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(AUTHORITATIVE ENGLISH TEXT OF THIS DEPARTMENT NOTIFICATION  
NO.MPP-A(3)-7/2004, DATED 3<sup>rd</sup> May, 2007 AS REQUIRED UNDER CLAUSE  
3 OF ARTICLE 348 OF THE CONSTITUTION OF INDIA)

Government of Himachal Pradesh  
Department of MPP & Power

No. MPP-A(3)-7/2004

Dated:SHIMLA-171002, the 3<sup>rd</sup> May, 2007,

**NOTIFICATION**

In exercise of the powers conferred by Clause (g)(h),(i) & (j) of sub-section (2) of section 180 and Section 103, Section 104, Section 105 and Section 106 of the Electricity Act, 2003 (36 of 2003), the Governor, Himachal Pradesh is pleased to make the following rules for the establishment of the Himachal Pradesh State Electricity Regulatory Commission Fund, namely :-

1. Short title and commencement:

- (1) These rules may be called the "Himachal Pradesh Electricity Regulatory Commission Fund (Constitution of Fund, the manner of application of the Fund and form and time for preparation of Budget), Rules, 2007".
- (2) These rules shall come into force from the date of their publication in the Official Gazette.
- (3) Definition: In these rules unless the context otherwise requires:-
  - (a) "Act" means the Electricity Act, 2003 (36 of 2003);
  - (b) "Accounting Period" means the period for which the accounts have to be prepared by the Commission and shall be concurrent with the Financial Year;
  - (c) "Allowance" means the allowance to be paid to the Chairperson, Members, Secretary, Officers and Employees of the Commission;
  - (d) "Commission" means the Himachal Pradesh Electricity Regulatory Commission constituted under section 82 of the Act;
  - (e) "Chairperson" means the chairperson of the Commission;

- (f) "Drawing and Disbursing Officer" (DDO) means officer authorized by the Commission to draw money from the Fund as referred to in Rule 4(4) and make payments on behalf of the Commission;
- (g) "Expenses" means the expenses to be incurred by the Commission in the discharge of its functions under the Act;
- (h) "Employees" means the employees of the Commission;
- (i) "Fund" means the Himachal Pradesh Electricity Regulatory Commission Fund constituted as per provisions of section 103 and to be maintained under Rule 4 of these rules;
- (j) "Financial Year" means a period not exceeding twelve calendar months commencing from 1st April of a year and concluding on subsequent 31st March;
- (k) "Government" means the Government of Himachal Pradesh;
- (l) "Member" means member of the Commission;
- (m) "Officers" means the officers of the Commission;
- (n) "Remuneration" means the remuneration to be paid to the Chairperson, Members, Secretary, Officers and Employees of the Commission;
- (o) "Secretary" means the Secretary of the Commission and he shall exercise the powers of the Head of Department for all purposes.
- (p) "Salary" means the salary to be paid to the Chairperson, Members, Secretary, Officers and Employees of the Commission;
- (q) Words or expressions occurring in these Rules and not defined herein but defined in the Act shall bear the same meanings respectively assigned to them in the Act.

## 2. Constitution of Fund

- (1) The Government hereby constitutes a Fund to be called the Himachal Pradesh Electricity Regulatory Commission Fund.
- (2) The Fund shall comprise of:
  - (i) all the grants and loans made to the Commission by the State Government under section 102 of the Act;

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- (i) all fees and fines received by the Commission under the Act;
- (ii) all other sums received by the Commission from other sources.

(3) The main account of the fund shall be maintained in any scheduled commercial bank and subsidiary accounts at such branches of such banks, as the Commission considers appropriate.

### 3. Application of Fund

The fund shall be applied for meeting the following expenses which inter alia include :-

- (a) The salary, allowances and other remuneration of Chairperson, Members, Secretary, Officers and other employees of the Commission. The Commission will meet expenditure for only those posts as are approved by the Government of Himachal Pradesh under Section 91(3) of the Electricity Act, 2003.
- (b) Honorarium for the members of Advisory Committee constituted by the Commission;
- (c) Conveyance charges including of hiring of vehicles;
- (d) Administrative and general expenses;
- (e) Repairs and maintenance expenses of office premises which include the provision and maintenance of a principal office for the Commission and such other offices with the cost of appliances and fittings and insurances;
- (f) Consultancy expenditure for technical studies, sample and model studies and financial analysis, etc.;
- (g) Miscellaneous and other expenses;
- (h) Legal expenses, which included the payment of fees to the counsels engaged by the Commission;
- (i) Loans and advances to the staff as per the norms of H.P. Government ;
- (j) Contribution to the staff welfare measures such as health insurance

- (k) and family benefit funds;
- (l) Statutory deposits;
- (m) Purchase of assets and other capital items, etc.;
- (n) Fees for the audit of the accounts of the Commission;
- (o) Stationery, printing and all office and advertising expenses;
- (p) The expenses of the Commission in discharge of its functions under section 86 of the Act, such as
  - (i) Expenses in connection with tariff determination;
  - (ii) Expenses in connection with grant of licenses;
  - (iii) Expenses in connection with adjudication of disputes;
  - (iv) Expenses in specifying different regulations and codes, publishing the same in the manner specified in the regulations;
  - (v) Expenses in connection with regulation of power purchase and procurement process.
- (q) The expenses on objects and for purpose authorized by the Act.
- (r) After the financial year-end, the Commission shall submit the duly audited annual accounts to the Government.

4. Operation of the Fund

- (1) The Fund shall be operated by the Commission or its Secretary or designated Officer by the Commission.
- (2) The Commission shall make available the specimen signatures of the authorized signatories to the nominated bank for their information and for operation of the HPERC Fund Account.
- (3) The grants or loan allocated by the Government under budgetary provisions shall be arranged to be drawn and deposited into the Fund by the Drawing and Disbursing Officer.
- (4) The Commission shall meet expenses required in connection with the discharge of its function under section 86 and also for meeting objects and the purposes authorized by the Act.
- (5) All funds received shall be paid into the Commission's account in the bank/banks and shall not be withdrawn except on presentation of a

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cheque signed by the officers as authorized by the Commission.

- (6) The designated Officer shall be responsible for monitoring the proper transactions of receipts and payments on behalf of the Commission.
- (7) The designated officer shall also be responsible to ensure that the amount of cheques/demand drafts deposited in the accredited banks have been timely credited in the account of the Commission and also reconcile the receipts and payments account every quarter with them.

5. Delegation of Power

The Commission shall lay down detailed procedure for sanction of various expenditure and delegation of power among the Commission, Chairperson and the Secretary of the Commission.

6. Budget

The Commission shall prepare its budget estimates and revised estimates in the format given in Annexure-I and final grant statement in Annexure-II and submit to the State Government by 15<sup>th</sup> January and 30<sup>th</sup> September respectively of every financial year.

7. Accounts and Audit

- (1) The accounts of the Commission shall be maintained in the format annexed as Form-A, Form-B & Form-C.
- (2) The accounts of the Commission are to be authenticated by the Chairperson, the Secretary and the Drawing and Disbursing Officer of the Commission.
- (3) The accounts of the Commission shall be audited by the Comptroller and Auditor General of India (CAG), or any other person appointed by him in this behalf, within three months of the closing of the financial year. Any expenditure incurred in connection with such audit shall be payable by the Commission to the Comptroller and Audit General of India or any other person

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appointed by him in this behalf.

- (4) The accounts of the Commission, as certified by the Comptroller and Auditor General of India or any other person appointed by him in this behalf, together with audit report thereon shall be forwarded annually to the State Government by 31 December of each year by the Commission to enable the State Government to place the Audit Report before the State Legislative Assembly.
- (5) The Comptroller and Auditor General of India or any other person appointed by him for the audit of the accounts of the Commission shall have the same rights and privileges and authority in connection with such audit as the Comptroller and Auditor General of India has in connection with the audit of Government accounts and in particular shall have the right to demand production of books, accounts, connected vouchers, and other documents and papers and to inspect any of the offices of the Commission.

#### 8. Closure of Fund

- (1) The Fund shall remain operational as long as the relevant provisions of the Act remain in force.
- (2) The unspent balance under the Fund or when the Fund is no longer required shall be remitted into the Government Account within three months from the date of closure of the Fund.

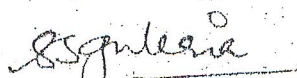
By Order

Principal Secretary(Power) to the  
Government of Himachal Pradesh

Endst: No.MPP-A(3)7/2004 Dated: Shimla-2 the 3<sup>rd</sup> May,2007  
Copy is forwarded for information and necessary action to:-

1. The Controller, Printing and Stationery, H.P. Shimla-5 for publication in the Govt. Gazettee.
2. The Joint Secretary, Govt.of India, Ministry of Power, Sharam Shakti Bhawan, Rafi Marg, New Delhi-100011.
3. The Sr. Deputy Accountant General,(A&E) H.P. Shimla-3

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4. The Accountant General (Audit) H.P. Shimla-3
  5. The Secretary, Central Electricity Regulatory Commission, SCOPE Complex Lodhi Road New Delhi.
  6. The Secretary, H.P. Electricity Regulatory Commission, Keonthal Complex, Khalini, Shimla-2
  7. The Chariman, H.P.S.E.B. Shimla-4
  8. The Principal Secretary (Finance) to the Govt. of H.P. Shimla-2
  9. The L.R.-cum- Secretary (law) to the Govt. of H.P. Shimla-2
  10. The Private Secretary to the Hon'ble MPP & Power Minister, H.P. Shimla-2
  11. All Section Officers of Finance Department (A,B.,C. D,E,F,G)
  12. D.A. with the matter of tariff /Budget in M.P.P. & Power Deptt.
  13. Guard file.
  14. Spare Copies-100

  
Additional Secretary (Power) to the  
Government of Himachal Pradesh