



## COMMENTS BY PARTIES, STAKEHOLDERS AND NGOS

According to the modalities for the Validation of CDM projects, the DOE shall make publicly available the project design document and receive, within 30 days, comments from Parties, stakeholders and UNFCCC accredited non-governmental organizations and make them publicly available.

BVQI published the project documents on the UNFCCC CDM website (<http://cdm.unfccc.int>) on 27/10/2005 and invited comments within 25/11/2005 by Parties, stakeholders and non-governmental organizations. The comments received for the CDM project of Grid connected electricity generation from renewable sources at Satara by M/s Bajaj Auto Ltd. (BAL) using wind power are compiled below in tabular format.

Sr. No.	Details of the commenter	Date of the comment	Comment (unedited)
1	Mr. Perumal Arumugam  e-mail - perumal_ak@yahoo.co.in	25/11/2005	<p><b>Starting date of the project activity</b></p> <p>When the starting date of the project is by 2000, when does the project planning begins/until the following are stated clearly in the PDD it would be rather difficult to believe that the project started after 2000. The simple reason is this project has 118 machine which could not be procured and installed within short time, Minimum three to six months is required to complete operate one mill.</p> <p>How many machines have been installed by 2000 in the bundle?</p> <p>On which month this project started operating?</p> <p>What was the Debt – equity ratio?</p> <p>When does the financial closure achieved?</p>
2	Mr. Perumal Arumugam	25/11/2005	<b>Technological barrier:</b>

	e-mail - perumal_ak@yahoo.co.in		<p>The argument on technological barrier is debatable</p> <p>The manpower expertise for the O&amp;M will be provided by the manufacturer himself for the first two years over and above that after sales service, annual maintenance is being done by the manufacturer himself. The norms of jobs per MW for O&amp;M as per the REEP study is 0.3 so the manpower requirement would be hardly 15 – 20 people .This technology started its footprints from 1985 so aviling manpower would not be a constraint.</p> <p>The failure of machines due to lightning, catching fire etc may be very very very minimum. Along with the PDD if it could have mentioned with the number of such accidents and occurrences it would be effective.</p>
3	Mr. Perumal Arumugam e-mail - perumal_ak@yahoo.co.in	25/11/2005	<p>Whether the financial analysis has taken the following into consideration:</p> <p>Tax holidays, accelerated depreciation, capital subsidy etc.</p> <p>Why it has been done only for the crediting period when the entire life time of the facility is 20 years.</p> <p>Does variable cost component has been taken care during computation?</p> <p>Does the IRR consider all the benefits accruing from the project? In my opinion this should incase also include the value of tax breaks available to the project developer. To the best of my knowledge financial analysis in the PDD hasn't taken value of tax breaks into consideration, which in case of WE projects is very significant.</p>