

::: TAMIL NADU ELECTRICITY BOARD :::  
(Administrative Branch)

From

Er.V.MANOCHARAN, B.E., M.I.E.,  
Chief Engineer/Personnel,  
8th Floor, NPKRR Maaligai,  
144, Anna Salai,  
Chennai - 600 002.

To

The General Secretary

TNEB Engineers Sangam

Letter No.046299/452/G43/G431/2009-24, dated : 19.10.2010.

Sir,

Sub : Restructuring of T.N.E.B. - Draft Tripartite  
Agreement - Employees Unions and Pensioners  
Associations Remarks - Called for.

\*\*\*\*\*

I am to enclose a draft Tripartite Agreement both in  
English and Tamil in connection with restructuring of TNEB and  
request you to furnish remarks on that, within 3 days from the  
date of receipt of this letter.

2) I request you to acknowledge receipt of this letter  
along with its enclosures.

Encl.: Draft Tripartite  
Agreement (English  
& Tamil)

Yours faithfully



(V.VENKATESAN)  
PERSONNEL OFFICER/COURT CASE  
for CHIEF ENGINEER/PERSONNEL

IMP/G43/G431/LET2010  
kk/19.10.10

**TRIPARTITE AGREEMENT  
BETWEEN  
THE GOVERNMENT OF TAMIL NADU, TAMIL NADU  
ELECTRICITY BOARD (TNEB) AND TNEB  
EMPLOYEES/PENSIONERS/ TRADE  
UNIONS/ASSOCIATIONS**

This Tripartite Agreement entered into on this .....th day of -----  
2010 between the Government of Tamil Nadu represented by its Principal  
Secretary to Government, Energy Department, (hereinafter called as the "State  
Government"), and the Party of the FIRST PART;

And

The Tamil Nadu Electricity Board, a body corporate constituted under  
Section-5 of the Electricity (Supply) Act, 1948,(Central Act LIV of 1948) and  
validly continuing as such under the Electricity Act, 2003 (Central Act XXXVI of  
2003) (hereinafter called as "The Board" which expression shall unless  
repugnant to the context or meaning thereof include its successors and assigns)  
represented by its Chairman and the Party of the SECOND PART;

And

All the recognised Trade unions and Associations representing  
Employees and Pensioners of TNEB (hereinafter called as "Union / Association")  
represented by the General Secretary / President or any other authorised  
representative, as the case may be, and the Parties of the THIRD PART as  
shown herein under;

OFFICE OF THE  
SUPERINTENDING ENGINEER/PLANNING  
TAMIL NADU ELECTRICITY BOARD,  
800, ANNA SALAI, 6TH FLOOR,  
CHENNAI - 600 002.

Sl. No.	Name of the Union/Association	Authorised Representative	Regd. No.

**WHEREAS**

1. The Government of Tamil Nadu, in G.O(Ms) No 114 Energy Dept, dated 08.10.2008 have accorded in principle approval for the re-organisation of the Board by establishment of a holding company, namely, TNEB Limited and two subsidiary companies namely, Tamil Nadu Transmission Corporation Limited (TANTRANSCO) and Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) with the stipulation that the aforementioned companies shall be fully owned by the Government of Tamil Nadu;
2. The employees of the Board may be apprehensive that on such reorganisation of the Board they may be retrenched and/or their service conditions may be adversely affected or their services may be privatised.
3. The Government of Tamil Nadu have clearly stated that such apprehensions of employees are unfounded;

(129)

OFFICE OF THE  
GOVERNMENT ENGINEER IN CHARGE  
TAMIL NADU ELECTRICITY BOARD,  
800, ANNA SALAI, CHENNAI - 600 002.

4. For the purpose of smooth implementation of the policy of re-organisation and restructuring of the Board and consequent absorption of the employees in successor entities as also to dispel the apprehensions that are being raised by the various Trade Unions and Associations mentioned in Clause 2 above, the parties herein mutually agree as under and undertake to abide by the same to achieve the aforesaid objective;
5. Now, therefore, in consideration of the premises, mutual agreements, Covenants and conditions set forth herein, it is agreed by and between the parties as follows –

(1) In so far as this Tripartite Agreement is concerned,-

(a) 'Board' means the Tamil Nadu Electricity Board;

(b) 'Holding Company' means the TNEB Limited

(c) 'Successor entities' means 'TNEB Limited' or TANTRANSCO or 'TANGEDCO', or as the case may be;

(d) 'Subsidiary Companies' means, TANGEDCO / TANTRANSCO as the case may be;

(2) In the event of re-organization of the Board into TNEB Limited (as holding company) and two or as many subsidiary companies like Tamil Nadu Transmission Corporation Limited (TANTRANSCO) and Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) as a separate Corporate entities, the State Government and the Board hereby undertake/guarantee that there shall be no retrenchment of existing

employees on account of such restructuring and their status/service conditions shall not in any way be less favourable than those which would have been applicable to them if there had been no such re-organisation and the transfer scheme. Any employee rendered surplus through a process of appropriate rationalisation shall be redeployed.

(3) The terms and conditions of the existing employees of the Board upon transfer to the Corporate entities shall not be inferior / detrimental to the present terms and conditions in the Board. In fact, an endeavour would be made to rationalize the terms and conditions to provide for career growth and other welfare measures more beneficial to the employees recognising that the employees are an essential part of the growth of power sector and its operation in an economic and efficient manner.

(4) The principles and/or terms and conditions of service of the existing employees in matters like promotions, appointments, internal selections, transfers, leave, all allowances, etc. regulated by existing regulations/service rules are guaranteed to continue to be the same during transition and upon permanent transfer to the respective successor entity of the Board, unless and until a new set of rules, regulations, certified standing orders etc., is/are introduced by the successor entity and come into force. Any modifications in the meanwhile shall be made by mutual negotiations and settlement with the recognised unions/associations as was done hitherto. However, the appointment, promotion etc., in the

(131)

OFFICE OF THE  
SUPERINTENDING ENGINEER/PLANNING  
TAMIL NADU ELECTRICITY BOARD,  
800, ANNA SALAI, 6th FLOOR,  
CHENNAI - 600 002.

successor entity are subject to existence of post and vacancy caused.

(5) The existing wage settlement and Work Load settlement entered with the Unions/Associations shall be valid with full force and effective even after re-organisation until its validity or a new settlement is arrived at, whichever is later. With regard to pay revision, the present system of bipartite negotiations shall continue by the Trade Unions/Associations with the respective successor entities. The successor entities of TNEB shall enter into all future wage settlements with the Unions/Associations. Provided that such bipartite negotiations with the subsidiary companies are subject to the approval of the Holding Company.

(6) The parties of the first and second part unconditionally guarantee the payment of Pension, Family Pension, Retirement/Death benefits such as gratuity, encashment of earned leave and the existing benefits including GPF and periodical Dearness Allowance Relief and all other terminal/ applicable benefits that are in force as on the date of signing of this agreement to all existing pensioners/Family Pensioners/Other eligible persons.

(7) In so far as Retirement benefits of existing employees such as General Provident Fund/Contributory Provident Fund, Gratuity, etc. are concerned, appropriate arrangements shall be made to ensure that the interests of the employees, are protected. Till arrangements are finalised, all such payments to the existing employees working on "as-is where-is" condition shall continue to be met from the cash flow of the operation of the

respective successor entity of the Board.

(8) All the existing welfare measures like the scheme for compassionate appointment, medical reimbursement, present medical insurance till its validity period and thereafter by any other suitable scheme/insurance, educational loan, health fund, HBA, Conveyance advance, marriage advance, festival advance or any other existing loans and advances shall be continued generally following the schemes introduced / followed by the State Government to the Government servant as has been done earlier.

(9) In respect of all the statutory and other schemes such as Provident Fund, Gratuity and other superannuation benefits of the employees and matters related to employment, the successor entities shall stand substituted for all purposes of rights, powers, and obligations of the Board/entities.

(10) The existing welfare benefits to the pensioners and family pensioners subject to modifications, withdrawals etc., that may be brought forth by the State Government, shall continue. All obligations in respect of payment of pension, family pension and other retirement benefits including provident fund, superannuation pension, gratuity and encashment of leave, etc., to the employees already retired from the services of the Board and to family pensioners before the date of restructuring shall be the liability of TANGEDCO and in respect of the existing employees as on the date of reorganisation, the respective corporate entity shall stand substituted for the Board for all intents and purpose.

(133)

The benefits, which may be announced by the Government of Tamil Nadu to their pensioners from time to time, shall be implemented without any modifications by the successor corporate entities as was hitherto done by the Board.

(11) The period of service of the existing employees under the Board and the successor entities shall be treated as continuous service for the purposes of all service benefits including promotion, internal selection, fixation, movement to selection grade and retirement/terminal benefits.

(12) All benefits for the services rendered by the employees in the Board as on the date of reorganisation i.e. the effective date, shall be protected.

(13) Even on formation of TNEB LIMITED, TANTRANSCO and TANGEDCO, until further orders, all the existing employees of the Board will be retained in TANGEDCO for the present. The employees shall continue to serve "as-is where-is" basis and shall be treated as employees of TANGEDCO and they would be treated as being on deputation to the other successor entities. The period of transition will be as approved by Government of Tamil Nadu in Transfer Scheme that may be notified in the Government of Tamil Nadu gazette. 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 shall vest with TANGEDCO. During such transition period, the existing seniority pattern for each category will be maintained by TANGEDCO. The other entities shall invariably accept the employee posted by TANGEDCO wherever

necessary in consultation with the TANTRANSCO and TNEB Ltd.,. Strict guidelines based on seniority shall be basis for absorption of employees in the successor entities.

The service conditions of the employee in the successor entities shall not be less favourable to them than that has been provided by the Board. Retirement/Terminal benefits including GPF/CPF and pension payments to the retiring employees during the period of transition shall be dealt with by TANGEDCO and thereafter by the successor entities.

(14) During the transition period, i.e., from deputation to permanent absorption, the existing employees of the Board shall be allowed to exercise their preferred option and in case of any grievances, a "grievance handling committee" shall be formed by the TNEB Ltd to redress the employees' grievances on such absorption. Separate committees shall be formed for officers (class-I and II) and other employees (class-III and IV). Such committees shall also have representation from TANTRANSCO and TANGEDCO. If the Grievance Handling Committee found that a category/section of employees is/are adversely affected, such category/section of employees may be allowed to exercise one more option subject to administrative exigencies

(15) The employees so transferred to the service of the successor entities shall be deemed to have been entered into an agreement / settlement with such successor entity to fulfil the obligations undertaken by them to the Board including in respect of repayment of loans, advances

135

OFFICE OF THE  
SUPERINTENDING ENGINEER/PLANNING  
TAMIL NADU ELECTRICITY BOARD,  
800, ANNA SALAI, 6th FLOOR,  
CHENNAI - 600 002.

and other sums due which remain outstanding from the employees on the effective date.

(16) All disciplinary proceedings pending on the date of reorganisation following the existing rules, Regulations, Certified Standing order and all other instructions/orders in force on the effective date shall be dealt with by the respective successor entity. All disciplinary cases already finalised and or punishments awarded by the Board under the existing rules/regulations/certified standing orders etc., shall not be reopened, unless permitted by the rules/regulations.

(17) All the existing workload norms shall continue and changes from time to time shall be finalised through mutually negotiated settlements between the recognised Trade union and management.

(18) The rule of reservation hitherto followed in the Board shall respectively be continued in the successor entities also following the rules of reservation followed by the State Government including such changes/modification as may be introduced by the State Government from time to time.

(19) If the newly constituted Corporate entity/entities fail to implement this agreement in any respect, the State Government shall take full responsibility to ensure implementation by the respective entity.

(20) The successor entities may introduce a new set of rules, regulations, certified standing order, etc., which will be effective from the date following

OFFICE OF THE  
SUPERINTENDING ENGINEER/PLANNING  
TAMIL NADU ELECTRICITY BOARD,  
800, ANNA SALAI, 6TH FLOOR,  
CHENNAI - 600 002.

the date of completion of transition period. Till such introduction, the rules, regulations, certified standing orders, etc., in force on the date of this agreement shall continue to be in force.

(21) In the event of any dispute(s)/difference(s) arising out of this Tripartite Agreement, effort shall be taken by the parties to resolve such dispute(s)/difference(s) amicably in the first instance. If such dispute(s)/difference(s) could not be resolved within 60 days, such dispute(s)/difference(s) shall be referred to a sole Arbitrator nominated by TNEB Ltd, if need be, in consultation with the State Government. Courts at Chennai shall have the jurisdiction in the event of any litigation.

(22) This Tripartite Agreement shall be binding to the Government of Tamil Nadu, Board/ Successor entities and Unions / Associations / Pensioners of the Board / successor entities and all the existing employees of the Board. The first party, the Government of Tamil Nadu shall have power to issue orders/instructions/directions, if any from time to time to implement any of the provisions of this Tripartite agreement and other related matters incidental there to. In such case, it shall be the duty of other parties to this Tripartite agreement to treat the same as part and parcel of this Tripartite agreement, subject to the right enshrined in sub-clause(21) of clause 5 of this Tripartite agreement;

(23) The Tripartite Agreement executed by and between the parties herein shall be duly notified in the Tamil Nadu Government Gazette.

(133)

OFFICE OF THE  
SUPERINTENDING ENGINEER/PL  
TAMIL NADU ELECTRICITY BOARD  
800, ANNA SALAI, 6th FLOOR  
CHENNAI 600 002

IN WITNESS WHEREOF the parties hereto have signed this Tripartite  
Agreement on the day and date written here-in-above.

Representative of Government of Tamil Nadu

Representative of Board

Representatives of Recognised Unions/Associations

Witnesses

(1)

(2)