

**Answer Key****Answer to Question no.1 (a)**

Budget of the TANGEDCO/TANTRANSCO comprises the following major heads/Accounts.

1. Revenue Receipts
2. Revenue Expenditures
3. Capital Receipts
4. Capital Expenditures
5. Debt and Deposits

**1. REVENUE RECEIPTS:**

It consists of Revenue from Sale of power, Miscellaneous Revenue Subsidy from Government in the form of Tariff compensation for free / concessional rate of supply of power to various category of consumers. The Revenue from sale of power is arrived at by multiplying the power/energy available for sale with the average rate of realization expected to be realized during the projected period. While estimating the rate of realization for the budgeted period the proposed revision of tariff, if any, will also be taken into account. The category wise sale of power is worked out according to the power consumed by various categories of consumer and the increase in number of services estimated.

**2. REVENUE EXPENSES:**

It consists of the following broad heads of accounts.

1. Fuel cost
2. Power purchase
3. Repairs and maintenance (74.000)
4. Establishment and Admn. Expenses (75.000)
5. Depreciation (77.000)
6. Interest on Loans from Institutions (78.000)
7. Other Debits

**3. CAPITAL RECEIPTS:**

The financial resources required for the implementation of the policy/achievement of the plan schemes are mobilized through the following resources:

1. Equity share capital assistance from Government of Tamil Nadu
2. Subvention and Grant from Government
3. Borrowing :
  - Open market Loan
  - Life Insurance Corporation
  - R.E.C./ R.E.C. Bank
  - POWER FINANCE CORPORATION (P.F.C.)





Recently the TANGEDCO/TANTRANSO's Budget is majorly prepared under the following 3 categories:

Category – A : Works/Procurement completed in the 12-13, payment alone to be made in 2013-14.

Category – B : Part of works/Procurement incurred in 2012-13 and remains in capital work in progress and balance to be incurred in 2013-14.

Category – C : Newly proposed schemes planned to be executed.

Answer to Question no.2 (a) :

Pricing of Stores Materials:

The pricing of stores is done at present in two different methods (viz.,) Standard cost pricing methods and Weighted average-pricing methods.

All the items of materials are now identified by Standard and detailed codifications, and the codified number given for each item of material is allotted with folio containing the same codified number for adoption in all the Stores of the Board. All the materials have been brought under “Standard Cost Pricing” system as per which each and every item of receipt or issue is to be priced at the predetermined standard rate, as approved by and communicated by the Head Quarters office every year. In respect of items not covered by “Standard rate”, weighted average system is to be adopted, as per which the receipts shall be valued at base price plus excise duty plus Sales Tax, as per invoices of the supplier.

The issues at the same time will be valued at the weighted average rate (i.e.,) average rate applicable to the closing stock for the previous month (in other words “opening balance of the current month”) regardless to the value of each and every receipt of the current month.

Pricing Receipts

All items of receipts are entered in SRB at stores end. In the case of purchase of materials the first copy of Stores Receipts Book (SRB), with Company's invoice, and necessary certificate will be sent to Central Office, (Bill Passing Section) while the duplicate copy of the same along with SRB (in duplicate) for other receipts is sent to Stores Pricing Section(SPS) of Central office.

The SRBs/devolutions are priced first (either at standard rate or at invoice rate as verified with APS) and posted in the Priced Ledger, where one folio for every item of materials is allotted.

#### Pricing Issues

All issues are covered by Requisitions / SIN presented by the Field officers. 3 copies of the requisitions will be sent to Central Office (SPS) by the stores custodians after issue is over. All the requisition will be priced either at Standard rate or at weighted average method.

(Stores Accounting Manual)

#### Answer to Question no.2 (b):

##### Stock Reconciliation

The Priced Ledgers, and Priced Abstracts are maintained for every stores. At the same time, the stock accounts in financial ledgers are maintained as per head war receipts and issues for the circle as a whole, based on the priced requisitions and SRB. Therefore both financial ledger figures and Priced Ledger figures must tally including closing balance. But many a times there may be differences between the two. The following are some reasons for such difference.

1. The SRBs for materials not covered by Standard rate are priced at Invoice value. At times, the APS, may adopt the 95% value of the bill amount wrongly, and when the error is rectified by adjustment of SRB, that SRB might have been omitted to be handed over to the SPS, though it might have been entered in the Purchase Day Book, at the time of passing balance 5% bills.
2. Different value would have been adopted in Inter Stores Transactions.
3. In the case of materials received from the external fabrications after test and return would have been valued at full standard rate, instead of the rate adopted at the time of issue for test and return.

All the reasons should be analyzed, and discrepancies rectified and a return to that effect is to be sent every month, through Stock Reconciliation Certificate.

(Stores Accounting Manual)



Answer to Question no.2 (c) Fixed charges Register (FCR):

The FCR is the register maintained in the Pay bill section, with the following informations:

- (i) Name of the post, sanction no., period of sanction and headquarters have been entered.
- (ii) Name and designation of the person counted against the post
- (iii) In the inner columns pay and allowances of the individual have been recorded.
- (iv) Entry of Increments made.
- (v) Entry regarding sanction of leave recorded.
- (vi) The fact of sanction of advances and month from which recovery is to be effected is noted.
- (vii) The pay and allowances have been drawn in conformity with the nature of leave and eligibility.
- (viii) All the advances recovered every month & regularly entered, till completion of recovery entirely.
- (ix) When persons are transferred, their outstanding advances are included in the LPC, taking from this register.
- (x) Fact of drawal of arrears recorded against the original entry.

Answer to Question no.2 (d) Special Casual Leave :

Special casual leave, not counting against ordinary casual leave may be granted to an employee in the following circumstances:-

- (i) For participating in sports events of National Or international, in his personal capacity.
- (ii) Who undergoes sterilization operation.
- (iii) Participating in Home guard activities.
- (iv) Affected by the communicable deceases like., Rabies, etc.,

Regu.27(1) of TNEB Leave Regulations

**Answer to Question no. 3 (a)**

(a) The following are the kinds of leave to which an employee may be eligible:

- (i) Earned Leave.
- (ii) Unearned leave, i.e., leave on private affairs or leave on medical certificate
- (iii) Extraordinary leave
- (iv) Special disability leave
- (v) Study leave
- (vi) Maternity leave
- (vii) Casual leave

(b) Save in the case of casual leave and subject to the restriction in regulation 17(1) any kind of leave admissible under these regulations may be granted in combination with any other kind of leave so admissible or in continuation of leave already taken whether of the same or of any other kind.

(Regul.6 of TNEB leave Regulations,)

**Answer to Question no. 3 (b)**

The following are the forms of Correspondences arising from any section of the circle/office.

- (i) Letter form
- (ii) (a) Proceedings  
(b) Board Proceedings
- (iii) Memorandum form
- (iv) Endorsement form
- (v) Demi-official form
- (vi) Circular form
- (vii) Un-official references
- (viii) Office order
- (ix) Telegram or Telex service (or) e-mail service form
- (x) Telephonic message form

(TNEB office manual Regu.7.01 of Chapter. VII)



Answer to Question no. 4 (a) Employees assets & liabilities Return:-

Within three months of his first appointment to any post and thereafter at intervals of five years, every employee has to submit in accordance with the Tamilnadu Electricity Board Employees' Conduct Regulations, a return of his assets and liabilities in the prescribed forms on or before the 31<sup>st</sup> of March of the year immediately following the year to which the return relates to.  
(TNEB office manual 15.07)

Answer to Question no. 4 (b) Under what priority the leave can be granted?

The grant of leave at a particular time cannot be claimed as a right by an employee. In exercising their discretion under these regulations, authorities competent to grant leave shall have regard to the following considerations:

- (i) The exigencies of the service.
- (ii) The employees who can, for the time being, be spared.
- (iii) The amount of leave due to the various applicants.
- (iv) The amount and character of the service rendered by each applicant since he last returned from leave.
- (v) The fact that any such applicant was compulsorily recalled from his last leave.
- (vi) The fact that any such applicant has been refused leave in the interest of the Board.

(TNEB Leave regulations Regu.14 of IV. Grant of leave page 55)

Answer to Question no. 4 (c) Maternity Leave.

Married women employees permanently employed are eligible for maternity leave not exceeding 90 days which may be spread over from the confinement rest to post-confinement recuperation at the option of the Board employees.

Maternity leave can be granted, subject to fulfillment of following conditions,

- (i) Not eligible for those who are having more than three living children.
- (ii) Non-permanent employees employed under emergency provisions are not eligible for maternity leave before completion of one year of service.
- (iii) Maternity leave for third confinement shall be granted only if the employee agrees for sterilization operation immediately after delivery.

(Regu.24 of TNEB Leave Regulations)

Answer to Question no. 4 (d) Serving of notice to an employee, under TNEB Discipline & Appeal regulations:

“Every order, notice and other process made or issued under these Regulations shall be served in person on the Board employee concerned or sent to him by registered post acknowledgement due, or if such person is not found, by leaving it at his last known place of residence or by giving or tendering it to an adult member of his family or if none of the means aforesaid is available, by affixing it in some conspicuous part of his last known place of resident.”

(Regu.10.C of TNEB Employees Discipline & Appeal Regulations)

Answer to Question no.5 (a) :

Bank Reconciliation Statement:

Every commercial organization is necessarily to have an account with a bank of their choice for daily remittances and disbursements to third parties, with a view of safety measures for those financial transactions. While payments through cheques completely eliminate the cash carrying risks, the daily remittances of the collections of the organization into bank ensures safety of the money. Transacting with a bank is an important function whil dealing with financial transactions. In order to have a close watch over such transactions monthly reconciliation of bank accounts with books of accounts of an organization is a must.

5(a) Contd...



Drawing a/c format:

Sl. No.	Particulars	As per Books of the Board (Rs.)	As per the Bank Statement (Rs.)	Difference (Rs.)
1	Opening Balance as on	0.00	0.00	0.00
2	ADD: Fund allotments received and remitted during the month of	0.00	0.00	0.00
3	ADD: Journal	0.00	0.00	0.00
	Total (1) + (2) + (3)	0.00	0.00	0.00
4	LESS: Cheques issued during the month of Col.(1) Cheque realized during the month of Col.(2)	0.00	0.00	0.00
5	LESS: Adjustment Journal	0.00	0.00	0.00
	Closing Balance at the end of	0.00	0.00	0.00
a)	Closing Balance as per the Board Books	0.00		
b)	ADD: Cheques issued but not yet presented (IB) – Details enclosed	0.00		
c)	LESS: Cheques deposited is accounted for in the Board's Books but not accounted in the Bank Statement (IA) - Details enclosed	0.00		
d)	LESS: Bank commission and etc.,	0.00		
e)	Other items to be specified ADD: (Details enclosed) LESS: (Details enclosed)	0.00		
	Closing Balance as per the Bank Statement	0.00		

## Collection A/c format:

Sl. No.	Particulars	As per Books of the Board (Rs.)	As per the Bank Statement (Rs.)	Difference (Rs.)
1	Opening Balance as on	0.00	0.00	0.00
2	ADD: Remittance made into the Bank (Col.1) Remittance acknowledged by the Bank	0.00	0.00	0.00
3	ADD: Journal	0.00	0.00	0.00
	Total (1) + (2) + (3)	0.00	0.00	0.00
4	LESS: Amount transferred from the Bank branches to Headquarters Bank	0.00	0.00	0.00
5	LESS: Adjustment Journal	0.00	0.00	0.00
	Closing Balance at the end of	0.00	0.00	0.00
a)	Closing Balance as per the Board Books	0.00		
b)	ADD: Remittance accounted by the Bank and not accounted in the Board's Book (IB) – Details enclosed	0.00		
c)	LESS: Remittances accounted in the Board's Book but not in the Bank Statement (IA) - Details enclosed	0.00		
d)	LESS: Cheques returned by the Bank but not adjusted in the Board's Book (IC) – Details enclosed	0.00		
e)	LESS: Bank commission, Postage and other charges debited by the Bank but not yet adjusted in the Board's book	0.00		
f)	Other items to be specified ADD: (Details enclosed) LESS: (Details enclosed)	0.00		
	Closing Balance as per the Bank Statement	0.00		



Answer to Question no.5 (b):

The following points to be taken into consideration, at the time of preparation of Bank Reconciliation Statement in respect of Collection A/c:

- (i) It is to be ensured that the balance as per TANGEDCO's Book furnished in the BRS in respect of all the Banks is agreed with the Bank wise balance under respective Bank Accounts as per monthly Statement of Accounts.
- (ii) It is to be ensured that the Mail Transfer amount mentioned in the Mail Transfer Statement is tallied Bankwise with the Mail Transfer amount mentioned in the Bank Reconciliation Statement of Collection Account in respect of each and every Bank accounts operated by the Central Office and Revenue branches.
- (iii) It is to be ensured that the actual amount of IA (Remittance made into Bank but not yet given credit by the Bankers), IB (Remittance accounted by the Bank but not accounted in the Board's Book or wrong credit given by the Bankers.), IC (Cheques returned by the Bank not adjusted in the TANGEDCO's book) and Bank commission are furnished alongwith the Break-up details like Cheque No.& date wise amount and month wise abstract.
- (iv) It is to be ensured that the amount of cheques returned has been collected from the consumers and proper journal has been made to regularize the TANGEDCO's Account in the BRS.
- (v) It is to be ensured that there is no misclassification in remittance and collection of amount between Drawing Account and Collection account in respect of Central Office and Revenue Branches.
- (vi) It is to be ensured that the previous month closing balance is only taken as opening balance in TANGEDCO'S book and Bank book in respect of Central office and all the Revenue Branch offices Collection Accounts.
- (vii) It is to be ensured that there is no minus balance in the opening and closing balance of the TANGEDCO's book as well as Bank book in respect of Central office and Revenue Branches.
- (viii) One copy of BRS with the details of IA, IB, IC and Bank commission etc., in respect of all the sections of all the Revenue Branches should be furnished alongwith their respective Bank scrolls.
- (ix) It is to be ensured that all the amount collected and remitted into Bank has been transferred and credited into Nodal Bank's Account through Mail Transfer on daily basis without any delay except the minimum balance kept by the Bank.

**Answer to Question no.6 (a) Superannuation Pension:**

Superannuation Pension is granted to an official who retired from service on attaining a predetermined age (viz.,) 58 years / 60 years as the case may be (vide S.R.17) Full Pension shall be calculated at 50 per cent of average emoluments for 30 years of qualifying services. There is no ceiling on the pension fixed.

**Calculation of Pension:**

Average Emoluments for the last 10 months' Emoluments

Average Emoluments X 50/100 X Net.Qualifying service/60

Pay last drawn X 50/100 X Net qualifying service/60

Whichever is advantageous

(30 years of Qualifying service for full Pension and the pay last drawn for pension calculation is challenged in the High Court)

In calculating length of qualifying service for the purpose of Pension, a fraction of a year equal to 3 months and above shall be treated as a completed one half years and reckoned as qualifying service with effect from 1.1.86.

(Regulation.32 of Tamilnadu Pension rules.1978)

**Answer to Question no.6 (b) Death Gratuity:**

If a Government servant dies while in service, Death Gratuity shall be paid as specified in the table below and in accordance with the provisions of sub-rule(1) of the rule 46 –

	Length of service (1)	Rate of Gratuity (2)
(i)	Less than one year	Two times of monthly emoluments
(ii)	More than one year and above but less than five years	Six times of monthly emoluments
(iii)	More than five years and above but less than twenty years	Twelve times of monthly emoluments
(iv)	More than twenty years and above	Half of monthly emoluments for every completed six monthly services subject to a maximum of thirty three times of monthly emoluments, the amount of which shall, in no case, exceed Rupees ten lakhs)

(Regulation.45(1)(b) of Tamilnadu Pension rules.1978)



**Answer to Question no.7 (a):**

When a service is disconnected, if there is no response from the consumer for reconnection of supply even after the issue of T.A.notice and expiry of 2 years for LT service and 5 years for HT service then the lines will be dismantled. Even after acknowledging of this 3 months notice if the consumer does not respond positively for resumption of the disconnected service, then the Board shall terminate the service after a grace period of 10 days after the completion of the 3 months notice period. At present granting of grace period is not in vogue.

On the date of termination of the agreement, the arrears have to be determined as below

- (i) Current consumption charges due till the date of disconnection of the service for non-payment or for any other reason.
- (ii) ADD : Appropriate monthly minimum charges from the date of disconnection of the service for a maximum period of 6 months including the notice period.
- (iii) ADD: Belated payment surcharge / Interest till the date of termination of the agreement on the current consumption charges due.
- (iv) Deduct: Security Deposit available in the service plus interest on Security Deposit till the date of termination of the Agreement (interest on SD is to be given only for full month period). At present the SD is renamed as Current consumption deposit which carried interest as per the rates notified by TNERC.

The nett. Amount arrived at as above shall be the dues in respect of RD/RR Acts.

The SD should be withdrawn from the SD a/c by a transfer to Consumer Ledger and the nett. Arrears as indicated above should be arrived at. The nett. arrears so arrived at as above shall be transferred by a journal entry to Outstanding Ledger. By this process, there will not be any debit or credit in the Consumer Ledger and also in the Security Deposit account. Based on the figures available in the Outstanding Ledger, Notice under Section 3(1) of the R.D. Act is to be issued. Belated payment surcharge or interest will have to be worked out only for this amount till the date of realization.



**Answer to Question no.7 (b):**

The Tamil Nadu Electricity (Recovery of Dues) Act 1978 and its features.

Tamil Nadu Electricity Board (Recovery of Dues) Act of 1978 is one of the beneficial, simplest Act containing Seven Sections and the Rules made thereunder also consists of seven rules. For the purpose of this Act, the prescribed officer or authority in respect of Low Tension services is the Assistant Accounts Officer of the Revenue Branch and in respect of High Tension services, the Superintending Engineers of Distribution circles is the prescribed officer (Section 3). The "Appellate Authority" refers to the "Executive Engineer" of a Distribution Division in respect of Low Tension services or Chief Engineer of a region in respect of High Tension Services.

When a service is disconnected for non-payment of current consumption charges or any other charges assessed and due within the specified time period; if the dues are not paid within the time, the Board is empowered to include such dues in another live service or services of the same consumer in the same Distribution / other Distribution. Still, if the dues could not be recovered as a last resort, another opportunity is given to the defaulting consumer in the form of a Demand Notice under Section 3(1) of the R.D.Act. The notice issued in format-I , by permitting the time for 30 days for settling of arrears.

If the defaulted consumer (debtor) fails to pay the arrears after the expiry of 30 days from the date of acknowledgement of the service of the Section 3(1) notice in the cases where no appeal has been preferred by the debtor then, the prescribed authority shall issue final Demand Notice under Section 4 of the R.D. Act in Format-V to the debtor indicating the full details of the amount payable.

As per Section 6(1) of R.D. Act of 1978, if the aggregate amount of the various dues, penalty and costs mentioned in the notice of demand served under Section 4 is not deposited with the prescribed authority within three month of the date of such service or such extended period as the Chairman of the Board may from time to time allow, the debtor shall be deemed to be responsible for payment in respect of such amount and the same shall without prejudice to any other mode of recoverable as an arrear of land revenue notwithstanding anything to the contained in any other law or instrument or agreement. As per Section 6(2) of the R.D. Act 1978, for the purpose of recovery of the amount specified in Sub section(1) as arrear of land revenue, the prescribed authority shall have all the powers of the Collector under the Tamil Nadu Revenue Recovery Act 1864.

Answer to Question no.8 (a):

Definition for "Information" as per the RTI Act, 2005,

"Information" means any material in any form, including records, documents, memos, e-mails, opinions, advices, press releases, circulars, orders, logbooks, contracts, reports, papers, samples, models, data material held in any electronic form and information relating to any private body which can be accessed by a public authority under any other law for the time being in force.

(Section 2(f) of RTI Act, 2005)

"Third party" as per the RTI Act, 2005 means, a person other than the citizen making a request for information and includes a public authority.

By adopting the following stipulations, the "Third party information" can be disclosed.

Where a Central Public Information Officer or a State Public Information officer, intends to disclose any information or record, on a request made under this Act, which relates to or has been supplied by a third party and has been treated as confidential by that third party, the Central Public Information Officer or State Public Information Officer, shall, within five days from the receipt of the request, give a written notice to such third party of the request. The Central Public Information officer (CPIO) or State Public Information Officer(SPIO), as the case may be, intends to disclose the information or record; has to invite the third party to make a submission in writing or orally, regarding whether the information should be disclosed, and such submission of the third party shall be kept in view while taking a decision about the disclosure of information.

Provided that except in the case of trade or commercial secrets protected by law, disclosure may be allowed if the public interest in disclosure outweighs in importance any possible harm or injury to the interest of such third party.

Where a notice is served by the CPIO or SPIO, as the case may be, to a 3<sup>rd</sup> party in respect of any information or record, the 3<sup>rd</sup> party shall, within 10 days from the date of receipt of such notice, be given the opportunity to make representation against the proposed disclosure.

The CPIO or SPIO shall within 40 days after receipt of the request under Sec.6, make a decision as to whether or not to disclose the information or record; and give in writing the notice of his decision to the 3<sup>rd</sup> party.

(Section 11 of RTI Act, 2005)



Answer to Question no.8 (b):CONTRIBUTORY PENSION SCHEME (CPS)

The Government of Tamil Nadu, in the Government Order G.O. MS.259 Finance (Pension) Department dated 6.8.2003, have introduced a new Contributory Pension Scheme to the Government Employees who are newly recruited on or after 1.4.2003 and issued amendments to Rule 2 of Tamil Nadu Pension Rules, 1978.

The Tamil Nadu Electricity Board has decided to adopt the orders of the Government of Tamil Nadu. Accordingly the following orders has been issued:

- (i) A new Contributory Pension Scheme based on defined contributions will be introduced to the newly recruited employees. This will apply to all employees who are recruited on or after 1.4.2003.
- (ii) The TNEB has instructed vide Memo(Per) no.11054/A18/A183/2013-1, dt.26.3.13, that "the employees, who were appointed on regular basis as "Trainee" on consolidated pay before 1.4.2003 and subsequently their services were regularized on completion of the training period with regular Time Scale of Pay on or after 1.4.2003, shall be brought under the Old Pension Scheme (GPF scheme) instead of CPS
- (iii) The employee's contribution and the Board Contribution if any towards the scheme shall be spelt out separately.
- (iv) Each employee will pay a monthly contribution of 10% of Basic pay and Dearness Allowance from his salary to the Contributory Pension Scheme. The Pay Drawing / Disbursing Officer shall recover the amount from the pay of the employee and shall intimate the total amount of Employees' Contribution recovered every month to the Head Quarters.
- (v) A matching contribution will be made by the TNEB for each employee, who contributes to the Scheme. The TNEB Headquarters shall arrange for the matching contribution by the Board.
- (vi) Existing General Provident Fund will not be applicable to the newly recruited employees who are covered under CPS introduced from 1.4.2003.
- (vii) The Accounting procedure to credit the amount so recovered shall be issued by the headquarters. While evolving the accounting procedure, a new account viz., "Contributory pension Account", shall be opened by the Board in the Banks in addition to the existing accounts under regular pension.
- (viii) The interest on the Employees own contribution plus TNEB's matching contribution under the CPS scheme be fixed at the rate of 8% p.a. from 1.4.2003 or the rate declared by the TNEB, time to time; and the total interest amount be credited onto the Employees' CPS account.