



## ABSTRACT

Energy Department - Electricity – Extension of Free supply of electricity to Hut Consumers for the period from 1.4.2023 to 30.06.2023 – Subsidy of **Rs.70.91 Crore** – Sanctioned – Orders – Issued.

### ENERGY (C2) DEPARTMENT

**G.O.(Ms.)No.24**

**Dated: 18.04.2023**

திருவள்ளூர் ஆண்டு 2054

சோபகிருது வருடம், சித்திரை 5

Read :-

- 1) Lr.Ms.No.1, Energy (A1) Department, Dated 05.02.2015.
- 2) TNERC Order No.11 of 2022, Dated 30.09.2022.
- 3) TNERC Order No.5 of 2023, Dated 6.4.2023.
- 4) From the Additional Chief Secretary/Chairman cum Managing Director, Tamil Nadu Generation and Distribution Corporation Limited letter No.CFC/RC/FC/DFC/RC/ F.Subsidy/ D.No.235/23, dated 6.4.2023

### ORDER

In the Government letter first read above, among others orders have been issued with policy directions and commitment letter to the Tamil Nadu Electricity Regulatory Commission providing for extension of free electricity for Hut Consumers.

2. The Additional Chief Secretary / Chairman cum Managing Director of Tamil Nadu Generation and Distribution Corporation Limited in the letter 4<sup>th</sup> read above has state that in the order 2<sup>nd</sup> read above, the Hon'ble Tamil Nadu Electricity Regulatory Commission has provisionally approved and directed the Government to release tariff subsidy for the FY 2022-23 for an amount of Rs.283.6900 Crore for providing free supply of energy to Hut category consumers as per the Policy Directions and Commitment given by the Government. The Government has released an amount of Rs.283.67 Crores during the year 2022-23.

3. He has also stated that as per section 65 of the Electricity Act, 2003, the Government has to release the tariff subsidy to TANGEDCO in advance for providing free supply of energy / reduction in tariff rates to various categories of consumers. Accordingly, the tariff subsidy for the 1<sup>st</sup> quarter of the FY 2023-24 in respect of Hut category consumers has to be released by the Government on or before the date of commencement of the financial year and also as per standard operating procedure

(P.T.O)

under RDSS scheme, the GoTN has to release the advance subsidy for every quarter within the first 15 days of the quarter. Similarly the subsidies for the subsequent periods have also to be released in advance as per the schedule approved by the Hon'ble TNERC.

4. The Government of Tamil Nadu has made a provision of Rs.283.67 crores in the Budget Estimate for FY 2023-24 towards for free supply of energy to Hut category consumers.

5. The Hon'ble TNERC has issued the subsidy order for the FY 2023-24 vide ref.3 read above and has approved the provisional subsidy amount of Rs.300.59 crores towards hut category of consumers payable by GoTN for FY 2023-24.

6. Considering the critical financial condition of TANGEDCO and as per provisions under Sections 65 and 108 of the Electricity Act, 2003, the Additional Chief Secretary / Chairman cum Managing Director, Tamil Nadu Generation and Distribution Corporation Limited has requested to sanction tariff subsidy of **Rs.70.91 Crore** (Rupees seventy crore and ninety one lakhs only) for the 1<sup>st</sup> quarter of FY 2023-24 from 1.4.2023 to 30.6.2023 [@ 1/4 X Rs.300.59 Crore as per Hon'ble TNERC Order for FY 2023-24 (-) Rs.4.24 crore excess subsidy adjustable for FY 2021-22] for free supply of energy to the Hut category consumers, so that TANGEDCO will continue to provide free supply of energy/ reduction in tariff rates.

Sl. No.	Category	Budget Estimate approved by GoTN for FY 2023-24	Subsidy approved by Hon'ble TNERC vide Order No5dt. 06.04.2023	Subsidy to be claimed for 1st Quarter	Additional subsidy receivable/ Excess subsidy adjustable for FY 2021-22	Balance subsidy claimed after adjusting for FY 2023-24
a	b	c	d	e=d/4	f	g=e+f
1	Hut	283.6700	300.59	75.15	-4.24	70.91

And also requested that the payment of tariff subsidy may be exempted from the quarterly control of appropriation, if any.

7. The Government have examined the proposal of the Additional Chief Secretary/Chairman and Managing Director, Tamil Nadu Generation and Distribution Corporation Limited carefully and hereby accord sanction and release a sum of **Rs.70.91 Crore** (Rupees seventy crore and ninety one lakhs only) for the 1<sup>st</sup> quarter of FY 2023-24 from 1.4.2023 to 30.6.2023 [@ 1/4 X Rs.300.59 Crore as per Hon'ble TNERC Order for FY 2023-24 (-) Rs.4.24 crore excess subsidy adjustable for FY 2021-22] for free supply of energy to the Hut category consumers.

8. The amount sanctioned in para 7 above shall be debited to the following Head of Account:- (D.42)

“2515 - 00 - Other Rural Development Programmes - 102. Community Development - States Expenditure - AD. Payments to Tamil Nadu Electricity Board on behalf of rural hut dwellers - 309. Grants in Aid - 03 Grants for Specific Schemes”.

(IFHRMS DPC 2515 - 00 - 102 - AD - 30903)

9. The amount sanctioned in para 7 above shall not be paid in cash, but shall be given to contra credit to the following head of account.

“K- Deposits and Advances (b) Deposits not bearing interest 8443-00 Civil Deposits 800 other Deposits –BM Deposits of Tamil Nadu Electricity Board 801 Receipts -02 Not Bearing Interest.”

(IFHRMS DPC 8443-00-800-BM-80102)

10. The Director of Rural Development and PR is authorized to draw the amount of adjustments entry in the IFHRMS with reference to the amount sanctioned in para 7 above, in favour of the Personal Deposit Account of the Tamil Nadu Generation and Distribution Corporation Limited (PD Account Number **20210383614**) and he is requested to present the bill the Pay and Accounts Office (South), Chennai-35 and to ensure the same to the Tamil Nadu Generation and Distribution Corporation Limited by remittance to the above credit head of account.

11. This order issues with the concurrence of the Finance Department vide its U.O.No. 10954/PW-II/23, dated 18.04.2023.

**(BY ORDER OF THE GOVERNOR)**

**RAMESH CHAND MEENA  
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT.**

To

The Director of Rural Development, Chennai-15.  
The Chairman cum Managing Director, TANGEDCO, Chennai-2.  
The Chief Financial Controller, TANGEDCO, Chennai-2.  
The Director, Finance, TANGEDCO, Chennai-2.  
The Pay and Accounts Officer (S), Chennai-35.  
The Principal Accountant General, Chennai-18.  
The Principal Accountant General, Chennai-18 (By Name)  
The Accountant General, Chennai-9.

Copy to:

The Finance (PW-II / RD&PR / BG-I / W&M-1) Department, Chennai-9.  
The Rural Development & Panchayat Raj Department, Chennai-9.  
The Energy (OP) Department, Chennai -9.  
SF/SC.

**// Forwarded / By Order //**

  
**Section Officer**

