

ANNEXURE - VIII



ABSTRACT

Reorganization of the Tamil Nadu Electricity Board as per the provisions of the Electricity Act 2003 – Tamil Nadu Electricity (Reorganization and Reforms) Transfer Scheme 2010 – Approved – Amendments Issued.

Energy (B2) Department

G.O.(Ms).No.2
Dated:02.01.2012

Read:

1. G.O.Ms.No.100, Energy (B2) Department, dated 19.10.2010.
2. From the CMD/TANGEDCO Lr.No.SE/PLG/EE/ GP/ AEE4/ F.Restricturing/D 353/ 2011 dated 20.10.2011.

ORDER:

In the Government order read above, Government have notified the provisional Transfer Scheme, transferring the assets, liabilities & Personnel of erstwhile TNEB with the effective date of implementation as 1.11.2010, as per the provisions of the Electricity Act, 2003.

2. Now the CMD,TANGEDCO has stated that for the final transfer of assets and liabilities the audited accounts up to 31.10.2010 are required, which is estimated to be available only during June 2012. Since 2009-10 accounts have already been audited, the assets and liabilities added during 2009-10 can be segregated company wise. In this regard, the TNEB Limited Board has approved the proposal to seek one year time extension i.e. up to 31.10.2012 for final transfer of assets and liabilities to successor entities of erstwhile TNEB with Segregation of Balance sheet for successor companies of erstwhile TNEB and finalizing Asset Transfer Proposal (provisional opening Balance Sheet of Successor Companies) based on 2009-10 Audited accounts based on the same principles as adopted in the notification issued vide G.O.Ms.No.100 dated 19.10.2010.

3. The Government after careful examination accepts the proposal of CMD, TANGEDCO and extend time up to 31.10.2012 for final transfer of assets and liabilities to successor entities of erstwhile TNEB.

(P.T.O)

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4. The notification appended to this order will be published in the Tamil Nadu Government Gazette extraordinary dated 02.01.2012.

(By order of the Governor)

Ramesh Kumar Khanna
Principal Secretary to

Government.

TO

The Works Manager, Government Central Press, Chennai-79
(With a request to publish the Notification in the Tamil Nadu Government Gazette Extra ordinary, dated.....)

The CMD, TANGEDCO, Chennai-2

The Secretary, TANGEDCO, Chennai-2

The Secretary, Tamil Nadu Electricity Regulatory Commission,
Chennai-8.

Copy to:-

The Ministry of Power,

Government of India, New Delhi-1.

The Chief Minister's Office, Chennai-9

The Senior P.A. to Minister (Electricity, Prohibition & Excise), Chennai-9.

The Finance (PW-II) Department, Chennai-9.

The Law Department, Chennai-9

Tamil Nadu Government Website www.tn.gov.in

SF/SC

//Forwarded/By Order//

OFFICER.

SECTION

APPENDIX

NOTIFICATION.

In exercise of the powers conferred by sections 131 and 133 of the Electricity Act, 2003 (Central Act 36 of 2003), read with clauses 9 and 12 of the Tamil Nadu Electricity (Reorganisation and Reforms) Transfer Scheme, 2010, the Governor of Tamil Nadu hereby makes the following amendments to the said scheme:-

2. The amendments hereby made shall come into force on the 1st November 2011.

AMENDMENTS.

In the said Notification,-

(1) in clause 5, in sub-clause (9), for the sentence commencing with the words 'The transfer' and ending with the words 'loss of the Board', the following sentence shall be substituted, namely:-

“The transfer value of the Fixed Assets forming part of Schedules A, B and C of the respective Transferees have been done at book values excluding the land and turbine machinery of gas based power plant which was revalued based on the guideline value resulting into Revaluation Reserve of Rs.8355.32 Crores adjusted against the accumulated loss of the Board.”;

(2) in clause 9, in sub-clause (1), for the expression “for a period of one year”, the expression “for a period of two years” shall be substituted;

(3) In the Appendix,-

(a) in Schedule-A, in Part II Generation and Distribution Undertakings, for the entries under the heading “Aggregate Assets and Liabilities vested in Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO)”, the following entries shall be substituted, namely:-

“Aggregate Assets and Liabilities vested in Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO)”

Opening Balance Sheets - TANGEDCO

LIABILITIES	Rs. Crores		ASSETS	Rs. Crores	
<u>SOURCES OF FUNDS</u>			<u>APPLICATION OF FUNDS</u>		
<u>SHAREHOLDERS FUND</u>			<u>FIXED ASSETS</u>		
Equity Share Capital - GoTN Equity		2,547.76	Gross Fixed Assets	20,005.92	
<u>Reserves and Reserve Funds</u>			Less: Accumulated Depreciation	7,574.51	
Accumulated Losses		-7,846.50	Net Fixed Assets	16,231.42	
TOTAL SHAREHOLDERS FUND		-5,298.74	Capital Works In Progress	4,112.62	20,344.04
<u>LOAN FUNDS</u>			INVESTMENT / DEPOSITS		583.51
Project Specific Liabilities	6,668.96		<u>CURRENT ASSETS, LOANS AND ADVANCES</u>		
Generic Loans	8,401.01		Stock	1,007.67	
TOTAL CAPITAL LIABILITIES	15,069.97		Net Receivables against Supply of Power	4,116.06	
BORROWINGS FOR WORKING CAPITAL	4,606.50	19,676.46	Cash and Bank Balances	396.80	
			Loan & Advances	330.68	
			Sundry Receivable	523.61	
			TOTAL CURRENT ASSETS, LOANS AND ADVANCES	6,374.82	
			SUBSIDY RECEIVABLE FROM STATE GOVERNMENT	16.48	
			Less: CURRENT LIABILITIES AND PROVISION		
			Security Deposits from Consumers	4,812.76	
			Liabilities related to staff	845.67	
			Other Current Liabilities	7,287.68	
			TOTAL CURRENT LIABILITIES	12,946.13	
			NET CURRENT ASSETS		-6,554.82
Total Liabilities		14,372.72	Total Assets		14,372.72

Note:-

1. The above opening balance sheet has been drawn on a provisional basis based on available audited accounts of the Financial Year 2009-10 of the Board and will be considered as a provisional balance sheet as on 01.11.2010 for the Transferee. The amounts mentioned under various heads are subject to validation, verification, updation and truing up and these shall be completed during the provisional period mentioned in Clause 9 of the Transfer Scheme.
2. The amounts mentioned under current assets and current liabilities shall also be subject to audit and finalization.
3. The shares to the extent of the value of the share capital mentioned above shall be issued by the TANGEDCO to the TNEB Limited at par as on the date of the transfer.”;

(b) in Schedule-B, in Part II – Transmission Undertaking, for the entries under the heading “Aggregate Assets and Liabilities vested in Tamil Nadu Transmission Corporation Limited (TANTRANSCO)”, the following entries shall be substituted, namely:-

“Aggregate Assets and Liabilities vested in Tamil Nadu Transmission

Corporation Limited (TANTRANSCO)

Opening Balance Sheets - TANTRANSCO

LIABILITIES	Rs. Crores		ASSETS	Rs. Crores	
SOURCES OF FUNDS			APPLICATION OF FUNDS		
SHAREHOLDERS FUND			FIXED ASSETS		
Equity Share Capital - GoTN Equity		1,927.50	Gross Fixed Assets	12,232.35	
Reserves and Reserve Funds			Less: Accumulated Depreciation	3,392.79	
Accumulated Losses		-4,031.82	Net Fixed Assets	8,839.56	
TOTAL SHAREHOLDERS FUND		-2,104.32	Capital Works in Progress	1,595.16	10,434.72
LOAN FUNDS			CURRENT ASSETS, LOANS AND ADVANCES		
Project Specific Liabilities	2,118.96		Stock	424.59	
Generic Loans	9,601.93		Cash and Bank Balances	16.98	
TOTAL CAPITAL LIABILITIES	11,720.29		Loan & Advances	7.14	
BORROWINGS FOR WORKING CAPITAL	627.42	12,347.71	Sundry Receivable	7.10	
			TOTAL CURRENT ASSETS, LOANS AND ADVANCES	455.81	
			Less: CURRENT LIABILITIES AND PROVISION		
			Liabilities related to Staff	210.70	
			Other Current Liabilities	436.43	
			TOTAL CURRENT LIABILITIES	647.13	
			NET CURRENT ASSETS		-191.33
Total Liabilities		10,243.39	Total Assets		10,243.39

Note:-

1. The above opening balance sheet has been drawn on a provisional basis based on available audited accounts of the Financial Year 2009-10 of the Board and will be considered as a provisional balance sheet as on 01.11.2010 for the Transferee. The amounts mentioned under various heads are subject to validation, verification, updation and truing up and these shall be completed during the provisional period mentioned in Clause 9 of the Transfer Scheme.
2. The amounts mentioned under current assets and current liabilities shall also be subject to audit and finalization.
3. The shares to the extent of the value of the share capital mentioned above shall be issued by the TANTRANSCO to the TNEB Limited at par as on the date of the transfer.”;

(c) in Schedule C, in Part II – Holding Undertaking, for the entries under the heading “Aggregate Assets and Liabilities vested in TNEB Limited”, the following entries shall be substituted namely:-

“Aggregate Assets and Liabilities vested in TNEB Limited

Opening Balance Sheets - TNEBL							
LIABILITIES		Rs. Crores		ASSETS		Rs. Crores	
<u>SOURCES OF FUNDS</u>				<u>APPLICATION OF FUNDS</u>			
<u>SHAREHOLDERS FUND</u>				<u>FIXED ASSETS</u>			
Equity Share Capital - GoTN Equity		4,501.15		Gross Fixed Assets	6.33		
				Less: Accumulated Depreciation	2.50		
TOTAL SHAREHOLDERS FUND		4,501.15		Net Fixed Assets			3.83
				Investment in Subsidiary Company			4,475.26
				<u>CURRENT ASSETS, LOANS AND ADVANCES</u>			
				Cash and Bank Balances	2.32		
				Loan & Advances	5.62		
				Sundry Receivable	63.00		
				TOTAL CURRENT ASSETS, LOANS AND ADVANCES	70.95		
				<u>Less: CURRENT LIABILITIES AND PROVISION</u>			
				Other Current Liabilities	48.88		
				TOTAL CURRENT LIABILITIES	48.88		
				NET CURRENT ASSETS			22.06
Total Liabilities		4,501.15		Total Assets			4,501.15

Note:-

1. The above opening balance sheet has been drawn on a provisional basis based on available audited accounts of the Financial Year 2009-10 of the Board and will be considered as a provisional balance sheet as on 01.11.2010 for the Transferee. The amounts mentioned under various heads are subject to validation, verification, updation and truing up and these shall be completed during the provisional period mentioned in Clause 9 of the Transfer Scheme.
2. The amounts mentioned under current assets and current liabilities shall also be subject to audit and finalization.
3. The shares to the extent of the value of the share capital mentioned above shall be issued by the TNEB Limited to the State Government at par as on the date of the transfer.”.

**Ramesh Kumar Khanna,
Principal Secretary to Government.**

//Forwarded/By Order//

SECTION OFFICER.