



**IN THE APPELLATE TRIBUNAL FOR ELECTRICITY**  
**AT NEW DELHI**  
**(APPELLATE JURISDICTION)**  
**OP NO. 1 OF 2025**

**IN THE MATTER OF:**

Suo-Moto Action Under Section 121 of the EA

....Petitioner(s)

**VERSUS**

Forum of Regulators & Ors.

....Respondent(s)

**AFFIDAVIT IN COMPLIANCE OF ORDER DATED 29.8.2025 FILED ON**  
**BEHALF OF SIKKIM STATE ELECTRICITY REGULATORY**  
**COMMISSION [RESPONDENT NO. 26]**

I, Palchen Dorjee Chaktha, Son of Shri. Lt. Pema Tenzing Chaktha aged about 52 years, working as Director (T&T) of the Respondent No. 26, posted at Gangtok, Sikkim do hereby solemnly affirm and state as under: -

1. That I am the Director (T&T) of the Sikkim State Electricity Regulatory Commission, Respondent No. 26 [hereinafter referred to as 'SSERC'], and have been authorized to appear in the present matter. I am competent, therefore, to swear the present affidavit.
2. That this Hon'ble Tribunal vide its order dated 29.8.2025 was pleased to record and direct has under:-

"XXXXXXX"

*The Secretary of the Sikkim Electricity Regulatory Commission (R26) appeared through the Video Conferencing facility, and stated that, since they have not created any Regulatory Asset nor is there any Revenue Gap for the past period i.e. for the period upto 31.03.2024, they be permitted to file an affidavit furnishing all these details.*

XXXXX



*We, therefore, direct all the Regulatory Commissions to file their respective affidavit within two weeks from today furnishing details of (a) the Regulatory Assets with respect to each Discoms, within their jurisdiction, as on 01.04.2024; (b) the Revenue Gap (whether carried forward or not) as reflected in each ARR upto 01.04.2024; (c) the trajectory/ roadmap for liquidation of these Regulatory Assets/ ending the revenue gap upto 01.04.2024, so as to ensure that the entire Regulatory Assets/ Revenue Gap is liquidated latest by 31.03.2028; (d) the steps taken by each of the Commissions to commence an intensive audit of the circumstances in which the Distribution Companies, operating within their jurisdiction, have continued to function without recovery of the Regulatory Assets/ Revenue Gap; and (e) the year upto which each of these Commissions have passed true up/ ARR orders with respect to each of the Distribution Companies within their jurisdiction."*

A true copy of the order dated 29.8.2025 passed by this Hon'ble Tribunal in O.P. 1 of 2025 is annexed herewith and marked as **Annexure A-1**.

3. That with respect to the aforesaid direction, it is most respectfully submitted as under:
- a. In the State of Sikkim, there is only one DISCOM i.e the Power Department, Government of Sikkim. Further, for the said DISCOM, no Regulatory Asset has ever been created by the answering Respondent.
  - b. The sole DISCOM in Sikkim being a Government Department, it functions with the budgetary support from the State Government. Considering this fact and to avoid tariff shock to the consumers, SSERC has been allowing partial passing through of the revenue gap to the consumers by way of hike in tariff. The balance revenue gap in the Annual Revenue Requirement (ARR) is being absorbed by the said DISCOM and is not carried forward.
  - c. Therefore, SSERC has not created any Regulatory Asset till date and the revenue gaps, if any, for the DISCOM are absorbed by it with the budgetary support of the State Government.



- d. The DISCOM in Sikkim being a State Government Department, its accounts are regularly audited by the Office of the Accountant General (Audit), Government of India as well as by the Internal Audit of the State Government.
- e. SSERC has passed True-up order for the sole DISCOM till F.Y. 2023-24 and ARR till F.Y. 2025-26.
4. That the contents of this affidavit are true to my knowledge and belief and are based on the documents and information available with Respondent no. 26 in the normal course of business and believed by me to be true.
5. The documents annexed as annexures to this affidavit are true copies of their respective originals.

DEPONENT

DIRECTOR (T&T)  
SIKKIM STATE ELECTRICITY  
REGULATORY COMMISSION  
GANGTOK, SIKKIM

Verification

I, the deponent abovenamed, do hereby verify that the contents of the above affidavit are true and correct to the best of my knowledge, no part of it is false and nothing material has been concealed therefrom.

Verified at Gangtok, on this the 5<sup>th</sup> day of September, 2025.

DEPONENT

DIRECTOR (T&T)  
SIKKIM STATE ELECTRICITY  
REGULATORY COMMISSION  
GANGTOK, SIKKIM

Identified by:  
Sri Gaurav Rai,  
Ho. Legal Officer

Subscribed by: Sri Gaurav Rai  
Identified by: Sri Gaurav Rai  
Ho. Legal Officer

25/09/2025  
Sri Gaurav Rai  
Ho. Legal Officer (Gangtok)  
High Court of Sikkim  
Vidhan Sabha