



# JOINT ELECTRICITY REGULATORY COMMISSION FOR MANIPUR AND MIZORAM

## NOTIFICATION

**No. H. 13011/12/10 - JERC**

**Dated Aizawl, the 16<sup>th</sup> April, 2010**

The Electricity Act, 2003, recognizes Distribution of electricity as a distinct activity and requires any person intending to distribute electricity in a specified area, to obtain a Licence from the Appropriate Electricity Regulatory Commission under Section 14 of the Act. The electricity Distributors are also required to discharge such duties in relation to supply and distribution of electricity as may be specified by the Regulatory Commission.

Now, therefore, in exercise of powers conferred under Section 181 read with Section 14, Section 15, Section 16 and Section 18 of the Electricity Act 2003 (36 of 2003) and all powers enabling it in that regard, the Joint Electricity Regulatory Commission for the States of Manipur and Mizoram hereby makes the following Regulations providing for the procedures to grant, amend or revoke a Distribution Licence for the State of Manipur/Mizoram and laying down the essential terms and conditions of Electricity Distribution.

### **CHAPTER-I GENERAL**

#### **1. Short Title, Extent and Commencement**

- (1) These Regulations may be called **Joint Electricity Regulatory Commission for Manipur and Mizoram (Procedure, Terms and Conditions for Grant of Distribution Licence and other Related Matters) Regulations, 2010**.
- (2) These Regulations shall apply to any person applying for a Distribution Licence to undertake the Distribution of electricity in the State of Manipur/Mizoram.
- (3) These Regulations extend to the whole of the State of Manipur/Mizoram.
- (4) These Regulations shall come into force on the dates of its publications in the State Gazettes of Manipur and Mizoram.

## 2. Definitions and Interpretation

(1) In these Regulations, unless the context otherwise requires:-

- (a) “**Act**” means the Electricity Act 2003 (36 of 2003);
- (b) “**Accounting Statement**” means for each financial year, accounting statements separately in respect of the Licensed Business and the Other Business, comprising:-
  - (i) Balance sheet, prepared in accordance with the form contained in Part I of Schedule VI to the Companies Act, 1956;
  - (ii) Profit and Loss account, complying with the requirements contained in Part II of Schedule VI to the Companies Act, 1956;
  - (iii) Cash flow statement, prepared in accordance with the Accounting Standard on Cash Flow Statement (AS-3) of the Institute of Chartered Accountants of India;
  - (iv) Report of the statutory auditors’ of the Distribution Licensee;
  - (v) Cost records prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956, together with notes thereto, and such other supporting statements and information as the Commission may direct from time to time;
- (c) “**Allocation Statement**” means for each financial year, a statement in respect of each of the separate businesses of the Distribution Licensee, showing the amounts of any revenue, cost, asset, liability, reserve or provision, which has been either:
  - (i) Charged from or to any Other Business together with a description of the basis of that charge; or
  - (ii) Determined by apportionment or allocation between the Distribution Business and any Other Business of the Distribution Licensee, together with a description of the basis of the apportionment or allocation;
- (d) “**Applicant**” means a person who has made an application for grant of Licence to distribute electricity under the Act and in accordance with these Regulations;
- (e) “**Annual Accounts**” means the accounts of the Distribution Licensee prepared annually in accordance with the provisions of the Companies Act, 1956 and/or in such other manner as may be directed by the Commission from time to time in terms of the provisions of the Act;
- (f) “**Area of Distribution**” or “**Area of Supply**” means the area of Distribution stated in the Distribution Licence within which the Distribution Licensee is authorized to establish, operate and maintain the Distribution System and Supply Electricity;

- (g) “**Auditor**” means the Distribution Licensee’s auditors holding office in accordance with the requirements of Sections 224 to 234A or Section 619 as appropriate, of the Companies Act 1956 (1 of 1956);
- (h) “**Authorised**”, in relation to any Person, Business or Activity, means authorized by the Licence granted under Section 14 of the Act or deemed to be granted under the first, second, third and fifth proviso to Section 14 of the Act or by the exemption granted under Section 13 of the Act;
- (i) “**Commission**” means the Joint Electricity Regulatory Commission of Manipur & Mizoram constituted under Section 83 of the Electricity Act, 2003 (36 of 2003);
- (j) “**Conduct of Business Regulations**” means the Joint Electricity Regulatory Commission for Manipur and Mizoram (Conduct of Business) Regulations, 2010;
- (k) “**Deemed Licensee**” means a person authorized under the first, second, third and fifth proviso to Section 14 of the Act;
- (l) “**Distribution**” means the Conveyance or Wheeling of Electricity by means of Distribution network having wires and associated facilities between the delivery points and points of connection to the installation of the consumer for supplying electricity;
- (m) “**Distribution Licence**” means a Licence granted under Section 14 of the Act to undertake Distribution for supply of electricity in the State of Manipur/Mizoram;
- (n) “**Distribution Licensee**” means a Licensee authorized to operate maintain a distribution system for supplying electricity to the consumers in his area of supply;
- (o) “**Electricity**” means electrical energy –
  - (i) generated, transmitted, supplied or traded for any purpose; or
  - (ii) used for any purpose except the transmission of a message;
- (p) “**Grid Code**” means Joint Electricity Regulatory Commission for Manipur & Mizoram (Grid code) Regulations, 2010;
- (q) “**Holding Company**” shall have the same meaning as in Section 4 of the Companies Act, 1956 (1 of 1956);
- (r) “**Integrated Utilities**” means Electricity Department, Government of Manipur and Power & Electricity Department, Government of Mizoram;
- (s) “**Licence**” means the Licence under Section 14 of the Act under which the Licensee is authorized to conduct the Licensed Business;

- (t) “**Licensed Business**” means the business of the Distribution of Electricity as authorized under the Licence;
- (u) “**Major Incident**” means an incident associated with the Licensed Business which results in a significant interruption of service, substantial damage to equipment, or loss of life or significant injury to human beings, with the technical characteristics of “significant interruption”, “substantial damage”, “significant injury” specified in the Grid Code, Supply Code or Standards of Performance specified by the Commission, and any other incident which the Commission expressly declares to be a major incident;
- (v) “**Open Access Consumer**” means a consumer who is eligible to receive supply of electricity from a person other than the distribution Licensee of his area of supply;
- (w) “**Open Access Customer**” means a person using or intending to use the transmission system or the distribution system or both of the Licensees in the State for Transmission or Wheeling of Electricity in the State;
- (x) “**Other Business**” means any business of the Licensee other than the Licensed Business but shall exclude other entities in which the Licensee may be a shareholder or partner or in joint venture;
- (y) “**Person**” shall include any company or body, corporate or association or body of individuals, whether incorporated or not, or artificial juridical person;
- (z) “**Proceedings**” means proceedings of all nature that the Commission may decide to initiate or hold in the discharge of its functions under the Act but any preliminary meeting or any action done by the Commission before such initiation shall not be a proceeding for the purposes of these Regulations;
- (aa) “**Specific Conditions**” means the conditions in addition to or in variation of the General Conditions which the Commission may lay down specifically for a Distribution Licensee;
- (bb) “**Secretary**” means the Secretary of the Commission;
- (cc) “**Assistant Secretary**” means the Assistant Secretary of the Commission;
- (dd) “**Subsidiary**” shall have the same meaning as in Section 4 of the Companies Act, 1956 (1 of 1956);
- (ee) “**Transfer**” shall include the sale, exchange, gift, lease Licence, loan, securitization, mortgage, charge, pledge or grant of any other encumbrance or otherwise permitting of any other encumbrance to subsist or parting with physical possession or any other disposition or dealing.

- (2) Words or expressions occurring in these Regulations and not defined herein above, shall bear the same meaning as in the Act.

## **CHAPTER-II ELIGIBILITY**

### **3. Technical Requirements of an Electricity Distributor**

- (1) The applicant to be entitled to grant of Licence, shall provide evidence as given in Appendix-1 of fulfilling the following technical requirements:-

**Technical:** The applicant shall have knowledge and experience in development, design, construction, operation and maintenance of a distribution system at the voltage level at which the assets shall be operated.

### **4. Financial Capability of an Electricity Distributor**

- (1) At the time of application, the applicant shall submit to the Commission the applicant's earnings history, balance sheet, cash flow, funding arrangements and risk management strategy which will demonstrate that the applicant has met the net worth requirement and attained financial capability.

**Financial Capability:** Net worth of the applicant shall not be less than the estimated annual revenue requirement of the distribution area of supply in respect of which the application for grant of Licence has been made. In the case of a consortium, affiliates may meet the qualifying requirements of the financial capability collectively.

- (2) The financial requirements shall be complied with before applying for the Licence for Electricity Distribution.

### **5. Exemption**

The Integrated Utilities of the States of Manipur and Mizoram are exempted from the requirements at Regulations 3 & 4.

### **6. Deemed Licensee**

- (1) Notwithstanding anything contained otherwise in this Regulation, the Deemed Licensees under Section 14 of the Act entitled to undertake Distribution in electricity shall be required to have the technical and financial requirements as specified in the above.

Provided that the Commission may, under the proviso to Section 16 of the Act, lay down general or special conditions, which such Licensee shall be required to comply with to continue the activities of an electricity Distributor.

- (2) The provisions of the Act and the Rules and Regulations made there under shall be applicable to a Deemed Licensee. Accordingly, the terms and conditions of Licence specified in **Chapter IV & V** of these Regulations shall be the terms and conditions of Licence for such Deemed Licensee from the effective date.

Provided also that the conditions or stipulations contained in the Licence, clearance or approval granted to such Deemed Licence under the repealed respective laws and the Rules and Regulations made there under which are not specified in **Chapter IV & V** of these Regulations and are not inconsistent with the provisions of the Act, and terms and conditions of Licence specified in those chapters of these Regulations shall be deemed to be the specific conditions of Licence for such Deemed Licensee from the effective date.

Provided that so long as the Licence of a Deemed Licensee referred to in the first proviso to Section 14 of the Act is sub-judice before the Commission or any court of law / tribunal or arbitrator or any other authority from the effective date onwards wherein the Deemed Licensee is a party, such Deemed Licensee shall maintain status quo in terms of any order or direction given to such Licensee by the Commission or any court of law / tribunal or arbitrator or any other authority under law, until any final order or direction is passed by the Commission or any court of law/tribunal or arbitrator or any other authority under law.

Provided that in case the State Government distributes Electricity whether before or after the commencement of the Act shall be deemed to be Licensee under the Act and shall not be required to obtain Licence under the Act.

Provided further that the Electricity / Power Departments of Manipur and Mizoram and its successor companies created under Section 131 of the Act shall be Deemed Licensees for the Areas and voltage levels as applicable prior to the effect of the Electricity Act 2003.

## **7. Disqualification**

The application shall not be qualified for grant of licence if:

- (1) The applicant, or any of his associates, or partners, of promoters, or Directors is an undischarged insolvent; or
- (2) The applicant, or any of his associates, or partners, or promoters, or Directors has been convicted of an offence involving moral turpitude, fraud, or any economic offence during the year of making the application or three years immediately preceding that year and a period of six months has not elapsed since his release from imprisonment, if any, consequent to such conviction; or
- (3) An order canceling the licence of the applicant, or any of his associates, or partners, or promoters, or Directors, has been passed by the Commission; or
- (4) The applicant, or any of his associates, or partners, or promoters, or Directors, has in the past been-
  - (i) refused a licence on the grounds which continue to remain valid; or
  - (ii) found guilty in any proceedings for non-compliance of any of the provisions of the Act or the Rules or the Regulations made there under or an order made by the

Appropriate Commission, during the year of making the application or five years immediately preceding that year; or

- (5) The applicant is not considered a fit and proper person for the grant of licence for any other reason to be recorded in writing.

### **CHAPTER-III PROCEDURE FOR GRANT OF LICENCE**

The procedure for grant of Licence to a Distribution Licensee by the Commission shall be governed by this Regulation read with the provisions of the Conduct of Business Regulations (CBR) in force. In case of any variations between the two, the provisions of this Regulation shall prevail insofar as the licensing for Electricity Distribution is concerned.

#### **8. Application for Licence**

- (1) All persons intending to engage in the business of Distribution of electricity in the States of Manipur and Mizoram, shall apply to the Commission for the grant of a Distribution Licence in the form and manner directed by the Commission. The application shall be accompanied by such fees as laid down in Appendix-I relating to schedule of fees under Joint Electricity Regulatory Commission for Manipur and Mizoram (Fees, Fines and Charges) Regulations, 2010.
- (2) The General and Special Terms and Conditions of Distribution Licence are given in **Chapter IV & V** of these Regulations and the Distribution Licensees shall be bound by such conditions, except to the extent specifically exempted by the Commission.
- (3) The General and Special Terms and Conditions specified in **Chapter IV & V** shall apply to all applicants for grant of Distribution Licence including the Deemed Licensees under provisos third and fifth of Section 14 of the Act.
- (4) The Commission shall in addition to the given Conditions, decide on the specific conditions subject to which Licence shall be issued to the applicant.
- (5) The Applicant shall duly fulfill the conditions of technical requirement, and financial capability and further shall agree to discharge such duties as specified in the Regulations.
- (6) The application for Licence shall be made in accordance with the provision of the Act and these Regulations and in the application form contained in Appendix-1 to these Regulations and shall be accompanied by such fees as may be prescribed for this purpose.
- (7) The application for Licence shall be accompanied by documents and particulars required to be provided as per the application form in Appendix-1.
- (8) The application shall be supported by affidavit of the authorized person familiar with the details of the application.

- (9) The applicant shall declare to the Commission the maximum Distribution network the applicant proposes to handle in a month and its future plans of Distribution during the initial three years.
- (10) The applicant shall demonstrate at all times its capability to maintain the maximum Distribution volume over an average settlement period of 30 days (one month).
- (11) The Application for Licence shall specifically state any special terms and conditions the applicant proposes as applicable for the Licence with reasons in support thereof.
- (12) The Application, along with all annexures and enclosures thereto, shall be submitted to the Commission in hard as well as soft copies.

## **9. Acknowledgement of Application**

On submission of the application, the receiving Officer shall note thereon the date of its receipt and shall send to the applicant an acknowledgement stating the date of receipt.

## **10. Calling for Additional Information**

The applicant may be required to furnish within a specified period such additional information or particulars or documents as the Commission may consider necessary for the purpose of dealing with the application.

## **11. Acceptance of Application**

If the Commission finds the application to be complete and accompanied by the requisite information, particulars and documents and that the applicant has complied with all the requirements for making the application and furnishing of information, particulars and documents, the Commission shall accept the application and inform all concerned that the application is ready for being considered for grant of Licence in accordance with applicable laws and formally communicate the same to the applicant. Upon receipt of such communication the applicant shall collect an authenticated copy of the application filed and related documents from the office of the Commission for making it available for inspection by all interested parties as directed by the Commission.

## **12. Publication of Notice of Application**

- (1) The applicant shall, within seven days from the date of admission of the application, publish a notice of the application in the form specified in Appendix-2 with such particulars and in such manner as the Commission may direct.
- (2) The notice shall be headed by a short title corresponding to that given in the application and shall give the addresses of the offices at which the application documents and copies of maps therein referred to may be inspected and copies of same may be purchased. It shall also state that any person, desirous of making a representation with reference to the

application to the Commission, may do so by a letter addressed to the Commission in this regard, within thirty days from the date of publication.

- (3) The applicant shall keep and display at his own office and at such other place as may be designated by the Commission, copies of the documents referred to in Appendix-1 for public inspection. The copies of such documents may be made available to the interested persons at a price not exceeding the normal photocopying charges.
- (4) The applicant shall post complete application along with annexures and enclosures thereto on his website.

### **13. Circulation of Notice of the Application**

- (1) The Commission may direct that the notice of the application be circulated/served on the Central Government, the State Government, the Local Authority or any other Authority or person or body or body as the Commission may direct in such form, with such particulars and in such manner as the Commission may consider appropriate.
- (2) The applicant shall apply for and obtain the No Objection Certificate from the Central Government if required, as per clause (ii) of sub-section (2) of Section 15 of the Act before hearing by the Commission.

### **14. Objections**

- (1) Any person intending to object to the grant of the Licence shall file objection within thirty days from the date of publication of the notice by the applicant. The objection shall be filed as a reply petition and the provisions of Chapter II of the Conduct of Business Regulations dealing with reply, shall apply to the filing of such objections.
- (2) Any person who desires to have any amendment made in the proposed conditions of Licence shall furnish a statement of the amendments to the applicant and to the Commission in the form of reply petition, within the time allowed by the Commission for filing objection.

### **15. Hearing and Local Inquiry**

- (1) After the accepted application is duly published and the time for filing of objections is over and also the applicant has furnished to the Commission the No Objection Certificate, if any required from the Central Government and Local Authority, the Commission shall proceed with the hearing of the application.
- (2) The Commission shall give notice of hearing to the applicant, the persons who had filed objections, the Central Government, the State Government and such other authority, person, or body as the Commission may consider appropriate.

- (3) If any person objects to the grant of the Licence applied for, the Commission may, only when at a later date either the applicant or the objector so desires, cause a local inquiry to be held for which the notice in writing shall be given to the applicant and the objector.
- (4) In case of a local inquiry under clause 15.3 above, a memorandum on the outcome of the inquiry made shall be prepared and signed jointly by the applicant, the Officer or person designated for the purpose and such other person as the Commission may direct.
- (5) The hearing on the application for grant of Licence shall thereafter proceed as far as possible in the same manner as provided in Chapter II of the Conduct of Business Regulations.

## **16. Grant of Licence**

- (1) After the hearing, under Regulation 15, the Commission may decide to grant or refuse the Licence and if it decides to grant the Licence it may do so on such terms and conditions and with such modifications to the general conditions and on such specific conditions as the Commission may decide.
- (2) When the Commission has approved the proposal for the grant of Licence, the Commission shall inform the applicant of such approval and also the conditions to be satisfied by the applicant including the initial and periodical Licence fees to be paid by the applicant for the grant of Licence.
- (3) On receiving an intimation in writing from the applicant that he is willing to accept a Licence on the terms approved by the Commission and after the applicant satisfies the conditions imposed for the grant of the Licence, the Commission shall issue a Licence to the applicant in the form provided at Appendix-3.
- (4) The Commission may direct the applicant to publish the Licence or such part or gist thereof as the Commission considers appropriate.
- (5) The Commission shall, within fifteen days of passing the order to grant a Licence, forward a copy of the Licence to the State Government, Central Electricity Authority, local authority and to such other person as the Commission considers necessary.
- (6) The Licence shall commence from the date the Commission may direct as the date of commencement of Licence and the Licence shall be in force for the period of twenty five years unless such Licence is revoked.
- (7) When the order to grant a Licence has been passed, the Licensee shall produce three sets of documents containing the particulars specified in clause 16.8 below and these shall be signed on the date of the notification of the grant of the Licence by such Officer as the Commission may designate in this regard. The Licensee shall, whenever required by Commission, furnish the particulars in an electronic form.

- (8) The particulars of the documents to be furnished as per Clause 16.7 above shall be as under:
- (a) A short title descriptive of the proposed Distribution business together with the address and description of the applicant, and if the applicant is a company, the names and addresses of all the directors of the company;
  - (b) Location and boundaries of the proposed area of operation;
  - (c) A description of the proposed area of operation; and
  - (d) The general conditions and also any special conditions, if any, which the Commission has laid down for inclusion in the Licence of the nature applied for with justification by the applicant.
- (9) One set of such maps letter (refer clause 9 to Part B of the Appendix 1) and proforma shall be retained as the deposited maps and proforma by the Commission and the other two sets shall be given to the Licensee after due attestation by the Commission.
- (10) Every person who is granted a Distribution Licence shall within thirty days of the grant thereof arrange to exhibit copies of the Licence granted, maps and proforma attested under Regulation 16 for public inspection at all reasonable times at the head office and at the local offices within the area of supply.
- (11) The Licensee shall also furnish to the Commission the maps and proforma in an electronic form.

## **17. Refusal of Licence**

If the Commission is not inclined to grant the Licence, the Commission shall give an opportunity to the applicant for being heard in person before rejecting the application. The Commission shall however deduct a processing fee of Rs. 25,000 from the application fee/Licensing fee. The original application, its enclosures and a statement showing reasons for rejection shall be handed over to the applicant along with a draft/cheque for the balance amount.

**CHAPTER-IV**  
**GENERAL TERMS AND CONDITIONS OF LICENCE**

**18. Term**

The Distribution Licence shall come into force on the date to be mentioned by the Commission in the order granting the Licence and subject to the terms and conditions of the grant of Licence and shall remain in force for the period of twenty five years unless formally revoked by the Commission.

**19. OBLIGATIONS OF A DISTRIBUTION LICENSEE**

- (1) The Distribution Licensee shall develop and maintain an efficient, co-coordinated and economical distribution system in his area of supply and supply electricity in accordance with the provisions of the Act.
- (2) The Licensee shall install plants equipments and meters and construct, maintain and operate electrical plants and electrical lines as per the technical safety and energy efficiency standards specified by the Authority under the Act and/or specified under any Act for the time being in force.
- (3) Subject to the other provisions of the Licence, the Licensee shall have the following obligations:
  - (a) The Licensee shall on the application of the owner or occupier of any premises within the Area of Supply, give electricity supply service connection from the Licensee's Distribution System for the purposes of providing supply of electricity including the laying and installation of any required distribution lines and/or plants as per the Electricity Supply Code Regulations.
  - (b) Where the owner or occupier of any premises requires connection under this Clause 19.3, the form of application to be made and the procedure for processing the application and providing electricity supply service shall be in accordance with the procedure and subject to the fees and payments as specified by the Licensee and approved by the Commission as per the Electricity Supply Code.
  - (c) The Licensee shall always endeavor to ensure stable and adequate power supply of appropriate quality to consumers.
  - (d) Nothing contained in this Clause 19.3 shall require the Licensee to provide electricity supply service connection if he is prevented from so doing by the Force Majeure circumstances beyond the control of the Licensee.
- (4) (a) The Distribution Licensee shall provide open access to the Distribution System for use of the Licensees, and Generating Company including the Captive Generating Plant and the Consumer subject to absence of operational constraints in the Distribution System and subject to payment by the user of all applicable tariffs and

charges as determined or directed to be charged by any general or special order of the Commission including open access Regulations.

Provided that the Distribution Licensee shall allow open access to those consumers who have no arrears of electricity dues, and sufficiently fulfill the technical and other requirements as prescribed in open access regulations of Commission.

- (b) The Distribution Licensee having access to Intra-State Transmission System and the Distribution System in the State, on the date of coming into force of Regulations of open access, under an existing agreement or arrangement shall be entitled to continue to avail open access to such Transmission and Distribution System, on the same terms and conditions for the existing arrangement or arrangements, on payment of Transmission Charges and Wheeling Charges, as may be determined by the Commission.

Provided that Distribution Licensee shall within 60 days of coming into force of open access Regulations, furnish to the STU and SLDC, details of their agreements for use of Transmission System and/or Distribution System, and the terms and conditions for such use.

Provided also that the Distribution Licensee shall submit to the Commission an account of fixed cost which the Licensee is incurring towards his obligation to supply, for determining the additional surcharge by the Commission payable by consumer to the Licensee.

- (5) The Licensee shall seek approval of the Commission before making any loans to, or issuing for the purpose of the Licensed Business. Loans to employees pursuant to their terms of service and advances to suppliers in the ordinary course of business are excluded from the requirement to seek such approval.
- (6) The Licensee shall not, without the prior approval of the Commission:
  - (a) Sell, purchase or import or otherwise acquire electricity from any person other than in accordance with the provisions of the Act, this Licence, the Regulations and Guidelines issued by the Commission or the power purchase agreement approved by the Commission for such sale, purchases / import of electricity;
  - (b) Undertake any transaction to acquire by purchase or takeover or otherwise, the Utility of any other Licensee; or merge his Utility with the Utility of any other Licensee. Provided that, this restriction shall not apply if the Utility of the Licensee is situated outside the States of Manipur and Mizoram. The Licensee shall, before obtaining the approval from the Commission, give at least not less than one month's notice to every other Licensee who transmits or distributes electricity in the Area of Supply of the Licensee.
  - (c) Assign the Licence or transfer his Utility (or any part thereof) by sale, lease, exchange or otherwise.

- (d) Acquire any ownership or beneficial interest in any Transmission Licensee or Distribution Licensee.

## **20. Compliance with Laws, Rules and Regulations**

- (1) The Distribution Licensee shall comply with the provisions of the Act, Rules, Regulations, Orders and Directions issued by the Commission from time to time and the provisions of all other applicable laws.
- (2) The Distribution Licensee shall act in accordance with these General Terms and Conditions unless the Distribution Licensee is exempted from any provisions of these general conditions at the time of the grant of Licence or otherwise, it specifically obtains the approval of the Commission for any deviation there from.
- (3) Notwithstanding anything contained in clauses 8.5, 8.10 and Regulation 20 of these Regulations, the Deemed Licensees under Section 14 of the Act entitled to undertake Distribution in electricity, shall not be required to meet the technical or financial requirements as specified in the above clauses till the time allowed by the Commission.
- (4) The Distribution Licensee shall duly comply with and undertake all activities consistent with the Commission's Grid Code, Electricity Supply Code and other codes and standards, orders and directions of the National Load Despatch Centre, Regional Load Despatch Centre and other statutory authorities issued for the discharge of their functions under the Act. The Distribution Licensee shall also comply with the directions of the Consumer Grievance Redressal Forum (CGRF) and Electricity Ombudsman issued in the interest of the general consumers.
- (5) The Licensee shall give consultancies / assignment to its group companies/sister concerns/subsidiary companies only after prior approval of the Commission.

## **21. Payment of Annual Licence Fees**

- (1) The Licensee shall pay to the Commission non-refundable annual Licence fee as laid down in Schedule-I of JERC (M&M) (Fees, Fines and Charges) Regulations, 2010, by means of a Demand Draft drawn on SBI, Aizawl, in favour of the Secretary/Assistant Secretary, Joint Electricity Regulatory Commission for the States of Manipur and Mizoram within seven days of receiving information as per clause 16.2 about grant of Licence.
- (2) For the period between the date of commencement of commercial operation and end of the financial year, Licence fee shall be payable on pro rata basis for the number of days.
- (3) The Licence fee for the subsequent years starting from the first day of April, shall be paid in full before the start of the year. In case the Licensee fails to pay to the Commission the Licence fee specified above or a part thereof, the Licensee shall be liable to pay late payment surcharge on the outstanding amount at a simple interest at the

rate of 1% per month or a part thereof, calculated from the due date for the period the Licence fee or a part thereof remains unpaid.

- (4) Notwithstanding the liability of the Licensee to pay the late payment surcharge as aforesaid, the delay in payment of annual licence fee or a part thereof, shall be construed as breach of the terms and conditions of the licence rendering the licence liable to be revoked on this ground alone.
- (5) The Distribution Licensee shall be entitled to take in to account any fee paid by it under this Regulation 21 as an expense in the determination of aggregate revenues to be charged to the tariffs in accordance with clause 35 of these Regulations but shall not take into account any late payment charges paid pursuant to this clause 21.3.

## **22. Duties of a Distribution Licensee**

- (1) The Licensee shall purchase the energy required by it to meet its supply obligation-
  - (a) In an economical manner,
  - (b) Under a transparent power purchase or procurement process,
  - (c) In accordance with the Regulations, guidelines, directions specified by the Commission from time to time.
- (2) The Licensee shall also –
  - (a) Prepare and submit to the Commission a detailed forecast of the demand for electricity in the area of supply in such manner and for such period(s) as may be specified by the Commission; and
  - (b) Co-operate with the STU, Transmission Licensees in the preparation of power demand forecasts for the States of Manipur and Mizoram.
- (3) The Licensee may, with prior intimation to the Commission, engage in any Other Businesses for optimum utilization of its assets, as may be specified by the Commission under Section 51 of the Act subject to the conditions that:
  - (a) The Licensed Business is not prejudiced and/or adversely affected in any manner by such Other Businesses, including that it neither subsidises the Other Business nor encumbers the Licensee's Distribution assets in any way to support such business;
  - (b) Separate accounting records are maintained in respect of the Other Businesses as if they were carried on by a separate company, so that the revenues, costs, assets, liabilities, reserves and provisions of, or reasonably attributable to the Licensed Business are separately identifiable;

- (c) The Licensee shall comply with such guidelines, terms and conditions that the Commission may specify in regard to (i) the Licensee engaging in Other Business activities and (ii) payment of fair compensation to the Licensed Business for the assets of the Licensed Business utilized for such Other Business activities; and
  - (d) None of the assets utilized in the Distribution System for the purposes of Other Business activities are transferred without the prior approval of the Commission.
- (4) The Licensee may undertake distribution of electricity through another person at a specified area (franchise) within his Area of Supply. Such Person shall not be required to obtain any separate Licence from the Commission. The Licensee shall continue to be responsible for distribution of electricity in its Area of Supply and –
- (a) Such Person shall operate under the overall supervision and control of the Licensee and upon the terms and conditions of the Licence and comply with all Regulations, guidelines or orders of the Commission;
  - (b) Establishment of such arrangements shall not alter the Licensee’s duties and obligations pursuant to general or specific conditions of Licence;
  - (c) The cost of providing service shall not be higher than that of the cost if the Licensee performed such tasks itself; and
  - (d) For any act or omission of such Person, the Licensee shall be responsible.

Provided that the Distribution Licensee shall be responsible for all his obligations under the Act, Rules and Regulations made there notwithstanding the Distribution Licensee authorizing such other person to so undertake the distribution of electricity.

Provided further that the Distribution Licensee shall report, for each financial year, the details of any such arrangements entered into with any person under these Regulations, in such format as may be provided by the Commission.

- (5) The Distribution Licensee may engage any of the Subsidiaries or Holding Company or a Subsidiary of such Holding Company of the Distribution Licensee to provide any goods or services to the Licensee in connection with the Licensed Business, subject to the following conditions:
- (a) That the transaction will be on an arms-length basis and at a value that is fair and reasonable in the circumstances;
  - (b) That the transaction will be inconsistent with any Regulation framed by the Commission relating to the provision of goods and services with respect to Licensed Business; and
  - (c) That the Licensee will give 15 days’ notice with details of such arrangement, to the Commission prior to commencement of such arrangement.

- (6) The Distribution Licensee may establish Subsidiaries or associated companies or grant a Franchisee or enter into management contracts including appointment of billing agent to conduct or carry under the functions, which the Distribution Licensee is authorized to conduct or carry under the Licence provided that the Licensee shall be responsible for all actions of the Subsidiaries or associated companies or Franchisees or agents or contractors.
- (7) Except as provided in 22.4 above the Distribution Licensee shall not transfer or assign the Licence or any of the functions under the Licence to any other person without the prior approval of the Commission.

### **23. Annual Accounts**

- (1) The Distribution Licensee shall adhere to the Capital and Investment Plan approved by the Commission in accordance with clause 31 of these Regulations.
- (2) Unless otherwise permitted by the Commission, the financial year of the Distribution Licensee for the purposes of these General Conditions and matters relating to the Licensed Business shall run from first of April in an year to the thirty-first March in the succeeding year notwithstanding that Licensee follows any other period for the purpose of closing its Books of Accounts under Company's Act.
- (3) The Distribution Licensee shall, in respect of the Licensed Business and any Other Business:
  - (a) keep such accounting records as would be required to be kept in respect of each of such businesses so that the revenues, costs, assets, liabilities, reserves and provisions of, or reasonably attributable to the Licensed Business are separately identifiable in the books of the Distribution Licensee, from those of Other Business in which the Distribution Licensee may be engaged;
  - (b) prepare on a consistent basis from such accounting records and deliver to the Commission the Accounting Statements; namely:
    - i) in respect of the first six months of each financial year, a Half Yearly profit and loss account, cash flow statement and balance sheet together with such supporting documents and information as per formats of Companies' Act 1956 and in respect of matters falling outside these formats as the Commission may prescribe from time to time and such statements and documents are to be published in the manner prescribed by the Commission;
    - ii) in respect of the Accounting Statements prepared, an Auditor's report for each financial year, stating whether in their opinion these statements have been properly prepared in accordance with this clause and give a true and fair view of the revenues, costs, assets liabilities, reserves and provisions of, or reasonably attributable to such businesses to which the statements relate; and

- iii) a copy of each Half Yearly profit and loss account not later than three months after the end of the period to which it relates, and copies of the Accounting Statements and Auditor's report not later than six months after the end of the financial year to which they relate.
- (4) The Distribution Licensee shall not normally change the basis of charge or apportionment or allocation of revenues or expenses in relation to the preparation of the Accounting Statements in respect of a financial year from those applied in respect of the previous financial year, without prior approval of the Commission. Any change, if proposed, on the basis of charge or apportionment of revenues or expenses shall be consistent with the provisions of the Companies Act, 1956, prevailing Accounting Standards or Rules and any guidelines issued by the Commission in this regard.
- (5) Where, in relation to the Accounting Statements in respect of a financial year, the Distribution Licensee has changed the basis of charge or apportionment or allocation of revenues or expenses from those adopted for the immediately preceding financial year, the Distribution Licensee shall, if directed by the Commission, (in addition to preparing Accounting Statements on the basis which it has adopted), prepare and deliver to the Commission such Accounting Statements on the basis which it applied in respect of the immediately preceding financial year.
- (6) Accounting Statements under clause 23.3 above shall, unless otherwise approved or directed by the Commission:
  - (a) be prepared and published with the Annual Accounts of the Distribution Licensee and shall be consistent with the provisions of the Companies Act, 1956, the Accounting Standards or Rules and any guidelines issued by the Commission in this regard,
  - (b) be prepared in the form as the Commission may stipulate from time to time in the Terms and Conditions of Tariff Regulations of the Commission.
- (7) The references to costs or liabilities of, or reasonably attributable to Licensed Business or Other Business shall be construed as excluding taxation, and capital liabilities which do not relate principally to such Business and interest thereon.
- (8) The Distribution Licensee shall ensure that the Accounting Statements in respect of each financial year prepared under clause 23.3 and the Auditor's report in respect of each financial year are published in such manner as is provided in the Companies' Act and are made available to any person requesting them at a price no exceeding the reasonable cost of duplicating them.
- (9) Any person authorized by the Commission shall be entitled to inspect and verify the accounts of the Distribution Licensee and the Licensee shall render all necessary assistance to such authorized person.

## 24. Furnishing Information to the Commission

- (1) The Distribution Licensee shall duly maintain such information as the Commission may direct under Section 128 of the Act. The Distribution Licensee shall furnish to the Commission without undue delay such information, documents and details related to the Licensed Business or any Other Business of the Distribution Licensee, as the Commission may require from time to time for its own purposes or for the purposes of the Government of India, State Government, the Central Commission and/or the Central Electricity Authority, the State Distribution Utility and the Regional and State Load Despatch Centres.
- (2) The Distribution Licensee shall furnish the information as may be required from time to time to monitor the Licensee's performance and compliance of the terms and conditions of the Licence.

Provided that the information in the standard Form shall be furnished to the Commission and State Load Despatch Centre as the case may be, on a weekly basis.

Provided further that the State or Regional Load Despatch Centres, as the case may be, shall verify the quantum of energy distributed, as indicated in the reports submitted by the Distribution Licensee and submit a report to the Commission.

- (3) The Distribution Licensee shall bring to the notice of the Commission as soon as possible of the occurrence of any major incident which materially affects any part of its Distribution activities and in any event, by not later than two (2) months from the date of such occurrence.
  - (a) The Distribution Licensee shall submit a report to the Commission giving full details of the facts within the knowledge of the Distribution Licensee regarding the incident and its cause;
  - (b) In the event the report under sub-clause (a) is likely to take more than two months from the date of such incident, the Distribution Licensee shall within one month from such date of the incident submit a preliminary report with such details the Distribution Licensee can reasonably furnish and state reasons as to why the Distribution Licensee requires more than two months for giving full report of such incident; and
  - (c) Give copies of the report to all parties concerned with the Major Incident and to such other Persons as the Commission may direct.
- (4) The decision of the Commission as to what is a Major Incident shall be final. The Commission may by order, after providing an opportunity of hearing direct the Distribution Licensee to provide such amount of compensation as the Commission may direct to persons' who suffer substantial injury or to the heirs of those who lose their lives as a result of such Major Incident where the Major Incident has been caused by any

act of the commission, omission or negligence on the part of any of the employees or agents of the Distribution Licensee.

- (5) The Commission at its discretion may require the submission of a report on the Major Incident to be prepared by an independent person at the expense of the Distribution Licensee.
- (6) The Distribution Licensee shall immediately inform the Commission about any incident restricting it from meeting its obligation under the Licence granted including any act of omission or commission by others and steps taken by the Distribution Licensee to mitigate the effect of such incident.
- (7) The Commission may at any time require the Distribution Licensee to comply with the provisions of clauses 24.3 to 24.6 as to incidents which the Commission may specifically direct and the Distribution Licensee shall be obliged to comply with the same notwithstanding that such incidents are not Major Incidents; provided that the time limits specified in clause 24.3 shall commence from the date that the Commission notifies Distribution Licensee of such requirement.
- (8) The Licensee shall also undertake such studies as the Commission may direct it to undertake from time to time for the improvement of the Distribution Business and any other matter concerning the Distribution Business that the Commission considers necessary in the public interest. Such expenses shall be included in determination of aggregate revenue requirement.

## **25. Responsibilities of Distribution Licensee**

- (1) The Distribution Licensee shall as soon as practicable report to the Commission:
  - (a) Any significant change in his circumstances which may affect the Distribution Licensee's ability to meet his obligations under the Act, the Rules and the Regulations there under;
  - (b) Any material breach, or likelihood thereof, of the provisions of the Act, the Rules and the Regulations there under, directions and orders issued by the Commission, agreement or the Licence, which was reasonably within his knowledge, along with the reasons therefore, as soon as practicable;
  - (c) Any change in management control or major change in the shareholding pattern of the Distribution Licensee; and
  - (d) The Commission would conduct/get conducted any enquiry into the technical, commercial and financial management of Licensed Business as and when the Commission decides necessary and appropriate.
- (2) The Distribution Licensee shall always comply with the provisions of the Codes as stated below:-

- (a) The Distribution Licensee shall comply with the electricity Supply Code approved and amended by the Commission from time to time.
- (b) If a Licensee is unable to comply with the Electricity Supply Code, the Licensee shall make a submission of application to that effect citing appropriate reasons. The Commission may allow the Licensee a fixed time to meet the Code requirements, fixing the deviations approved, if the Licensee submits a proper plan for achieving the standards within a reasonable time frame. Upon submission of the application and plan by the Licensee, the Commission may, in consultation with any affected consumers, and issue directions relieving the Distribution Licensee of obligation under sub-clause 25.2 (a) in respect of such parts of the Joint Electricity Regulatory Commission (**Electricity Supply Code**) Regulations, 2010 and to such extent as may be directed by the Commission.
- (c) The Distribution Licensee shall make available to any person requesting it, copies of the Electricity Supply Code in force at the relevant time, at a price not exceeding the reasonable cost of duplicating it.
- (d) The Standards of Performance Regulations include:
  - (i) Guaranteed Standards for consumer related services, quality, continuity and reliability of power supply subject to compensation to affected person;
  - (ii) Overall Standards of Performance for consumer related services, efficiency indicators and quality, continuity and reliability of services by Licensee; and
  - (iii) Performance reporting requirements.
- (e) The Distribution Licensee shall compile the following manuals as specified in the Standards of Performance Regulations (2.2) for review by the Commission within 12 months of the grant of this Licence:
  - (i) Contingency procedures for major incidents on the distribution system.
  - (ii) Construction & Maintenance Manual for 33 KV Lines, 11 KV Lines, LT Lines, 33 KV sub-station, 11 KV Pole Mounted sub-stations
  - (iii) Preventive Maintenance Schedule and Inspection Manual for various line and sub-station equipment installed in the distribution system.
  - (iv) Safety Manual taking into consideration the safety requirements for the construction, operation and maintenance of electrical plants and electric lines as may be specified by the Central Electricity Authority under clause (c) of Section 73 of the Act.

- (f) The Commission may, having regard to any written representations and objections received and following such further consultation as the Commission may consider appropriate, issue directions relaxing the standards mentioned in the above clauses in such manner as may be given in the directions. The Distribution Licensee shall duly comply with the directions of the Commission.
  - (g) The Licensee shall make available to any Person requesting it, copies of the Electricity Supply Code Regulations and Standards of Performance Regulations thereto in force at the relevant time, at a price not exceeding the reasonable cost of duplicating it.
  - (h) At the request of the Commission, the Licensee is required to participate and assist the Commission to the extent required by the Commission in the development, issue and review of any standards and procedures approved by the Commission.
  - (i) The Licensee shall, within 3 months of the end of each financial year, submit to the Commission information indicating the level of performance achieved by the Licensee's during the previous financial year including setting out the number of cases in which compensation was paid to persons in cases where the Licensee failed to meet specified standards.
  - (j) The Commission may evaluate the Licensee's compliance with the standards of performance and adherence to the codes, practices set fort.
  - (k) The Commission may, after consultation with the Licensees and other persons likely to be affected, specify and/or revise standards of performance of a Licensee or a class of Licensees. In case the Licensee fails to meet the standards specified by the Commission, without prejudice to any penalty which may be imposed or prosecution be initiated, it shall be liable to pay such compensation to the person affected as may be determined by the Commission. Provided that before determination of the compensation of any other specific cases, the concerned Licensee shall be given a reasonable opportunity of being heard. The compensation determined shall be payable by the Licensee within ninety (90) days of such determination.
- (3) The Licensee shall prepare, publicize and adhere to a Customer Charter detailing all the rights, entitlements and responsibilities of the consumers and obligations of the Licensee relating to supply of electricity including the Licensee's guaranteed service levels and other aspects of their relationship under the Act and other applicable law and Regulations. The Customer Charter shall include among other things approved consumer complaint handling procedure, consumer rights statement and consumer right to information.

## **26. Load Forecast and Purchase of Electrical Energy**

- (1) Subject to the foregoing clauses, the Distribution Licensee shall purchase electricity from the Generating Companies, Electricity Distributors and others as consented to by

the Commission in quantities which the Distribution Licensee considers sufficient to meet the expected demand of the Licensee's Consumers or where appropriate, such lesser quantities as the Generators and others are able to provide on account of shortage of available sources of electricity production, imports or supply.

- (2) In case of purchases of allocated share of electrical capacity and /or energy from the Central Sector Generation and inter-utility exchanges of electrical capacity and/or energy from the other Regional Electrical Boards, such processes as are stipulated by the Central Commission shall also be complied with in addition to directions and orders of the Commission.
- (3) An authorization required for purchase of additional capacity to the sanctioned capacities under Clause 26.1 & 26.2, shall be granted when the Licensee has demonstrated to the Commission's satisfaction that:-
  - (a) the additional electrical capacity and/or energy is necessary to meet the Licensee's service obligation; and
  - (b) the Licensee has examined the economic, technical, system and environmental aspects of commercially viable alternatives to the proposals for purchasing additional electrical capacity and /or energy (including arrangements for reducing the level of demand following the demand side management measures) and such examination has been carried out in a manner approved by the Commission.
- (4) The Licensee shall not purchase electrical capacity and / or energy without an authorization granted by the Commission except for short duration purchases for less than 6 months. The Licensee shall in all circumstances purchase electrical capacity and/or energy in an economical and efficient manner under a transparent procurement process as approved by the Commission.
- (5) The Distribution Licensee shall, within three months after the Licence has come into force or such other time as the Commission may allow, prepare and submit to the Commission for approval, a disaster management plan, to address emergencies that may arise in connection with the operation of the Distribution Licence. For purposes of this clause, an emergency shall mean any condition and/or situation that materially and adversely:-
  - (a) affects the ability of the Licensee to maintain safe, adequate and continuous operation of all or any part of the Licensed Business; or
  - (b) endangers the security of any person, plant, or other life, equipment or property.

## **27. Consumer Grievance Redressal**

- (1) The Distribution Licensee shall institute and operationalise suitable Consumer Grievance Redressal Forum(s) in accordance with Joint Electricity Regulatory

Commission for Manipur and Mizoram (Consumer Grievance Redressal) Regulations, 2010.

## **28. Consumers' Right to Information**

A Licensee on request of the consumer, to the extent that is reasonably available to the Licensee shall provide:-

- (1) information on all services provided by the Licensee including information on the charges or alternative tariff schemes which may be available to the consumers;
- (2) information on meter readings for the electricity services provided to the consumer premises by the Licensee; and
- (3) information on the status of the consumer's account with the Licensee.

## **29. Consumer Rights Statement**

- (1) The Distribution Licensee shall, within three (3) months from the date of commencement of the Licence or within three (3) months from the date of notification of these Regulations, whichever is later, prepare and submit to the Commission for approval, a consumer rights statement, explaining to consumers their rights as consumers served by the Distribution Licensee.
- (2) The Commission may, upon holding such consultation with such persons or bodies of persons who the Commission considers as representing the interests of consumers likely to be affected by it, make such modification to such consumer rights statement, as it considers necessary in public interest.
- (3) The Distribution Licensee shall provide a copy of the consumer rights statement, as approved by the Commission, free of charge, to all consumers to be served by it.
- (4) The Distribution Licensee shall put up a copy of the consumer rights statement on its internet website.

## **30. Network Rollout**

The Distribution Licensee shall adhere to the network rollout plan as approved by the Commission.

**CHAPTER-V**  
**SPECIAL TERMS AND CONDITIONS OF LICENCE**

**31. Approval of Investments:**

- (1) The Distribution Licensee shall submit its Capital Expenditure Plan to the Commission three (3) months before the commencement of the financial year.
- (2) The Distribution Licensee shall duly comply with the directions and orders the Commission may issue from time to time in regard to the investments to be made in the Distribution Business.
- (3) The Distribution Licensee shall make all investments in a prudent manner being guided by the duty to build, maintain and operate an efficient, co-operated and economical Distribution System in its area of distribution.
- (4) The Distribution Licensee shall submit a Business Plan for ensuing five years within three months of Distribution Licence coming into force and update such a plan annually. The Business Plan shall contain year wise projected load growth, distribution loss reduction, along with specific action plan, metering plan for metering interface points, investment plan, treatment of previous losses, cost reduction plan, projected profit and loss account, projected balance sheet, cash flow statement and important financial parameters for each of the five year period.
- (5) The Commission may require the Distribution Licensee to intimate by the end of first quarter of each financial year the progress made in implementing the Business Plan of the previous financial year with the comparison of actual implementation vis-à-vis the Plan as approved by the Commission.
- (6) The Distribution Licensee shall submit to the Commission a five year rolling Investment Plan as a part of the Business Plan under clause 31.4 above giving details of investment schemes to be undertaken during the concerned period for the approval of the Commission. The Distribution Licensee shall demonstrate to the satisfaction of the Commission that:-
  - (a) there is a need for such investments in the Distribution System contained in the investment Plant;
  - (b) the Distribution Licensee has examined the economic, technical, system and environmental aspects of all viable alternatives to the proposal for investing in or acquiring new Distribution System assets to meet such need;
  - (c) the Distribution Licensee has consulted all the concerned Licensees including the State Transmission Utility and concerned Distribution Licensees and forward the views expressed by such persons.

- (7) The Distribution Licensee shall intimate, by the end of the first quarter of each financial year
  - (a) the annual investment plan with details of investments to be carried out during the financial year and
  - (b) the progress made in implementing the annual investment plan of the previous financial year with the comparison of actual implementation vis-à-vis the plan as approved by the Commission for the concerned period.
- (8) The Licensee seeking approval of the investment plan shall furnish information, particulars and documents as may be required by the staff, consultants and experts appointed by the Commission for the purpose and allow them access to the records and documents in possession or custody of the Licensee or over which he has any power.
- (9) The Distribution Licensee shall invite and finalise tenders for procurement of equipment, material and/or services relating to major investments, in accordance with a transparent tendering procedure as specified by the Licensee.
- (10) The Distribution Licensee shall not undertake schemes involving Major Investments, not covered under the Investment Plan approved by the Commission under clause 31.6 above without the prior approval of the Commission, and for such approval the Distribution Licensee shall demonstrate to the satisfaction of the Commission the factors mentioned in clause 31.6 above.
- (11) For the purposes of clause 31.10, the term “Major Investment” means any planned investment in or acquisition of Distribution facilities, the cost of which, when aggregated with all other investments or acquisition (if any) forming part of the same overall transaction, equals or exceeds an amount of Rupees one crore or otherwise decided by the Commission from time to time by general or special order.
- (12) The Distribution Licensee shall be entitled to make Investments in the Distribution Business other than those covered under the Investment Plan submitted as provided above but for the purposes of considering such Investment while determining the tariff, the Distribution Licensee shall satisfy the Commission that the Investment was required for the Distribution Business and such investment was made in an efficient, co-ordinated and economical manner.
- (13) The Distribution Licensee shall submit to the Commission along with the Annual Revenue Requirement filed under Section 62 of the Act, the highlights of the annual investment plan consisting of those schemes approved by the Commission, schemes submitted before the Commission for approval and all schemes not requiring approval of the Commission but planned for the ensuing financial year and shall make investments in the said financial year in accordance with the said investment plan.

- (14) Provided also that if on account of unforeseen circumstances the Distribution Licensee is required to make investments in a scheme, which does not find a place in the annual investment plan, the Distribution Licensee may do so if the same is not a major investment and subject to the conditions contained in clause 31.9 above.

### **32. Transfer of Assets**

- (1) The Distribution Licensee shall not, in a single transaction or a set of related transactions, transfer or relinquish Operational Control over assets whose book value at the time of the proposed Transfer exceeds Rupees five crores or the amount decided by the Commission in the Special conditions applicable to the Distribution Licensee or otherwise by a general or special order, without complying with the conditions stipulated in this Regulation 32.
- (2) The Distribution Licensee shall give to the Commission prior written notice of its intention to transfer or relinquish Operational Control over any asset whose value exceeds the amount decided by the Commission as per clause 32.1 above and the Distribution Licensee shall disclose all relevant facts in the communication to the Commission. The Commission may, within 30 days of the receipt of the notice, seek further information in support of the transaction if any such further information is considered necessary and shall, within 30 days of such further information being submitted by the Distribution Licensee, and where no such further information is sought by the Commission as above, within 60 days of the filing of the application, approve the Transfer arrangement subject to such terms and conditions or modifications as is considered appropriate or reject the same, for reasons to be recorded in writing in the order to be issued by the Commission.
- (3) The Distribution Licensee may transfer or relinquish operational control over any asset as is detailed in any notice given under clause 32.2 where:-
- (a) the Commission confirms in writing that it approves such Transfer or relinquishment of Operational Control subject to such conditions as the Commission may impose; or
  - (b) the Commission does not inform the Distribution Licence in writing of any objection to such Transfer or relinquishment of Operational Control within the notice period referred to in condition 32.2 and the transfer is effected by transparent and competitive bidding Procedures.
- (4) The Distribution Licensee may also transfer or relinquish Operational Control over any asset where:-
- (a) the Commission has issued directions for the purposes of this Regulation 32 containing a general approval (whether or not subject to conditions) to :-
    - (i) the transactions of a specified description, and/or

- (ii) the transfer or relinquishment of Operational Control over assets of a specified description, and/or
    - (iii) the transfer or relinquishment of Operational Control is in accordance with any conditions to which the approval is subject; or
  - (b) the transfer or relinquishment of Operational Control in question is mandated under any other law; or
  - (c) the asset in question was acquired and used by the Distribution Licensee exclusively or primarily in connection with any Other Business and does not constitute a legal or beneficial interest in land, or otherwise form part of the Distribution System or is not otherwise an asset required for the Licensed Business.
- (5) The Distribution Licensee will be entitled to utilize the assets as a means of facilitating financing of its investment requirement or including collateral for debt financing, securitization of receivables subject to the conditions:-
- (a) that the Distribution Licensee will inform the Commission about such arrangements at least 15 days ahead of the effective date of the relevant agreements;
  - (b) the Distribution Licensee acts in a prudent and reasonable manner in such utilization of assets; and
  - (c) the Distribution Licensee retains Operational Control over assets in the Distribution System.
- (6) Notwithstanding anything contained in this Regulation in case of any emergency, the Distribution Licensee may provide the assets subject to the condition that the Distribution Licensee shall immediately after such a transaction seek post-facto approval of the Commission giving the detailed facts about the situation and the details of the transaction. It shall be the obligation of the Distribution Licensee to establish to the satisfaction of the Commission of the occurrence of any emergency necessitating the transfer of the assets.

### **33. Amendment of Licence**

- (1) The Commission may amend or alter the terms and conditions of the Licensee at any time it deems fit in the public interest or on the application of the Licensee or otherwise.

Provided however that no such alterations or amendments shall be made except with the consent of the Licensee unless such consent has, in the opinion of the Appropriate Commission, been unreasonably withheld.

Before any amendment or alterations are made in the terms and conditions the Licence under these Regulations, the following provisions have effect, namely:-

Where the Licensee has made an application under Sub-Section (1) proposing any alteration or modifications in his Licence, the Licensee shall publish a notice on such application with such particulars and in such manner as specified in clause 33.2 of these Regulations.

- (2) A notice pursuant to clause 33.1 above of these Regulations shall be published by the Licensee in two successive publications in not less than two (2) daily English language newspapers and two (2) daily vernacular language newspapers having wide coverage in the area of supply within a period of seven (7) days from the date of application for alterations or amendments and shall contain the following particulars:-
  - (a) Name of the Distribution Licensee and Address of main Officer in the Area of Supply;
  - (b) Description of alteration or amendment for which application has been made to the Commission;
  - (c) Rationale for the proposed alteration or amendment and persons likely to be affected thereby;
  - (d) The Name, Addresses and Other necessary details of the person(s) under the control of the Distribution Licensee at the respective main city/town with whom the application can be inspected or from whom it can be purchased in person or by post at reasonable charges, not exceeding Rs. 100/-, and the website of the Distribution Licensee from where the application along with necessary documents can be downloaded free of cost;
  - (e) A statement that any person, desirous of making any suggestion or objection with reference to the application or alteration for amendment, may do so by way of a written intimation (six copies) addressed to the Secretary of the Commission to be received within 30 days of the first publication.
- (3) Where any alterations or modification in the Licence is to be made otherwise than on the application of the Licensee the Commission shall publish the proposed alteration or modification with such particulars and in such manner as specified below.
- (4) A notice under clause 33.3 of these Regulations as above shall be published by the Commission in not less than two (2) daily English Language newspaper and two (2) daily vernacular language newspaper having wide coverage in the Area of Supply. The notice shall contain the following particulars:-
  - (a) Name of the Distribution Licensee and Address of main Office in the area of supply;
  - (b) Description of alteration or amendment proposed to be made by the Commission;

- (c) Rationale for proposed alteration or amendment and persons likely to be affected thereby;
  - (d) A statement that any person, desirous of making any suggestion or objection with reference to the proposal for amendment may do so by way of written intimation (six copies) addressed to the Secretary of the Commission to be received within 30 days of the first publication of the notice.
- (5) In case the modification or alteration proposed in the area of supply comprising the whole or any part of any cantonment, aerodrome fortress, arsenal, dockyard or camp or any building or place in the occupation of the Government for defense purposes, the Appropriate Commission shall not make any alterations or modifications except with the consent of the Central Government.
- (6) The Commission shall not make any modification or alteration unless all suggestions or objections received within thirty days from the date of the first publication of the notice have been considered.

#### **34. Revocation of Licence**

- (1) Subject to the provisions of Section 19 of the Act and the Regulations framed there under, the Commission may, at any time initiate proceedings suo-moto, or on receiving any complaint or information from any person against the Distribution Licensee for revocation of the Distribution Licence and if satisfied in such proceedings on the following grounds for revocation duly considering the public interest, revoke the Distribution Licence:
- (a) where the Distribution Licensee in the opinion of the Commission, makes willful and prolonged default in doing anything required of him by or under this Act or the rules or Regulations made thereafter;
  - (b) where the Distribution Licensee violates any of the terms or conditions of his Licence the breach of which is expressly declared by such Licence to render it liable to revocation;
  - (c) where the Distribution Licensee fails, within the period fixed in this behalf by his Licence, or any longer period which the Commission may have granted therefore:
    - i) to show, to the satisfaction of the Commission, that he is in a position to fully and efficiently discharge the duties and obligations imposed on him by his Licence; or
    - ii) to make deposits or furnish the security, or pay the fees or other charges required by his Licence.

- (d) where in the opinion of the Commission, the financial position of the Distribution Licensee is such that he is unable to fully and efficiently discharge the duties and obligations imposed on him; and
  - (e) where the Distribution Licensee has failed to comply with all the Regulations, codes, and standards and also orders and directions of the Commission or otherwise has committed an act which renders the Distribution Licence revocable on any other ground specified in the Act or the Rules or Regulations framed there under.
- (2) The Commission shall give notice of the proceedings for the revocation of the Licence to the Licensee and to such other person, authority or body as the Commission may consider necessary.
  - (3) Subject to the provisions of Act, and the procedure contained therein, the inquiry by the Commission for revocation of the Licence, in so far it is applicable, shall be in the same manner as provided in the Conduct of Business Regulations.
  - (4) Provided that the Licensee shall be given not less than three months notice in writing to show cause against the proposed revocation and the notice to show-cause issued to the Licensee shall clearly state the grounds on which the Commission proposes to revoke the Licence.
  - (5) If the Commission decides to revoke the Licence, the Commission shall communicate the order of revocation to the Licensee stating the effective date from which such revocation shall take effect.
  - (6) The Commission may instead of revoking the Licence pass any other order imposing temporary ban under such terms or conditions as it may consider appropriate subject to which the Licensee shall be permitted to operate thereafter.
  - (7) Where the Commission has given notice for revocation of Licence, the Licensee may, after prior approval of the Commission, sell the undertakings of the Licensee to a person who is found eligible by the Commission for grant of Licence, without prejudice to any proceeding which may be initiated or any penalty which may be imposed against the person whose Licence is revoked.
  - (8) The Area of Supply of the Distribution Licensee shall be the area as specified in the Licence and subject to such requirements and conditions as laid down by the Commission.

### **35. Suspension of Licence**

- (1) Subject to the provisions of Section 24 of the Act, when the Commission is of the opinion that the Distribution Licensee:

- (a) has persistently failed to maintain uninterrupted supply of electricity conforming to the Standards of Performance Regulations regarding the quality of supply;
- (b) is unable to discharge the functions or perform the duties imposed on it by or under the Act;
- (c) has persistently defaulted in complying with any direction given by the Commission;
- (d) has violated the terms and conditions of Licence;

and circumstances exist which render it for necessary for it public interest so to do, the Commission may, for reasons to be recorded in writing, suspend, for a period not exceeding one year, the Licence of the Distribution Licensee and appoint an Administrator to discharge the functions of the Distribution Licensee in accordance with the terms and conditions of Licence.

- (2) Provided that before suspending a Licence under this Section, the Commission shall give a reasonable opportunity to the Distribution Licensee to make representations against the proposed suspension of Licence and shall consider the representation, if any, of the Distribution Licensee. Upon suspension of Licence under clause 35.1, the utilities of the Distribution Licensee shall vest in the Administrator for a period not exceeding one year or up to the date on which such utility is sold in accordance with the provisions contained in Section 20 of the Act, whichever is later.
- (3) The Commission shall, within one year of appointment of the Administrator under clause 35.1 either revoke the Licence in accordance with the provisions contained in Section 19 or revoke the suspension of the Licence and restore the utility to the Distribution Licensee whose Licence had been suspended, as the case may be.
- (4) In a case where the Commission revokes the Licence under clause 35.3, the utility of the Distribution Licensee shall be sold within a period of one year from the date of revocation of the Licence in accordance with the provisions of Section 20 of the Act and the amount realized after deduction the administrative and other expenses on the sale of utilities be remitted to the Distribution Licensee.

### **36. Calculation of Revenue Requirements, Tariff and Government Subsidies**

- (1) The Licensee shall charge consumer for the supply of electricity by him in accordance with the Tariff Order issued by the Commission from time to time.
- (2) The Licensee shall file application for determination of Tariff by the Commission as per the Regulations issued by the Commission.
- (3) The Licensee shall follow the methodology and calculate the Revenue Requirements including the charges/expenses which it is allowed to recover in accordance with part

VII (Tariff) of the Act, and Regulations and guidelines issued by the Commission and terms & conditions of his Licence.

- (4) Notwithstanding anything contained in this clause, the Commission shall adopt the Tariff of the Licensee if it has been determined in terms of Section 63 of the Electricity Act, 2003 through a transparent process of bidding in accordance with the guidelines issued by the Central Government. The Commission may however call for such information from these Licensees as it may require from time to time.
- (5) If the State Government requires the grant of any subsidy to any consumer or class of consumers in the Tariff determined by the Commission, in consistence with the provision of Section 65 of the Act the State Government shall, notwithstanding any direction which may be given under Section 108 of the Act, pay, in advance and in such manner as may be specified by the Commission, the amount to compensate the Licensee or any other person affected by the grant of subsidy in the manner the Commission may direct.

Provided that no such direction of the State Government shall be operative if the payment is not made in accordance with the provisions of the Act and specifications of the Commission, and the Licensee shall charge to the consumers the Tariff fixed by the Commission from the date of issue of Orders by the Commission in this regard.

### **37. Dispute Resolution**

- (1) The Commission shall adjudicate on the dispute or nominate person(s) as arbitrator(s) to settle disputes between the Distribution Licensee and any other Licensees or between the Distribution Licensee and a generating company or between a Distribution Licensee and an open access consumer in pursuance of Clause (f) of Sub-section (1) of the Section 86 read with Section 158 of the Act and the Regulations of the Commission.
- (2) The proceedings for adjudication and settlement of disputes under clause 37.1 above may be commenced and conducted by the Commission or the disputes may be referred to the arbitration of others, as the case may be, in accordance with the Conduct of Business Regulations specified by the Commission.

### **38. Contravention by Licensee**

The Commission may pass such orders as it thinks fit in accordance with the provisions of the Act and these Regulations if there is a contravention or likely contravention of the terms and conditions of Licence by the Licensee.

**CHAPTER-VI**  
**MISCELLANEOUS CONDITIONS AND PROVISIONS**

**39. Miscellaneous Conditions**

- (1) All issues arising in relation to interpretation of the General and Special Terms & Conditions of this Regulation, shall be a matter for the determination of the Commission and the decision of the Commission on such issues, shall be final, subject only to the right of appeal under Section 111 of the Act.
- (2) The Commission may at the time of grant of Distribution Licence, waive or modify the application of any of the provisions of this Regulation, if it is in the public interest to do so in the opinion of the Commission, to be recorded in writing, either in the order granting the Licence or by Special Conditions made applicable to a specific Distribution Licensee.
- (3) The Commission may grant a Licence to another person for distribution of electricity through its own distribution system within the same Area of Supply of a Distribution Licensee provided that the person applying for grant of subsequent Licence:-
  - (a) Complies with the additional requirements (including the capital adequacy, credit-worthiness, or code of conduct) prescribed by the Central Government;
  - (b) Satisfies the Commission of its ability (technical and financial) to undertake the Licensed Business; and
  - (c) Complies with all Regulations, performance standards, guidelines and norms specified.
- (4) The Distribution Licensee shall not show undue preference to any person or Licensee in the Distribution of Electricity or rendering of services in its area of activity. The Distribution Licensee shall not be held to have shown undue preference if any differentiation of the consumer or other Licensees occurs as a result of any order of the Commission or the order of the State Government in regard to a subsidy payment under Section 65 of the Act.
- (5) The Distribution Licensee shall not sell, supply or otherwise dispose of electricity to any person, except in accordance with his Licence, on the tariffs and terms and conditions as approved by the Commission.
- (6) The Distribution Licensee shall be entitled to:-
  - (a) Sell electricity or energy capacity contracted for such period and to the extent of electricity or capacity not required by the Distribution Licensee for the discharge of his obligations to supply electricity in the area of supply, subject to prior approval of the Commission.

- (b) Utilise the soil, subsoil and areas pertaining to public rights of way, streets, public squares and other assets in the public domain, as well as to cross rivers, bridges, railways, electrical and communication lines, subject to the provisions of Section 67 of the Act.
- (7) The Distribution Licensee shall be permitted to enter premises –
- (a) In accordance with Section 163 of the Act, the Licensee or any person duly authorized by the Licensee may, at any reasonable time, and on informing the occupier of his intent, enter any premises to which supply has been made or over which electric lines and works have been lawfully placed for the purpose of
    - (i) inspecting, testing, repairing or altering electric supply lines, meters fittings belonging to the Licensee; or
    - (ii) ascertaining the amount of electricity supplied; or
    - (iii) removing such lines, fittings works where electricity supply is not required; and
    - (iv) overall checking of the installations.
  - (b) In the event of refusal of entry, the Licensee or its authorized person may give a notice of not less than twenty four hours in writing to the occupier for entering any premises for purposes mentioned in this sub-clause and also express its intention to disconnect the supply.
  - (c) On refusal of entry by the occupier of the premises, the Licensee may, after the expiry of twenty four hours from the service of notice in writing on the consumer, cut off power supply till such time the refusal continues but for no longer.
- (8) The Distribution Licensee shall have the power and authority to –
- (a) disconnect the supply to the consumers or premises in accordance with the provisions of the Electricity Supply Code Regulations issued by the Commission;
  - (b) take appropriate action, pursuant to Sections 126, 127, 135-140 of the Act, for :
    - (i) Metering at the point of supply of electricity;
    - (ii) Revenue realization;
    - (iii) Implementing credit control procedure;
    - (iv) Prosecution for theft;
    - (v) Prevention of meter tampering;

- (vi) Prevention of diversion of electricity;
  - (vii) Prevention of unauthorised use of electricity; and
  - (viii) All such similar matters affecting Distribution or Retail supply.
- (9) The Distribution Licensee shall be entitled to recover tariff, charges, fee etc. and require security deposit to be made for supply of electricity or for provision of services, in accordance with the provision of the Act and the Rules and Regulations for the purpose framed under the Act.
- (10) The Distribution Licensee shall also have the power and authority to disconnect electricity supply.
- (a) Where any person neglects to pay any charge for electricity or any sum other than a charge for electricity due from him to the Licensee in respect of supply, or distribution or wheeling of electricity to him, the Licensee may, after giving not less than fifteen clear days notice in writing, to such person and without prejudice to his rights to recover such charge or other sum by suit, cut off the supply of electricity and for that purpose cut or disconnect any electric supply line or other works being the property of the Licensee through which electricity may have been supplied, distributed or wheeled and may discontinue the supply until such charge or other sum, together with any expenses incurred by him in cutting off and reconnecting the supply, are paid, but no longer.

Provided that the supply of electricity shall not be cut off if such person deposits, under protest:-

- (i) an amount equal to the sum claimed from him, or
  - (ii) the electricity charges due from him for each month calculated on the basis of average charge for electricity paid by him during the preceding six months, whichever is less, pending disposal of any dispute between him and the Licensee.
- Notwithstanding anything contained in any other law for the time being in force, no sum due from any consumer, under this Section shall be recoverable after the period of two years from the date when such sum became first due unless such sum has been shown continuously as recoverable as arrear of charges for electricity supplied and the Licensee shall not cut off the supply of the electricity.
- (b) The Distribution Licensee may also disconnect, after serving proper notice, power supply to a consumer on any of the grounds stated in the clause 10.2 of the Joint Electricity Regulatory Commission for Manipur & Mizoram (Electricity Supply Code) Regulations, 2010.

- (11) The Distribution Licensee shall not, without prior permission of the Commission, give any subsidy or subvention to, or receive any subsidy or subvention from, any person or any Other Business of the Licensee.
- (12) The Distribution Licensee shall pay cross-subsidy surcharge in the manner specified by the Commission in accordance with the Regulations made under Sub-Section (2) of the Section 42 of the Electricity Act, 2003.
- (13) The Distribution Licensee shall maintain appropriate records and undertake such studies as the Commission may specify or direct to enable the Commission to reasonably determine or estimate, as the case may be, the Licensee's consumer base, cost of service and cross-subsidy surcharge payable by the Licensee.
- (14) The General and Special Terms & Conditions contained herein shall be applicable to all Distribution Licensee and Integrated Utilities of Manipur & Mizoram.

#### **40. Issue or Orders and Practice Directions**

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

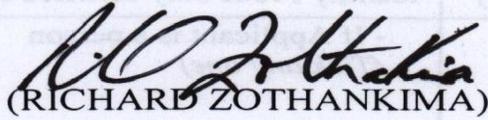
#### **41. Power to Remove Difficulties**

If any difficulty arises in giving effect to any of the provisions of these Regulations, the Commission may, by general or special order, do or undertake or direct the Licensees to do or undertake things, which in the opinion of the Commission is necessary or expedient for the purpose of removing the difficulties.

#### **42. Power to Amend**

The Commission may, at any time, add, vary, alter, modify or amend any provisions of these Regulations.

**By Order of the Commission**



(RICHARD ZOTHANKIMA)  
Assistant Secretary

**APPENDIX-1**  
**JOINT ELECTRICITY REGULATORY COMMISSION FOR THE STATES OF**  
**MANIPUR AND MIZORAM**

**Form – 1: Application Form for Distribution Licence in the States of**  
**Manipur and Mizoram.**

The applicant must submit the completed application in six copies to the Secretary/Assistant Secretary, Joint Electricity Regulatory Commission for Manipur and Mizoram, along with non refundable application fee of Rupees 20,000 in form of a Demand Draft drawn in favour of Secretary/Assistant Secretary, Joint Electricity Regulatory Commission for Manipur and Mizoram.

**PART-A: GENERAL INFORMATION OF APPLICANT**

1. Details of Applicant
  - a. Full Name of the Applicant :
  - b. Full Address of the Applicant :
    - (1) Registered Office Address
    - (2) Local Office Address
  - c. Contact Telephone Numbers :  
Fax Number(s) :  
Email ID :
2. Nature and Details of Ownership  
(If company or partnership or organization)
  - a. Company / Firm / Co-op Society/ :  
Individual / Others
  - b. Details of Incorporation / Registration  
Place of Incorporation / Registration :  
Year of Incorporation :  
Registration Number :
  - c. Names and Addresses of Directors :

3. Principal Shareholders / Partners :  
/ Members
  
4. Details of the Area of Supply for which :  
the Licence is sought
  - a. Boundaries of the Proposed Area :
  
  - b. Coverage of the Distribution Network :
  
  - c. Arrangement Proposed for Sourcing :
    - i. Voltages :
  
    - ii. Sources of Supply (Name of Supplier) :
  
    - iii. Quantum of Electricity Proposed :  
to be procured (Demand in MW  
and Energy in MU)
  
    - iv. Purchase price at which Electricity :  
is proposed to be procured
  
  - d. Supply of Power:
    - i. Voltages :
  
    - ii. Frequency :
  
    - iii. Categories of Distribution and Supply :
  
  - e. Method and manner of establishing a :  
forum for Redressal of consumer grievances
  
  - f. Funding arrangements (source and :  
application) to meet the obligations
  
5. Arrangement if any proposed with the existing Distribution Licensee in the area of  
distribution or supply
  
6. Arrangement with the Transmission Licensee and other Distribution Licensees for  
evacuation of Electricity
  
7. Arrangement, if any, with Generating Companies

8. Resume of the Organization giving details of
  - a. Management Capability
  - b. Financial Strength (Detail as in 12 is necessary for own business)
  - c. Detailed business Plan
  
9. Prior Experience (Details for Related Business for the past 3 years)  
*[To be filled in by the applicant or by each participant separately in case of JVC / consortium (As applicable)]*

<b>General Information</b>	
Name & Location of the project(s) developed / implemented	
Brief description of project(s) developed / implemented	
Cost of the project(s) developed / implemented – Rs. Lakhs.	
Name & Address of the Client company(s) for whom the project(s) were developed / implemented	
Name, Designation & Address of authorized person of Client Co(s)	

10. Details of the assets and facilities required for the Business
  - (i) Is the applicant acquiring existing assets or creating new assets ?
  - (ii) Funding of Acquisition

<b>FUNDING</b>	
Proposed means of finance	
Equity (Rs. Lakhs)	
Applicant	
Co-promoters	
Others	
Debt	
Domestic (Rs. Lakhs)	
Indian Financial Institutions	
Commercial Banks	
Others (specify)	
International (FC Million)	
Supplier's Credit	
Direct Borrowing	
Others (specify)	
Equivalent INR (with exchange rate used)	
Others	

<b>FUNDING</b>	
<p>In case asset procurement / project is proposed to be jointly funded by an external agency</p> <p>Name &amp; Address of the agency and contact details of the authorized person of the agency (<i>name, address, telephone / fax numbers, email etc.,</i> )</p> <p>Proposed equity from the agency (Rs. Lakhs)</p> <p style="padding-left: 40px;">Agency's equity as a percentage of total equity (%)</p> <p style="padding-left: 40px;">Nature of proposed tie-up between applicant and the other Agency.</p>	
<p>Details of debt proposed for asset procurement / project</p> <p style="padding-left: 40px;">Details of Lenders (<i>names &amp; addresses</i>).</p> <p style="padding-left: 40px;">Details of loan packages indicating the loan amount, currency, term of loan, interest rate, up-front fees, commitment charges etc.</p> <p style="padding-left: 40px;">Whether any guarantee is being sought for the loans from any agency? if yes, provide details</p>	Yes/ No

<b>EPC</b>	
<p>Whether the applicant is proposing to employ an EPC Contractor</p> <p>If yes, name, address &amp; contact details of the same.</p> <p style="padding-left: 40px;">Proposed contract value</p> <p style="padding-left: 80px;">Foreign currency</p> <p style="padding-left: 80px;">Equivalent INR (<i>with exchange rate used</i>)</p>	Yes / No

<b>OTHER CONTRACTS</b>	
Whether the applicant is proposing to employ any contractor(s) for O & M work.  If yes, name, address & contact details of the same.  Period of the contract Details of the experience of the O & M contractor in similar business(es)	Yes / No

*Note:*

1. *Consent letters of the other agencies & contractors to be associated with the applicant for the above project to be enclosed.*
2. *Necessary approvals and no objections to be obtained at appropriate time and forwarded to the Commission.*

11. Appropriate expertise (Personnel)

<b>Name of Personnel</b>	<b>Qualification</b>	<b>Specialisation</b>	<b>Years of Experience</b>	<b>Status in the Firm</b>
a.				
b.				
c.				
d.				
e.				

12. Financial Details of other business ventures of the applicant

*[To be filled in by the applicant or by each applicant separately in case of JVC / consortium (As applicable)]*

<b>GENERAL INFORMATION</b>					
Names of subsidiary business units			Products manufactured / services		
<b>FINANCIAL INDICATORS</b>					
Fixed assets					
Gross fixed assets					
Accumulated depreciation					
Net fixed assets					

Equity Promoters' Government / Financial Institutions Public Others					
<b>FINANCIAL INDICATORS</b>					
Liabilities Long Term					

Short Term					
Income Sale of Power Others					
Expenses Admin. & general expense Repairs & maintenance Employee cost Interest & financial charges Long Term Short Term Others					
Overall turnover (Rs. Lakhs)					
Profits & returns (Rs. Lakhs) Net Profits Dividends paid					
Operating ratios Return on Equity Return on Capital Coverage Employed Return on Net Fixed Assets					
Liquidity Ratio Debt Service Coverage Ratio Current Ratio Quick Ratio					
Capital Adequacy & Credit worthiness Debt / Networth Debt / Equity					
Turnover Ratio Total Asset Turnover Fixed Asset Turnover					

<b>GENERAL INFORMATION</b>		
Asset Base		
1.	33 KV Line	- Ckt Km
2.	33/11 KV Sub-Station	- KVA
3.	33/0.4 KV Sub-Station	- KVA
4.	11 KV Line	- Ckt Km
5.	11/0.4 KV Sub-Station	- Nos.
	1000 KVA	
	750 KVA	
	500 KVA	
	315 KVA	
	250 KVA	
	200 KVA	
	100 KVA	
	63 KVA	
	25 KVA	
	16 KVA	
	5 KVA	
6.	Over head Distribution Line	-
	3 Phase 5 Wire	- Ckt Km
	415 & 230 V. AC	
	3 Phase 4 Wire	- Ckt Km
	2 Phase 3 Wire	- Ckt Km
	1 Phase 2 Wire	- Ckt Km

Metering Status	
Metered consumers (as a % of total consumers)	
Billing Status	
Billing (as a % of total input)	
Estimated losses	
Technical losses (%)	
Commercial losses (%)	
Revenue realization	
Revenue realization per unit sale (Rs./ Unit) collection	
Efficiency (%)	

## **PART-B: LIST OF DOCUMENTS TO ACCOMPANY LICENCE APPLICATION**

1. Information relating to previous-/existing Licence (if any), of the applicant with copy of Licence / Sanction.
2. Copies of Company's Articles of Association, Memorandum of Association, Partnership deeds and similar constituted documents.
3. Certification of incorporation / registration.
4. Certification for commencement of business.
5. Original Power of Attorney of the signatory confirming the authorization from the applicant or its Promoter.
6. Details of Income Tax registration.
7. Data relating to management and financial capability
  - a. Managerial
    - i. Senior management's curriculum vitae
    - ii. Cadre strength for different categories (technical and non-technical)
  - b. Financial
    - i. Bank references affirming that the Applicant is financially solvent
    - ii. Most recent Annual Financial Statements (including Profit/Loss statement, Balance Sheet and Source and Application of Funds statement)
    - iii. Annual Audited Accounts for the past 3 years for the applicant and any Holding Company, Subsidiary or associated company
    - iv. Any accompanying notes and certifications on the above statements from a reputed chartered accountant
  - c. Any other documentary evidence to substantiate the financial capabilities, technical competence and others.
8. Data relating to the applicant's business proposals
  - i. Five year Business Plan (with projection) for the proposed business to which the application relates
  - ii. Five year annual forecasts of costs, revenues, project financing and funding arrangements (clearly specifying the assumptions involved)

9. Detailed maps of the proposed area of distribution
  - i. Detailed electrical distribution map (including information on substations and configuration of the system) and geographical map for the proposed area of distribution, drawn to scale of not less than 10 Cms to a Km or any other scale as may be approved by the Commission.
  - ii. The map shall clearly distinguish between the existing system and new facilities that shall be required for meeting the obligation to supply
  - iii. A list of all local authorities vested with the administration of any portion of the area of Distribution from whom any statutory clearances are required.
10. No objection certificates to distribute or supply in an area from the Central Government as per Section 15(2) (ii) of the Electricity Act 2003 or an acknowledgement for filling of the application with the Central Government seeking such approval.
11. An approximate Statement describing any land, which the Applicant proposes to acquire for the purpose of the licence and the means of such acquisition.
12. Acknowledgement of service of the copy of the application with the annexures and documents to the State Transmission Utility

Date

Signature of the Applicant

**APPENDIX-2**  
**JOINT ELECTRICITY REGULATORY COMMISSION FOR**  
**THE STATES OF MANIPUR AND MIZORAM**

**PROFORMA OF PUBLICATION OF LICENCE (UNDER REGULATION 12)**

**NOTICE**

Notice is hereby given to all the interested persons that Mr/Mrs. .... (Name and address of the applicant) has applied to the Joint Electricity Regulatory Commission Manipur and Mizoram (the Commission) for grant of licence for ..... (Nature of the licence) in the State of Manipur/Mizoram. The application and other documents filed by the applicant can be inspected at the office of the applicant, at ..... at the copies of the same will be available from the applicant for a price not exceeding the normal photocopy charges.

Any person interested in objecting to or otherwise making representation in regard to the grant of licence may forward the objections/representation with the Commission in two ..... copies by hand delivery or by registered post and should serve a copy of the objection/representation of Mr/Mrs ..... at the address mentioned above.

The person filing the objection/representation should give the following particulars.

1. Name and full address
2. Grounds/reasons in support of the objection/representation together with documents or evidence, if available
3. Whether he wish to be heard in person or through authorized representative at the time of hearing.

**APPENDIX-3**  
**JOINT ELECTRICITY REGULATORY COMMISSION FOR**  
**THE STATES OF MANIPUR AND MIZORAM**

**DISTRIBUTION LICENCE**

1. The Joint Electricity Regulatory Commission (hereinafter referred to as “Commission”), in exercise of the powers conferred under Section 14 of the Electricity Act, 2003 (hereinafter referred to as “Act”), hereby grants the Licence to M/s ..... (hereinafter referred to as the Licensee) to construct, maintain and operate a distribution system and supply electricity in ..... (Name of Area of Supply), more specifically described in the schedule attached to his Licence, which shall be read as a part and parcel of this Licence, subject to the Act, the Rules and the Terms and Conditions specified under the Joint Electricity Regulatory Commission for Manipur and Mizoram (Terms and Conditions for Granting a Distribution Licence and other Related Matters) Regulations, 2010 which shall be read as part and parcel of this Licence.
2. Wherever there is a contradiction between the terms and conditions contained in this Licence and the Distribution Service Agreements established under Regulation 27 or customer supply agreements under Regulation 26 of these Regulations, the provisions of this Licence, as amended from time to time, shall apply.
3. This Licence is not transferable.
4. The grant of Licence to the Licensee shall not in any manner restrict the right of the Commission to grant a Licence to any other person within the same area for the Distribution System other than the Project or Area of Distribution described in the schedule attached to this Licence. The Licensee shall not claim any exclusivity.
5. The Licence shall, unless revoked earlier, continue to be in force for a period of 25 (twenty five) years from the date of issue.