

**Joint Electricity Regulatory Commission for the States of
Manipur and Mizoram (Salaries, Allowances and Other
Conditions of Service of Chairperson and Members) Rules,
2006**

CONTENTS

1. Short title and commencement
2. Definitions
3. Oath of Office and secrecy
4. Pay
5. Dearness allowance and city compensatory allowance
6. Leave
7. Leave sanctioning authority
8. Provident fund
9. Travelling allowances
10. Leave travel concession
11. Accommodation
12. Transport
13. Medical treatment
14. Telephone facility, official meeting and entertainment expenses
15. Other conditions of services

**Joint Electricity Regulatory Commission for the States of
Manipur and Mizoram (Salaries, Allowances and Other
Conditions of Service of Chairperson and Members) Rules,
2006**

In exercise of the powers conferred by section 89 of the Electricity Act 2003, (36 of 2003) the Central Government hereby makes the following rules, namely:

1. Short title and commencement :-

(i) This Regulation may be called the Andhra Pradesh Electricity Regulatory Commission (Treatment of Other Businesses of Transmission Licensees and Distribution Licensees) Regulation, 2005.

(ii) This Regulation shall be applicable to all in tra-State Transmission Licensees and the Distribution Licensees in the State of Andhra Pradesh. (iii) This Regulation shall come into force on the date of its publication in the Andhra Pradesh Gazette.

2. Definitions :-

In this Regulation, unless the context otherwise requires:

- (a) "Act" means the Electricity Act, 2003;
- (b) "Commission" means the Andhra Pradesh Electricity Regulatory Commission;
- (c) "Licence" means a licence granted under Section 14 of the Act to undertake intra-State Transmission or Distribution of electricity;
- (d) "Licensed Business" shall mean the function and activities the Licensee is required to undertake in terms of the Licence granted or as a deemed Licensee under the Act.
- (e) "Licensee" means a person who has been granted a licence under Section 14 of the Act to undertake intra-State Transmission or Distribution of electricity and includes a deemed licensee undertaking intra-State Transmission or Distribution within the State of Andhra Pradesh.
- (f) "Other Business" means any business of the Licensee other than the Licensed Business;
- (g) "State" means the State of Andhra Pradesh.

3. Oath of Office and secrecy :-

(1) In the event a Licensee engages in any other business for optimum utilization of the assets, he shall give prior intimation in writing to the Commission of such Other Business, along with, inter alia the following details:

- (a) the nature of the Other Business;
- (b) the proposed capital investment in the Other Business;
- (c) the impact of the use of assets and facilities of the Licensed Business for the Other Business;
- (d) the manner in which the assets and facilities of the Licensed Business and of the Other Business shall be used, demonstrating that there would be no adverse impact on the Licensed Business and on the ability of the Licensee to carry out the duties and obligations of the Licensed Business; and
- (e) proposal for sharing the revenue derived from the Other Business with the Licensed Business, in the manner envisaged in

clause 5(3). The proposal should include the methodology used for arriving at the proposed sharing, supported by business plan of the Other Business (including expected annual revenues for the next five years):

Provided that a Transmission licensee shall not engage in the business of trading in electricity.

(2) The Licensee shall have the absolute responsibility to ensure that the utilization of the assets and facilities of the Licensed Business for Other Business shall not in any manner affect the performance of the obligations under the Licensed Business or the quality of service required from the Licensee, and any such utilization shall be entirely at the cost and risk of the Licensee.

(3) Failure to submit prior intimation in writing to the Commission will invite a penalty which may extend up to the annual revenue of the Other Business.

4. Pay :-

(1) The Licensee shall for each of the Other Business

(a) maintain separate accounting records, such as amount of revenue, costs, assets, liabilities, reserves, or provisions which have been charged from or to the Other Business. He shall maintain a description of the basis for the charge or its determination by apportionment or allocation between the various business activities;

(b) prepare on a consistent basis from such records accounting statements for each financial year comprising a profit and loss account, a balance sheet and a statement of sources and application of funds;

(c) provide in respect of the accounting statements prepared, a report by the Auditors in respect of each financial year, stating whether in their opinion the statements have been properly prepared and give a true and fair view of the revenue, costs, assets, liabilities, reserves and provisions reasonably attributable to the business to which the statements relate;

(d) submit copies of the accounting statements and Auditor's report not later than six months after the close of the financial year to which they relate; and

(e) submit to the Commission such additional information that the

Commission require from time to time.

(2) The Licensee shall establish to the satisfaction of the Commission that the Other Business bears an appropriate share of overhead costs and other common costs.

(3) Any person authorized by the Commission shall be entitled to inspect and verify the accounts of the Licensee and the licensee shall render all necessary assistance to such person.

5. Dearness allowance and city compensatory allowance :-

(1) The Licensee shall not in any manner utilize the assets and facilities of the Licensed Business or otherwise directly or indirectly allow the Other Business to be undertaken in a manner that the Licensed Business results in subsidising the Other Business.

(2) The Licensee shall not in any manner, directly or indirectly encumber the assets and facilities of the Licensed Business for the Other Business or for any activities other than the Licensed Business.

(3) The Other Business shall pay to the Licensed Business a reasonable proportion of the revenue of the Other Business, subject to a minimum amount which may reflect the allocable costs or market value of the assets and facilities of the Licensed Business utilized/being utilised for Other Business.

(4) The Commission will determine the reasonable proportion of revenue of the Other Business and the minimum amount to be paid to the Licensed Business, on a case-to-case basis, as and when a licensee informs the Commission about his intention of utilizing the assets and facilities for use for any Other Business. In deciding the amount to be paid by the Other Business, the Commission will consider the submissions of the Licensee, but may use any alternate approach or methodology that it considers appropriate:

Provided that as and if deemed appropriate by it, the Commission may determine the reasonable proportion of revenues, etc. to be paid to the Licensed Business in respect of a class of Other Businesses as a whole, instead of on a case-to-case basis.

6. Leave :-

(1) The Commission may at any time direct investigation of the assets and facilities of the Licensed Business for the Other Business

of the Licensee with a view to ascertaining adherence to this Regulation, covering inter alia:

(a) whether the costs and expenses are being appropriately adjusted and paid as specified in clause 5 above; and

(b) whether the revenues of the Other Business are properly accounted for to determine the gross turnover and the amounts payable to the Licensed Business.

(2) The Commission may authorize any officer of the Commission or any professional person or expert or consultant to carry out the investigation under sub-clause (1) above and submit a report to the Commission.

7. Leave sanctioning authority :-

Subject to the provisions of the Electricity Act, 2003 and this Regulation, the Commission may, from time to time, issue orders and practice directions in regard to the implementation of this Regulation and procedure to be followed, and various matters which the Commission has been empowered by this Regulation to direct, and matters incidental or ancillary thereto.

8. Provident fund :-

The Commission may, at any time, add, vary, alter, modify or amend any of the provisions of this Regulation.

9. Travelling allowances :-

(1) A Member while on tour within India or on transfer (including the journey undertaken by self and family to join the Commission or on the expiry of term with the Commission to proceed to his home town with family) shall be entitled to the journey allowance, daily allowance and transportation of personal effects at the same scales and at the same rates as are applicable to a Group 'A' Officer of the Central Government drawing an equivalent pay.

(2) Foreign tours to be undertaken by a Member shall require prior approval of the State Government which he represents in the Commission and necessary clearances of the Central Government. Provided that the daily allowance and provision of hotel accommodation during the period of tour abroad shall be in accordance with such orders of the Central Government as are applicable to Group "A" officers of the Central Government drawing an equivalent pay and as per the economy instructions or other instructions issued by the Ministry of Finance from time to time.

10. Leave travel concession :-

A Member shall be entitled to leave travel concession at the same scale and at the same rate as admissible to group 'A' officers of the Central Government drawing an equivalent pay.

11. Accommodation :-

(1) A Member shall be entitled for residential accommodation as per norms of Government of Mizoram.

Provided that for such accommodation which is according to and within the entitlement of the Member the standard licence fee shall be the same as in the case of a Group "A" officer of similar status of the Central Government posted at Aizwal.

(2) In case Government of Mizoram do not provide residential accommodation to a Member, he shall have the option of claiming house rent allowance as admissible to Group A officers of similar status of the Central Government posted at Aizwal.

12. Transport :-

A Member shall be allowed the option to make use of an official vehicle or reimbursement of such amount as may be fixed by the Central Government from time to time in respect of a Group "A" officer of the Central Government drawing an equivalent pay for the use and maintenance of his personal car.

13. Medical treatment :-

A Member shall be entitled to medical reimbursement and facility as admissible to a Group 'A' officer of the Central Government drawing an equivalent pay.

14. Telephone facility, official meeting and entertainment expenses :-

A Member shall be eligible for telephone facilities, official meetings and entertainment expenses as admissible to a Group "A" officer of the Central Government drawing an equivalent pay.

15. Other conditions of services :-

Other conditions of service of a Member, with respect to which no express provision has been made in these rules, shall be such as are admissible to a Group "A" officer of the Central Government drawing an equivalent pay.