



SECRETARIAT BRANCH
N.P.K.R.R. MAALIGAI,
144, ANNA SALAI
CHENNAI-2.

Establishment – TANGEDCO – State Public Sector Undertakings/Statutory Boards –
Ban on creation of posts in all the State Public Sector Undertakings/Statutory
Boards – Adoption of Government orders in TANGEDCO - Orders – Issued.

SECRETARIAT BRANCH

(Per.) FB TANGEDCO Proceedings No.2

Dated 12th April 2022.
Panguni-29.
Thiruvalluvar Aandu 2053.

Read :-

1. G.O. Ms. No.248 Finance (MPC) Department dated 20.05.2020.
2. (Per.) FB TANGEDCO Proceedings No.21 SB dated 23.07.2020.
3. Government Letter No.3157/Finance (BPE)/ 2022, dated 26.01.2022.
4. Extract from the minutes of 106th Board meeting of TANGEDCO held on 19.03.2022.

PROCEEDINGS:-

In the Government Letter third read above, the Government had reiterated the guidelines issued in G.O. Ms. No.27 Finance (BPE) Department dated 21.01.2002 and sent the communication consisting of the following points :-

- i. To ensure that no new posts are created at any levels without prior approval of Government.
- ii. To forward necessary proposals to Government in case of emergency, the need for creation of new posts, sending necessary proposal duly surrendering some other posts commensurate with the new creation of post along with copy of Government order in which the surrendering post was originally sanctioned/created.

2. Based on the above directions of the Government, necessary proposal has been placed before the 106th Board meeting of TANGEDCO held on 19.03.2022 for adoption of the above Government Letter.

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3. After careful consideration, the Board of TANGEDCO has approved for adoption of Government Letter in TANGEDCO. Accordingly, it is hereby ordered that the following guidelines issued in G.O. Ms. No.27 Finance (BPE) Department dated 21.01.2002 should be followed scrupulously along with the instructions issued in the Government Letter third read above :-

Guidelines issued in the Government Order:-

- i. Cost of fuel consumed in excess of the operational ceiling fixed shall be recovered from the vehicle using officers concerned from the pay for the subsequent month. The existing orders on economy in expenditure of Motor Vehicles shall be strictly followed.
- ii. The Government orders on ban on creation and filling up of posts in respect of Government Departments as amended from time to time shall mutatis mutandis apply to State Public Sector Undertakings also.
- iii. Any welfare scheme implemented for Government employees should not be extended to the employees of loss making Undertakings. However such welfare schemes may be extended to the other State Public Sector Undertakings based on their profitability after obtaining prior concurrence of Government.
- iv. DA enhancement in loss making Public Sector Undertakings should be referred to Government for approval before implementing.
- v. Provisions made in the Budget of the State Public Sector Undertakings for contingencies and entertainment should be reduced to the minimum necessary and a saving of atleast 10% should be effected. There shall be a cut of 10% in the outlay provided under wages, travel expenses and office expenses.
- vi. Economy in expenditure should be observed in holding conferences, seminars and meetings. Air travel should be restricted to those eligible strictly as per Government Orders and the relevant rules should not be relaxed.
- vii. Effective control of expenditure under travel expenses should be ensured so that the total is restricted within 10% of the basic pay of all employees taken together. CEOs of all State Public Sector Undertakings may be specifically instructed to regulate tours and travels so that travel expenses are kept within the provisions made in the Budget.
- viii. Authorisation for tours should be made rigorous. Transfer TA expenses should also be curtailed by judicious planning of transfers and by following Government orders in this regard.
- ix. In respect of loss making State Public Sector Undertakings, sanction of funds from the corporation's own funds towards staff welfare schemes such as sanction of House Building Advance, Conveyance Advance, Education Advance, Computer Advance etc. may be discontinued. No budget provision for this should be made in the Budget of the loss making State Public Sector Undertakings.

- x. For all staff advances made by the State Public Sector Undertakings interest on such loan should not be less than the marginal cost of borrowed capital or average cost of borrowed capital whichever is higher.
- xi. The State Public Sector Undertakings should reduce the financing costs, by substituting the high cost of borrowings with the low cost loans by obtaining fresh loans since the interest rate in the finance market is constantly coming down.
- xii. The expenditure on Telephones and Telex (including FAX), Internet should be minimized. It is necessary to exercise strict control on the use of STD facilities, particularly at residences, which may be restricted to a few important telephones i.e. important officers only under orders of the Board of Directors. STD will be covered within the overall ceiling limit as per existing Government Orders. Excess telephone calls on the residential telephones of the officers should be recovered and in no case proposal for waiver will be entertained.
- xiii. There should be an absolute ban on the purchase of new items of decorative furniture etc. except where they are considered absolutely essential for functional improvement.
- xiv. A detailed examination may be carried out in respect of various schemes and activities for which provision has been made in the Capital Budget, in order to assess the extent to which these can be re-scheduled or postponed without adversely affecting the functioning of the State Public Sector Undertakings.
- xv. The practice of State Public Sector Undertakings hosting lunches and dinners without there being any necessity in the course of their business should be avoided.
- xvi. Strict economy in expenditure should be observed in preparing the copies of Annual Accounts of the State Public Sector Undertakings.
- xvii. Persons should not be sponsored for any training programmes in loss making PSUs if the cost of training excess Rs.10,000/-. Training can be considered only in areas which are functionally essential for the State Public Sector Undertakings.
- xviii. Directors or Officers of State Public Sector Undertakings should not henceforth stay at any Five Star Hotel at the cost of the State Public Sector Undertakings irrespective of past practice or their own rules or decision in this regard.
- xix. The capital expenditure on maintenance of assets may be undertaken under Zero Based Budgeting technique.
- xx. Purchase of new assets i.e. vehicle etc. which are not going to augment revenue to the corporation or which may result in additional revenue recurring expenditure should be banned.

- xxi. Strict scrutiny of new expenditure on machinery and equipments is necessary as most equipments are now available in private sector for hire at reasonable costs. New office equipments should be bought with care based on specific sanction from the Board. Utilization of existing equipments will have to be maximized.
- xxii. The State Public Sector Undertakings should ensure that by and large the resources raised on loans and share capital are utilized in investments which are productive, and yielding appropriate financial returns.
- xxiii. As per the existing instructions ex-officio office bearers like Chairman/MD/CMD/Directors and other officials of State Public Sector Undertakings/Boards/Co-operative Institutions under the control of various Departments are not eligible for personal staff and other perquisite like Motor Vehicle, residential telephones, refrigerators, service of cooks etc. at the cost of these undertaking since the officers are availing such facilities as per their regular positions in Government. CEOs of State Public Sector Undertakings are asked to follow the above instructions strictly.

Instructions Issued in Government Letter dated 26.01.2022 :-

- i. No new posts be created at any levels in TANGEDCO without prior approval of the Government.
- ii. In case of emergency the need for creation of new posts, necessary proposals be forwarded to Government duly surrendering some other posts commensurate with the new creation of post along with copy of G.O. in which the surrendering post was originally sanctioned/created.

(BY ORDER OF THE BOARD)

**A.MANIKKANNAN
SECRETARY**

To
The Secretary to Government (Expenditure) Finance (BPE)
Department/Secretariat/Chennai.
All Chief Engineers/Superintending Engineers/
TANGEDCO/TANTRANSCO.

Copy to:-

The Executive Assistant to Managing Director/TANTRANSCO.
The Executive Assistant to Director (Distribution)/TANGEDCO.
The Executive Assistant to Director (Projects)/TANGEDCO.
The Executive Assistant to Director (Generation)/TANGEDCO.
The Executive Assistant to Director (Operation)/TANTRANSCO.
The Executive Assistant to Director (Transmission Projects)/TANTRANSCO.

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The Executive Assistant to Director (Finance)/TANGEDCO.
The Executive Assistant to Director (Finance)/TANTRANSCO.
The Company Secretary/TANGEDCO, TANTRANSCO &
Udangudi Power Corporation Limited.
(With reference to Item No.55 of 106th Board meeting of TANGEDCO
held on 19.03.2022).
The Company Secretary/TNEB Ltd.
The Legal Advisor and Industrial Relations Advisor/TANGEDCO.
The Chief Financial Controller/General, Revenue and
Deposits & Documentation/TANGEDCO.
The Chief Financial Controller/TANTRANSCO.
The Chief Internal Audit Officer/Audit Branch/TANGEDCO.
The Resident Audit Officer.
The Deputy Secretary/Personnel, Administration, Vigilance and
Inspection/Secretariat Branch.
The Deputy Secretary/TANTRANSCO.
The Superintending Engineer/Information Technology-I/Chennai.
The Senior Personnel Officer/Inspection/Administrative Branch/Chennai.
All Under Secretaries/Secretariat Branch.
The Personnel Officer/Staff Sanction/Administrative Branch/Chennai.
The Additional Senior Private Secretary to Secretary/TANGEDCO.
The Personal Assistant to Chairman-cum-Managing Director/TANGEDCO.
The Steno-typist to Inspector General of Police/Vigilance/TANGEDCO.
Statistical Cell/Administrative Branch/Chennai.
All Sections/Secretariat Branch.
The Assistant Personnel Officer/Tamil Development for publication in
TANGEDCO, TANTRANSCO and TNEB Ltd Bulletin (2 copies).
Stock File.

//TRUE COPY//FORWARDED//BY ORDER//

S. Saravathy
13/04/22
SECTION OFFICER