

Model Solution for Paper-1st (Works Account)

Model Solution to Question-1st:-

(a):- 1. **Account code 13.103:-Accumulated Depreciation on Lease-hold Assets:-** Annual charge of depreciation on lease hold assets is credited to this account code per contra debit to account code 77.110. The balance under this account code represents accumulated depreciation on lease hold assets. This account code is debited at the time of transfer/return of lease hold asset to leassor/owner.

2. **Account code 20.292:-Leassor Rental Receivable (Investment):-** This account code is debited with the gross amount computed on the basis of incremental borrowing rate at the time of de-recorganizing an asset given on lease and credited at the time of receipt of lease rental.

(b) As per Reg-37.4(vii & ix) of CEFA in cases where the service to be paid for is not susceptible of measurement, such as octroi, municipal taxes, electric charges, railway freight etc or where it is not possible to determine the quantity of work done, entries need not be made in Measurement books.

Further petty purchases upto Rs.300 in each case made from local bazaar for which payments have to be made immediately, payments for washing clothes belongs to a rest house or dispensary have to made immediately, no need to make entry in measurement books in such cases also.

(c) **Supervision Charges:-** This term in relation to stores is applied ordinarily to the charges which are levied in addition to book value and storage charges, in respect of stock material sold or transferred and are intended to cover such items of the expenditure incurred on the stores as do not enter their book value and are not included in the storage charges.

Issue of stock material to contractors for bonafide use on work are exempt from the usual charges of 10% on account of supervision which is made when stock material are sold to the public

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Model Solution to Question-2nd:-

(a) Capital Work in progress Account:- Account code-14:-

All costs of assets under construction/under installation is recorded in accounts in account code-14.

14.1 for land, 14.2 for Buildings, 14.3 Hydraulic Works, 14.4 Other civil Works, 14.5 for Plant & Machinery, 14.6 for Lines, cable network etc., 14.7 for vehicles, 14.8 for Furniture & Fixtures, 14.9 office equipments, capital expenditure resulting in an asset not belonging to the PSPCL, spare/service units, capital spares at Generating stations, Assets taken over from Licensees pending valuation

On commissioning of assets the cost is transferred to appropriate asset head in account group 10 or 11 under which parallel account codes have been prescribed.

In Account code 14.45 PCC poles manufactured in pspcl own PCC poles factories are accounted for.

In Account code 14.46 materials for use in the manufacture of items/pcc poles in PSPCL workshops is booked to this account head and credit of manufactured poles afforded. The cost of unused material/jobs in process lying at the close of manufacture estimate is credited to this account per contra debit to GH-22 to be reversed in the next year estimate.

- (b) As per Reg. 3.18 of CEFA the Divisional officer should keep a constant watch over the progress expenditure and keep himself informed of such circumstances as may affect the progress of expenditure, in order to take early steps for obtaining extra funds or surrendering probable savings as may be necessary. For this purpose the plan indicated below should be followed:-

1. The progress of expenditure on works or other items for which there are specific appropriations should be watched individually month by month through the Register of works and other relevant accounts.

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2. In respect of works or items for which lump sum appropriation are placed at the disposal of Divisional officer he should watch the progress of expenditure against appropriations by the maintenance of a record

(i) Of the expenditure in the form of a progressive abstract showing , month by month the up to date expenditure of the year and

(ii) Of the grants in the form of a register showing the appropriations and re-appropriations ordered from time to time.

3. The effect of un-discharged liabilities on individual and lump sum appropriations should be carefully watched.

(c) As per Reg 11.9 of CEFA Interest receivable by the PSPCL on advances to suppliers and contractors for capital supply/works shall not be deducted from cost of assets purchased or constructed but should be credited to Revenue Account as an income for the year in which the interest income accrues.

So, suggestion of Divisional Officer in this case is not in order and not as per rules/regulations.

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Model Solution to Question-3rd:-

- (a) As per Reg 23.4 (iv) and (v) of CEFA Gain or loss arising on sale of capital assets is treated as a revenue item. The gain is credited to Revenue Account for the year in which the asset is sold and the loss on sale of capital asset is debited to the Revenue Account for the year in which the asset is sold.

Further gain on the sale of assets is treated as revenue item only to the extent of total depreciation charged on the sold asset. Gain if any in excess of the accumulation depreciation charged by the PSPCL on the sold asset is treated as a capital gain and credited to Capital Reserve Account code 56.2

- (b) As per purchase Regulation Schedule-E Reg.-27 if at any time any question, dispute or difference between the purchaser PSPCL and the contractor/supplier upon or in relation to or in connection with the purchase order/contract either party may forthwith give to the other notice in writing of the existence of such question dispute or difference and same is referred to the sole arbitration as per the provision of the Indian Arbitration Act who shall give a reasoned/speaking awards. The award of the sole arbitrator shall be final and binding on the parties.

- (c) As per Chapter 3 of IUT Manual, In case of loss of U-cheque in transit reported by the AU in whose favour it is issued, a certificate will be issued by the issuing AU. On the basis of this certificate the receiving AU will pass necessary entries in his U-cheque cash book Account.

So, in this case issue of U-cheque again by Division "X" is not in order. Only prescribed certificate need to be issued to other Division

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(d) Basic principles of Management:-

1. Division of Work.
2. Balancing Authority and Responsibility.
3. Discipline.
4. Unity of Command.
5. Unity of Direction.
6. Subordination of Individual Interests to the General Interest.
7. Remuneration.
8. Centralization.
9. Scalar Chain.
10. Order.
11. Equity.
12. Stability of Tenure of Personnel.
13. Initiative.
14. Esprit De Corps.

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Model Solution for Paper-1st (Works Account)

Model Solution to Question-4th:-

(a) As per Chapter XXXiX of CEFA Administrative nature duties of Divisional officer are as under:-

1. Up keep and maintenance of Divisional office
2. Disbursement of Salary and allowances to the staff and payments of contractors and suppliers.
3. Purchase of material and payment there-of.
4. Selective checking of complaint centres with regard to the proper functioning.
5. Attending to consumer's complaints and grievances.
6. Attending to the inspection of senior officers of PSEB and GOP and Audit officers.
7. Attending meetings at District, Circle and Divisional level.
8. Maintenance liaison with District officers and Zila Prishad.
9. Attending Grievances of the employees.
10. Handling of employees strikes.
11. Surprise checking of Cash in Chest in sub Division/Sub office.
12. Arranging material for works.
13. Framing Budget estimates for the next financial year and to exercise budgetary control.
14. Annual and periodical inspection of Sub Division.
15. To carry out prescribed checking of store material.
16. Disposal of establishment cases.
17. Ensure proper up-keep of record and smooth functioning of offices.

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(b) **Estimate:-** As per Reg 6.14 of CEFA the papers to be submitted with the project for a work will consist of :-

- (i) A report
 - (ii) A specification and a detailed statement of measurements, quantities and rates, and
 - (iii) With an abstract showing the total estimated cost of each item.
- These documents together form what is called the "Estimate".

(c) 1. **Accounting for inferior grade of Coal:-** As per BAPP 2.102 in respect of the wagons allotted to and received by pspcl, in the event of receipt of grade of coal inferior to the grade billed, the excess if any, of the amount billed over the amount payable for the inferior grade of coal actually received shall be treated as loss on inferior grade of coal, if the same is not recoverable from the collieries. Such treatment is to be given as far as possible in the year of such receipts.\

2. **Recognition of consumption:-** As per BAPP 2.111 Accounting for the consumption shall closely follow the physical transaction. Issue of material in respect of specific works shall be forthwith treated as consumption. Where there are lumpsum withdrawals of materials, consumption shall be recognized only when the exact end-user is established.

Model Solution to Question-5th:-

- (a) It is not that once the work order is issued to contractor, splitting of that work cannot be done.

As provided in Regulation 1.19 Schedule 'C' of Works Regulations-1997 the PSPCL reserve the right to split up the work in the scope of the contract among more than one contractor during the progress of work due to unsatisfactory progress of work of contractor. PSPCL will not entertain any claim from any contractor as a result of such splitting up. PSPCL also reserves the right to exclude/include any items of work from/into scope of the contract during the progress of work due to any reason whatsoever. The engineer-in-charge reserve the right to inject labour, T&P, materials at the contractor's cost at any stage of work if the progress of work is not commensurate with the committed schedule and the contractor will not have any right to object.

- (b) Procedure for getting a damaged transformer repaired which is damaged during its warranty period has been elaborated in chapter-08 of "Manual on Damaged Transformers".

Transformer damaged within warranty period should be repaired by the supplier as per terms of contract.

SDO/DS will send information to Divisional office and purchase authority regarding Name of manufacturer, Size and capacity, Make & serial number, Date of purchase, Date of installation, date of damage and date of expiry of warranty period.

Divisional office on receipt of such communication will intimate to supplier, SE and CE/MM. On receipt of response from supplier inform SDO the tentative date of arrival of suppliers' technician. If the supplier does not respond within one month, damaged Transformer will be got repaired from pspcl workshop. Cost of repair on such transformer is intimated to MM organisation for recovery from the supplier. Cost of repair of transformer is valued as per price of material used at issue rate, labor time consumed on the job at prevailing labour rates

- (c) As per chapter-11 of Cash & Bank Manual, on checking of cash Book, if shortage or excess of cash is detected, such excess/shortage is to be entered in Cash Book immediately by Debit/Credit to concerned account head.

So in this case difference of cash found excess and short, which is Rs.20, has been adjusted in Cash Book, which is not as per instructions.

Q (1) (i) Fixation of pay on promotion:- In the case of promotion from one grade pay to another in the revised pay structure, the pay fixation will be done as follows:-

- (i) one increment equal to three per cent (3%) of the sum of the pay in the pay band and the existing grade pay will be computed and rounded off to the next multiple of 10. This will be added to the existing pay in the pay band. The grade pay corresponding to the promotion post will thereafter be granted in addition to this pay in the pay band. In cases where promotion involves change in the pay band also, the same methodology will be followed. However, if the pay in the pay band after adding the increment is less than the minimum of the higher pay band to which promotion is being made, the pay in the pay band will be stepped to such minimum.
- (ii) On promotion from one grade pay to another, an employee shall have an option to get his pay fixed in the higher post either from the date of his promotion or from the date of his next increment. The option may be exercised within a period of one month from the date of his promotion. In case of Board employees, who stand promoted during the period from the 1st day of January, 2006 to the date of publication of the Punjab State Electricity Board (Revised Pay) Regulations, 2009, the option may be exercised within a period of three months from the date of such publication. The option once exercised, shall be final.
- (iii) In case, the Board employee opts to get his pay fixed in the higher post from the date of his promotion, the next increment in the higher post will be granted after completion of qualifying service of twelve months.
- (iv) In case, the Board employee opts to get his pay fixed from the date of his next increment, then, on the date of promotion pay in the pay band shall not be changed, but the grade pay of the higher post will be granted. Further re-fixation will be done on the date of his next increment. On that date, he will be granted two increments, one annual increment and the second on account of promotion. While computing these two increments, basic pay prior to the date of promotion, shall be taken into account. To illustrate, if the basic pay prior to the date of promotion was Rs. 100 first increment would be computed on Rs. 100 and the second increment on Rs. 103.

The next increment in the higher post in this case will be granted after completion of qualifying service of twelve months from the date of re-fixation.

- Q (1) (ii)** As per Appendix 8 (ii) of MSR Part- 2 Vol-I, Quarantine leave is leave of absence from duty necessitated by orders not to attend office in consequence of the presence of infectious diseases in the family or household of a Board employee. Such leave may be granted by the Head of the office on the certificate of a Medical or Public Health Officer for a period not exceeding 21 days or in exceptional circumstances, 30 days. Any leave necessary for quarantine purposes in excess of this period shall be treated as ordinary leave. Quarantine leave may also be granted, when necessary, in continuation of other leave, subject to the above maximum.

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Q (1) (iii) As per MSR Vol1, 8.35, In case a Board employee is recalled to duty before the expiry of his leave, he is entitled:-

(a) If the leave from which he is recalled is out of India.

(i) to receive a free passage to India, and provided that he has not completed half the period of his leave by the date of leaving for India on recall, or 90 days, whichever period is shorter, to receive a refund of the cost of his passage from India.

(ii) to count the time spent on the voyage to India as duty for purposes of calculating leave; and

(iii) to receive leave-salary during the voyage to India and for the period from the date of landing in India to the date of joining his post to be paid leave salary at the same rate at which he would have drawn it, had he not been recalled but returned in the ordinary course on the termination of his leave and for the latter period travelling allowance under the Punjab State Electricity Board, Main Service Regulations, Vol.III (Travelling Allowance Regulations)

Q (1) (iv) In order to enroll for NPS Tier-1 account is a mandatory account, whereas Tier-2 is an optional. All the tax benefits available in NPS are associated to Tier-1 account only. No tax benefit is available to Tier-2. Tier-2 functions as a mutual fund as the withdrawal option is unlimited, whereas in Tier-1 withdrawal options are limited. Minimum contribution for Tier-1 is Rs. 6000/- and Tier-2 is Rs. 2000/- per financial year.

Q 2 (1) 4 (d) As per CSR VIII-II the daughter including divorced / widowed daughter is eligible for the grant of family pension even after attaining the age of 25 years. The pension will not be allowed on her remarriage or till she starts earning her livelihood which ever is earlier. She will be deemed to be earning her livelihood if her income is Rs. 3500/- per month or more.

Q 2 (2) Ans.1 (a) As per Reg. 3.3 of PSEB MSR Vol.I, Part I, except where the Board by general or special order direct otherwise, the following classes of Board employees are exempted from producing a Medical Certificate of fitness:-

- (1) A Board employee appointed in an temporary vacancy for a period not exceeding six months.
- (2) A temporary employee of the Board/Government who has already been medically examined in one office if transferred to an other office without a break in his service. The person concerned should, however, obtain a certificate from the Head of Office from which he is transferred to the effect that he had already produced the requisite Medical Certificate of health.
- (3) A retired Board employee re-employed immediately after retirement.
- (4) Employees re-employee after resignation if the resignation was for taking another employment under govt. or quasi-govt./body for which he applied with the approval of and through the appropriate deptt. authority.
- (5) Besides above, persons appointed to a Gazetted estt. from non-gazetted estt.

Q 2 (3) when an employee is suspended from his duties he is paid subsistence allowance while under suspension. This allowance is called subsistence allowance. It is granted @ 50% of the last pay drawn immediately before suspension.

Various kinds of recoveries which can be made from subsistence allowance are as under:-

(a) Compulsory Recoveries: Such as income Tax, House Rent recovery and any other kind of Taxes etc. These are obligatory recoveries to be made for subsistence allowance.

(b) Optional Recoveries: Optional recoveries can be made only with the consent of officials. These are GPF subscription, GPF advance, LIC premium Insurance.

(c) Misc. Recoveries: These recoveries pertains to loans and advances. These recoveries can be postponed with the approval of competent authorities. These are House building advance, conveyance advance etc.

4)

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- 2 (4) As employee of PSPCL who has allowed LTC advance are required to submit TA bill within one month of date of journey. If TA bill is not submitted a action is required to be taken as per finance circular 59/92 which is as reproduced below:-

ਇਸ ਸਥਿਤੀ ਤੇ ਸੰਪੂਰਨ ਰੂਪ ਵਿੱਚ ਗੋਰ ਕੀਤਾ ਗਿਆ ਅਤੇ ਐਡਵਾਂਸ ਲਈ ਰਕਮ ਦੀ ਸਹੀ ਢੰਗ ਨਾਲ ਵਰਤੋਂ ਕਰਨ ਲਈ ਹੇਠ ਲਿਖੀਆਂ ਹਦਾਇਤਾਂ ਜਾਰੀ ਕੀਤੀਆਂ ਜਾਂਦੀਆਂ ਹਨ।

1. ਐਡਵਾਂਸ ਦੀ ਪ੍ਰਵਾਨਗੀ ਦੇਣ ਵਾਲੇ ਅਧਿਕਾਰੀ ਨੂੰ ਸਬੰਧਿਤ ਕਰਮਚਾਰੀ ਤੋਂ ਦਸ ਦਿਨਾਂ ਦੇ ਅੰਦਰ-ਅੰਦਰ (ਭਾਰਤ ਸਰਕਾਰ ਦੇ ਆਰਡਰ ਨੰ: 31011/4/78/ ਅਮਲਾ -ਏ ਮਿਤੀ 01.09.78 ਜੋ ਦ-ਹੁ ਨੰ: 162 ਮਿਤੀ 12.05.89 ਰਾਹੀਂ ਅਪਣਾਇਆ ਹੋਇਆ ਹੈ ਅਨੁਸਾਰ ਕੈਸ ਮੀਮੋ ਲੈਣੀ ਜ਼ਰੂਰੀ ਹੈ। ਇਸ ਦੇ ਨਾਲ ਨਾਲ ਉਸ ਨੇ ਇਹ ਵੀ ਵੇਖਣਾ ਹੈ ਕਿ ਕਰਮਚਾਰੀ ਨੇ ਰੇਲ ਦੇ ਜਿਸ ਕਲਾਸ ਲਈ ਐਡਵਾਂਸ ਲਿਆ ਸੀ, ਦੀ ਉਸੇ ਕਲਾਸ ਦੀ ਬੁਕਿੰਗ ਕਰਵਾਈ ਹੈ।

2. ਜੇ ਕੋਈ ਕਰਮਚਾਰੀ ਅਜਿਹਾ ਨਹੀਂ ਕਰਦਾ ਤਾਂ ਵੁਸ ਦੀ ਅਗਲੀ ਤਨਖਾਹ ਰੋਕੀ ਜਾਵੇ ਜਿੰਨਾ ਚਿਰ ਕਰਮਚਾਰੀ ਕੈਸ ਮੀਮੋ ਨਹੀਂ ਦਿੰਦਾ।

3. ਜੇ ਕੋਈ ਕਰਮਚਾਰੀ ਐਲ.ਟੀ.ਸੀ. ਤੇ ਜਾਣ ਸਮੇਂ ਦੀ ਕੈਸ ਮੀਮੋ ਵਿੱਖਾ ਦਿੰਦਾ ਹੈ ਤਾਂ ਉਸ ਨੂੰ ਵਾਪਸੀ ਤੇ ਇੱਕ ਮਹੀਨੇ ਦੇ ਅੰਦਰ-ਅੰਦਰ ਆਪਣਾ ਸਫਰੀ ਭੱਤਾ ਭਰਨਾ ਜ਼ਰੂਰੀ ਹੋਵੇਗਾ ਤਾਂ ਜੋ ਐਡਵਾਂਸ ਲਈ ਰਕਮ ਸਮੇਂ ਸਿਰ ਅਡਜਸਟ ਕੀਤਾ ਜਾ ਸਕੇ।

4. ਜੇ ਕੋਈ ਕਰਮਚਾਰੀ ਅਜਿਹਾ ਨਹੀਂ ਕਰਦਾ ਤਾਂ ਐਡਵਾਂਸ ਲੈਣ ਦੇ ਦਸ ਦਿਨਾਂ ਬਾਦ ਸਧਾਰਨ ਵਿਆਜ ਜੇ ਵਾਹਨ ਖਰੀਦਣ ਲਈ ਪੇਸ਼ਗੀ ਦੀ ਰਕਮ ਤੇ ਲਿਆ ਜਾਂਦਾ ਹੈ। (ਸਾਲ 1991-92 ਦੀ ਵਿਆਜ ਦੀ ਦਰ 11.25% ਹੈ) ਤੋਂ ਇਲਾਵਾ 3½% ਦੰਡਤ ਵਿਆਜ ਵਸੂਲਿਆ ਜਾਵੇ।

5)

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3 (a) 1 No a board employee cannot be transferred to Administration Of Union Territory of Chandigarh without his consent

Q 3 (a) 2 Subject to the provisions of Regulation 17 an employee may prefer an appeal against all or any of the following orders, namely:-

- (1) an order of suspension made or deemed to have been made under regulation 4.
- (2) an order imposing any of the penalties specified in the Regulations 5 whether made by the punishing authority or by any appellate or reviewing authority.

(3) an order enhancing any penalty imposed under Regulations 5

(4) an order which:-

(a) denies or varies to his disadvantage his pay, allowances, pension or their conditions of service as regulated by rules/regulations or by agreement.

(b) Interprets to his disadvantages the provisions of any such rule / regulations or agreement.

5. an order:-

(a) stopping him at the efficiency bar in the time scale of pay on the ground of his unfitness to cross the bar.

(b) reverting him while officiating in a higher service, grade or post, to a lower service, grade or post otherwise than as a penalty.

(c) reducing or withholding the pension or denying the maximum pension admissible to him under the rules / regulations.

(d) determining the subsistence and other allowance to be paid to him for the period of suspension or for the period during which he is deemed to be under suspension or for any portion thereof: or

(e) determining his pay and allowances:-

(i) for the period of suspension: or

(ii) for the period from the date of his dismissal removal or compulsory retirement from service, or from the date of his reduction to a lower service, grade post, time-scale or stage in a time scale of pay to the date of his retirement or restoration of his service, grade or post; or

(f) determining whether or not the period from the date of his suspension or from the date of his dismissal, removal, compulsory retirement or reduction to a lower service, grade, post, time-scale of pay or stage in a time scale of pay to the date of his re-instatement or restoration to his service, grade or post shall be treated as a period spend on duty for any purpose.

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Q 3 (b) As per Punjab civil rules volume-II Reg. - If an employee was holding substantively a permanent post on the date of his retirement, his temporary or officiating service under the State Government, followed without interruption by confirmation in the same or another post, shall count in full as qualifying service except in respect of:-

- (i) Periods of temporary or officiating service in non-pensionable establishment;
- (ii) Omitted.
- (iii) Omitted.

Note 1.- In case of a Central Government employee who is permanently transferred to the Punjab Government and becomes subject to these rules, under rule 1.1 (b) of these rules, the term "continuous temporary / officiating service" shall include such service rendered Central Government.

Note 2.- In case of a purely temporary Central Government employee who is permanently transferred to Punjab Government and becomes subject to these rules, the term "continuous temporary service" includes the temporary service under the Central Government. The pensionary liability in respect of such cases shall be allocated on the length of service.

Note 3.- The entire service rendered by an employee as work-charged as also the service paid from contingencies, shall count as qualifying service:

Provided that-

(i) such service is followed by regular employment;

(ii) there is no interruption in the two or more spells of service, or the interruptions are condonable under rule 4.23; and leave of absence and if the post of the absence has been substantively filled up, the past service of the absence is forfeited.

(viii) Transfer to a non-qualifying service in an establishment not under Government control or if such transfer is not made by the competent authority and transfer to service in a grant-in-aid school.

(A Government employee, who voluntarily resigns qualifying service, cannot claim the benefit under this clause.)

(ix) Removal from public service for misconduct, insolvency, inefficiency not due to age, or failure to pass an examination will entail forfeiture of the past service.

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(x) Service rendered beyond the date of retirement on superannuation in terms of rule 3.36 of Punjab Civil Services Rules, Volume I, Part-I.

(2) An interruption in the service of a Government employee caused by willful absence from duty or unauthorized absence without leave, shall entail forfeiture of the past service.

(3) Willful abstinence from performing duties by a Government employee by resort to pen down strike shall be deemed to be willful absence from duty and shall also entail forfeiture of the past service.

Note:- In the case of a Central Government employee who is permanently transferred to the Punjab Government and becomes subject to these rules, the pensionary benefits admissible for service under Central Government would be that admissible under the Government of India rules and the liability for such benefits shall be allocated in accordance with the prevalent orders.

Clarification (1):- Even after the introduction of rule 3.17 (A) and deletion of rule 4.21 the following cases do not entail forfeiture of past service:-

(a) Authorized leave of absence.

(b) abolition of post or loss of appointment owing to reduction in establishment.

("Post" or "appointment" means a post or appointment service in which qualifies for pension).

(2) While counting such qualifying service for working out aggregate service, the period of break in service shall be omitted.

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4 (a) Date of Birth: 25.08.1972

Date of Superannuation: 31.08.2030

Date of Retirement under VRS: 31.12.2025

1. Calculation of qualifying service: service verified as per service book

Year month day

22 0 0

4 8 0 weightage of VRS from 1.1.2026 to 31.08.2030

26 8 0 +> 53 half yearly qualifying service for pension

2. Last basic pay for pension (Last 10 month average emoluments or last basic pay (Emoluments) whichever is higher => Rs. 30500

3. pension payable: $30500/2 \times 50/50 = \text{Rs. } 15250$

4. Commutation value = $15250 \times 30\% = \text{Rs. } 4575$

Commutation factor given = 8.371 => $4575 \times 12 \times 8.371 = \text{Rs. } 459568/-$

5. Gratuity: (last basic pay + DA) $\times \text{hly}/4$

$(30500 + 125\%) \times 53/4 \Rightarrow 68625 \times 53/4 = \text{Rs. } 909281/-$

Q 4 (b) (i) As per provisions of Regulations 16-A of PSEB, Provident Fund Regulations, 1960 or PSPCL Provident Fund Regulations, 2010, Deposit Linked Insurance Scheme is a scheme according to which, on the death of subscriber in the Fund shall also be entitled to receive the amount standing to the credit of the deceased subscriber in the Fund during a period of thirty six month immediately proceeding the date of his death subject to a maximum of ten thousand rupees.

(9)

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Q 5 (a) As per CE/HRD memo no. 73430/73500 dated 08.10.2012 child care leave is allowed to female employees on following conditions.

1. Female employee can take leave upto 365 days in her service for children below age of 18 years.
2. This leave is admissible for two children for their care and other circumstances such as disease of children subject to production of valid documentary evidence.
3. During this period leave salary shall be paid.
4. Leave can be taken in 3 spells in calendar year.
5. Minimum 15 days leave shall be granted.
6. This leave is not debited to any leave account and separate leave account shall be maintained in service book of female employee.
7. Competent Authority shall sanction the leave and it is not the right of employee.
8. It can be refused in public interest by competent authority.

Q 5 (b)

Sr. No.	To Sanction grant/ex-gratia relating to amenities/festivals welfare in each case	CMD-Up to Rs. 20,000/- Directors (s)-Up to Rs. 10,000/- Committee of WTD's-up to 5 lacs.	Subject to Budget grant
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(10)

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Q 5 (C) To

All SDO,s / Operation,
PSPCL,

Memo No.....

date.....

Sub:- Timely submission of position of defaulting amount.

I bring to your notice that undersigned is apprised of late receipt of position of defaulting amount of your office. As you are aware that higher authorities view late submission of defaulting amount very seriously. Moreover late submission of position of defaulting amount tarnish the image of this office in the eyes of management and also harm the management information system mechanism.

You are therefore instructed to look into the matter and direct all concerned to submit position of defaulting amount within 2 days positively otherwise undersigned shall be constrained to report the matter to higher authorities which may attract disciplinary action against you.

Sd
Sr. Xen,
PSPCL, Patiala.

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EO/S-11/2020/P-3

MODEL SOLUTION OF EO – SESSION : 11.2020 PAPER-III (REVENUE ACCOUNTS)

- 1 (i) As per Commercial Circular No. 32/2020 **Wheeling charges:** Regulation 25 of PSERC (Terms and Conditions for Intra-state Open Access) Regulations, 2011 provides that, Wheeling Charges shall be payable by an Open Access customer who utilises the distribution network for wheeling of electricity. Accordingly, wheeling charges for use of distribution network of PSPCL are determined as under:

(a) For Long Term/Medium Term Open Access Customers = Rs. 225766/MW/Month

(b) For Short Term Open Access Customers = Rs. 668.87/Mwh

However, in case of wheeling of power generated from New & Renewable Sources of Energy (NRSE) project for consumption within the State, transmission and wheeling charges shall be levied @ 2% of the energy injected into the State Grid, irrespective of the distance i.e. additional 2% of the total energy shall be injected at injection point(s). 10% of the average revenue realized by distribution licensee from such additional injection shall be passed on to the STU/transmission licensee for compensating it on account of transmission charges. In case of wheeling of power generated from NRSE project outside the state, full transmission and wheeling charges shall be leviable, provided that in case of wheeling of power for consumption within the State, generated from NRSE project in the State, achieving commercial operation (COD) from 09.07.2015 to 31.03.2017, no transmission and wheeling charges shall be leviable, irrespective of the distance, for a period of 10 (ten) years from its date of commercial operation (COD).

- 1 (ii) Under Commercial Circular No. 28/2020 ANNEXURE - I GENERAL CONDITIONS OF TARIFF reg. 13.2 Voltage Rebate As the cost to serve at higher voltage is lower than the cost to serve at lower voltage, therefore the rebate on energy charges to the consumers getting supply at HT/EHT voltages shall be applicable as under:

a) 30 paise/kVAh to all consumers getting supply at 400/220/132 kV,

b) 25 paise/kVAh to all consumers getting supply at 66/33 kV,

c) 20 paise/kVAh to DS (including Charitable Hospitals setup under PWD Act), NRS, MS consumers (including Rural Water Supply Schemes of the DWSS/ GPWSCs & Compost / Solid Waste Management Plants for Municipalities/ Urban Local Bodies) getting supply at 11 kV and

d) 20 paise/kWh to AP/AP High-Technology/High Density Farming consumers getting supply at 11 kV shall be continued.

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- 1 (iii) Under Commercial Circular No. 28/2020 ANNEXURE - I GENERAL CONDITIONS OF TARIFF reg. 9 Two Part Tariff (TPT) Structure/Fixed Charges All consumers (except AP, AP High- Technology/High Density Farming, EV Charging Stations, Sri Harmandir Sahib and Sri Durgiana Mandir) shall be covered under the Two Part Tariff structure, as approved by the Commission in the Tariff Order. Further fixed charges (unless otherwise specified in Schedules of Tariff) shall be charged as under:

(a) For consumers covered under Contract Demand system as per condition 10 below, the Fixed Charges shall be levied on 80% of the sanctioned Contract Demand or Actual demand recorded during the billing cycle/month (restricted to sanctioned Contract Demand), whichever is higher. In case, the consumer exceeds the sanctioned Contract Demand during a billing cycle/month, he/she shall be liable to pay applicable demand surcharge as provided in the Schedule of Tariff for the relevant category.

(b) For other consumers (not covered under Contract Demand system as per condition 10 below), the Fixed Charges shall be levied on 80% of the sanctioned load in kW.

(Marks : 10+5+5=20)

3

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2 (i) As per Electricity Act, 2003 Section 28, the following are the Functions of Regional Load Despatch Centre.-

1. The Regional Load Despatch Centre shall be the apex body to ensure integrated operation of the power system in the concerned region.
2. The Regional Load Despatch Centre shall comply with such principles, guidelines and methodologies in respect of wheeling and optimum scheduling and despatch of electricity as the Central Commission may specify in the Grid Code.
3. The Regional Load Despatch Centre shall--
 - (a) be responsible for optimum scheduling and despatch of electricity within the region, in accordance with the contracts entered into with the licensees or the generating companies operating in the region;
 - (b) monitor grid operations;
 - (c) keep accounts of quantity of electricity transmitted through the regional grid;
 - (d) exercise supervision and control over the inter-State transmission system; and
 - (e) be responsible for carrying out real time operations for grid control and despatch of electricity within the region through secure and economic operation of the regional grid in accordance with the Grid Standards and the Grid Code.
4. The Regional Load Despatch Centre may levy and collect such fee and charges from the generating companies or licensees engaged in inter-State transmission of electricity as may be specified by the Central Commission.

2 (ii) As per SOP Sundry Charges and Allowances Register Form SOP-6, this register will embrace the following type of transactions :

- (i) Over and under charges in the previous bills including prior period over/under charges.
- (ii) Bill raised on account of Theft of Power and Malpractices.
- (iii) Sundry Services rendered by the Board viz charges for duplicate bills, Bill challenge fees, Meter challenge fees, Resealing Charges, Fuse replacement Charges and Reconnection fees etc.
- (iv) Adjustment of annual minimum charges under Annual Minimum Charges clause of Street Light Tariff.

2 (iii) As per SOP the following certificate in the Abstract Ledger of Billing Ledgers (SOP 15) "Certified that the totals of sundry charges in the Abstract Ledger tally with the totals of abstract of Sundry Charges (SOP 14). Totals of sundry allowances tally with the totals of allowances as per abstract of sundry allowances (SOP 14) and Sundry Allowances Adjustment Register (Form SOP 6 A). Sign the Certificate and put up to RA".

(Marks : 10+5+5=20)

3 (i)

Old Reading = 27163 Old Reading Date : 29.1.2020
New Reading = 27745 New Reading Date: 28.5.2020
Consumption = 582

Energy Charges :

100 kwh/month	=	400 x 4.99	=	1996
101-300 kwh/month	=	182 x 6.59	=	1199
a) Energy Charges			=	3195
b) Fixed Charges	=	4.79 x 45 x 120 x 12/366	=	848
c) FCA	=	582 x 0.3	=	175
d) Rentals (MR=32 + MCB = 16 + SGST= 4.32 + CGST= 4.32)=				57
e) Taxes (ED=548 + IDF=211 + Municipal Tax = 84 + Cow Cess = 12)				855
Total (a+b+c+d+e)			=	5130
Less: Previous adj. amount (EC = 1777 ED = 222)			=	(-) 2138
Less: Interest on Security given on 31.3.2020			=	(-) 222
Net Bill Amount Payable			=	2770
Due Date Cash/online = 12.06.2020		Due Date by Cheque/DD = 10.06.2020		
Late Payment Surcharge @ 2% of unpaid bill			=	Rs. 55

3 (ii) As per ESC reg. no. 37.1.7 Suspected case of Theft of Electricity:

(a) In case where a consumer is suspected to have indulged/indulging in theft of electricity by tampering with the meter/metering equipment and/or its seals or otherwise then such equipment shall be sealed by the Authorized Officer so as to keep it in 'as found condition'. However, the supply of such consumer shall continue with the new PSERC (Electricity Supply Code & Related Matters) Regulations, 2014 Upto 7th Amendment Page 84 meter. The consumer or his representative shall also be permitted to affix his seal at that time.

(b) In all cases of suspected theft of electricity falling under Regulation 37.1.7 (a), the Authorized Officer shall, after giving the consumer/person an opportunity of being heard, determine within seven (7) days whether or not there is sufficient evidence to conclude that a case of theft of electricity is prima facie established as per Section 135 of the Act.

(c) In case of suspected theft of electricity by tampering with meter/metering equipment or its seals or otherwise, detected as per Regulation 37.1.7 (a) is not established, the Authorized Officer shall record reasons thereof after which all further proceedings shall be dropped and the consumer/person informed accordingly.

(d) In the event a suspected case of theft of electricity by tampering with meter/metering equipment or its seals or otherwise is prima facie established as per Section 135 of the Act, then further action shall be immediately initiated in accordance with Regulation 37.2.

(Marks : 10+10=20)

5) EO/S-11/2020/P-3

- 4 (i) As per ESIM instruction no. 88.1 The Following are the control and responsibilities of various Billing/ revenue activities for billing up to 20kW are as follows:

Various activities to be performed	Authorisation
a. Change of Tariff from DS to NRS	Entered in SAP by ARA/RA/RS and NRS to DS authorized by AE/AEE
b. Board Employee Concession	Entered in SAP by UDC Revenue and authorized by ARA/RA/RS
c. Pb. Govt. connection code	Entered in SAP by UDC revenue and authorized by ARA/RA/RS
d. Type of NRS consumer	Entered in SAP by UDC revenue and authorized by ARA/RA/RS
e. Schedule Caste/BPL concession	Entered in SAP by RA and authorized by AE/AEE
f. Change of MRU	Entered in SAP by UDC revenue and authorized by ARA/RA/RS

- 4 (ii) As per ESIM instruction no. 82.2 the action of the SE/DS is wrong because SE/DS can only extend maximum period of Extension up to 7 days on one occasion in the event of unforeseen circumstances beyond the control of the consumers e.g. floods, strike by PSPCL's employees, curfew etc.

- 4 (iii) As per ESIM instruction No. 10 VOLTAGE VARIATION LIMITS:

The Voltage variation as per provisions of Supply Code is as under:-

- In the case of LT Supply +/- 6%
- In the case of HT Supply + 6% & - 9%
- In the case of EHT Supply + 10% & - 12.5%

10.2) For all categories of connections involving erection of only LT Lines, the voltage regulation shall be checked for LT side only

10.3) The voltage variation in rural areas shall be 9% on lower side & 6% on higher side, whereas on urban feeders voltage variation shall be +/- 6%.

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- 10.4) In case of HT category of connections which are to be released on 11 KV supply voltage, the voltage regulation shall be checked for 11 KV lines only.
- 10.5) In case of tube well connections involving erection of new transformer/11 KV line and or augmentation of existing 11 KV line, the voltage regulation of the existing 11 KV line shall also be taken into consideration for the purpose of augmentation and recovery of service connection charges as per Regulation-9 of the Supply Code. In such cases, voltage regulation of 11 KV feeder may not be a constraint for issue of demand notice. However, an undertaking / affidavit may be obtained from the applicant to the effect that the release of connection is acceptable to him under the present system constraints. Connection may be released after framing of estimate and the work of augmentation of 11 kV line may be carried out afterwards.
- 4 (iv) Unbilled Revenue is the revenue which is not billed during the F.Y. ending 31st March. The energy bills raised after 31st March pertaining to the revenue of the F.Y. ending 31st March, the revenue received against these bills is adjusted to the pervious F.Y. through JV to the closing F.Y. in the month of April/May when the billing cycle for the F.Y. completed.

(Marks : 5+5+5+5=20)

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⑦ EO/8-11/2020/P-3

5 A (i) "Connected load" means the sum of the manufacturer's rated capacities of all the energy consuming devices in a consumer's premises connected with Distribution Licensee's (PSPCL's) service line and determined as per procedure laid down in these Regulations. This shall not include the standby or spare energy consuming apparatus installed through a changeover-switch;

(ii) "Monthly Average Power Factor" means the ratio of watt hours to the volt ampere hours drawn during a billing month;

(iii) "Demand Charge" shall mean the amount chargeable per month in respect of PSPCL's readiness to serve the consumer irrespective whether the consumer consumes any energy or not, and is based upon either connected load or the maximum demand or contract demand as the case may be and as prescribed in the relevant Schedules of Tariff.

(iv) "Energy charges" means the charges for quantity of electricity actually supplied to the consumer in terms of kWh/kVAh in any billing period as approved by the Commission in the Tariff Order for the relevant year ;

(v) "Load Factor" means the ratio of average demand in a billing month in kilowatts to the connected load in kilowatts;

5 (b) Lighting Hours and minimum Consumption : Upon a date not later than 15 days before the commencement of each quarter beginning respectively on 1st. January, 1st. April, 1st. July and 1st. October in each year, the consumer shall furnish the Board with a statement showing the hours during which the consume requires supply for the purpose of street lighting and ensuing quarter and provided the said statement is not in conflict with the general system of control adopted by the Board I respect of street lighting, the Board shall provide supply to the consumer for the purpose of street lighting for such hours on each night as may be prescribed by the consumer in the said statement.

Provided, firstly that in the event of lighting being required at times other than those as above prescribed, supply may be made by the Board to the consumer for such additional hours as may be mutually agreed upon between the Board and the consumer in writing.

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Provided secondly, that the night period of lighting for every lamp shall be of duration not less than an average of 8 hours over each period of one year dating from 1st. April in each year during the period of agreement.

Provided thirdly, that if the total number of units consumed in the whole year is less than it would have been if the lamps had been lit on an average of 8 years per night over the whole year, the Board shall charge for the difference between the stipulated units and units actually consumed at the tariff rates.

Provided always that for the purpose of this agreement night shall mean the period between the hours 5 p.m. to anyone day and 7 a.m. of the following day.

Marks : $2 \times 5 = 10 + 10 = 20$)

1 ① EO/S-11/2020/P-4

EO/P-4.

Solution to Q 1.)

a. As per section 2(n) of the factories act, 1948 :-

"occupier" of a factory means the person who has ultimate control over the affairs of the factory,
Provided that-

(i) in the case of a firm or other association of individuals, any one of the individual partners or members thereof shall be deemed to be the occupier;

(ii) in the case of a company, any one of the directors, shall be deemed to be the occupier;

(iii) in the case of a factory owned or controlled by the Central Government, or any State Government, or any local authority, the person or persons appointed to manage the affairs of the factory by the Central Government, the State Government or the local authority, as the case may be, shall be deemed to be the occupier.

Hence, the act of the Board of Directors of MBB Ltd. is not legal as per the above provision and any one of the directors should be designated as occupier instead of Mr.H, the General Manager of the company.

b. As per section 7(1) of the factories act, 1948 :-

The occupier shall, at least fifteen days before he begins to occupy or use any premises as a factory, send to the Chief Inspector a written notice containing-

(a) the name and situation of the factory;

(b) the name and address of the occupier;

(bb) the name and address of the owner of the premises or building (including the precincts thereof) referred to in section 93

(c) the address to which communications relating to the factory may be sent;

② EO/S-11/2020/P-4 ③ Info case

(d) the nature of the manufacturing process- (i) carried on in the factory during the last twelve months in the case of factories in existence on the date of the commencement of this Act, and (ii) to be carried on in the factory during the next twelve months in the case of all factories;

(e) the total rated horse-power installed or to be installed in the factory, which shall not include the rated horse-power of any separate stand by plant;

(f) the name of the manager of the factory for the purposes of this Act;

(g) the number of workers likely to be employed in the factory;

(h) the average number of workers per day employed during the last twelve months in the case of a factory in existence on the date of the commencement of this Act;

(i) such other particulars as may be prescribed.

Hence, the act of Mr. G is not legal as per the above provision as he sent the notice within 10 days instead of at least fifteen days before.

c. As per section 15(6) of the Right to Information Act, 2005 :-

The State Chief Information Commissioner or a State Information Commissioner shall not be a Member of Parliament or Member of the Legislature of any State or Union territory, as the case may be, or hold any other office of profit or connected with any political party or carrying on any business or pursuing any profession.

Hence, the proposal to appoint Mr. S as the state chief information commissioner is not acceptable as the person connected with any political party is specifically excluded vide the above provision of the act and he is the general secretary of the ruling party.

d. As per section 17 of the Right to Information Act, 2005 :-

(1) Subject to the provisions of sub-section (3), the State Chief Information Commissioner or a State Information Commissioner shall be removed from his office only by order of the Governor on the ground of proved misbehaviour or incapacity after the Supreme Court, on a reference made to it by the Governor, has on inquiry, reported that the State Chief

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EO/S-11/2020/P-4

Information Commissioner or a State Information Commissioner, as the case may be, ought on such ground be removed.

(2) The Governor may suspend from office, and if deem necessary prohibit also from attending the office during inquiry, the State Chief Information Commissioner or a State Information Commissioner in respect of whom a reference has been made to the Supreme Court under sub-section (1) until the Governor has passed orders on receipt of the report of the Supreme Court on such reference.

(3) Notwithstanding anything contained in sub-section (1), the Governor may by order remove from office the State Chief Information Commissioner or a State Information Commissioner if a State Chief Information Commissioner or a State Information Commissioner, as the case may be,—

- (a) is adjudged an insolvent; or
- (b) has been convicted of an offence which, in the opinion of the Governor, involves moral turpitude; or
- (c) engages during his term of office in any paid employment outside the duties of his office; or
- (d) is, in the opinion of the Governor, unfit to continue in office by reason of infirmity of mind or body; or
- (e) has acquired such financial or other interest as is likely to affect prejudicially his functions as the State Chief Information Commissioner or a State Information Commissioner.

(4) If the State Chief Information Commissioner or a State Information Commissioner in any way, concerned or interested in any contract or agreement made by or on behalf of the Government of the State or participates in any way in the profit thereof or in any benefit or emoluments arising therefrom otherwise than as a member and in common with the other members of an incorporated company, he shall, for the purposes of sub-section (1), be deemed to be guilty of misbehaviour.

Hence, the order issued by Mr. A is not legal in view of the above provision of the act and the above procedure is to be adopted for removal of the state chief information commissioner.

Solution to Q 2.)

RELEVANT LEGAL PROVISIONS:-

As per sub section 1 & 2 of section 79 of the factories act, 1948 :-

Annual leave with wages.--(1) Every worker who has worked for a period of 240 days or more in a factory during a calendar year shall be allowed during the subsequent calendar year, leave with wages for a number of days calculated at the rate of--

(i) if an adult, one day for every twenty days of work performed by him during the previous calendar year;

(ii) if a child, one day for every fifteen days of work performed by him during the previous calendar year.

(2) A worker whose service commences otherwise than on the first day of January shall be entitled to leave with wages at the rate laid down in clause (i) or, as the case may be, clause (ii) of sub-section (1) if he has worked for two-thirds of the total number of days in the remainder of the calendar year.

In view of the above provisions of the act, the answers of the 3 cases are as below:-

- (i) Mr. A joined the factory on 01.01.2018, worked 240 days during the year 2018. As Mr. A has fulfilled the condition of 240 days as per section 79 (1), so he should be eligible for leave with wages during the year 2019. As he has worked for 240 days so he will be allowed 12 leaves ($1/20 \times 240 = 12$) during the year 2019 in view of section 79 (1) (i) above.

Now, as Mr. A has worked for only 235 days during the year 2019 which is less than the minimum requirement of 240 days. So, no leave with wages will be allowed to Mr. A during the year 2020 in view of section 79 (1) above.

- (ii) Mr. B joined the factory on 01.03.2018, worked 220 days during the year 2018. So, the remainder number of days of the year 2018 were 306 (365 – 31 days jan – 28 days feb). the $2/3^{\text{rd}}$ days will be 204. As Mr. B has worked for more than 204 days so he has

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Solution to Q 3)

fulfilled the condition of minimum number of days as per section 79 (2), so he should be eligible for leave with wages during the year 2019. As he has worked for 220 days so he will be allowed 11 leaves ($1/20 \times 220 = 11$) during the year 2019 in view of section 79 (1) (i) above.

Now, Mr. B has worked for 260 days during the year 2019. As Mr. B has fulfilled the condition of 240 days as per section 79 (1), so he should be eligible for leave with wages during the year 2020. As he has worked for 260 days so he will be allowed 13 leaves ($1/20 \times 260 = 13$) during the year 2020 in view of section 79 (1) (i) above.

- (iii) Mr. C joined the factory on 02.01.2019, worked 260 days during the year 2019. As Mr. C has fulfilled the condition of 240 days as per section 79 (1), so he should be eligible for leave with wages during the year 2020. As he has worked for 260 days so he will be allowed 13 leaves ($1/20 \times 260 = 13$) during the year 2020 in view of section 79 (1) (i) above.

Now, as Mr. C has not worked during the year 2018. So he should not be eligible for leave with wages during the year 2019 in view of section 79 (1) above.

2) EO/S-11/2020/P-4

Solution to Q 3.)

RELEVANT LEGAL PROVISIONS:-

The relevant provisions of the MSMED Act, 2006 which are applicable to the given cases are as below:-

Section 2 (b):-

"appointed day" means the day following immediately after the expiry of the period of fifteen days from the day of acceptance or the day of deemed acceptance of any goods or any services by a buyer from a supplier.

Explanation.--For the purposes of this clause,--

(i) "the day of acceptance" means,--

(a) the day of the actual delivery of goods or the rendering of services; or

(b) where any objection is made in writing by the buyer regarding acceptance of goods or services within fifteen days from the day of the delivery of goods or the rendering of services, the day on which such objection is removed by the supplier;

(ii) "the day of deemed acceptance" means, where no objection is made in writing by the buyer regarding acceptance of goods or services within fifteen days from the day of the delivery of goods or the rendering of services, the day of the actual delivery of goods or the rendering of services;

Relevant portion of Section 2 (n):-

"supplier" means a micro or small enterprise, which has filed a memorandum with the authority referred to in sub-section (1) of section 8,

Section 15 Liability of buyer to make payment.

Where any supplier supplies any goods or renders any services to any buyer, the buyer shall make payment therefore on or before the date agreed upon between him and the supplier in writing or, where there is no agreement in this behalf, before the appointed day:

Provided that in no case the period agreed upon between the supplier and the buyer in writing shall exceed forty-five days from the day of acceptance or the day of deemed acceptance.

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EO/S-11/2020/1-4

Solution to Q. 4
a. As per s.
Pol.

Section 16 Date from which and rate at which interest is payable

Where any buyer fails to make payment of the amount to the supplier, as required under section 15, the buyer shall, notwithstanding anything contained in any agreement between the buyer and the supplier or in any law for the time being in force, be liable to pay compound interest with monthly rests to the supplier on that amount from the appointed day or, as the case may be, from the date immediately following the date agreed upon, at three times of the bank rate notified by the Reserve Bank.

In view of the above provisions, the answers to 3 no. given cases are as below:-

- a. As given in this case that G Ltd. is a medium enterprise and in the definition of supplier given as per section 2 (n) above, medium enterprise is not covered. So, section 15 and 16 are not applicable in this given case. Hence no interest is payable by F Ltd. to G Ltd. under above provisions of the MSMED Act, 2006.
- b. In this case, H Ltd. was liable to make payment up to 15.05.2019 as per the payment terms. Whereas the payment has been made on 01.07.2019. So, in view of the provisions of section 15 and 16 mentioned above, the interest is payable from 16.05.2019 till 30.06.2019.
- c. In this case, there is no payment term agreed between T Ltd. and U Ltd. So, the payment was to be made before the appointed day in view of provisions of section 15 mentioned above. As per explanation (i) (b) to section 2 (b), the day of acceptance in this case is 15.05.2019. So, the appointed day as per section 2(b) is 30.05.2019. Hence, the payment was to be made upto 29.05.2019. But, T Ltd. has paid the amount on 07.11.2019. Hence, in view of the provisions of section 16 above, the interest is payable from 30.05.2019 till 06.11.2019.

Note for case b and c:- It has been assumed that J Ltd. and U Ltd. have already filed memorandum as required under section 2(n) above.

Solution to Q 4.)

a. As per section 19(3) & 19(5) of the Air (Prevention and Control of Pollution) Act, 1981 :-

(3) If the State Government, after consultation with the State Board, is of opinion that the use of any fuel, other than an approved fuel, in any air pollution control area or part thereof, may cause or is likely to cause air pollution, it may, by notification in the Official Gazette, prohibit the use of such fuel in such area or part thereof with effect from such date (being not less than three months from the date of publication of the notification) as may be specified in the notification.

(5) If the State Government, after consultation with the State Board, is of opinion that the burning of any material (not being fuel) in any air pollution control area or part thereof may cause or is likely to cause air pollution, it may, by notification in the Official Gazette, prohibit the burning of such material in such area or part thereof.

So, the officer can proceed as per the procedure given in the above provisions of the act.

b. As per section 16(1) of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 :-

"This Act shall not apply—

(a) to any establishment registered under the Co-operative Societies Act, 1912 (2 of 1912), or under any other law for the time being in force in any State relating to co-operative societies, employing less than fifty persons and working without the aid of power; or

(b) to any other establishment belonging to or under the control of the Central Government or a State Government and whose employees are entitled to the benefit of contributory provident fund or old age pension in accordance with any scheme or rule framed by the Central Government or the State Government governing such benefits; or

(c) to any other establishment set up under any Central, Provincial or State Act and whose employees are entitled to the benefits of contributory provident fund or old age pension in accordance with any scheme or rule framed under that Act governing such benefits;"

So, the entity given in this case is falling under section 16 (1) (b) mentioned above. Hence, this act is not applicable to the given entity assuming the fact that its employees are entitled to the benefit of contributory provident fund or old age pension in accordance with any

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Solution to
a. As per
Act

scheme or rule framed by the Central Government or the State Government governing such benefits. As such, no penalty is applicable in this case under this act.

c. As per section 10(2) of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 :-

"Any amount standing to the credit of a member in the Fund or of an exempted employee in a provident fund at the time of his death and payable to his nominee under the Scheme or the rules of the provident fund shall, subject to any deduction authorized by the said Scheme or rules, vest in the nominee and shall be free from any debt or other liability incurred by the deceased or the nominee before the death of the member of the exempted employee and shall also not be liable to attachment under any decree or order of any court."

In view of the above said provision of the act, the contention of the officer of the company M/s UVG Ltd. is against the law and cannot be accepted.

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Solution to Q 5.)

- a. **As per 3rd proviso to section 30 (1) of the Employee's Compensation Act, 1923 :-**

"Provided further that no appeal by an employer under clause (a) shall lie unless the memorandum of appeal is accompanied by a certificate by the Commissioner to the effect that the appellant has deposited with him the amount payable under the order appealed against."

In view of the above provision, the amount payable under the order of the commissioner should be first deposited. Hence, X Ltd. cannot file an appeal before depositing the total amount as determined by the commissioner in its order. So, the contention of X Ltd. is not acceptable.

- b. **As per section 65 of the Electricity Act, 2003 :-**

"If the State Government requires the grant of any subsidy to any consumer or class of consumers in the tariff determined by the State Commission under section 62, the State Government shall, notwithstanding any direction which may be given under section 108, pay, in advance and in such manner as may be specified, the amount to compensate the person affected by the grant of subsidy in the manner the State Commission may direct, as a condition for the licence or any other person concerned to implement the subsidy provided for by the State Government:

Provided that no such direction of the State Government shall be operative if the payment is not made in accordance with the provisions contained in this section and the tariff fixed by the State Commission shall be applicable from the date of issue of orders by the Commission in this regard."

In view of the above provision, the state government should provide subsidy to the distribution company in advance.

As the state government has started to pay the subsidy with a delay of 2 months. So, the action of the state government is against the law.

In this case, the tariff fixed by state commission shall be applicable from the date of issue of orders by the commission in this regard.

Hence, the action of the distribution company is also against the law and not acceptable. The distribution company should request the state

commission to issue orders for applying tariff instead of charging tariff from the consumers on its own.

Bill No.

c. As per section 17 of the Electricity Act, 2003 :-

"(1) No licensee shall, without prior approval of the Appropriate Commission,-

(a) undertake any transaction to acquire by purchase or takeover or otherwise, the utility of any other licensee; or

(b) merge his utility with the utility of any other licensee:

Provided that nothing contained in this sub-section shall apply if the utility of the licensee is situate in a State other than the State in which the utility referred to in clause (a) or clause (b) is situate.

(2) Every licensee shall, before obtaining the approval under sub-section (1), give not less than one month's notice to every other licensee who transmits or distributes, electricity in the area of such licensee who applies for such approval.

(3) No licensee shall at any time assign his licence or transfer his utility, or any part thereof, by sale, lease, exchange or otherwise without the prior approval of the Appropriate Commission.

(4) Any agreement, relating to any transaction specified in sub-section (1) or sub-section (3), unless made with the prior approval of the Appropriate Commission, shall be void."

In view of the above provisions of the act, the present situation is explained as below:-

ABC Ltd. has acquired the utility of XYZ Ltd. which is situated outside the state of Punjab. So, due to the provision to section 17(1), ABC Ltd. has not done anything illegal as this sub section is not applicable to this transaction.

XYZ Ltd. has transferred its utility to ABC Ltd. without the approval of the appropriate commission. This act of XYZ Ltd. is against the provision of section 17(3). Moreover, as per section 17(4), this transaction between ABC Ltd. and XYZ Ltd. is void.

XYZ Ltd. should have taken the prior approval from the appropriate commission i.e. state regulatory commission of Gujarat state for making this transaction valid and in line with the provisions of this act.