



## ABSTRACT

Reorganisation of the Tamil Nadu Electricity Board (TNEB) as per the provisions of The Electricity Act, 2003 – In principle approval for formation of a holding company and two subsidiary companies and formation of steering committee to finalise transfer scheme – Orders – Issued.

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Energy(B2)Department

G.O.Ms.No.114

Dated 8.10.2008  
Read:

1. From the Chairman, TNEB, Lr.No.SE/PLG/EGP/A4/F.Restructuring /D.103/2008, dated 27.2.2008.
2. From the Chairman, TNEB, D.O.Lr.No.SE/PLG/EE/GP/AEE4/ F.Restructuring/D.240/2008, dated 13.5.2008.

### Read also

- 3 From the Ministry of Power, Government of India, D.O.No.25/22/2004-R&R, dated 26.9.2008.
- 4 G.O.Ms.No.111, Energy Department, dated 26.9.2008, published in the Tamil Nadu Government Gazette Extraordinary No.290, dated 26.9.2008.

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### ORDER:

The Tamil Nadu Electricity Board was created with effect from 1.7.1957 under the provisions of The Electricity (Supply) Act, 1948. The above Act has been repealed and replaced by The Electricity Act, 2003, which has come into effect from 10.6.2003. The new Act contains detailed provisions for the reorganisation of Electricity Boards.

2. Pending reorganisation of the Electricity Boards, The Electricity Act 2003, provides for continuance of the Electricity Boards as State Transmission Utilities and Licencees, by notification for specified periods of time, subject to mutual agreement between the Central and State Governments. In the reference third read above the Government of India have agreed for the continuance of the Tamil Nadu Electricity Board as State Transmission Utility and Licencee upto 9.10.2008.

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3. In the letters first and second read above, the Chairman, Tamil Nadu Electricity Board has sent proposals to the Government for reorganisation of the Tamil Nadu Electricity Board as per the requirements of The Electricity Act, 2003 and to separate its transmission and State Load Despatch centre functions by forming a separate company.

4. In the letter 3<sup>rd</sup> read above, the Ministry of Power, Government of India, have requested this Government to complete the process of separating the transmission function immediately under a new corporate entity, with a clear road map for further reorganisation of the Board soon thereafter.

5. The Government after careful examination of the proposal for reorganisation of the Tamil Nadu Electricity Board as per the requirements of The Electricity Act, 2003, accord approval in principle to the reorganisation of the Tamil Nadu Electricity Board by the establishment of a holding company, by the name TNEB Ltd and two subsidiary companies, namely Tamil Nadu Transmission Corporation Ltd (TANTRANSCO) and Tamil Nadu Generation and Distribution Corporation Ltd (TANGEDCO), with the stipulation that the aforementioned companies shall be fully owned by Government.

6. The Government also order that a Steering Committee shall be established as follows, to finalise the transfer scheme for the reorganisation of the Board under Section 131 of The Electricity Act, 2003:-

- |                                                                               |   |                  |
|-------------------------------------------------------------------------------|---|------------------|
| (i) Principal Secretary to Government,<br>Energy Department                   | - | Chairperson      |
| (ii) Chairman, Tamil Nadu Electricity<br>Board                                | - | Member Secretary |
| (iii) Principal Secretary to Government,<br>Finance Department or his nominee | - | Member           |

The Committee shall finalise the transfer scheme within 6 months and submit the same for approval and notification by Government.

7. The orders for reorganisation of the Board stipulated in para 5 above shall be implemented upon the notification of the transfer scheme under Section 131 of The Electricity Act.

(By Order of the Governor)

Smita Nagaraj,  
Principal Secretary to Government.

To  
The Chairman, Tamil Nadu Electricity Board, Chennai-2.

Copy to  
The Secretary to Government, MOP, GOI, New Delhi.

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Secretary to Chief Minister, Chennai-9.  
Chief Minister's Office, Chennai-9.  
Senior PA to Minister for Electricity, Chennai-9.  
PS to Chief Secretary, Chennai-9.  
Principal Secretary to Government, Finance Department,  
Chennai-9.  
Public Department, Chennai-9.  
Law Department, Chennai-9.  
The Secretary, TNERC, Chennai-18.  
All Sections in Energy Department, Chennai-9.  
SF/SC.

//Forwarded By Order//

Section Officer.