

To
The Chairman,
Tamil Nadu Electricity Board,
Anna Salai,
Chennai.

Sir,

Sub: Restructuring of T.N.E.B. - Recommendations of
Consultants on employees transfer and funding
Mechanism of unfunded pension liability – Regarding.

Ref: 1. Your letter No.046299/452/G43/G431/2009-8
Dated 4.11.2009.
2. Discussions conducted by the Chairman with the
Unions of workers and Associations of the officers
Of the TNEB on 8.12.2009

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We are in receipt of the letter under reference.

We the undersigned unions of workers and associations of the
officers of the Tamil Nadu Electricity Board submit the jointly evolved response
on the recommendations of the consultants on the above subject.

In almost all the State Electricity Boards in India which have been
restructured so far the restructuring process was proceeded by a tripartite
settlement entered into between the respective state governments State
Electricity Board and the unions of employees and officers.

Based on the above precedent which ensures effective
implementation of the protections mandated under section 132(a) and provisos
under section 133(2) of the Electricity Act 2003, we have prepared draft tripartite
settlement a copy which is enclosed herewith for further action by the Board.

We also wish to inform that the proposed tripartite settlement shall
be a part and parcel of the scheme of transfer to be published by the State
Government under section 131(4) of the Electricity Act 2003.

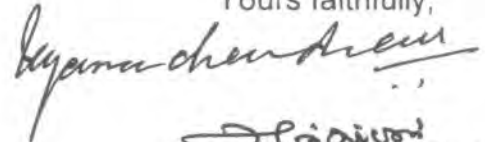
Thanking you,

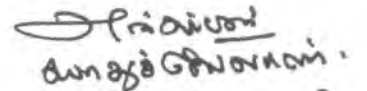
Yours faithfully,

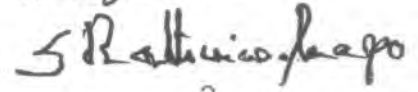
1. Tamil Nadu Electricity Workers Federation.

2. Tamil Nadu Electricity Board Accounts and
Executive Staff Union.

3. Tamil Nadu Electricity Board Workers Progressive Union.

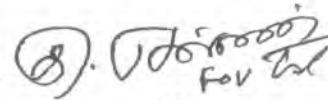






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4. Tamil Nadu Minvariya Janatha Thozhilalar Sangam.

8. 
FOR THE SECRETARY

5. Tamil Nadu National Electricity Workers Federation
(Xavier Group)


(T.V. XAVIER)
GENERAL SEC

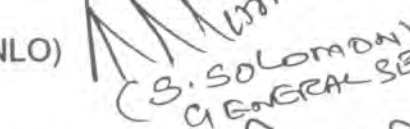
6. Tamil Nadu National Electricity Workers Federation
(Swarnaraj Group)


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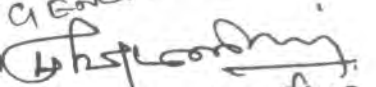
7. Tamil Nadu Electricity Board Engineers Sangam


16/12/09

8. Tamil Nadu Electricity Employees Congress (NLO)


(S. SOLOMON)
GENERAL SECRETARY

9. Tamil Nadu Electriccity Board Thozhilalar Aykkiya Sangam


G.S/TNEBTAS

~~10. Tamil Nadu Electricity Board Engineers Association~~

~~11. Tamil Nadu Electricity Board Finance and Accounts
Officers Association.~~



10 12. Tamil Nadu Electricity Board Stores Staff Union

10) 13. Tamil Nadu Electricity Board Drivers Union.


(R. DHAYALAN)
GENERAL SECRETARY

12) 14. Tamil Nadu Electricity Board Ambedkar Union.

13) 15. Tamil Nadu Card Billing Staff Union.


PRESIDENT

TRIPARTITE AGREEMENT BETWEEN THE GOVERNMENT OF TAMIL NADU ,
TNEB AND UNIONS OF EMPLOYEES OF TNEB.

This tripartite agreement entered into on this _____ between the Government of Tamil Nadu represented by Secretary to Government, Energy Department (hereinafter called the "State Government").

AND

The Tamil Nadu Electricity Board constituted under section-5 of the Electricity (Supply) Act, 1948, (hereinafter called "The Board" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) and represented by its Member Secretary.

AND

The Unions of Employees of Tamil Nadu Electricity Board represented by its General Secretaries and other office bearers.

1. Whereas the Government of Tamil Nadu declared its policy in the Legislative Assembly to restructure the Tamil Nadu Electricity Board for purposes of restoring the operational and financial viability to meet the future demand for sufficient supply of energy and to pull out the Board from persisting revenue deficits.
2. Whereas the employees of the Tamil Nadu Electricity Board are opposing such policy on the apprehensions that their services will be privatized and that there would be retrenchment in the services resulting in loss of employment and also that their service conditions will be adversely affected even though Government have clearly stated that such apprehensions of employees have no place.
3. Whereas for purposes of smooth implementation of the policy of restructuring of the Board and also to clear the apprehensions being entertained by the employees as mentioned in Clause-2, the parties herein mutually agree to lay down the conditions to achieve the aforesaid objective.

4. Now, therefore, in consideration of the promises and mutual terms set forth herein, it is agreed by and between the parties as follows:
- (a) In the event of reorganization of TNEB into TNEB Limited as holding company and two subsidiary companies namely Tamil Nadu Transmission Corporation Limited (TANTRANSCO) and Tamil Nadu Generation and Distribution Corporations Limited (TANGEDCO) as Corporate entities the Government and the TNEB hereby guarantee that there will be no retrenchment of employees
 - (b) The terms and conditions of service upon transfer to the Corporate entities, such as promotions, internal selections, transfers, leave and allowances etc., regulated by existing regulations / ratios/ service rules in vogue will be guaranteed to continue to be the same and any modifications shall be by mutual negotiations and settlement without detriment to the existing benefits.
 - (c) With regard to wage negotiations, the present system of bipartite negotiations shall continue.
 - (d) The Government and the Board guarantee the payment of Pension, GPF including Dearness Relief and other terminal benefits that are in force as on today by forming a pension corpus fund.
 - (e) All the existing welfare measures like the scheme for compassionate appointment, medical reimbursement and medical insurance shall be continued.

- (f) All benefits of the services rendered by the employees in the Board as on the date of restructuring i.e., the effective date, shall be protected and shall be given full effect.
- (g) The period of the service of the employees under the Board and under the corporate entity shall be treated as continuous service for the purposes of all service benefits and terminal benefits payable to the personnel.
- (h) The existing welfare benefits to the pensioners and family pensioners shall continue. All obligations in respect of payment of pension and other retirement benefits including provident fund, superannuation pension and encashment of leave etc., gratuity, to the employees who have and who are going to be superannuated from the services of the Board and family pensioners before and after the date of restructuring shall be the liability of the TNEB Limited.
- (i) All accumulations in the respective funds including provident fund, gratuity and superannuation benefits shall be transferred to the corresponding funds to be established by the TNEB Limited.
- (j) In the event of formation of TNEB LIMITED and TANTRANSCO, TANGEDCO, all the existing employees will be retained in TNEB Limited. As on the date of formation of these entities, the employees will continue on as-is where-is basis but their services would be maintained at the main holding company and they would be treated as being on deputation to the other successor entities. The period of transition shall be decided by mutual consent. During the transition period, i.e., till the period of finalization of options of the employees and their absorption in the successor entities, the cadre management will be vest with the main holding company. The other entities shall invariably accept the personnel posted by the main holding company. Strict guide lines based on seniority shall be basis for absorption of personnel in the successor entities.

The service conditions of the personnel in the successor entities will not be less favourable to the services in the TNEB. Terminal benefits including GPF and pension payments would be dealt with by the main holding company during the period of transition and by the successor entities after the transition period. Similarly, all appeals in respect of disciplinary proceedings pending before the Board shall be finalized before the reform process commences.

- (k) The employees transferred to the service of the Corporate entity shall be deemed to have entered into an agreement / settlement with the Corporate entity to fulfill the obligations assumed by them with the Board including in respect of repayment of loans, advances and other sums due which remain outstanding from the employees on the effective date.
- (l) All disciplinary proceedings pending at the time of restructuring shall be dealt with by the successor entities. All disciplinary cases already finalized and punishments awarded by the Board shall not be reopened.
- (m) All the existing workload norms will be continued and changes from time to time will be finalized through mutually negotiated settlements.
- (n) Whenever the newly created Corporation(s) fail to implement the above agreed terms, the State Government shall take full responsibility to get them implemented.
- (o) Before taking any decision during or after transition period discussions shall be held with unions and mutual consensus/ agreement has to be reached to protect the conditions of employees.

- (p) Unions reserve the right to present their opinion at any future point of time as and when required to protect the rights and service conditions of the employees.
- (q) The rule of reservation hitherto followed in TNEB will be continued in the successor entities also.
- (r) In the event of Tamil Nadu attaining surplus in power generation and commences trading, the demand for free electricity to the employees and officers shall be considered on par with the pattern of free electricity now in vogue in Karnataka state.

On behalf of the Government.

On behalf of the TNEB.

On behalf of the unions.