BEFORE THE KERALA STATE ELECTRICITY REGULATORY COMMISSION

C.V.Raman Pillai Road,Vellayambalam,Thiruvananthapuram-695010

Filing No.

Case No.

IN THE MATTER OF:

Truing up of income and expenditure of M/s Rubber Park India Private Ltd, Ernakulam for the year 2019-20

And

IN THE MATTER OF:

Rubber Park India Private Ltd, Valayanchirangara, Ernakulam.

Applicant

Managing Director.
Rubber Park India Private Ltd,
Ernakulam-683556

AFFIDAVIT VERIFYING THE APPLICATION ACCOMPANYING FILING OF TRUING UP PETITION FOR THE YEAR 2019-20.

I, J Krishnakumar, S/o K Janardhanan Pillai (late) aged 67 years residing at Vishakham, House No. 30/1645, October Road, Vyttila, Ernakulam -682019 do solemnly affirm and state as follows:

1. I am Managing Director of Rubber Park India (P) Ltd, 2A, Kautileeyam, Valayanchirangara-683556, Ernakulam District, Kerala State and the petitioner in the above matter and I am duly authorized by the company to make this affidavit on its behalf. I solemnly affirm at Perumbavoor on this 1st day of October, 2021 that
   (i) The contents of the above petition are true to my information, knowledge and belief. I believe that no part of it is false and no material has been concealed there from.
   (ii) The statements made in paragraphs of the accompanying application herein now shown to me are true to my knowledge and are derived from the official records made available to me and are based on information and advice received which I believe to be true and correct.

Deponent

Managing Director,
Rubber Park India Private Ltd,
Ernakulam-683556

VERIFICATION

I, the above-named deponent solemnly affirms at Perumbavoor on this, the 1 st day of October, 2021 that the contents of the affidavit are true to my information, knowledge and belief, that no part of it is false and that no material has been concealed there from.

Deponent

Solemnly affirmed and signed before me.

Managing Director.
Rubber Park India Private Ltd,
Ernakulam-683556

Advocate and Notary

BEFORE THE KERALA STATE ELECTRICITY REGULATORY COMMISSION

In the matter of : Truing up of Revenue and Expenditure of M/S Rubber Park India (P) Ltd for the year 2019-20.

Applicant: M/s.Rubber Park India (P) Ltd, 2A Kauteeliyam,
Valayanchirangara,
Ernakulam -683556.

The Applicant humbly submits the following details for the favorable consideration of the Hon. Commission.

1. Introduction:

1.1 M/s. Rubber Park India (P) Ltd, Ernakulam had filed the petition for the approval of ARR & ERC for the control period from 2018-19 to 2021-22 as per the Tariff Regulation 2018 in the Multi Year Tariff Framework on 03-11-2018 before the Hon. Commission. In the ARR & ERC petition, Rubber Park had proposed an Aggregate Revenue Requirement (ARR) of Rs. 2025.17 Lakhs, Expected Revenue from Charges (ERC) of Rs. 1924.32 Lakhs and Revenue Gap of Rs. 100.85 Lakhs as Deficit for the year 2019-20. As against Rubber Park's proposal the Hon. Commission vide order dated 08th November 2018 had approved an Aggregate Revenue Requirement (ARR) of Rs. 1935.15 Lakhs, Expected Revenue from Charges (ERC) of Rs. 2015.83 Lakhs and Revenue surplus of Rs. 80.68 Lakhs.

1.2 The company had completed the statutory audit for the year 2019-20 and submitted the statutory audited accounts and the reports before the Comptroller & Auditor General (C&AG) of India for auditing and certifying the accounts. The Comptroller & Auditor General (C&AG) of India has communicated that nothing significant has come to their knowledge which would give rise to any comment upon or supplement to Statutory Auditor's report under Section 143(6)(b) of the Companies Act, 2013. A copy of the statutory audit report and the letter from C&AG is enclosed with this application as **Annexure-1** for the kind perusal of the Hon. Commission. The truing up application of the licensee for the year 2019-20 is prepared based on the separate audited accounts of the power distribution business of the company.

1.3 Table 1 given below compares the estimated value, approved value, actual value of the revenue and expenditure of the licensee as per the audited accounts of the distribution business and the deviation from the approved ARR for the year 2019-20..

Table -1

COMPARISON OF ARR FOR THE FINANCIAL YEAR 2019-20

Rs. In Lakhs

Sl. No	Particulars	Projected	Approved	Actual as per the accounts	Variation between the Approved and Actual values
1	Purchase of power	1707.36	1735.58	1442.164	293.42
2	Employee Cost	64.64		71.12	
3	R & M Expenses	41.28	112.12	37.41	(43.52)
4	A & G Expenses	57.85		47.11	
5	Depreciation	47.31	42.37	30.12	(12.25)
6	Interest & Fin Charges/ bank Charges	2.19	2.19	0.77	1.42
7	Interest on normative loan	60.21	1.28	59.03	(57.56)
8	ROE	44.33	41.61	43.31	(1.7)
9	Tax on ROE	-	-	11.63	(12.95)
10	**Total Expenditure**	**2025.17**	**1935.15**	**1742.67**	**166.86**
10	Revenue from sale of Power	1923.51	2002.93	1734.05	(268.88)
12	Wheeling Charges	0.21	0.21	2.664	(2.45)

13	Non-Tariff income and Other Income	0.604	12.69	3.92	**8.77**
14	Total Income	**1924.32**	**2015.83**	**1740.64**	**275.19**
15	Revenue surplus (+) / gap (-)	**(-) 100.85**	**(+)80.68**	**(-)2.03**	

2. Sale of Power

Rubber Park had estimated a sale of power of 30.78 MU for the year 2019-20. The projection was done on the basis of actual consumption incurred during the year 2017-18. The actual energy sale during the year 2019-20 including open access sales was 25.95 MU, which is lower than the energy sales approved for the year. The category wise energy sale during the year 2019-20 is tabulated below.

Table-2

Tariff Category	2019-20 (Energy sales Approved in MU)	2019-20 (Energy sales Actual in MU)
LT IV A	3.188	3.12
LT VI B	0.011	0.02
LT VI F	0.112	0.10
LT VIIA	0.052	0.33
LT VIII B	0.023	0.03
HT-1A	27.399	22.05
Total	**30.784**	**25.65**
Open Access KSEB Ltd (M/s. M Fuel)	0.067	0.17
Open Access (M/s. Classic Auto tubes ltd)	-	0.13
Total Energy Sales	**30.851**	**25.95**

3. Purchase of power:

Rubber Park had estimated a purchase of 31.41 MU of energy at a cost of Rs.1707.36 lakhs. The Hon. Commission had revised the power purchase units in line with the approved T&D loss and approved a purchase of 31.38 MU with a purchase cost of Rs.1735.58 lakhs. The company had incurred an actual power purchase cost of Rs. 1442.16 Lakhs against a total purchase of 26.34 MU during the year 2019-20 including open access sales of 0.30 MU

The comparison of the power purchase cost approved by the Hon. Commission in the MYT ARR order and the actual incurred by the licensee during the year 2019-20 is detailed as below.

Table-3

Particulars	**Approved ARR**	**Actual (Rs. in Lakhs)**
Energy purchase (MU)	31.38	26.34
Demand Charges (Rs in Lakhs)	261.88	220.70
Energy Charges (Rs in Lakhs)	1473.70	1221.47
Provision for RPO		
Total (Rs in Lakhs)	**1735.58**	**1442.16**

4. Aggregate Technical and Commercial (A T & C) Losses:

Rubber Park had proposed an AT &C loss of 2%. In the ARR petition The Hon. Commission had approved a distribution loss of 1.9% for the year 2019-20. The actual AT &C loss incurred by Rubber Park during year 2019-20 was 1.98 %, which is just above the approved loss level. The company had purchased 26.34 MU of power from KSEB Ltd and distributed 25.82 MU at a distribution loss of 1.98 %.

5. Operation & Maintenance Expenses

As per the MYT Regulations, O&M expenses consist of employee costs, repair and maintenance expenses and administration and general expenses.

The Hon. Commission had allowed the O&M expenses stated in the KSERC (Terms and Conditions for determination of Tariff) Regulation 2018 for the control period.

A) Employee Cost:

As per the audited accounts of distribution business, the actual employee cost incurred by the company during the year 2019-20 was Rs.71.12 Lakhs. The Hon. Commission had arrived the normative employee expenses in the MYT Regulation 2018 for the control period from the actual employee cost incurred by the company during the year 2015-16. The company had taken the same level of employees approved in the MYT Regulations 2018. The escalation rate of 4.84% approved in the MYT Regulations 2018 is insufficient to meet the actual employee expenses.

(I) One-time expenditure on account of Pay revision.

The company pays its employees on scale of pay as per state government salary scales and revision is made every 5 years. The company had implemented the pay revision of the employees on 01/07/2016 in line with the pay revision order of the state government vide GO (P) No.85/2011/Fin dt. 26.02.2011 with effect from 01.07.2012. Since the pay revision of the employees was implemented in the financial year 2016-17, the effect increase in the salary of the employees was not covered in the normative employee expenditure arrived by the Hon. Commission from the base year 2015-16. The Hon. Commission had approved the additional expenditure on account of the pay revision in the Truing Up orders for the years 2016-17, 2017-18 and 2018-19.

The company had incurred an additional one-time expenditure of Rs. 4.65 Lakhs during the year 2019-20 in connection with the pay revision of its employees. The comparison of the employee expenditure of the company in the pre revised and revised salary scales are detailed in the **Annexure-2.**

(II) One-time Employee Expenses of Managing Director

The Hon. Commission had arrived at the employee expenses for the MYT period based on the actual employee expenses of the company for the year 2015-16. The Managing Director of the company retired on 31.03.2011 and the Company did not have a full time Managing Director up to 2015-16. However the post of the Managing Director was handled by one of the Directors of the company during this period and he was paid with a notional monthly honorarium of Rs. 15000/- only. The company had appointed a full time Managing Director on **06.07.2015** with pay scale and remuneration equivalent to the CEO of class B PSU under Govt. of Kerala. As such the salary of the first three months of the year 2015-16 was not covered in the normative employee expenses arrived in the MYT Regulations 2018. The uncovered salary of the Managing Director in the normative employee expenses of the company is detailed as below.

(Rs. in Lakhs)

Table-4		
Actual Employee expenses of Managing Director Apportioned in the Distribution Business from July 2015 to March 2016 (Rs. in Lakhs) (9 months)	Un covered salary of Managing Director 2015-16	Employee cost of Managing Director arrived for the year 2016-17 by escalating at the rate of 3.4% as per the MYT Regulations 2018
A	B= A X3/9	C= B+(BX3.4%)
4.23	1.41	1.46

Table-5		
Employee cost of Managing Director arrived for the year 2017-18 by escalating at the rate of 4.84% as per the MYT Regulations 2018	Employee cost of Managing Director arrived for the year 2018-19 by escalating at the rate of 4.84% as per the MYT Regulations 2018	Employee cost of Managing Director arrived for the year 2019-20 by escalating at the rate of 4.84% as per the MYT Regulations 2018

D= C+(CX4.84%)	E= D+(DX4.84%)	F= E+(EX4.84%)
1.53	1.60	1.68

The Hon. Commission had approved the employee expenses of Managing Director in the Truing Up orders 2016-17, 2017-18 and 2018-19. The one time expenditure incurred by the company in connection with the employee cost of Managing Director during the year 2019-20 was Rs. 1.6 Lakhs.

III. <u>One-time Employee Expenses on Account of Gratuity revision</u>

The company has availed a Group gratuity policy from Life Insurance Corporation of India for its employees. The annual premium paid in each year is shown as an expense in its books. As per notification No. S.O 1420(E) dt. 29.03.2018 the Central Government enhanced the amount of Gratuity payable to an employee under the Payment of Gratuity Act, 1972(39 of 1972) from 10 lakhs to Rs.20 lakhs. As such, the gratuity ceiling limit was increased from Rs.10 Lakhs to Rs.20 Lakhs during FY 2018-19. Accordingly, higher premium had to be paid for the policy. As per Initial terms of contract Gratuity would not have be paid to the Managing Director as the period of service would be less than the minimum service required for payment of Gratuity. Subsequently the contract was extended and he would be eligible for gratuity and the company included the Managing Director also in this policy from the FY 2018-19. The Hon. Commission had approved the cost incurred by the company towards the gratuity premium in the Truing Up order for the year 2018-19. The company had incurred an amount of Rs. 3.9 Lakhs towards the gratuity premium during the year 2019-20.

B) <u>Repair and Maintenance Cost:</u>

The Hon. Commission had approved the normative repair maintenance cost of Rs. 36.85 Lakhs in the MYT Regulations 2018 for the year 2019-20. The company had incurred an actual R&M Expenditures of Rs. 37.41 Lakhs during the year 2019-20. The general R&M cost excluding the increase due to the implementation of GST is Rs. 36.46 Lakhs which is within the approved repair and maintenance cost of Rs. 36.85 Lakhs.

Table-6			
Sl. No.	Particulars	Actual Incurred Amount (Rs. in Lakhs)	Approved in ARR Amount (Rs. in Lakhs)
1	General repair & maintenance including service of O&M of substation	37.41*	36.85
4	**Total**	**37.41**	36.85

* Inclusive of increase due to implementation of GST of Rs. 0.83 Lakhs

(i) Increase in Outsourced R&M cost due to implementation of GST

The Hon. Commission had arrived at the R&M Cost for the control period in the MYT Regulations from the actual R&M cost incurred during the years 2014-15 to 2016-17. The Gov. of India had implemented the **Goods and Services Tax** (**GST**) in the financial year 2017-18 with effect from 01/07/2017. The tax applicable for the service provided by the outsourced R&M agency was increased **from 15 % to 18 %** which is not covered in the R&M cost arrived for the control period years 2014-15 to 2016-17 in the MYT Regulations 2018**.**

The month wise additional R&M expenditure incurred by the company on account of the GST is tabulated below.

Table-7				
Month	Basic Charge	Previous tax (15%)	GST (18%)	Difference
April- 19	224303.00	33 645.45	40 374.54	6 729.09
May- 19	224303.00	33 645.45	40 374.54	6 729.09
June- 19	224303.00	33 645.45	40 374.54	6 729.09
July- 19	236000.00	35 400.00	42 480.00	7 080.00
August- 19	238000.00	35 700.00	42 840.00	7 140.00

September- 19	235000.00	35 250.00	42 300.00	7 050.00
October- 19	235000.00	35 250.00	42 300.00	7 050.00
November- 19	235000.00	35 250.00	42 300.00	7 050.00
December- 19	235000.00	35 250.00	42 300.00	7 050.00
January-20	238000.00	35 700.00	42 840.00	7 140.00
February-20	235000.00	35 250.00	42 300.00	7 050.00
March-20	235000.00	35 250.00	42 300.00	7 050.00
Total				**83 847.27**

The regulation 12 (1) ii & iii of the KSERC (Terms and determination of tariff), regulation, 2018 states that.

"12. Uncontrollable and Controllable factors. – (1) For the purpose of these Regulations, the term "uncontrollable factors" shall include the following factors which are beyond the control of and cannot be mitigated by the applicant, as determined by the Commission, -

(i) force majeure events;

(ii) change in law, judicial pronouncements and orders of the Central Government, the Kerala State Government or the Commission;

(iii) economy wide influences such as unforeseen changes in inflation rate, taxes and statutory levies;"

Since the increase in R&M cost after the implementation of GST is on account of the change in law by the order of the central Government, the Hon. Commission may kindly approve the additional expenditure of Rs. 83,847/- incurred by the company on account of the same as per the Regulation 13 of the MYT tariff Regulations 2014.

C) Administration and General Expenses:

The Hon. Commission had approved A&G expenses of Rs. 21.86 Lakhs in the MYT Regulation 2018 for the year 2019-20. The company had incurred an actual A&G

expenditure of Rs.31.83 Lakhs which is 2.60% lower than the actual A&G expenditure of Rs. 32.68 lakhs incurred by the company during the year 2018-19

6. Capital Investment during the year

The company had capitalized the following works against the capital investment approved by the Hon. Commission in the ARR orders.

Table-8

Sl.No.	Asset Description	Capitalised Amount	Date of purchase	Remarks
1	Augmentation of USS	5.27	18-Mar-20	Approved in ARR 2018-19
2	IPS Aluminium Conductor	0.71	10-Oct-19	Approved in ARR 2018-19
3	Fluke Earth Ground Tester Kit	3.49	18-Apr-19	Approved in ARR 2018-19
	Total	9.47		

7. <u>Depreciation</u>

The depreciation is calculated as per the depreciation scheduled mentioned in the MYT tariff regulation 2018. The actual depreciation on assets for the current year is Rs.30.12 lakhs.

8 <u>Return on Equity</u>

The Hon. Commission had approved return on equity at the rate of 14 % on 30% of Rs. 990.70 Lakhs in the ARR order. The Hon. Commission had approved the return on equity for the year 2019-20 as follows.

Table-9

	2019-20 (Rs. in Lakhs)
Gross Asset	986.15

Asset Addition approved during the year	9.10
Gross Asset eligible	990.70
30% of assets eligible for return	297.21
RoE (14% of Normative Equity)	41.61

The company had calculated the return on equity at the rate of 14% on 30% of the equity at the beginning of the year and on pro rata basis for the assets put to use during the financial year as per the regulation 28 of the MYT Regulations 2018. The actual return on equity for the purpose of Truing Up calculated for the year 2019-20 is detailed below.

Table-10	
	2019-20 (Rs. in Lakhs)
Opening level of GFA/Equity at the beginning of the year	1027.48
Capitalisation during the year	9.47
Capitalisation on pro rata basis	3.88
Equity at the end of the year on pro rata basis	1031.36
Return on equity at the beginning of the year	43.15
Retun on equity portion of capitalisation	0.16
Total Return on equity	43.31

The Hon. Commission may kindly approve the RoE of Rs. 43.31 Lakhs for the year 2019-20.

9 Tax on Return on Equity

In accordance with regulatory standards of truing up, the ROE is calculated as 14% of gross fixed assets, which amounts to Rs 43.31 lakhs. Whereas the net profit according to the statement of the profit and loss account of the company prepared for the purpose of statutory audit is Rs 1000.05 lakhs

The difference between Net profit and ROE of Rs 956.74 lakhs attributes to the profits from other businesses of the company.

The company has paid a total of Rs 268.58 lakhs as income tax based on the Net profit of the company. On the basis of the above, tax expenditure for truing up has been taken in the ratio of ROE to Net profits (43.31: 956.74) which amounts to Rs.11.63 lakhs.

10 <u>Interest and Finance Charges / bank charges</u>

The company had filed a petition before the Hon. Commission on 29-12-2015, seeking approval of the draft Power Purchase Agreement (PPA) to be entered into with K.S.E.B Ltd, for additional power of 2200kVA at 110kV (over and above contract demand of 4500kVA as per PPA dated 24/03/2015). The Hon. Commission had approved the same with some modifications and suggestions vide the order dated 17.02.2016.

The Hon. Commission had suggested in the order that the " *Article 8.9 and article 8.12 of the PPA stipulates for double security mechanism, i.e., one in the form of LC equivalent to 1.05 times the average billing demand and the second one in the form of security deposit equivalent to two months electricity charges. The Commission is of the opinion that, any one of the security mechanisms shall be sufficient. Further, the bank charges for maintaining the LC and also the bank charges for providing bank guarantee for 50% of the security deposit are the expenses of the RPIPL and hence the same may reflect in the ARR and BST applicable to RPIPL. Further, the KSEB Ltd has also to provide interest at bank rate for the security deposit with KSEB Ltd in the form of cash or demand draft, which is an expense of the KSEB Ltd. Considering these factors, the petitioner RPIPL and the respondent KSEB Ltd may mutually discuss and arrive at a consensus on the issue, and modify the PPA accordingly. If KSEB Ltd insists for double security mechanism as provided in the draft PPA and the RPIPL agree for the same, the cost of providing the double security mechanism shall be allowed through the ARR of the RPIPL"* .

As suggested by Hon. Commission in the order, we had requested the KSEB Ltd to relax the double security mechanism proposed in the Article 8.9 and 8.12 of the PPA. However, KSEB Ltd had refused to relax the double security mechanism as suggested by the Hon. Commission in the order and insisted for the same for executing the PPA. Hence, we had provided both security deposit and opened LC in favor of KSEB Ltd before executing the Power Purchase Agreement. The licensee had incurred an expense of Rs.0.77 lakhs during the year 2019-20 on account of BG and LC charges as demanded by KSEB Ltd. The expense incurred by the company for the same was not covered in the ARR order as well as in the MYT tariff regulation. Hence Hon. Commission may kindly approve the interest and finance charges of Rs. 0.77 Lakhs for the year 2019-20 as per the audited accounts of the company.

11 <u>Interest on normative loan</u>

As per regulation 26 of the MYT Regulations 2018, the normative debt equity ratio of 70:30 has to be considered and where equity is more than 30%, the equity for the purpose is to be limited to 30% and the balance amount has to be treated as normative loan and interest on the same has to be allowed at the weighted average rate of interest of the actual loan portfolio. As per regulation 30, if there is no loan portfolio available, interest shall be allowed at the base rate.

Regulation 29(2) of the Kerala State Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2018 states " *The normative loan outstanding as on the First day of April, 2018, shall be worked out by deducting the amount of cumulative repayment as approved by the Commission up to the Thirty First day of March, 2018, from the normative loan.*

Regulation 29(3) of the Kerala State Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2018 states " *Notwithstanding any moratorium period availed by the generating business/company or the transmission business/licensee or the distribution business/licensee, the repayment of loan shall be considered from the first financial year of commercial operation of the project and shall be equal to the depreciation allowed for that financial year."*

Accordingly, Cumulative repayment of Normative Loan calculated up to 2017-18 (as per order dated 22-04-2021 issued by KSERC) along with Repayments of Normative Loan during the year 2018-19 (as per order dated 22-04-2021 issued by KSERC) amounting to Rs.15.08 lakhs has been considered as Cumulative repayment of Normative Loan up to previous year. Current year depreciation charged on Fixed Assets as calculated in amounting to Rs.30.12 lakhs has been considered as Repayments of Normative Loan during the year.

The interest on normative loan for the year 2019-20 as per the Regulations 26 and 29 of the MYT Regulations 2018 is worked out as follows.

Table-12	
Gross Normative loan - Opening	**1027.48**
Net Additions during the Year	9.47
Net Additions during the year on pro - rata basis	3.88
70% Capital cost approved by Commission	721.95
Cumulative repayment of Normative Loan up to previous year(Note)	15.08
Net Normative loan - Opening	704.15
Increase/Decrease due to ACE/de-capitalization during the Year	3.88
Repayments of Normative Loan during the year	30.12
Net Normative loan - Closing	676.75
Average normative loan	690.45
Weighted average Rate of Interest.	8.55%
Interest on Normative loan	59.03

The hon. Commission may kindly approve the interest on normative loan of Rs.59.03 Lakhs the year 2019-20.

12 Revenue from Sale of Power

The Hon. Commission had approved a total sale of 30.78 MU for the year 2019-20. The actual power sale during the year 2019-20 was 25.95 MU including open access sale of 0.304 MU. The tariff category wise revenue from sale of power during the year 2019-20 is follows.

Table-13

Tariff Category	Number of Consumers	2019-20 (Energy sales actual in MU)	Revenue from the sale of Power (Rs. in Lakhs)
LT IV A	23	3.12	209.01
LT VI B	1	0.02	1.43
LT VI F	2	0.10	9.74
LT VIIA	15	0.33	32.65
LT VIII B	6	0.03	1.14
HT-1A	18	22.05	1480.09
Total	**65**	**25.65**	**1734.05**
Open Access KSEB Ltd (M/s. M Fuel)	1	0.17	0.875
Open Access M/s. Classic Auto tubes Ltd	1	0.13	1.789
Total Energy Sales		**25.95**	**1736.71**

13 Non-Tariff income and other income

The Hon. Commission had approved non-tariff income of Rs.12.69 Lakhs in the ARR order. The company had received Rs. 3.92 Lakhs as non-tariff income during the year 2019-20.

The Hon. Commission has been booking the interest on accumulated surplus at the retail term deposit rate of SBI for a tenor of one year and interest on security deposit with KSEB Ltd as non-tariff income in the past Truing Up orders. The Hon. Commission may kindly note that the revenue surplus arrived by the Hon. Commission in the Truing Up orders has been excluding the statutory remittance such as section (3) duty and security deposit with KSEB Ltd. The company had remitted Rs.172.47 lakhs as section (3) duty and kept security deposit of Rs. 173.37 Lakhs with KSEB Ltd till the year 2019-20. Hence, we humbly request that while calculating the interest income on accumulated surplus, Hon. Commission may kindly deduct the security deposit and section (3) duty totaling to Rs.172.47. Lakhs from the accumulated revenue surplus.

15 Revenue Gap/Surplus

The Hon. Commission had approved the ARR with a surplus of Rs.80.68 Lakhs. The deficit as per the audited accounts of the company is Rs.2.03 Lakhs.

Prayer

Rubber Park India (P) Ltd request the Hon. Commission that:

1 Truing up of Income and Expenditure as per the audited accounts for the year 2019-20 with the explanation for the variation may kindly be approved.

Managing Director

Rubber Park India (P) Ltd,
Valayanchirangara,
Ernakulam Dist.