

GOVERNMENT OF SIKKIM
ENERGY & POWER DEPARTMENT
GANGTOK.

No.32/GEN/R&C-L/R/CI /E&P 15-16/55

DATED:06/10/2017

NOTIFICATION

In exercise of the powers conferred by clauses (g), (h) and (j) of sub section (2) of Section 180 read with section 103,104 and 106 of the Electricity Act, 2003 (36 of 2003), the Government of Sikkim hereby notifies the following Rules: -

1	Short title and commencement	(1) These Rules may be called the ‘Sikkim Electricity Regulatory Commission (Fund, Annual Accounts, Audit and Budget) Rules, 2016’. (2) These Rules shall come into force on the date of their publication in the Official Gazette of the Government of Sikkim.
2	Definitions	In these rules, unless the context otherwise requires, – (1) ‘Act’ means the Electricity Act, 2003; (36 of 2003) (2) ‘Annual Accounts’ means for each financial year, the following statements, namely, a. Balance Sheet b. Income & Expenditure Account c. Schedules to the above Financial Statements d. Instructions and Accounting Principles e. Notes and instructions from the Schedules f. Statement of Receipts and Payments (3) ‘Form’ means a form appended to these rules; (4) ‘Fund’ means the Sikkim Electricity Regulatory Commission Fund to be maintained as per Rule-3; (5) ‘Secretary’ means the Secretary of the State Commission; (6) ‘State Commission’ means the Sikkim Electricity Regulatory Commission constituted under section 82 of the Act; (7) ‘State Government’ means the Government of Sikkim (8) ‘Chairperson’ means the Chairperson of the Sikkim Electricity Regulatory Commission; (9) ‘Drawing and Disbursing Officer’ means an officer designated as such by the Commission to draw and make payments on behalf of the Commission; (10) ‘Member’ means the Member of the Sikkim Electricity Regulatory Commission and includes the Chairperson; (11) ‘Accounts Officer’ means an Officer responsible for maintenance of Accounts and preparation of Annual Accounts and Budget of the State Commission, as nominated by the Chairperson of the State Commission; (12) ‘Audit Officer’ means the Comptroller and Auditor General of India or any Officer appointed by him in connection with the

		<p>audit of the Accounts of the State Commission;</p> <p>(13) ‘Accounting period’ means the period for which the accounts have to be prepared by the State Commission and shall be concurrent with the financial year;</p> <p>(14) ‘Financial year’ means a period not exceeding twelve calendar months commencing on 1 April of a year and concluding on subsequent 31 March;</p> <p>(15) ‘Budget’ means the statement of estimated income/expenditure of the State Commission prepared as per Section 106 of the Act;</p> <p>(16) Words and expressions used and not defined in these Rules but defined in the Act, shall have the same meanings as assigned to them in the Act.</p>
3	Constitution of the Fund	<p>(1) The State Government hereby constitutes a Fund to be called the Sikkim Electricity Regulatory Commission Fund.</p> <p>(2) The Fund shall be opened under the Public Account of State under the head 8235-General and other reserve fund -200- other fund - 04- Sikkim Electricity Regulatory Commission Fund and this shall be a non-lapsable and non-interest bearing account.</p> <p>(3) The State Commission shall, by the 30th September of each year, or as and when sought by the administrative department, submit to the State Government its requirement of funds for the next financial year taking into account the estimated receipts of the Commission.</p> <p>(4) The State Government may, after due appropriation made by the Legislative Assembly, make to the State Commission, grants and loans of such sums of money as the State Government considers necessary after having due regard to the requirement communicated by the State Commission under sub-rule (3) in the Demand of the Energy and Power Department.</p> <p>(5) The Fund shall comprise of the following, namely: -</p> <p>(a) any grants and loans made to the State Commission by the State Government under section 102 of the Act;</p> <p>(b) all fees including licence fees, petition fees, processing fees, fines and other sums received by the State Commission under the Act;</p> <p>(c) all sums received by the State Commission from such other sources as may be decided upon by the State Government from time to time.</p>
4	Application of the	The Fund shall be applied for meeting; –

	Fund	<p>(a) The salary, allowances and other remuneration of the Chairperson, Members, Secretary, Officers and other employees of the State Commission. Expenditure of the various allowances shall be as per the Rules of the State Government in force from time to time;</p> <p>(b) the expenses of the State Commission in discharge of its functions under section 86 of the Act;</p> <p>(c) The expenses on the objects and for the purposes authorised by the Act in accordance with the Budget for the financial year submitted by the State Commission under Rule 9 below. The details of expenditure heads are given in the Appendix-A annexed to these Rules;</p> <p>(d) Any expenditure in excess of the approved Budget shall be met by the State Commission from its own resources;</p> <p>(e) After the end of financial year, the State Commission shall submit the duly audited accounts to the State Government.</p>
5	Transfer of the Fund to the Public Account	The Energy and Power Department shall arrange to transfer the amount in the Public Account once in a year through transfer entry after the same is passed by the Sikkim Legislative Assembly. The Secretary, Energy & Power Department is the competent authority for the same.
6	Release of amount from the Fund	<p>(1) The State Commission shall seek release of amount from the Fund against (its annual budget) the balance in the Public Account twice (in the month of April and September) in a financial year. Upon receiving such a requisition from the State Commission, the State Government shall; –</p> <p>(a) transfer the appropriate part of the sums of grants and loans for the State Commission (approved by the Legislative Assembly in the annual budget of the Energy and Power Department) from the Public Account to the Fund and simultaneously;</p> <p>(b) release the amount as requisitioned from the Fund to the State Commission by account payee cheque or any other electronic mode of transfer through its Pay and Accounts Office.</p> <p>(c) Secretary, Energy & Power Department is the competent authority for the release of fund to Sikkim Electricity Regulatory Commission.</p> <p>(2) The State Commission shall maintain proper accounts and other records of the grants and loans released by the State</p>

		<p>Government as per Sikkim Financial Rules, 1979 and other rules, notification and circulars issued by the State Government from time to time.</p> <p>(3) At the close of Financial Year, the State Commission shall furnish a utilisation certificate to the Accountant General (A&E) Sikkim and Finance, Revenue and Expenditure Department through the administrative department in the prescribed format stating therein the opening balance, amount (including of grants and loans) received from the Fund and utilised and the balance remaining unutilised.</p>
7	Opening of Bank Account	<p>(1) The State Commission shall open Bank account(s) in one or more branches of State Bank of Sikkim or any scheduled Commercial bank as included in the second schedule of Reserve Bank of India Act,1934.</p> <p>(2) The State Commission shall make available the specimen signatures of two of its officers to be the authorised signatories to the nominated bank/(s) for their information and records.</p> <p>(3) The nominated bank/(s) shall furnish daily payments and receipts scrolls to the State Commission which will ensure that the cheques appearing in the payment scrolls are those issued by the State Commission and reconcile each transaction with the bank(s).</p>
8	Operation of Account and Area of Applicability	<p>(1) Any amount credited to the Account of the State Commission as referred in Rule 7(1) shall not be utilised for any purpose other than the purpose specified in rule 4 of these rules.</p> <p>(2) The State commission shall meet any expenses on the Commission only by way of drawl of the amount from the available amount in the account as referred in rule 7(1) and not otherwise.</p> <p>(3) The Fund shall be operated by the Drawing and Disbursing Officer (DDO) of the State Commission not below the rank of Secretary, as may be designated by the Chairperson from time to time.</p> <p>(4) Withdrawal from the bank account shall be made only after sanction from the appropriate authority and on presentation of a cheque signed by the DDO and one other Officer designated by the State Commission.</p> <p>(5) The DDO shall be responsible for monitoring the proper transactions of receipts and payments on behalf of the State Commission.</p> <p>(6) The DDO shall be responsible to ensure that the amount of</p>

		cheques/demand drafts deposited in the accredited banks have been timely credited in the accounts of the State Commission and shall also reconcile the receipts and payments account with them.
9	Budget Estimates and Revised Estimates	The State Commission shall prepare its budget estimates for next year and revised estimates for current year in the format as at Form – I and Final Grant statement in format as at Form- II and submit them to the State Government by the 30 th September and 15 th January of each Financial Year as required under section 106 of the Act. The State Government shall scrutinise the budget and revised estimates and assess the requirement of funds, by way of grant and loans, by the State Commission and make necessary provisions in the State Government Budget.
10	Delegation of Powers	The Chairperson of the State Commission shall have the same powers as are conferred on the Secretary/Head of a Department of Government of Sikkim relating to items as given in Appendix 3, 3A & 4 read with Rule 55 of the Sikkim Financial (Amendment) Rules, 2006 , except the following matters: <ul style="list-style-type: none"> (a) Creation of posts; (b) Re-appropriation of funds from one head to another; (c) Purchase of vehicles; (d) Write off of loss; (e) Permitting any officer of the State Commission to participate in seminars, conferences or training programmes abroad. Provided further that the exercise of these powers will be subject to the general restrictions and orders issued by the Government of Sikkim from time to time.
11	Form and authentication of the Annual Accounts of the State Commission	<ol style="list-style-type: none"> 1. The State Commission shall prepare the Annual Accounts for every financial year in the manner specified below and shall comprise: <ol style="list-style-type: none"> a. Balance Sheet (Form. III) b. Income & Expenditure Account (Form. IV) c. Schedules to the above Financial Statements d. Instructions and Accounting Principles e. Notes and instructions from the Schedules f. Statement of Receipts and Payments (Form. V) 2. The Annual accounts shall be prepared as per the format¹ devised by the Committee of Experts appointed on the recommendations of the Parliamentary Committee. 3. The Annual Accounts shall be maintained on ‘accrual basis’ in Indian Rupees and the Accounting Standards as set by ‘The Institute of Chartered Accountants of India’ (CAI) shall be applied

¹ (The format is available at the following link: http://cga.nic.in/writereaddata/Uniform_format_of_Accounts.pdf)

		<p>in preparation of the annual Accounts.</p> <p>4. The Annual accounts shall be finalised by the State Commission within three month following the financial year to which the accounts relate.</p> <p>5. Within three months after the end of the financial year, the Accounts Officer shall prepare the Annual Accounts of the State Commission and submit the same to the State Commission for approval. On approval by the State Commission, the Annual Accounts shall be sent to the Comptroller and Auditor General of India (CAG) or any other person appointed by him, for audit.</p> <p>6. The Annual Accounts of the State Commission shall be authenticated by the Chairperson, one member dealing with the Finance and the Secretary of the State Commission.</p> <p>7. The State Commission shall maintain the following records of accounts in the Formats prescribed as under: Cash Book (Form-VI) Ledger (Form-VII) Stock Register (Form-VIII) Fees Register (Form-IX) Assets register (Form-X) (All the forms and schedules should be signed by the Secretary and Accounts Officer)</p> <p>These books of accounts and other relevant records shall be kept in the State Commission's Office. It shall be the responsibility of the Accounts Officer to ensure that the books of accounts and other relevant records are properly maintained and securely preserved in safe custody and produced to Audit as and when required.</p>
12	Audit of the Annual Accounts	<p>(1) The annual accounts of the Commission shall be audited as per the provision of section 104 of the Act.</p> <p>(2) The annual accounts of the State Commission shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the State Commission to the Comptroller and Auditor General of India.</p> <p>(3) The annual accounts of the State 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 30th September each year by the State Commission to enable the State Government to place the audit report before the Legislative Assembly.</p> <p>(4) The Comptroller and Auditor General of India or any other person appointed by him in this connection for the audit of the annual accounts of State Commission shall have the same right and privileges and authority in connection with such audit as the</p>

		Comptroller and Auditor General of India has in connection with the audit of Government accounts and in particular shall have the right to demand books, accounts connected vouchers and other documents and papers and to inspect any offices of the State Commission.
13	Investment of surplus Funds	(1) The State Commission shall invest such amount available in the bank account from time to time as referred under Rule 7(1) in short term or long term deposits in any scheduled commercial banks in order to ensure suitable returns on surplus amount. (2) The income earned on the investment of money from time to time shall form part of the Fund.
14	Closure of fund	(1) The Fund shall remain in the operation so long as the relevant provisions of Act remain in force. (2) At the time of closure of the Fund, when the Fund is no longer required, all the unspent balance under the Fund shall be remitted to the Government Treasury.
15	Power removing difficulties	If any difficulty arises in giving effect to any of the provisions of these Rules, the State Government may by general or special order, do anything not being inconsistent with the provisions of the Act and the Rules made there under which appears to it to be necessary or expedient for the purpose of removing these difficulties.
16	Internal Audit	1. The purpose of internal audit, as an independent function outside the function of accounts keeping, is to ensure that the accounts of the State Commission and the financial records like, cash book, ledgers, stock, assets registers are maintained regularly and correctly and kept up-to- date. 2. Internal audit of the State Commission shall be entrusted to a person of the State Commission designated by the Chairperson or to a firm of Chartered Accountants.
17	Power to interpret these Rules	The Power to interpret these Rules shall vest with the State Government and their interpretation shall be final.

By order and in the name of the Governor.

Sd/-
PCE cum Secretary
Energy & Power Department
Government of Sikkim
32/Gen/R&C/CIR/E&P/

FORM – I
Revised Estimates of (Current Year)/
Budget Estimates of (Next Year)

Head of Account	Actuals for the previous year	Budget Estimates for current year	Revised Estimates for current year	Budget Estimates for Next financial year
1	2	3	4	5

Note1: Heads of Account shall be as per list at Appendix A

Note 2: Budgetary provisions shall be explained with detailed memoranda as listed at Appendix B.

FORM – II

Final Grant Statement (Financial Year)

Head of Account	Revised Estimates	Actuals of first 10 months	Requirement last 2 months	Total Final Grant	Net Savings/ Excess	Remarks
1	2	3	4	5	6	7

Note 1: Heads of Account shall be as per list at Appendix A.

Note 2: Budgetary provisions shall be explained with detailed memoranda as listed at Appendix B.

Appendix A

Detailed Heads of Account (with description) under which SERC shall furnish budget Statements and Explanatory Memoranda thereto:

A/c Description Code

M/H	Particulars	Amount
REVENUE		
1	Grants 1.1 From Government 1.2 From others	
2	Loans 2.1 From Government 2.2 From Others (specify)	
3	Recoveries from pay bills 3.1 Principal amount of Loans and Advances 3.2 Interest on Loans and Advances	
4	Fee and Charges 4.1 Fee 4.2 Charges 4.3 Fines 4.4 Sales of Publication 4.5 Income on Investments and Deposits 4.6 Gain on sale of assets 4.7 Others (to specify)	
5	Gifts	
6	Seminars and Conferences	
Total Revenue		
Expenditure		
7	Chairperson 7.1 Pay and Allowances 7.2 Other benefits 7.3 Travelling expenses 7.3.1 Overseas 7.3.2 Domestic	
8	Members 8.1 Sitting Fee 8.2 Travelling Expenses 8.2.1 Overseas 8.2.2 Domestic 8.2.3 Other benefits	
9	Officers 9.1 Pay and Allowances 9.2 Retirement Benefit 9.3 Other benefits 9.4 Travelling expenses 9.4.1 Overseas 9.4.2 Domestic	
10	Staff 10.1 Pay and Allowances 10.2 Retirement Benefits 10.3 Other benefits	

	10.4 Travelling expenses 10.4.1 Overseas 10.4.2 Domestic	
11	Hire of Conveyance	
12	Final and Lubricants	
13	Wages	
14	Overtime	
15	Medical and Health Care Felicities	
16	Bonus	
17	Honorarium	
18	Meetings of the Commission & Advisory Committee	
19	Other Office Expenses	
20	Expenditure on Research	
21	Consultation fee	
22	Seminars and Conferences and Workshop	
23	Publications of SERC	
24	Rent and Taxes	
25	Interest on Loans	
26	Training Programmes	
27	promotional Expenses	
28	Membership fee (Payable to the Forum of Regulators)	
29	Subscription	
30	Purchase of fixed assets	
31	Investments and Deposits 31.1 Investments 31.2 Deposits	
32	Loan & Advances 32.1 To employees 32.1.1 Bearing Interest 32.1.2 Not-bearing interest 32.2 To Suppliers and Contractors 32.3 Others (to specify	
33	Repayment of Loans	
34	Others 34.1 Leave salary and pension contribution 34.2 Audit fee 34.3Miscellaneous	
36	Repair and Maintenance - Buildings - Machinery and Equipment - Furniture and Fixture - Vehicles	
37	Legal Charges	
38	Hospitality Expenses	

Appendix B
Explanatory Memoranda to RE/BE Statements of State Electricity Regulatory Commission

1. Statement showing grade wise details of establishment with provision sought therefore in the estimates, with actual establishment strength and cost thereof in previous year.
2. Estimates of individual projects/consultancies costing over Rs.5 lakhs indicating original cost, revisions if any and provisions sought for the project in the budget grants.
3. Details of Foreign exchange component in the Budget/Revised estimates.
4. Estimates of Revenue Receipts in Budget Year and previous year.
5. Statement showing financial results of CERC for the budget year and previous year.

Form III

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity

BALANCE SHEET AS AT.....

<u>COPPUS/CAPITAL FUND AND LIABILITIES</u>	Schedule	Current Year	Previous Years
CORPUS/CAPITAL FUND	1	-	-
RESERVES AND SURPLUS	2	-	-
EARMARKED/ ENDOWMENT FUNDS	3	-	-
SECURED LOANS AND BORROWINGS	4	-	-
UNSECURED LOANS AND BORROWINGS	5	-	-
DEFERRED CREDIT LIABILITIES	6	-	-
CURRENT LIABILITIES AND PROVISIONS	7	-	-
TOTAL		-	-
<u>ASSETS</u>		-	-
FIXED ASSETS	8	-	-
INVESTMENTS- FROM EARMARKED/ENDOWMENT FUNDS	9	-	-
INVESTMENT – OTHERS	10	-	-
CURRENT ASSETS, LOANS, ADVANCES ETC	11	-	-
MISCELLANEOUS EXPENDITURE (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)			
TOTAL		-	-
SIGNIFICANT ACCOUNTING POLICES	24		
CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS	25		

Form IV

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity

INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD/YEAR ENDED

(Amount-Rs.)

<u>INCOME</u>	Schedule	Current Year	Previous Year
Income from Sales/Services	12	-	-
Grants/Subsidies	13	-	-
Fees/Subscriptions	14	-	-
Income from Investment (Income on Investment from earmarked/endowment Funds transferred to Funds)	15	-	-
Income from Royalty, Publication etc.	16	-	-
Interest Earned	17	-	-
Other Income	18	-	-
Increase/(decrease) in stock of Finished goods and works-in-progress	19		
TOTAL (A)		-	-
<u>EXPENDITURE</u>			
Establishment Expenses	20	-	-
Other Administrative Expenses etc.	21	-	-
Expenditure on Grants, Subsidies etc.	22	-	-
Interest	23	-	-
Depreciation (Net Total at the year-end – corresponding to Schedule 8)			
Total (B)		-	-
Balance being excess of Income over Expenditure (A-B)			
Transfer to Special Reserve (Specify each)		-	-
Transfer to / from General Reserve		-	-
BALANCE BEING SURPLUS (DEFICIT) CARRIED TO CORPUS/CAPITAL FUND		-	-
SIGNIFICANT ACCOUNTING POLICIES	24		
CONTINGENT LIABILITIES AND NOTES ON ACCOUNS	25		

Form. V

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity

INCOME AND PAYMENTS FOR THE PERIOD/YEAR ENDED

(Amount-Rs.)

RECEIPTS	Current Year	Previous year	PAYMENTS	Current Year	Previous Year
I. <u>Opening Balances</u>	-	-	I. <u>Expenses</u>	-	-
a) Cash in hand			a) Establishment Expenses (corresponding to Schedule 20)	-	-
b) Bank Balance			b) Administrative Expenses (corresponding to Schedule 21)	-	-
i) In current accounts	-	-			
ii) In deposit accounts	-	-			
iii) Savings accounts	-	-			
II. <u>Grants Received</u>			II. <u>Payments made against funds for various projects</u>	-	-
a) From Government of India	-	-	(Name of the fund or project shown along with the		
b) From State Government	-	-	particulars of payments made for each project)		
c) From other sources (details)	-	-			
(Grants for capital & revenue					
exp. To be shown separately					
III. <u>Income on Investments from</u>			III. <u>Investments and deposits made</u>		
a) Earmarked/Endow. Funds	-	-	a) Out of Earmarked/Endowment funds	-	-
b) Own Fund (Oth. Investment)	-	-	b) Out of Won Funds (Investments-Others)	-	-
IV. <u>Interest Received</u>			IV. <u>Expenditure on Fixed Assets & Capital Work-in-Progress</u>		
a) On Bank Deposits			a) Purchase of Fixed assets	-	-
b) Loans, Advances etc.			b) Expenditure on Capital Work-in-progress	-	-
V. <u>Other Income (Specify)</u>	-	-	V. <u>Refund of surplus money/Loans</u>		
			a) To the Government of India	-	-
			b) To the State Government	-	-
			c) To other providers of funds	-	-
			VI. <u>Finance Charges (Interest)</u>	-	-
VI. <u>Amount Borrowed</u>	-	-	VII. <u>Other Payments (Specify)</u>	-	-
VII. <u>Any other receipts</u>			VIII. <u>Closing Balances</u>		
(give details)			a) Cash in hand	-	-
			b) Bank Balances		
			i) In current accounts	-	-
			ii) In deposit accounts	-	-
			iii) Savings accounts	-	-
TOTAL	-	-	TOTAL	-	-

FORM –VI
(see Rule 11)

Sikkim Electricity Regulatory Commission													
Proforma for Cash Book													
RECEIPTS							PAYMENT						
Date & Month	Voucher No.	Particulars	L.F	Cash	Bank	Total Amount	Date & Month	Voucher No.	Particulars	L.F	Cash	Bank	Total Amount

Signature of the Secretary

Signature of the Accounts Officer

FORM-VII
(see Rule 11)

Sikkim Electricity Regulatory Commission						
Proforma for Ledger						
Account of						
Month & Date	Particulars	CBF	Debit (Rupees)	Credit (Rupees)	Balance (Rupees)	CR/DR

Signature of the Secretary

Signature of the Accounts Officer

FORM-VIII

(see Rule 11)

Sikkim Electricity Regulatory Commission						
Proforma for Stock Register						
Name of Article:-.....						
Month & Date	Particulars	Bill No.	Received value of the Bill No.	Issue No.	Balance Quantity	Remarks

Signature of the Secretary

Signature of the Accounts Officer

FORM-IX

(see Rule 11)

Sikkim Electricity Regulatory Commission											
Proforma for Fee Register											
Sl. No.	Date	Name of Party	Mode of Payment			Petition	Licence	Penalty	Other Receipts	Total	Remarks
			Bank Draft No.	Name of the Bank	Cash						

Signature of the Secretary

Signature of the Accounts Officer

FORM-X

(see Rule 11)

Sikkim Electricity Regulatory Commission									
Proforma for Assets Register									
Particulars Of Assets	Gross Block			Depreciation			Net Block		
	Balance at the beginning of the year	Additions during the year	Disposals during the year	Balance at the close of the year	Balance at the beginning of the year	Additions during the year	Balance at the close of the year	Balance at the beginning of the year	Balance at the close of the year

Signature of the Secretary

Signature of the Accounts Officer