

# Tamil Nadu Electricity Board Engineers' Association

(Recognized in G.O. No.854 dated 06-04-1946)

Regn. No.217/94

President :

**Er. G. SADHASIVAM**, B.E., M.B.A.,  
(M) 94432 08587

Vice President I :

**Er. N. MATHIMARAN**, M.Tech.,  
(M) 98423 70553

Vice President II :

**Er. J. TAMILSELVAN**,  
M.E., PGDPM., M.Sc., (ReV)  
(M) 94450 31691

General Secretary :

**Er. V. SHANMUGA**,  
B.E., PGDEM., M.Phil (Energy)  
(M) 94423 96962

Treasurer :

**Er. G. KUMARAVEL**, B.E.,  
(M) 87548 13880

Organising Secretary

**Er. A. SARANARAYANAN**, B.E., M.B.A.,  
(M) 98657 45455

Secretary (Publication)

**Er. L. KARUPPANNAN**, M.E.,  
(M) 90801 02177

Secretary (Administration)

**Er. S. YUVARAJ**, B.E.,  
(M) 95000 78705

Secretary (Minnagam)

**Er. S. SENTHIL**, M.Tech.,  
(M) 99403 39636

Secretary (Legal) :

**Er. V. SAMPATH KUMAR**,  
M.Tech. (Hons.), M.I.E.,  
(M) 94458 59887

Secretary (Personnel Affairs) :

**Er. V. SARAVANAN**,  
M.E., M.B.A., M.I.E., MISTE., MIEEE,  
(M) 94430 32762

Secretary (Internal Affairs) :

**Er. P. GAYATHRI**, B.E.,  
(M) 98945 45465

Secretary / EBF :

**Er. P. SUMATHI**,  
B.E., M.C.A., M.B.A.,  
(M) 94423 77212

Treasurer / EBF :

**Er. C.R. JAYAMURTHI**, M.Tech., D.M.M.,  
(M) 96000 82034

Chennai-2,  
12.06.2023.

To

The Chairman cum Managing Director,  
Tamil Nadu Generation and Distribution  
Corporation Ltd,  
144, Anna Salai, Chennai - 600 002.

**Lr. No. TNEBEA/GS/D.30/2023 dt.  
12.06.2023**

Respected Sir,

Sub: Possibility of huge loss to TANGEDCO in view  
of the tariff hike suggested at rate of 2.18%  
instead of 4.7% as indicated in the Press  
Release dated 06.06.2023 - Need for  
addressing the GOTN for reimbursing  
suitable subsidy to TANGEDCO working out  
based on tariff hike at the rate of 4.7% -  
Remedial action requested - Reg.

Ref: Press Release dated 06.06.2023 of the  
GOTN.

Vanakkam.

This Association is duty bound to bring the  
following facts to the kind notice of respected CMD  
for scope of loss to TANGEDCO, if the tariff hike at  
the rate of 2.18% instead of 4.7% as announced in  
the Press Release dated 06.06.2023 is left  
unaltered/ unamended. It is stated therein that the  
prices of the consumer tariff will be hiked by  
2.18%, considering the difference between  
Consumer Price Index (CPI) as on August 2022  
and on April, 2023. It is further clarified that the  
GOTN will bear this tariff hike to the tune of 2.18%  
in respect of domestic category and it will be  
reimbursed by way of subsidy to the TANGEDCO.



# Tamil Nadu Electricity Board Engineers' Association

(Recognized in G.O. No.854 dated 06-04-1946)

Regn. No.217/94

"Electricity Avenue", 144, Anna Salai, Chennai - 600 002. Association : 044 28520731

E-mail : tnebea@gmail.com Web : www.tnebengineers.in

---

2. In this connection, this Association desires to bring the following pertinent points for kind perusal of the respected CMD/TANGEDCO:

- (a) The Hon'ble TNERC, in its tariff order dated 09-09-2022, has adopted the annual escalation method of retail tariff for the purpose of meeting out the annual increase in average cost of supply. The relevant portion of the provisions in the tariff order is extracted as below:

*"6.1.1.13 The applicable tariff for ensuing years of control period may be as per prevailing tariff x  $\{(1+(CPI \text{ of April of respective financial year} - CPI \text{ of April of previous financial year})/ CPI \text{ of April of previous financial year})\}$  or 6% whichever is lower with effect from 1st July of respective financial year."*

- (b) The CPI as on April, 2023 and as on April, 2022 are 178.1 and 170.1. respectively. The escalation of tariff, in accordance with the rate of escalation prescribed under the tariff order dated 09.09.2022 of the Hon'ble TNERC, works out to 4.7%, as below:

$$\begin{aligned}\text{Escalation (April 2022 as base)} &= \frac{(178.1 - 170.1) \times 100}{170.1} = \\ &= 4.7\%\end{aligned}$$

- (c) Instead of considering April 2022 as base date, the escalation is worked out considering the CPI as on August, 2022 as base date, which is worked out as below:

$$\begin{aligned}\text{Escalation (August 2022 as base)} &= \frac{178.1 - 174.3}{174.3} \times 100 \\ &= 2.18\%\end{aligned}$$

# **Tamil Nadu Electricity Board Engineers' Association**

(Recognized in G.O. No.854 dated 06-04-1946)

Regn. No.217/94

"Electricity Avenue", 144, Anna Salai, Chennai - 600 002. Association : 044 28520731

E-mail : tnebea@gmail.com Web : www.tnebengineers.in

---

(d) The above is a clear case of incorrect decision, since it contravenes the provisions of the Tariff Order dated 09.09.2022.

(e) Tariff escalation at the rate 2.18% instead of 4.7% as guaranteed under the tariff order dated 09.09.2022 of Hon'ble TNERC leads to heavy financial loss to TANGEDCO.

(f) It is imperative that the Government of Tamil Nadu must be addressed for reimbursing enhanced subsidy at the rate 4.7% hike as per TNERC norms instead of 2.18% as notified in the Press Release.

3. TANGEDCO has passed orders to the effect that DA and other benefits announced for the State Government employees should not be extended to the employees of TANGEDCO, christening it as a loss-making State-owned PSU without prior approval of the Finance Department, vide (Per) FB TANGEDCO Proceedings No. 2 dated 12.04.2022.

4. This Association is constrained to emphasize that engineers and employees of TANGEDCO are not responsible for the loss in any manner. It is certainly due to the policy decisions of Government of Tamil Nadu and TANGEDCO. This Association respectfully admits that the Government of Tamil Nadu is fully empowered to consider any policy decision in the interest of public welfare especially the downtrodden. TANGEDCO is also one of the Government Departments like Health, Education, PWD, Highways etc. implementing the social welfare measures announced by the GOTN. While profit / loss factor is not considered for the Government department, it is disheartening to label TANGEDCO, yet another government body caring for the public welfare, as a loss-making undertaking and treats its engineers and employees at a different and discriminating footing.

5. This Association solemnly affirms our firm commitment and unstinted cooperation for implementing all welfare measures announced by the Government of Tamil Nadu. Our plight is just



# **Tamil Nadu Electricity Board Engineers' Association**

(Recognized in G.O. No.854 dated 06-04-1946)

Regn. No.217/94

"Electricity Avenue", 144, Anna Salai, Chennai - 600 002. Association : 044 28520731

E-mail : tnebea@gmail.com Web : www.tnebengineers.in

---

restricted not to brand our prestigious organization as a loss-making undertaking and deny our legitimate rights on par with the employees of Government of Tamil Nadu. We firmly express our continuous readiness to carry forward all the social welfare measures of our government.

6. This Association requests that the respected CMD may be pleased to annul the proceeding issued under (Per) FB TANGEDCO Proceedings No. 2 dated 12.04.2022 at the earliest, duly securing the consent of the government.

7. This Association requests that the respected CMD may be pleased to seek enhanced subsidy from the government, duly working out at the hike rate of 4.7%.

Thanking you,  
With warm regards.

Yours sincerely,



(V. Shanmuga)

General Secretary.

Copy to Directors of TANGEDCO

Copy to MD & Directors of TANTRANSCO.

Copy to the Addl. Chief Secretary, Finance Department, GoTN,  
Secretariat, Chennai - 600 009

Copy to the Principal Secretary, Finance Department, GoTN,  
Secretariat, Chennai - 600 009