

Table 3
Comparison of distribution loss

Particulars	2016-17	2017-18	
	Approved in Trued Up	ARR Approved	As per Truing Up Petition
Energy sales (lakh units)	1406.40	1683.90	1437.30
Energy Requirement (lakh units)	1523.40	1827.20	1549.40
Distribution loss (lakh units)	117	143.30	112.10
Distribution loss (%)	7.68	7.84	7.25

13. The Commission has examined the details of energy input and sales with a distribution loss of 7.25% in 2017-18. It is significant to note that the loss has been reduced from the previous year (2016-17) of 7.68%. In this context, the Commission noted that in the Order dated 1-8-2019 on truing up of accounts for 2016-17, the Commission ***had directed the licensee to furnish quarterly reports on faulty meters in the system, replacement of faulty meters, number of check meter reading taken, details of the periodical inspections conducted and irregularities/inconsistencies reported etc., to the Commission. It was also directed that the licensee shall also monitor the losses in the system periodically especially for the feeders for which study has already been conducted and improvements undertaken.***
14. ***However, the licensee has not so far furnished any compliance report on the above directives. The Commission views such non-compliances very seriously. Hence, it is further directed that within two months from the date of this Order, the licensee shall furnish the first quarterly report for the period January to March 2020. Further to this, periodic reports as directed in the Order dated 1-8-2019 shall be furnished within one month from the close of each quarter. The Commission further directs that licensee may repeat the energy audit study for other critical feeders and shall take corrective measures.***
15. As per the truing up petition, the distribution loss is 7.25%. ***Considering the details furnished by the licensee, the Commission approves the distribution loss reported by the licensee as shown below:***

Table 4
Approved Distribution loss for 2017-18

Particulars	Unit	2016-17	2017-18		
		As per approved truing up	Approved in ARR	As per Truing up petition	Approved in Truing up
Energy purchase from KSEB Ltd	Lakh units	1,523.10	1,827.20	1,546.90	1,557.07
Energy Generation from Solar PV system	Lakh units	1.30	-	2.50	2.50
Total Energy input	Lakh units	1,523.40	1,827.20	1,549.40	1,559.57
Total Energy sales	Lakh units	1,406.40	1,683.90	1,437.30	1,437.30
Distribution loss	Lakh units	117.00	143.30	112.10	122.27
Distribution loss %	%	7.68%	7.84%	7.25%	7.84%
Saving in Distribution loss	Lakh units				10.17

16. As shown above, the actual distribution loss of 7.25% reported by the licensee is lower than the level approved by the Commission. Since distribution loss is a controllable parameter and there is an efficiency gain, the licensee can retain a portion of this efficiency gain as per the provisions of Clause 74(4) of the Tariff Regulations 2014. The relevant portions of the Regulation are shown below:

"74. Distribution loss:.....

.....

(4) Any variation between the actual level of distribution loss and the approved level of the distribution losses shall be dealt with, as part of the truing up of the respective financial year in the following manner: -

(a) if the actual distribution loss is higher than the approved level of distribution loss for any particular financial year of the control period, then the quantum of power purchase corresponding to the excess distribution loss for that financial year shall be disallowed at the average cost of power purchase for the respective financial year;

(b) if the actual distribution loss is lower than the approved level of distribution loss for any particular financial year of the control period, then the savings in the power purchase cost corresponding to the difference in distribution loss for that financial year at the average cost of power purchase for the respective financial year, shall be shared between the distribution business/licensee and the consumers in the ratio of 2:1"

17. As per the Regulations, efficiency gain from the distribution loss has to be shared in the ratio of 2:1 between the licensee and consumers i.e., 2/3rd of the

gain is to be retained by the licensee and 1/3rd is to be passed on to the consumers. Accordingly, as per the provision of the Regulations, the power purchase cost for the year is computed as shown below.

Power purchase Cost

18. The power purchase cost for the year 2017-18 as per the petition is Rs.10123.63 lakh for the purchase of 1546.90 lakh units. The Commission in the licensee's ARR for 2017-18 had approved a purchase of 1827.20 lakh units at a cost of Rs.11637.86 lakh. The licensee also stated that the energy charges was revised as per the Orders of the Commission with effect from 18-4-2017 to Rs. 5.85 from Rs. 5.40. The details of the claim made by the licensee are shown below.

Table 5
Details of cost of power purchase for the year 2017-18

Particulars	ARR Approved	As per Truing Up Petition
Energy Purchase in lakh units	1827.20	1546.90
Rate of Demand charge (Rs. /kVA)	300	300
Demand charges (Rs. lakh) (A)	1770.98	1107.18
Rate of energy charges (Rs. /kWh)	5.40	5.85
Energy charges (Rs. lakh) (B)	9866.88	9016.45
Total cost of Power (Rs. lakh) (A)+(B)	11637.86	10123.63
Average power purchase cost (Rs. / per unit)	6.36	6.54

19. As mentioned above, as per clause 74(4) of the Tariff Regulations 2014, the licensee is required to pass on 1/3rd of the efficiency gain to the consumers and balance 2/3rd can be retained by the licensee. Accordingly, the power purchase cost for the year 2017-18 duly considering the Regulation 74(4) of Tariff Regulations 2014 is as shown below:

Table 6
Cost of power purchase approved for 2017-18

Actual Energy purchase (lakh units)	1546.90
Approved Energy purchase (lakh units)	1557.07
Efficiency gain (lakh units)	10.17
Efficiency gain at average power purchase cost (Rs. lakh) (10.17 lakh units x Rs.6.54/unit)	66.51
Efficiency gain to be retained by licensee (2/3rd) (Rs. lakh)	44.34
Actual Power purchase cost (Rs. lakh)	10123.63
Approved Power purchase cost (Rs. lakh)	10167.97

20. The distribution loss as per the approved ARR is 7.84%. The total power purchase requirement as per the approved distribution loss would be 1557.07 lakh units, whereas the actual power purchase is only 1546.90 lakh units, i.e. an efficiency gain of 10.17 lakh units over the approved level. Of these 10.17 lakh units, 2/3rd are to be retained by the licensee. The total efficiency gain at the average power purchase cost is Rs.66.51 lakh (10.17 lakh units x Rs.6.54/unit). In other words, the power purchase cost at the approved distribution loss would have been Rs.10190.14 lakh (Rs.10123.63 lakh + Rs 66.51 lakh). Out of the total efficiency gain of Rs.66.51 lakh, 1/3rd (Rs.22.17 lakh) is passed on to the consumers as reduction in power purchase cost and 2/3rd (Rs.44.34 lakh) is retained by the licensee. Accordingly, ***the Commission approves the power purchase cost approved for the year 2017-18 at Rs.10167.97 lakh.***

Operation & Maintenance expenses

21. Operation & maintenance expense includes controllable expenses like Employee cost, Repair & Maintenance Expenses & Administrative & General Expenses. The Commission as per Regulation 81(8) of the Tariff Regulations, 2014 has approved the licensee O&M cost for 2017-18, but the licensee's O&M expense claim for 2017-18 . exceeded the amounts specified in the Regulations. The comparison of the claim and the O&M expenses approved as per Regulations is tabulated hereunder.

Table 7
Comparison of the approved and actual O&M expenses for 2017-18

O&M Expenses	Approved in the ARR	As per Truing Up Petition
Employee expenses (Rs. lakh)	996.47	1177.75
R&M expenses (Rs. lakh)	57.81	90.79
A&G expenses (Rs. lakh)	272.29	394.69
Total O&M expenses (Rs. lakh)	1326.57	1663.23

22. The Commission has conducted a detailed analysis of each of the components mentioned above and its decisions are given below:

Employee Cost

23. As per the Tariff Regulations 2014 norms, the Commission had approved an amount of Rs 996.47 lakh towards employee cost for 2017-18. In the petition, the licensee has booked an amount of Rs.1177.75 lakh as employee cost as detailed below.

Table 8
Comparison of employee cost for the year 2016-17 and 2017-18

Particulars	2016-17		2017-18	
	As per Truing Up Petition (Rs. lakh)	Trued Up (Rs. lakh)	ARR Approved	As per Truing Up Petition (Rs. lakh)
Salary	801.44	941.40	996.47	741.87
Wages	93.41			111.53
Pension Contribution	112.52			106.35
Bonus	8.56			11.33
Others	2.10			11.23
Medical expenses	1.61			-
Earned Leave Encashment	92.91			72.69
Salary Arrears	-			122.75
Total	1112.55			941.40

- 24.** As shown in the Table above, the actual employee cost for 2017-18 was higher than the approved level of expenses by Rs.181.28 lakh. The per unit cost in 2017-18 (81.94 paise per unit) is also higher compared to 2016-17 (79.10 paise per unit). Major portion of the employee cost is towards salary, which constituted 63%. However, there is a decrease of 5.17% in employee cost (excluding salary arrears Rs.122.75 lakh) in 2017-18, compared to the level in 2016-17. It also seen that salary, pension contribution and earned leave encashment of 2017-18 is lower compared to 2016-17.
- 25.** The licensee has also booked an amount of Rs.122.75 lakh as provision for the 2013 pay revision. In this context, the licensee stated that as per G O (Rt) 1702/68/DD Thiruvananthapuram dated 07-03-1968 and GO (MS) 12/70/DDT dated 19-01-1970, the employees of M/s TCED are eligible for pay and allowances as given to M/s KSEBL from time to time. Accordingly, M/s TCED is implementing the pay revision orders of M/s KSEBL even since 1970. Since M/s KSEBL had implemented its 2008 pay revision in the year 2011 with retrospective effect, M/s TCED too implemented the said pay revision Order in the same year with the approval of the Corporation Council and approached the Government for approval. The retrospective benefits were not given to the employees, pending the approval from the Government. As per the letter dated 29-1-2019, the licensee furnished details of the provisions created for salary arrears in the accounts for pay revision of 2008 and 2013 as shown below:

Table 9
Details of provision for Salary Arrears

Year	Amount created as provision (Rs. lakh)	Remarks
2011-12	164.53	Provision for 2008 pay revision
2013-14	200.00	Provision for 2008 pay revision
2015-16	258.39	Provision for 2013 pay revision
2017-18	122.75	Provision for 2013 pay revision

- 26.** The licensee further stated in the petition that, though a total provision of Rs.622.92 lakh was created till 2015-16, the Commission did not approve this provision since no payment was made against the provisions. In the present petition, the licensee stated that Rs.222.02 lakh for the period from 1-7-2008 to 31-4-2011 (due for the salary revision of 2008) was paid as salary arrears in the month of May 2017. The said amount was adjusted against the provision made. Hence, the licensee requested the Commission to allow the said amount separately as part of the employee cost for 2017-18 during the truing up.
- 27.** The licensee has claimed an amount of Rs.106.35 lakh towards pension contribution for the year. The licensee further mentioned that pension disbursement made by M/s TCED out of its own funds to the retired employees is accounted under the head 'Loans and Advances receivable from the Government and is not included under employee cost. At present M/s TECD is disbursing pension for its retired employees from 'Own funds', though it is also paying pension contribution to the Government. The licensee justified this payment stating that the allotment from the Urban Affairs Department was not received in time. Even after repeated communications to the Government, the amount has not been disbursed fully. The Commission noted that in its Order dated 01-08-2019 in the Truing up of Accounts for 2016-17, it had directed that the licensee shall place the matter before the Council and steps be taken urgently to address the issue with Government of Kerala.
- 28.** The licensee vide their letter dated 29-01-2019 has requested the Commission that the pension amount distributed by M/s TCED is to be reduced from the surplus of M/s TECD as there is no allocation from the Government for pension. M/s TCED further stated that the matter was taken up with the Government at various levels, several times for speedy allocation since the pension allotment has to be provided from the Central Pension Fund of the Director of Urban Affairs. The licensee stated that Director,

Urban Affairs in his letter dated 11-12-2019 had communicated that the Central Pension Fund does not have the requisite fund to disburse pension to Municipalities and funds can be released only when the Government releases the required amount for the pension.

- 29.** As per the G.O. (MS) 49/2016/LSGD dated 04-03-2016, the Government has allowed disbursement of pension benefits from the 'Own Funds' of the Corporation. As on 31-10-2019, the total receivable to M/s TCED under the head is Rs.37.73 crore, which will be credited to this account as and when the allocation from the Government is received. The licensee has also furnished a copy of the letter dated 11-12-2019 from the Director of Urban Affairs addressed to Assistant Secretary, Electricity Department, Thrissur Corporation. In the said letter, the Director, Urban Affairs mentioned that, the Central Pension Scheme was started from 10/1991 for the employees retiring from the Kerala Municipal Common Service. For this, Urban Local Bodies contribute 15% of the total salary of the permanent regular employees to the scheme as pension contribution to the Central Pension Fund. Once employee retires, based on the audit report of the State Pension Audit Director, pension for the retired employee is fixed and reported to the local bodies and necessary pension allotment is given to the respective local bodies from the Central Fund. However, due to the mismatch in pension contribution and total pension out flow from the fund, there is a deficit in the pension fund and pension allocation is not commensurate to the requirement. However, as per the Government Order dated 4-3-2016, the deficit is allowed to meet from the 'own funds' of the Local Bodies. Hence, full requirement of pension allocation is not given to the Electricity Department, Thrissur on account of the insufficiency in the Central Pension Fund. Accordingly, on this account, upto 31-1-2019, the arrear due to Electricity Department is Rs.37.73 crore.
- 30.** The Commission has examined the submissions of the licensee regarding employee cost. It is seen that the employee cost excluding the provision for salary arrears claimed by the licensee is lower than that of the previous year. M/s TCED explained that this reduction was on account of retirement of employees i.e., the number of permanent employees decreased from 128 to 119 at the end of March 2017.
- 31.** The licensee has made an additional claim of Rs.222.09 lakh towards payment of arrears due to the pay revision of 2008, which was effected from 2011. The licensee stated that that since a provision was created against this amount in the earlier years, the same is not included in the present accounts. Though the licensee is periodically including the provision for pay revision, the Commission has not approved these

amounts as a part of the employee expenses. ***The Commission had noted that the licensee has effected the 2008 pay revision arrear payments of Rs.222.09 lakh during 2017-18. Hence, the same is being allowed in the employee cost, in addition to the amount approved in the licensee's ARR for 2017-18.***

- 32.** Regarding pension payments, the licensee has stated that the shortage in pension payments are made from the licensee's surplus and these amounts are actually not available in the surplus. Hence, the licensee requested that the accumulated surplus arrived at by the Commission after truing up may be reduced by the amount expended towards pension from the surplus. However, the licensee has not furnished the details of such disbursements. In any case, the surplus amount cannot be reduced as sought by the licensee, since the said pension amount is receivable from the Government. ***However, the Commission may consider allowing such deduction for the purpose of computing interest charges for the accumulated surplus. To this end, the Commission hereby directs the licensee to furnish complete month wise details of such disbursements within three months of the date of this Order.***
- 33.** ***Based on the above, after duly considering the details furnished by the licensee, the employee cost for the year 2017-18 is approved at Rs.1163.49 lakh (Rs.941.40 lakh + Rs.222.09 lakh).***
- 34.** ***The Commission has also decided to review the engagement and deployment of workers/staff by the distribution licensee, so as to arrive at firm employee requirement and deployment norms. To facilitate this process, the Commission hereby direct the licensee to make available the complete list of workers/staff (permanent/contract/temporary), their qualification, place of deployment, category, salaries, wages and all other benefits paid to them. The licensee shall make this data available within three months of the date of issue of this Order.***

Repair and Maintenance Charges

- 35.** The Repair and Maintenance (R&M) cost incurred by the licensee for the year 2017-18 is Rs.90.79 lakh for the repair and maintenance of lines, substations, 11 kV lines & associated works, LT line service etc. as against the approved cost of Rs. 57.81 lakh. The licensee's claim on this account is much higher than the norms as per KSERC (Terms and conditions for determination of tariff) Regulations, 2014. The claim made by the licensee in their truing up petition is given below:

Table 10
Details of R&M expenses for the year 2016-17 & 2017-18

Particulars	2016-17		2017-18	
	As per Truing Up Petition (Rs. lakh)	Trued Up (Rs. lakh)	ARR Approved	As per Truing Up Petition (Rs. lakh)
Plant & Machinery	-	54.61	57.81	16.92
Other civil works	1.23			0.40
Lines and cable networks	71.98			65.69
Vehicles	4.65			3.09
Furniture & fixtures	0.79			0.12
Office Equipment	4.55			4.56
Grand Total	83.19			54.61

- 36.** As part of the R&M expenses, the licensee has included materials used from the store for maintenance, labour cost and substation maintenance expenses. The major claims by the licensee under R&M expense is on account of lines, cable and networks of Rs.65.69 lakhs. The licensee's detailed split up of lines and cable network is tabulated below.

Table 11
Details of Lines and Cable Network Expenses for the year 2017-18

Items	Amount (Rs. lakh)
Store Consumption	48.10
Labour Cost	12.46
Substation Maintenance	5.13
Total	65.69

- 37.** In their clarifications dated 29-1-2020, the licensee stated that of the Rs.16.92 lakh booked under 'Plant and Machinery', Rs. 13 lakhs was a onetime expense towards the repair of transformers undertaken by Kerala Electrical & Allied Engineering Co. Ltd. The licensee requested that this expense be allowed as onetime expenses. Details of this expenditure is given below.

Table 12
Details of One Time Expenses for the year 2017-18

Items	Amount (Rs. lakh)
Transformers 250 kVA	0.90
Transformers 315 kVA	3.08

Transformers 500 kVA	1.14
Transformers (8 nos.)	7.88
Total	13.00

- 38.** The Commission has examined the details furnished by the licensee. As per the Tariff Regulations, 2014, the R&M expenses approved for the year is Rs.57.81 lakh. The actual R&M expenses for the year 2017-18 is Rs.90.79 lakhs. The R&M expenses for 2017-18 is about 9% higher than the previous year (Rs.83.19 lakh for 2016-17). The licensee has booked Rs.16.92 lakh under plant and machinery, mainly for repair of transformers. There was no such amount incurred under plant and machinery in 2016-17. Thus, R&M expenses for the year 2017-18 excluding expenses under plant and machinery, is only Rs.73.87 lakh, which is about 12% lower when compared with the previous year. From this it emerges that the licensee has made efforts to control the R&M expenditure for the year. The Commission however would like to caution the licensee that this reduction in R&M expenses should not be at the cost of compromising on safety or on the quality of service.
- 39.** The licensee has claimed Rs.13.00 lakh towards transformer repairs undertaken at KEL as onetime expenses. After considering the details, the Commission hereby allows this expenditure as onetime expenses for the year 2017-18. **Accordingly, the R&M expense approved for the year is Rs.70.81 lakh (Rs.57.81 lakh +Rs.13.00 lakh)**

Administration and General Expenses

- 40.** As against the ARR&ERC approved amount of Rs.272.29 lakh, the licensee has claimed Rs 394.69 lakh in the 2017-18 petition. A&G expenses include various items such as rent, rates and taxes, insurance, telephone charges, internet and related charges, legal charges, audit fees, consultancy charges, printing and stationery, advertisement charges, DSM expenses, statutory fee including payments to SERC etc. A comparison of the A&G expense of the current year and the previous year is tabulated below.

Table 13
Details of A&G Expense for the year 2016-17 and 2017-18

Particulars	2016-17		2017-18	
	As per Truing Up Petition (Rs. lakh)	Trued Up (Rs. lakh)	ARR Approved	As per Truing Up Petition (Rs. lakh)
Rents, rates and taxes	172.03	19.28	272.29	172.03

Insurance	2.63	2.63		2.62
Telephone telex charges, etc	4.33	4.33		4.75
Legal charges	2.06	2.06		2.50
Consultancy charges	14.51	14.51		1.86
Technical fee	0.83	0.83		-
Other Professional charges	5.65	5.65		5.38
Conveyance and Vehicle Exp	4.38	4.38		4.61
KSERC Charges	5.01	5.01		4.55
Training to Staff	5.68	5.68		2.03
Other expenses	9.90	9.90		13.31
Self-Consumption	8.18	8.18		9.76
Section 3 Duty	83.32	-		84.48
Printing & stationery	5.06	5.06		8.62
Advertisements	8.31	8.31		2.80
Miscellaneous expenses	6.79	6.79		2.82
Bank Charges	0.06	0.06		0.80
UJALA LED expense	-	-		71.76
Grand Total	338.64	102.57	272.29	394.69

- 41.** As per the details furnished by the licensee, the major components of A&G expense are on account of Rent, rates & taxes (Rs.172.03 lakh), Section 3(1) duty (Rs.84.48 lakh) and UJALA LED totalling Rs.71.76 lakh. Further, Rs.13.31 lakh claimed as Other Expenses include Rs.9.55 lakh as security staff wages, Rs.1.93 lakh for Pooram expense, Rs.1.29 lakh for diesel for generator and Rs.0.54 lakh for photostat, postage etc.
- 42.** The licensee has also furnished the details of UJALA LED scheme. Under the scheme, the licensee has distributed 20,000 LED bulbs, 10,000 tube lights and 5,000 energy efficient fans. The licensee has implemented the Scheme as per the Orders of the Commission dated 22-12-2016. For implementing the scheme, the licensee has not received any amount from the Government. The income from the sale of bulbs and tubes amounting to Rs. 73.28 lakh is included under non-tariff income. The Commission has carefully considered the major expenditure heads as follows:
- 43. Rent, rates & taxes:** The licensee has claimed Rs.172.03 lakh under Rent, Rate and Taxes. The Commission notes that till 2014-15, the Commission had approved the rent at 10% of the claim i.e., Rs.17.20 lakh since M/s TCED could not substantiate the claim properly. In the truing up the accounts for the year 2015-16 and 2016-17 also, the Commission had approved an amount of Rs.18.21 lakh and Rs.19.28 lakh considering

an escalation rate of 5.85%. In order to look into the reasonableness and admissibility of this claim, the Commission sought clarification on the high rent component booked in the accounts. The Commission also noted that it had vide Order dated 15-5-2013 on the ARR&ERC for the year 2013-14 and Order dated 19-5-2014 in the ARR&ERC Order for the year 2014-15 directed the licensee to determine the reasonable amount under this head as per the Government determined rates.

44. In response, the licensee vide their letter dated 29-1-2020 stated that as per the direction of the Commission, M/s TCED had placed the matter before the Corporation Council and the Council had entrusted this matter to the Revenue officer and the Revenue Officer had proposed to appoint a Surveyor for determining the rent of offices and spaces used by TCED. M/s TCED stated that in spite of all the correspondence with the concerned authority every month, the matter is yet to be settled. The Commission notes that the determination of Rent is pending for quite long time and in spite of repeated directions of the Commission the same has not been finalized by TECD. In view of the foregoing, ***the Commission hereby directs the licensee to finalize the rent etc. and submit the results thereof to the Commission for consideration within three months of the date of this Order. Unless the matter is finalized within time frame, the Commission may consider not approving the Rent component in future. Accordingly, the approval of Rent under A&G expenses for the year 2017-18 is deferred.***
45. **Electricity duty under Section 3 of the Electricity Duty Act:** The licensee has booked Rs.84.48 lakh towards Electricity Duty. The Commission in the previous orders had stated that ***Duty under Section 3 cannot be passed on to the consumers in view of the statutory provisions of the Kerala Electricity Duty Act, 1963. Hence the same is disallowed.***
46. **UJALA LED Scheme Implementation:** The licensee has also furnished the details expenditure incurred for the implementation of UJALA LED, amounting to Rs.71.76 lakh and booked under the A&G expense. The Commission has approved the implementation of the Scheme as per its Order dated 22-12-2016. The income from the scheme of Rs.73.28 lakh is seen to be included under non-tariff income. ***Hence, the Commission hereby approves Rs. 71.76 lakh as part of A&G expenses and as a onetime expense.***
47. In addition to the above-mentioned major expenditure, the Commission has also examined the licensee's submission under A&G expenses. The Commission notes that

as per the Regulations, A&G expenses is a controllable item. The Commission also noted that other than the above-mentioned major expenditure, the A&G expenses of the licensee is lower at Rs. 66.41 lakh when compared to the 2016-17 figure of Rs. 83.38 lakh as shown below:

Table 14
Comparison of A&G expenses (excluding Rent, Duty, UJALA Expenses)

	2016-17 Rs. Lakh	2017-18 Rs. Lakh	% increase over previous year
Insurance	2.63	2.62	-0.4%
Telephone telex charges, etc	4.33	4.75	9.7%
Legal charges	2.06	2.50	21.4%
Consultancy charges	14.51	1.86	-87.2%
Technical fee	0.83	-	
Other Professional charges	5.65	5.38	-4.8%
KSERC Charges	5.01	4.55	-9.2%
Training to Staff	5.68	2.03	-64.3%
Other expenses	9.90	13.31	34.4%
Self-Consumption	8.18	9.76	19.3%
Printing & stationery	5.06	8.62	70.4%
Conveyance and Vehicle Exp	4.38	4.61	5.3%
Advertisements	8.31	2.80	-66.3%
Miscellaneous expenses	6.79	2.82	-58.5%
Bank Charges	0.06	0.80	1233.3%
Grand Total	83.38	66.41	-20.4%

48. However, an analysis of the above figure indicates that though the overall expenditure at Rs. 66.41 lakh is lower than the previous year's figure of Rs. 83.38 lakh, this is mainly due to the exclusion of certain onetime expenditure such as Consultancy Charges and certain other expenditure such as training to staff, advertisement and miscellaneous expenses. On the other hand, there is considerable increase in certain other items such as Printing and Stationery and Other expenses. While the reduction under Advertisement is appreciable, expense especially under Printing & Stationery must be reduced from a financial and environmental perspective.
49. **Accordingly, the Commission hereby provisionally approves Rs. 138.17 lakh including Rs. 71.76 lakh incurred on UJALA LED project, but excluding the licensee's Rent, Rates & Taxes claim which will be dealt with as mentioned in Para 44 of this Order. Hence, the A&G expenses for the year 2017-18 would be Rs.138.17 lakh as shown below:**

Table 15
A&G Expenses approved for 2017-18

Particulars	2017-18		
	ARR Approved	As per Truing Up Petition (Rs. lakh)	
Rents, rates and taxes	272.29	0.00	
Insurance		2.62	
Telephone telex charges, etc		4.75	
Legal charges		2.50	
Consultancy charges		1.86	
Technical fee		-	
Other Professional charges		5.38	
Conveyance and Vehicle Exp		4.61	
KSERC Charges		4.55	
Training to Staff		2.03	
Other expenses		13.31	
Self-Consumption		9.76	
Section 3 Duty		-	
Printing & stationery		8.62	
Advertisements		2.80	
Miscellaneous expenses		2.82	
Bank Charges		0.80	
UJALA LED expense		71.76	
Grand Total		272.29	138.17

Depreciation

50. The licensee in the petition has claimed depreciation in the straight-line method as per the Tariff Regulations 2014. The licensee has claimed depreciation of Rs.238.33 lakh as against Rs.221.28 lakh approved in ARR&ERC for the year. The Commission while truing up the accounts for the year 2016-17 had approved depreciation of Rs.198.81 lakh, which was for all the assets created till 2016-17, except for the assets created out of consumer contribution and grants. The licensee has also stated that the depreciation has been estimated as per the provisions of the Tariff Regulations 2014, with accelerated depreciation for the first 12 years and also furnished the fixed asset register as part of the clarifications. The licensee has claimed proportionate depreciation for the asset addition during the year.

51. The details of the depreciation claim made by the licensee are shown below.

Table 16
Depreciation claimed for the year 2017-18

Particulars	2017-18 (Rs. lakh)			
	GFA as on 01-04-2017	Asset Additions	Adjustment & Deductions	Depreciation
Distribution lines	2,061.48	197.13	4.79	65.03
Sub-Station Equipment	2,757.19	74.98	6.91	117.47
Furniture & Fixtures	15.45	1.08	-	0.65
Office equipment's	100.15	20.96	-	2.04
Departmental vehicles	53.68	-	-	3.77
Land & land rights	23.39	-	-	-
Building	100.48	7.26	-	3.48
Meter	450.73	142.49	-	27.56
Software	23.62	-	-	3.54
IT Equipment's	95.63	5.90	-	14.79
Total	5,681.78	449.79	11.70	238.33

52. The licensee has made an asset addition of Rs.449.79 lakh for the year 2017-18. The licensee stated that the main asset additions were made to comply with the Commission directions to reduce the technical and commercial losses and improve service quality to the consumers. Of the total assets capitalized during the year, asset addition to the tune of Rs.382.52 lakhs was included as part of the ARR for 2017-18 and Rs.67.27 lakh is the additions of minor assets. The split up of the asset additions made in 2017-18 is shown below.

Table 17
Asset Addition during the year 2017-18

Particulars	Rs. Lakh
DTR Metering	34.77
Transformer	26.42
Office Equipment	20.96
Conductor changing	185.68
Furniture	1.08
IT Equipment	5.90
Meters	107.72
HRC fuses and GI pipes	19.69
CT's	12.51

Building	7.26
Meter Bay	27.81
Total	449.79

53. Of the above, the major portion is for the changing of conductors. The split up of the same is shown below.

Table 18
Split up of Conductor Changing assets

Particulars	Rs. lakh
UG Cable	71.38
ACSR Rabbit	39.45
Steel Post	33.08
A type post	17.04
X arms	24.73
Total	185.67

54. According to the licensee, the investments were made for reducing the distribution loss and for strengthening the distribution system as directed by the Commission. The depreciation for assets created out of consumer contribution has not been included in the accounts. The details of assets created out of Consumer Contribution is given below:

Table 19
Assets created out of Consumer Contribution for the year

Items	Amount (Rs. lakh)
Plant and Machinery	13.50
Underground lines (cables)	12.13
Overhead lines (lines)	3.64
Total	29.28

55. The Commission has examined the details furnished by the licensee. The Commission notes that the licensee has not included the depreciation for the assets created out of consumer contribution. As per the details furnished by the licensee, the asset addition for the year excluding consumer contribution is Rs.420.51 lakh (Rs.449.79 lakh – Rs.29.28 lakh). Further, depreciation has been accounted as per the rates given in the Tariff Regulations. The licensee has also furnished the copy of the Asset Register as part of the clarifications. **Considering this, the Commission hereby approves depreciation of Rs.238.33 lakh as claimed by the licensee.**

Interest and Finance Charges

56. The licensee in their truing up petition has claimed interest and finance charges of Rs.215.97 lakh. The Commission had approved an amount of Rs.248.32 lakh in the order on ARR&ERC for the year. It is seen from Schedule 11 of the Audited Financial Statement forming part of the petition that, the claim is exclusively made for interest on security deposits. The licensee has further stated that the total amount of interest charges paid to the consumers on the security deposits in the financial year is Rs.159.98 lakh. Since the interest payable on consumer's security deposit is accounted on accrual basis and interest expense for the financial year is payable only during the first quarter of the next financial year, there is a difference in the amount booked and the actual disbursement. The following table shows the total amount of interest paid in the FY 2017-18 amounting to Rs.159.98 lakh, for different category of consumers.

Table 20
Details Interest on Security Deposit paid during the year 2017-18

Consumer category	SD Interest (Rs. lakh)	Consumer category	SD Interest (Rs. lakh)
LTIA	11.59	LTVIE	0.11
LTIC	23.94	LTVIF	8.00
LTIV	2.55	LIVIIA	50.94
LTVA	0.04	LTVIIB	0.84
LTVIA	2.33	LTVIIC	0.36
LTVIB	2.50	LT IX	0.27
LTVIC	6.76	LT II	0.006
LTVID	0.03	HT	49.70
Subtotal	49.75	Subtotal	110.23
Total			159.98

57. As per the provisions of the Kerala Supply Code the licensee is bound to provide interest on the security deposit collected from consumers. The Commission has been taking the consistent stand that, the actual disbursement of interest on security deposit during the year can only be allowed in the process of truing up. **Accordingly, for the purpose of truing up, the Commission approves the interest paid to consumers for security deposits of Rs.159.98 lakh for the year 2017-18.**

Return on Equity

58. The licensee had claimed RoE of Rs.87.59 lakh in the application for truing up for the year 2017-18. The Commission had allowed a return of Rs.50.63 lakh in the order on ARR&ERC which was 3% of the net fixed assets. The licensee has stated that the claim is 3% of the net fixed assets at the beginning of the year, excluding the consumer contribution. While truing up the accounts for the year 2016-17, the Commission had approved an amount of Rs.85.43 lakh as claimed by the licensee.

59. The Commission has examined the claim of the licensee. The licensee has deducted the closing balance of the consumer contribution from the NFA. Based on the actual accounts, the return on NFA is worked out as shown below:

Table 21
Return on NFA approved for 2017-18

Particulars	Rs. lakh
Net fixed assets at the beginning of the year	3410.14
<u>(Less)</u> Fixed Assets financed by Consumer contribution at the beginning of the year	(461.07)
Balance Net Fixed assets on which Returns can be allowed	2949.07
3% on Net fixed assets	88.47

60. *As shown above, the return on NFA excluding consumer contribution approved for 2017-18 is Rs.88.47 lakh.*

Revenue from sale of power

61. The licensee has claimed total revenue from sale for power of Rs.11468.91 lakh for 143.73 MU against approved revenue from sale of power of Rs.12703.90 lakh for 168.39 MU in the Order on ARR. A category wise comparison of the revenue from sale of power for the years 2016-17 & 2017-18 is as shown below

Table 22
Details of revenue from sale of power for 2016-17 & 2017-18

Category	2016-17 As per Truing Up Petition (Rs. lakh)			2017-18 As per Truing Up Petition (Rs. lakh)		
	Sale lakh units	Revenue from sale	Average Realisation	Sale lakh units	Revenue from sale	Average Realisation
Domestic	397.90	1982.76	4.98	396.80	2062.41	5.20

Non-domestic	517.80	5030.23	9.71	530.80	5151.23	9.70
Agricultural	0.70	2.11	3.04	0.70	2.09	2.99
Industry	37.40	224.96	6.01	36.60	239.63	6.55
Street Lighting	20.20	73.12	3.62	18.60	72.90	3.92
High Tension	431.00	3801.40	8.82	452.50	3948.89	8.73
Self-Consumption	1.30	8.18	6.13	1.40	9.76	6.97
Total	1406.40	11122.77	7.91	1437.30	11486.91	7.99

62. There is an increase in the sale and revenue from sale of power in 2017-18 compared to 2016-17. As per the petition, the major share of the sale of 983.30 lakh units is to the Non-domestic and HT category and accounts for about 68.41% of total sale of power. The licensee further stated that the energy consumed by street light has been included in sale of power and is charged to the Corporation's Current Account. It is also claimed that self-consumption has been included in revenue from sale of power at the rate of *effective Purchase Rate of Power Purchase from KSEB Ltd.*

63. The Commission has examined the details furnished by the licensee. The Commission noted that ***the licensee has booked the income from self-consumption at the average power purchase rate, which is not correct. The Commission therefore directs that henceforth the licensee shall account the self-consumption as per the respective retail tariff in force. Considering the actual revenue realized for the year, Commission approves Rs.11468.91 lakh as the revenue from sale of power for 2017-18.***

Non-Tariff Income

64. The non-tariff income accounted by the licensee for the year 2017-18 is Rs.994.58 lakh as against the approved amount of Rs.720.50 lakh. The licensee has included rental and advertisement income from poles, interest income from investment, penal interest received from consumers, sale of tender forms, application fee, sale of scrap etc. under this head. The split-up details of Non-Tariff income claimed are shown below.

Table 23
Details of Non-Tariff income for the year 2016-17 and 2017-18

Particulars	2016-17		2017-18	
	As per Truing Up Petition (Rs. lakh)	Trued Up (Rs. lakh)	ARR Approved (Rs. lakh)	As per Truing Up Petition (Rs. lakh)
Interest from SD, FD and bank balances	575.56	1027.25	720.50	547.38
Interest Income from security deposit	58.45	58.45		52.01
Interest on delayed or deferred payment	76.02	76.02		68.57
Commission for collection electricity duty	9.56	9.56		9.88
Meter Rent/Service Line Rental	70.53	70.53		72.94
Income from sale of scrap etc.	1.41	1.41		64.11
Miscellaneous Charges	87.18	87.18		92.22
Recovery of theft and pilferage of energy	13.01	13.01		14.19
UJALA LED Income	-	-		73.28
Total	891.71	1343.60		720.50

- 65.** As per the Order of the truing up of accounts for 2016-17, the accumulated revenue surplus at the end of 2016-17 is Rs.12,904.42 lakh. As per the details in the petition, the licensee has not availed any loans for creation of assets and the asset additions are made from TCED's own funds. As the asset addition to the tune of Rs.1057.08 lakh (Rs.636.57 lakh up to 2016-17 and Rs.420.51 lakh for 2017-18) is made from own funds, this amount is deducted from the accumulated surplus and interest on accumulated surplus is considered for the balance amount of Rs.11,847.34 lakh. The licensee has further submitted that the amount released for the pension from the surplus amount is to be deducted from accumulated surplus. **However, as mentioned in Para 32 of this Order, the Commission will consider the matter based on the details furnished by the licensee in this regard, and the accordingly the interest on accumulated surplus will be appropriately revised based on this.**
- 66.** The interest computed at an interest rate of 9.10%, considering the base rate of SBI as on 01-04-2017 works out to Rs.1078.11 lakh, whereas M/s TCED has accounted Rs.547.38 lakh as interest under non-tariff income. Since Rs.547.38 lakh have already been accounted, the balance amount of Rs.530.73 lakh has been included under non-tariff income. **Accordingly, the non-tariff income provisionally approved for the purpose of truing up of accounts for the year 2017-18 is Rs.1525.31 lakh (Rs.994.58 lakh+ Rs 530.73 lakh).**

Revenue Surplus/gap after Truing up of Accounts 2017-18

67. Based on the above the approved expense and revenue after truing up for 2017-18 is given below:

Table 24
Aggregate Revenue Requirements after truing up for 2017-18

Particulars	2017-18		
	ARR Approved (Rs. lakh)	As per Truing Up Petition (Rs. lakh)	Approved in Trued Up (Rs. lakh)
Revenue from Sale of Power	12,703.90	11,486.91	11,486.91
Other Income	720.50	994.58	1,525.31
Total Income	13,424.40	12,481.49	13,012.22
Purchase of Power	11,637.86	10,123.63	10,167.97
R&M Expenses	57.81	90.79	70.81
Employee Cost	996.47	1,177.75	1,163.49
A &G Expenses	272.29	394.69	138.17
Interest & Finance Charges	248.32	215.97	159.98
Depreciation	221.28	238.33	238.33
Return on Equity	50.63	87.59	88.47
Total Expenditure	13,484.66	12,328.75	12,027.22
Net Surplus/(Deficit)	-60.26	152.73	985.00

Orders of the Commission

68. The Commission after considering the petition filed by M/s.TCED for truing up of accounts for the year 2017-18, objections raised by KSEB Ltd. and the clarifications and details provided by the licensee approves the following:

- a. Total revenue is Rs.**13012.22** lakh
- b. Total expenditure is Rs.**12027.22**lakh
- c. The provisional revenue surplus for the year is **Rs.985.00** lakh. The said surplus is subject to the observations and directions given in para 32, 44 & 65.
- d. The cumulative revenue surplus till 2017-18 will be Rs.13889.42 lakh (Rs.12904.42 lakh + Rs.985.00 lakh). The licensee shall keep the surplus arrived at after the truing up process in a separate fund and utilize it as per orders of the Commission.

Directives

- a) *As directed in para 14 within two months from the date of this Order, the licensee shall furnish the first quarterly report for the period January to*

March 2020 and periodic reports as directed in the Order dated 1-8-2019 shall be furnished within one month from the close of each quarter. The licensee shall also conduct energy audit studies for other critical feeders in a time bound manner.

- b) As mentioned in para 32, the licensee shall within three months of the date of this Order, furnish complete month wise details of disbursements of pension from the accumulated surplus.**
- c) As mentioned in para 34, within three months of the date of issue of this Order, the licensee shall make available the complete list of workers/staff (permanent/temporary/contract), their qualification, place of deployment, category, salaries, wages and all other benefits paid to them.**
- d) The licensee, as directed in para 44, shall finalize the rent and furnish the report with all details with in three months of the date of this Order for the consideration and approval of the Commission.**

69. With the above, the petition is disposed of. Ordered accordingly.

**Sd/-
S.Venugopal
Member**

**Sd/-
Preman Dinaraj
Chairman**

Approved for issue

**Sd/-
Secretary (i/c)**