

**MINUTES OF MEETING OF THE 46TH GOVERNING BODY MEETING OF FORUM
OF INDIAN REGULATORS (FOIR)**

Date: 11TH JUNE, 2019, TUESDAY

**Venue: Conference Hall, Upper Ground Floor,
CERC, New Delhi, India**

The meeting was chaired by Shri R.S. Sharma, Hony. Chairperson, Forum of Indian Regulators (FOIR) and Chairperson, Telecom Regulatory Authority of India (TRAI). He extended a warm welcome to all members of the Governing Body. Shri P.K. Pujari, Hony. Vice-Chairperson FOIR and Chairperson CERC, welcomed Shri Ashok Kumar Gupta, Hony. Vice-Chairperson FOIR and Chairperson CCI to his first GBM and gave brief background of the Agenda of the Meeting to the members present. Thereafter, the Governing Body took up the agenda items for discussion and decision thereof. List of participants is enclosed at **Annexure-I**.

Agenda 1: Confirmation of the Minutes of the 45th Governing Body Meeting of "FOIR" held on 20th June, 2018 held at New Delhi.

After discussion on the action points of the minutes of 45th Governing Body Meeting, the minutes were confirmed.

Agenda 2: Budget related issues:

- i. **Budget for the F.Y. 2019-20.**
- ii. **Audited Accounts and Resolutions along with appointment of Auditor for F.Y. 2018-19.**
- iii. **Appointment of Tax Consultant for filing the ITR for F.Y. 2018-19.**
- iv. **Updation on Income Tax related matters with respect to the deletion of demands for the A.Ys. 2013-14, 2015-16 & 2016-17.**
- v. **Appointment of Consultant for handling Income Tax related matter with respect to demand raised by the Assessing Officer**

**(AO) for the A.Y. 2017-18 and appeal filed with the CIT (A)
against the demand of the AO.**

- vi. **Status on investment of surplus funds of FOIR.**
- vii. **Status on GST exemption to FOIR**

(i) Ms. Rashmi Nair, Deputy Chief (Regulatory Affairs), CERC explained the salient features of the proposed Budget for FY 2019-20. Further it was also informed that Bihar Electricity Regulatory Commission and Sikkim State Electricity Regulatory Commission have made advance payment of membership fee for FY 2018-19. However, as FOIR Sectt. had not raised any invoices for FY 2018-19 in compliance to directions of the Governing Body, their payments may be considered as having made against invoices for 2019-20. It was also informed that Kerala State Electricity Regulatory Commission had not paid subscription fee for FY 2017-18 and WDRRA had not paid subscription fee for FY 2016-17 and FY 2017-18. The GB advised FOIR Sectt. to follow up with the members for receipt of membership fee. After discussion, the Budget of FOIR for the financial year 2019-20 was approved

Regarding Annual membership subscription fee, Shri A.K. Gupta, Hony. Vice-Chairperson FOIR suggested that FOIR Sectt. should assess the long-term future activities of FOIR and based on the projection, membership fee may be collected. Dr. M.K. Iyer, Hony. Secretary FOIR and Member CERC advised that continuation of membership fee is necessary for proper functioning of FOIR. Shri M.S. Sahoo, Hony. Vice-Chairperson FOIR and Chairperson IBBI shared the idea of two part subscription fee which would include fixed and variable component. The fixed component could be a nominal amount i.e. Rs 50,000/- and variable component could be calculated based on the assessment of the activities to be taken up in particular year.

After deliberation, members agreed in-principle to modify the membership fee as two-part membership fee which would include fixed annual fee and variable membership fee based on the

activities of the FOIR and directed the FOIR Sectt. to examine the two part membership fee. However, it was also decided that the membership fees for FY 2019-20 should be collected at the existing rates.

(ii) Resolutions in respect of approval of the Balance Sheet and Income & Expenditure Account and for authorization of the officials to sign the Audited Annual Accounts, for appointing auditor for filing documents with ITA and Registrar of Society etc. placed at Annexure-II were approved.

(iii) The Governing Body approved the appointment of Tax Consultant M/s MM & Associates, Chartered Accountants, New Delhi for filing the Income Tax Return for FY 2018-19.

(iv) M/s MM & Associates, Chartered Accountants, New Delhi was appointed as Consultant for handling the matter related to the deletion of demands for the A.Ys. 2013-14, 2015-16 & 2016-17. In this regard, all mandatory Forms have been submitted with the concerned authorities. However, the matter is pending with CIT (E) and the Consultant has been pursuing the case with the CIT (E). The GB Members observed that the matter is pending for a long time and that it needs to be monitored closely including performance of the consultant so that the case can be closed early.

(v) A notice under section 143(1) of the Income Tax Act, 1961 has been received from the Income Tax Department for the A.Y. 2017-18 with respect to error in the audit report uploaded by the then Chartered Accountant. Owing to the error, the IT Department disallowed the returned income amounting to Rs. 1.50 Crore. In this regard, an online reply for cancellation of the demand was filed by the appointed Consultant. However, the same was rejected by the CPC, Bangalore. The Consultant had advised to file an appeal with the CIT (A) and accordingly, an

appeal has been filed with the CIT (A) and the date of hearing is awaited. The GB members noted the same.

(vi) The GB was informed that of the available funds of Rs. 5.29 Crore (approx.), Rs. 4.00 Crore have been invested on 09.04.2019 in Union Bank of India, Connaught Place branch, New Delhi, as they offered the highest interest rate (i.e. 7%, non-callable, for the period of 366 days), amongst the PSU Banks from whom quotations were called. The remaining fund of Rs.1.29 Crore (approx.) has been invested in Corporation Bank auto sweep/ flexi-deposits account, to meet the day to day expenditure of FOIR during the F.Y. 2019-20.

(vii) The GB was also apprised that FOIR is registered as a Society under the Societies Act (XXI of 1860) and covered under section 12A/12AA of the Income Tax Act, 1961. Therefore, it was not required to be registered under the GST. The GB made note of the same.

Agenda 3: Reconstitution of Governing Body of "FOIR"

The composition of the Governing Body is based on the Rules and Regulations of FOIR which provide inter-alia that the Chairperson or Members of Electricity Regulatory Commissions/ Authorities would be appointed based on their seniority, subject to the condition that he/ she has at least one year's service left.

As per the existing Rules and Regulations, the incumbent to the post of Hony.Chairperson, Hony.Vice-Chairperson and Hony. Member shall hold office till he/ she continues to hold the post of his/ her respective Regulatory Commissions/ Authorities. The members included in the Governing Body are also based on seniority amongst the electricity regulators as per the Rules and Regulations of FOIR, subject to the condition that he/ she has at least one year's service left. The constitution of the proposed Governing Body (Annexure-III) was approved by the GB.

Agenda 4: Proposal of Indian Institute of Corporate Affairs (IICA) to take up administrative and financial activities of FOIR on Retainership basis- Update

The representative of IICA, Dr. Navneet Sharma, presented the revised proposal for providing its services to FOIR Sectt. on retainership basis. After deliberation, Members agreed that the core functions of FOIR such as giving authorisations and taking approvals, management of membership fees, investment of surplus funds, banking activities, income tax issues and cases would continue to be handled by FOIR Sectt. at CERC.

The remaining activities of FOIR such as conducting Annual General Body Meetings, Workshops/ Research Conference under Research, Training and Information, conducting Training Programmes for the members of FOIR at the level of Chairpersons/ members/ Officials of State, all activities relating to studies, preparation of minutes of various meetings, preparation of Annual Report, preparation and maintenance of various registers as per Societies of Registration Act, 1860 and any other activities as assigned by FOIR Sectt. may be handed over to IICA. These activities are indicative only and not exhaustive.

IICA has proposed a retainership fees of Rs. 1,60,046/- (plus taxes as admissible) per month. Further it also proposed that a fund of Rs 2 Crore may be earmarked for carrying out various activities in pursuance of the mandate of FOIR such as training program for officers of member regulatory bodies (1 No), Colloquium for serving Chairpersons/ Members (1 No), Annual Regulators Retreat for all FOIR members (1 No) and 1 Research project having relevance to FOIR members. The members of Governing Body deliberated on the proposal of IICA and approved the same with instructions to take up the same for approval of the AGM.

Agenda Item 5: Additional Issue

Hony. Chairperson of FOIR proposed that there should be a permanent post of Executive Chairperson of FOIR and Chairperson CERC (Hony. Chairperson FOIR) should be designated so. This is necessary to ensure that all day to day activities are authorised by the Chairperson CERC without recourse to Hony. Chairperson of FOIR or Governing Body. However, other functions of Hony. Chairperson of FOIR would continue to be as per existing Rules. Hence the GB agreed to the suggestion and passed a resolution (Annexure IV) to delegate the administrative & financial powers for the routine functioning of FOIR to the Hony. Vice-Chairman FOIR/ Chairperson, CERC and the same will be taken up as separate agenda in the AGM also.

At the end of the meeting, Shri R.S Sharma, Hony. Chairman FOIR conveyed his sincere thanks to all the dignitaries present in the meeting. He also thanked the FOIR Secretariat for their sincere efforts in organizing the meeting.

LIST OF PARTICIPANTS ATTENDED

46TH GOVERNING BODY MEETING OF FORUM OF INDIAN REGULATORS (FOIR)

Date: 11TH JUNE, 2019, TUESDAY

**Venue: Conference Hall, Upper Ground Floor,
CERC, New Delhi, India**

S. No.	Name & Designation	Organization
1	Dr. R.S. Sharma, Chairperson	TRAI
2	Dr. M.S. Sahoo, Chairperson	IBBI
3	Shri P.K. Pujari, Chairperson	CERC
4	Shri Ashok Kumar Gupta, Chairperson	CCI
5	Dr. M.K. Iyer, Member	CERC
6	ShriInduShekharJha, Member	CERC
7	Shri K.M. Shringarpure, Member	GERC
8	ShriSatpatGarg, Member (C&M)	PNGRB
9	ShriSanoj Kumar Jha, Secretary	CERC
10	Ms. Rashmi Nair, DC(RA)	CERC
11	ShriArun Kumar, Executive Treasurer	FOIR
12	Dr. Navneet Sharma	IICA
13	Neeraj Singh Gautam, RO	CERC

RESOLUTION

1. **"RESOLVED THAT** in the 46th Governing Body Meeting of FOIR the Balance Sheet as on 31st March, 2019 and the Income & Expenditure Account for the year ended on the date, has been adopted and approved.
2. **FURTHER RESOLVED THAT** the Hony. Chairman, Hony. Secretary, Hony. Treasurer and Executive Secretary are hereby authorized to sign the Annual Accounts of FOIR as on 31st March 2019, on behalf of the Governing Body.
3. **FURTHER RESOLVED THAT** the Executive Secretary is authorized to file various documents with the Registrar of Societies, Income Tax Authorities and/or any other Authority/s and is also authorized to approve/incur expenditure on behalf of the FOIR".

(Sanoj Kumar Jha)
Executive Secretary

Place : New Delhi

Date: June, 2019

PROPOSED GOVERNING BODY OF "FOIR"

FOR THE YEAR 2019 - 20

Name & Designation	Date of Appointment in Regulatory Commission / Authority	Date of Retirement in Regulatory Commission / Authority
Hony. Chairman		
Mr. R.S. Sharma	10.08.2015	30.09.2020
Chairperson, TRAI		
Hony. Vice-Chairman		
Dr. M.S. Sahoo	01.10.2016	30.09.2021
Chairperson, IBBI		
Mr. D.K. Sarraf	04.12.2017	03.12.2020
Chairperson, PNGRB		
Mr. P.K. Pujari	01.02.2018	31.01.2021
Chairperson, CERC		
Mr. Ashok Kumar Gupta	12.11.2018	25.10.2022
Chairperson, CCI		
Mr. Anand Kumar	02.08.2011	04.04.2021
Chairperson, GERC		
Mr. Jagjeet Singh*	17.08.2014	12.08.2019*
Chairperson, HERC		
Mr. S.K.B.S. Negi	01.10.2015	10.09.2020
Chairperson, HPERC		
Chairperson, AERA		
Chairperson, TAMP		
Chairperson, WDRA		
Hony. Members		
Mr. K. Vikraman Nair**	05.12.2014	04.12.2019**
Member, KSERC		
Mr. K.M. Shringarpure***	29.12.2014	28.12.2019***
Member, GERC		
Mr. Rajeev Amit	24.08.2015	23.08.2020

Member, BERC		
Mr. P.J. Thakkar	13.10.2015	12.10.2020
Member, GERC		
Vacant, Central Infrastructure Sector		
Vacant, Financial Sector		
Hony. Secretary		
Dr. M.K. Iyer, Member, CERC****	10.08.2015	05.02.2020****
Hony. Treasurer		
Mr. InduShekharJha Member, CERC	21.01.2019	20.01.2022

***Mr. S.K. Negi, Chairperson, BERC will replace Mr. Jagjeet Singh, Chairperson, HERC and will serve as Hony. Vice-Chairman, (from 13.08.2019 to 30.09.2020).**

****Mr. Rabindra Narayan Singh, Member, JSERC will replace K. Vikraman Nair, Member, KSERC and will serve as Hony. Member (from 05.12.2019 - 09.01.2021) .**

*****Mr. Santokh Singh Sarna, Member, PSERC will replace Mr. K.M. Shringarpure, Member, GERC and will serve as Hony. Member (from 29.12.2019 - 18.09.2020).**

******Mr. InduShekharJha, Member, CERC will replace Dr. M.K. Iyer, Member, CERC and will serve as Hony. Secretary (from 06.02.2020 to 20.01.2022) .**

Further, New Member, CERC will replace, Mr. InduShekharJha, Member, CERC and will serve as Hony. Treasurer (from the date of joining in CERC)

RESOLUTION

"**RESOLVED THAT** in the 46th Governing Body Meeting of FOIR held on 11th June, 2019, the Governing Body resolved to delegate the administrative & financial powers for the routine functioning of FOIR to Hony. Vice-Chairman FOIR / Chairperson, CERC.

The same has been adopted and approved.”

(Sanoj Kumar Jha)
Executive Secretary

Place : New Delhi

Date: June, 2019