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**34081 ABSTRACT**

Energy Department - Electricity – Extension of Free supply of electricity to Hut consumers – Provision of Tariff Subsidy shortfall amount of Rs.2,00,000/- for the FY 2022-23 – Sanctioned – Orders – Issued.

**ENERGY (C2) DEPARTMENT**

**G.O.(Ms.)No.39**

**Dated: 27.06.2023**

திருவள்ளூர் ஆண்டு 2054  
சோபகிருது வருடம், ஆனி 12

Read :-

- 1) Letter Ms.No.1, Energy (A1) Department, dated 05.02.2015.
- 2) G.O.Ms.No.31, Energy (C2) Department, Dated 09.05.2022.
- 3) TNERC Order No.11 of 2022, dated 30.09.2022.
- 4) G.O.Ms.No.3, Energy (C2) Department, Dated 05.01.2023.
- 5) G.O.Ms.No.13, Energy (C2) Department, dated 15.03.2023
- 6) From the Additional Chief Secretary/Chairman cum Managing Director, Tamil Nadu Generation and Distribution Corporation Limited Letter No.CFC/RC/ FC/RC/ DFC/ F.Subsidy/D.No.337/23, dated 23.05.2023.

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**ORDER:**

In the letter first read above, orders have been issued with policy directions and commitment letter to the Tamil Nadu Electricity Regulatory Commission providing payment of subsidy for extending free supply of electricity to Hut category consumers.

2. In the letter sixth read above, the Chairman cum Managing Director, Tamil Nadu Generation and Distribution Corporation Limited has stated that as per section 65 of Electricity Act, 2003, the State Government has to release the subsidy in advance to the distribution licensee for providing reduction in Tariff/ free electricity to various categories of consumers. The directive of the State Government shall not be operative if the payment is not made in advance and in such case the tariff fixed by the State Regulatory Commission shall be applicable.

3. The Chairman cum Managing Director, TANGEDCO has informed that in the budget Estimate for FY 2022-23 approved by the Government, a sum of Rs.189.8085 Crores has been allocated towards subsidy for free supply of electricity

(P.T.O)

to Huts category consumers. Later in FMA an amount of Rs.283.6899 crore has been allotted for the same.

4. The Chairman cum Managing Director, TANGEDCO, has also informed that the TANGEDCO submitted proposals to the Government for releasing Rs.90.69 Crores, Rs.193.00 Crores & Rs.93.8815 crores for the I Half Year, II Half Year and balance of FY 2022-23 for free supply of electricity to the Hut consumers. Based on TANGEDCO's proposal, the Government issued the following G.O.s for Hut category :-

Sl. No.	G.O.	Category	Period	Sanctioned Amount (Rs in Crs.)	Amount paid by GoTN (Rs in Crs.)
1	G.O.Ms.No.31, Energy (C2) Department Dt.09.05.2022	Hut	01.04.2022 – 30.09.2022	90.6900	90.6900
2	G.O.Ms.No.3, Energy (C2) Department Dt.05.01.2023	Hut	01.10.2022 – 31.03.2022	99.1185	99.1185
3	G.O.Ms.No.13, Energy (C2) Department Dt.15.03.2023	Hut	balance	93.8815	93.8615
<b>Total</b>				<b>283.6900</b>	<b>283.6700</b>

**Total subsidy receivable for FY 2022-23 = Rs.283.69 cores**

**Total subsidy received during FY 2022-23 = Rs.283.67 cores**

**Balance yet to be received = Rs.0.02 crore**

5. The Chairman cum Managing Director, TANGEDCO has also further stated that even though the entire amount was sanctioned and FMA provision was available, there was a shortfall of Rs.2,00,000/- in disbursement. The final amount was disbursed only on 03.04.2023.

6. The Chairman cum Managing Director, TANGEDCO has now requested the Government to release the subsidy shortfall amount of **Rs.2,00,000/- (Rupees two lakhs only)** of the FY 2022-23 for the hut category of consumers. The details of budget provision made in BE for FY 2023-24 for hut category of consumers, subsidy claimed so far and balance budget provision available are given below:

(Rs. in Crores)

Budget provision made in BE for FY 2023-24	Subsidy claimed so far during FY 2023-24	Balance budget provision available in BE for FY 2023-24
283.6700	70.91	212.76

7. The Government have examined the proposal of the Chairman cum Managing Director, Tamil Nadu Generation and Distribution Corporation Limited carefully and hereby accord sanction and release the subsidy shortfall amount of **Rs.2,00,000/- (Rupees two lakhs only)** of the FY 2022-23 for the hut category of consumers.

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8. The amount sanctioned in para 7 above has been released by relaxing Quarterly Control of Appropriation system for which orders were issued in the Government Order No.99, Finance (BG-I) Department, Dated 31.03.2023. Further this QCA relaxation is updated in the online Quarterly Control of Appropriation (QCA) module of IFHRMS also, to facilitate drawal of bills under IFHRMS as well.

9. The amount sanctioned in para 7 above shall be met from the Budget – Estimate 2023-24 and debited to the following Head of Account:- (D.No.42.02)

“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)

10. The amount sanctioned at 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)

11. The Director of Rural Development and Panchayat Raj is authorized to draw the amount of adjustments entry in the IFHRMS with reference to the amount sanctioned in para 8 above, in favour of the Personal Deposit Account of the Tamil Nadu Generation and Distribution Corporation Limited, (PD Account Number 20210383614) and disburse the same to the Tamil Nadu Generation and Distribution Corporation Limited by remittance to the above credit head of account.

12. This order issues with the concurrence of the Finance Department vide its U.O.No.22070/Infra-II/2023, dated 26.06.2023.

**(BY ORDER OF THE GOVERNOR)**

**BEELA RAJESH  
PRINCIPAL SECRETARY TO GOVERNMENT.**

To  
The Director of Rural Development and Panchayat Raj, Chennai-15.  
The Chairman cum Managing Director,  
Tamil Nadu Generation and Distribution Corporation Limited,  
Chennai-2.  
The Chief Financial Controller,  
Tamil Nadu Generation and Distribution Corporation Limited,  
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 //**

*R.B. Murali*  
SECTION OFFICER 22/06/2023