



TELANGANA STATE ELECTRICITY REGULATORY COMMISSION
5th Floor, Singareni Bhavan, Lakdi-ka-pul, Hyderabad 500 004

O.P.No.57 of 2021
(Suo Moto)

Dated 08.03.2022

Present

Sri T.Sriranga Rao, Chairman
Sri M.D.Manohar Raju, Member (Technical)
Sri Bandaru Krishnaiah, Member (Finance)

SUO MOTU PROCEEDINGS IN THE MATTER OF ACTION AGAINST SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED FOR DIVERSION AND CONVERSION OF POST OF MEMBER (FINANCE) IN CGRF AS CGM/RAC OF TSSPDCL UNDER SECTION 142 OF THE ELECTRICITY ACT, 2003.

The Commission, in exercise of its powers under the Electricity Act, 2003, and after considering submissions of TSSPDCL coupled with other relevant material and hearing held on 21.12.2021, having heard and having stood over for consideration, the Commission passed the following:

ORDER

The Commission is in receipt of a representation from the General Secretary, Vidyuth Accounts Officers Association of Telangana (VAOAT) requesting to issue necessary instructions to the Southern Power Distribution Company of Telangana Limited (TSSPDCL) for retention of Member Finance Post in CGRF-I (Rural)/ TSSPDCL and fill up the post immediately with the Chief General Manager Accounts service as per the TSERC (Establishment of mechanism for Redressal of Grievances of the Consumers) Regulation, 2015 (Regulation No.3 of 2015). It is noticed that the association is seeking compliance of the regulation. The contents of the representation are extracted below:

- a. Vidyuth Accounts Officers Association of Telangana (VAOAT) is formed to serve the Accounts Community in Telangana State Power Sector from Junior Accounts Officer to Executive Director. The Association strongly believes to

work with discipline and commitment towards organizational development maintaining cordial relations between Association and the Management.

- b. At the outset we express our gratitude to the Commission considering the request of this association and giving change to the retired Chief General Managers of Accounts service for applying the post of Chairperson CGRF.
- c. Further, VAOAT is herewith submitting few lines regarding the subject for your kind consideration and favourable action that the TSSPDCL vide S.P.O.O. under reference 1st cited [S.P.O.O. CGM(HRD) Rt.No.790, Dt.02.09.2021] has diverted the post of Chief General Manager Accounts and Member (Finance) in CGRF-I Rural/TSSPDCL and converted the post of Chief General Manager/RAC/Corporate Office TSSPDCL on temporary basis for the period up to 30.06.2025 or till further orders, which is against the Electricity Act, 2003 and TSERC Regulation No.3 of 2015.
- d. In view of the above, it is to submit that as per the Telangana Electricity Regulatory Commission (TSERC) Gazette vide under ref. 2nd cited [The Telangana Gazette issued by the TSERC No.TSERC No.TSERC/03/2015, Dt.16.09.2015] and its Regulation 3 of 2015
- i. Clause 2.4 reads that the *“Each forum shall consist of a Chairperson, a Technical member and a Finance Member.”*
 - ii. Clause 2.15 reads as *“The Licensee shall ensure that no post of the Chairperson or a Member other than independent member in the Forum remains vacant for a period exceeding Thirty days.”*
- e. It is to bring to the kind notice of the Commission that the Chief General Member (Accounts)/Member (Finance) post in CGRF1 (Rural) has vital and important role in resolution of Consumer grievances of around 10 Rural Circles, where the TSSPDCL is giving utmost priority to the consumer services.
- f. In this context, Vidyuth Accounts Officers Association of Telangana (VAOAT) is hereby requesting to issue necessary instructions to the TSSPDCL for retention of Member Finance Post in CGRF-I (Rural)/TSSPDCL and fill up the post immediately with the Chief General Manager Accounts service as per the TSERC Regulation No.3 of 2015.

2. The association enclosed a proceedings of the TSSPDCL dated 02.09.2021, wherein the above stated action was taken by it. The proceedings is extracted below:

“In view of administrative exigencies, after careful examination, approval is hereby accorded:-

- i. To re-designate the existing post of Chief General Manager/IPC & RAC /Corporate Office/TSSPDCL as Chief General Manager/IPC/Corporate Office/TSSPDCL.*
 - ii. To convert the post of Chief General Manager/Accounts Service & Member (Finance) CGRF-I (Rural) as Chief General Manager/RAC/Corporate Office/TSSPDCL on a temporary basis for a period upto 30.06.2025 or till further orders are issued in this regard, whichever is earlier.*
- 2) The existing incumbent holding the post of Chief General Manager/IPC & RAC, henceforth will hold the post of Chief General Manager/IPC. Further the posts in the IPC & RAC wing shall be re-organized accordingly.*
 - 3) The incumbents holding the above newly re-designated/converted posts are eligible for drawing the Pay & Allowances as admissible at their respective place of duty.”*

3. Upon receipt of the said representation, the Commission had addressed a letter on 14.09.2021 requiring the TSSPDCL to respond to the representation and also submit a report in the matter involved in the proceedings. Thereafter, the Commission had received a letter on 05.11.2021 and it is stated by the TSSPDCL as below:

“I am to invite your attention to the subject and as desired in the reference cited [Lr.No.TSERC/Secy/JD(P)/F.No.E-370427/D.No.456/21, Dt.14.09.2021], a detailed report in the matter is herewith furnished for kind perusal of the Commission.

- 2) It is to inform that, consequent to the Bifurcation of the State of Andhra Pradesh and formation of Telangana, the Combined Power Utilities were also bifurcated and in the process certain employees were allocated from One Utility to another Utility by the Hon'ble Justice Shri DM Dharmadhikari (One Man Committee (OMC) appointed by the Hon'ble Supreme Court of India) duly maintaining reciprocity and financial neutrality. In the said allocation, Sri P.Nageshwar Rao, CGM (Electrical) from APDISCOMs (APEPDCL) shown at Sl. No.94 of the OMC list was allocated to TSSPDCL against Sri K.Premananda Rao. CGM (Accounts) relieved from TSSPDCL to APDISCOMs (APSPDCL/APEPDCL). Further Sri Y.Sai Satya Prasad & Others vide Diary No.28852 of 2020 who were allotted in excess from AP Power Utilities and not accommodated in TS Power Utilities have filed a Contempt Case in the Hon'ble Supreme Court and the same is pending. In the said contempt case, 20 petitioners pertain to TSSPDCL and out of these 20 Nos, 4 Nos Personnel Officers from Personnel & General*

Services were allotted against Assistant Accounts Officer posts in Accounts Services/Law Officer.

- 3) Sri P.Nageshwar Rao, is an Electrical Engineering Graduate has discharged the functions in the Electrical Stream and as on the date of the allotment is holding the post of CGM/Electrical in APEPDCL. By taking into consideration the qualifications & experience of Sri P.Nageshwar Rao he may have to be accommodated as CGM/Electrical in TSSPDCL though allotted to TSSPDCL against the CGM (Accounts) post.
- 4) It is to inform that, while accommodating the employees allotted by the One Man Committee (OMC) i.e., Hon'ble Justice Shri DM Dharradhikari), all the employees were adjusted against the regular sanctioned posts in TSSPDCL in the respective cadre.
- 5) A legal Opinion was sought in the matter, from Sri G.Vidyasagar, Sr. Advocate who has dealt the issues pertaining to Bifurcation & allocation of the employees of all the TS Power Utilities. Sri G.Vidyasagar, Sr. Advocate, vide his letter dt: 01.09.2021 has opined that, the services of Sri P.Nageshwar Rao can be utilised as CGM/Electrical by converting the post of CGM in Accounts Services temporarily till retirement of the incumbent as the said incumbent was allotted against the CGM (Accounts) post.
- 6) As per the legal opinion, and as the vacant posts are only considered for conversion/diversion, TSSPDCL vide SPOO CGM (HRD) Rt.No. 790, dt: 02.09.2021, has converted the vacant post of Chief General Manager/Accounts Service & Finance Member/CGRF-(Rural) temporarily for utilization as Chief General Manager/Electrical (RAC) till 30.06.2025 i.e., retirement of Sri P.Nageshwar Rao or till further directions are issued in the matter whichever is earlier. A decision was taken to convert the post of Finance Member/CGRF-(Rural) was purely temporary for claiming his salary as Sri P.Nageshwar Rao was relieved from APEPDCL and necessary posting orders are to be issued by TSSPDCL as the incumbent as reported to TSSPDCL on 25.08.2021. Upon conversion/diversion of the Chief General Manager/Accounts Service & Finance Member/CGRF-(Rural), the functions in the CGRF-Rural are being looked after by the Finance Member & CGM/Accounts of CGRF-II as was done prior to the Conversion of the post as the post of Chief General Manager/Accounts Service & Finance Member/CGRF-(Rural) as the said post is lying vacant since a long time as there are no suitable candidates in the Accounts Service of TSSPDCL for posting/promotion to CGRF(Rural).
- 7) It is to inform that, as per the TSERC vide Regulation No.3 of 2015 dt:16.09.2015. Clause 2.6(a), (b) & (c) the, Chairperson shall be a retired District Judge/Judicial Officer or Chief Engineer (Electrical), the Technical Member shall be a serving Officer not below the rank of Superintending Engineer and the Finance Member shall be a serving Officer not below the rank of General Manager (Finance/Accounts). However, the TSSPDCL is filling-up the Technical Member with CGM/Electrical and Finance Member with CGM/Accounts in the 2 Nos CGRFs in TSSPDCL. As the conversion of the post of Chief General

Manager/Accounts Service & Finance Member/CGRF-(Rural) as CGM/Electrical, is purely temporary, the issue of posting of a General Manager/Accounts Service as Finance Member/CGRF-I (Rural) which will be as per the TSERC Regulations is under examination.

- 8) *In the meantime the Accounts Officers Association (VAOAT) in their representation dt: 07.09.2021 addressed to the Chairman & Managing Director/TSSPDCL has stated that the promotion prospects of Accounts Cadre will be affected by the Conversion of the post of CGM/Accounts & Finance Member as CGM/Electrical and requested to create a Supernumerary post in CGM/Electrical cadre as was done by APEPDCL. The TSERC has also sought for a detailed report in the matter.*
- 9) *It was ascertained from APEPDCL, that, in the similar instance of allotment of CGM/Accounts against CGM/Electrical to APSPDCL/APEPDCL by the OMC the APEPDCL as per the decision taken in its Board Meeting has issued orders vide E.O.O (HRD) Ms.No.27/2021, Dt: 10.03.2021 for creation of a supernumerary post in the cadre of Chief General Manager in Accounts Service w.e.f. 01.02.2021 up to the retirement of the one of the existing Chief General Manager/Accounts service i.e., Sri H.Gopala Rao, Chief General Manager/Internal Audit i.e., 31.02.2022 as a special case arising out of bifurcation of employees between Telangana and Andhra Pradesh duly suppressing/ converting 3 Nos vacant posts of Accounts Service (i.e., 2 Nos. Junior Assistants and 1 No. Typist) of Corporate office subject to restoration of suppressed posts consequent on completion of the term of the above supernumerary post.*
- 10) *In compliance of the statutory provisions of the TSERC & CGRFs, the issue of posting of a General Manager/Accounts Service as Finance Member/CGRF-1(Rural) or to restore the post of Chief General Manager/Accounts Service as Finance Member/CGRF-I (Rural) duly creating a Supernumerary post of CGM/Electrical till the retirement of Sri P.Nageshwar Rao, i.e., upto 30.06.2025 as was done by APEPDCL by suppression of 3 posts of Sub-Engineers is under examination along with the accommodation of the employees if any as per the outcome of the Contempt Case pending in the Hon'ble Supreme Court.*
- 11) *It is to inform that, after the outcome of Contempt case filed by Sri Y.Sai Satya Prasad & Others vide Diary No 28852 of 2020 the issue of accommodation of employees in TSSPDCL if any along with the issue of restoration of the post of Finance Member/CGRF-I (Rural) will be discussed in Board Meeting and further necessary action will be taken at the earliest. In the mean while to avoid dislocation of works, the functions of Member (Finance) in CGRF-I (Rural) are entrusted to the Member (Finance) in CGRF-II.*

4. Having perused the reply given and being not satisfied with the reply given by the TSSPDCL, the Commission proceeded to initiate proceedings under section 142 of the Electricity Act, 2003 under adjudicatory mode. A notice to that effect was issued on 13.12.2021 to show cause as to why action should not be initiated under

section 142 of the Act, 2003 and requiring the Chairman & Managing Director to appear in person on 21.12.2021. The contents of the show cause notice are extracted below:

“The Commission had notified the Telangana State Electricity Regulatory Commission (Establishment of mechanism for Redressal of Grievances of the Consumers) Regulation, 2015, which was published in the gazette on 03.10.2015. The Commission had amended the said regulation vide Regulation No.2 of 2021, which was published on 20.03.2021.

The said regulation provided for establishment of Consumers Grievance Redressal Forum by each of the licensees and also provided for composition of such Forums. You have established two Forums pursuant to the above said regulation, which are functioning as at present.

Now it has been brought to the notice of the Commission in the representation made by Vidyuth Accounts Officers Association of Telangana (VAOAT) dated 09.09.2021, wherein it has been stated that you have converted the post of Member (Finance), CGRF as CGM (RAC)/Corporate Office/TSSPDCL on a temporary basis for a period upto 30.06.2025 or till further orders whichever is earlier. This constitutes a violation of the provisions of TSERC (Establishment of mechanism for Redressal of Grievances of the Consumers) Regulation, 2015 issued by the Commission.

CGRF is a forum established by the Distribution Licensee under the provisions under Section 42(5) of the Electricity Act, 2003 for redressal of grievances of the consumers in accordance with the guidelines notified by the Commission in its Regulation No.3 of 2015. Each forum shall consist of a Chairperson, a Technical Member and a Finance Member apart from an Independent Member conversant in consumer affairs. The Distribution Licensee shall post Technical Member and Finance Member from its serving officers meeting the criteria prescribed under clause 2.6(b) and (c) of the Regulation and it shall ensure that no post of the Chairperson or a Member remains vacant for a period exceeding thirty (30) days.

The post of Member (Finance) in CGRF is a specific post and is a compulsory mandate to have such a post under the regulation, as most of the complaints received by CGRF are related to the financial matters. Converting such a post, which is not within its fold by TSSPDCL for other purposes is a clear violation of the regulation and tantamount to belittling the importance given to the consumers grievances under Act, 2003. The Commission finds that the reply given by TSSPDCL is not tenable.

Therefore having noticed that the TSSPDCL has clearly violated the regulation issued by the Commission, the Commission issues this notice as to why it should invoke the provisions under section 142 of the Electricity Act, 2003.

Accordingly, you are hereby directed to state and explain as to why action for violating the regulation issued by the Commission should not be initiated against you under section 142 and 146 of the Electricity Act, 2003, by appearing in person before the Commission on 21.12.2021 at 11.30 A.M. without fail. In the absence of you or for any other reason, the Commission

will proceed to take action treating that you have no explanation to offer in the matter.”

5. The Chairman & Managing Director had appeared before the Commission on 21.12.2021 and stated the reasons along with the action taken in the matter. Due to administrative exigencies as also compliance of the orders of the Hon'ble Supreme Court, the company had undertaken the earlier exercise of transferring the post of the Member (Finance) to itself.

6. However pursuant to the notice given by the Commission, the TSSPDCL had initiated corrective measures to restore the post of Member (Finance) in the Consumer Grievance Redressal Forum-I. The same has been submitted by the Chairman & Managing Director for consideration of the Commission. In this regard, the Commission has also received a copy of the letter dated 16.12.2021 duly enclosing the proceedings issued by the TSSPDCL on 15.12.2021. The letter of TSSPDCL addressed to the Chairman & Managing Director, TSTRANCO with a copy to the Commission and the Orders issued by the TSSPDCL are extracted below:

Letter dated 16.12.2021:

“I am to invite your kind attention to the subject and as desired in the reference 1st cited [CMD/Peshi/D.No.23/2021, Dt.09.09.2021], it is to submit that, TSSPDCL has issued orders vide reference 2nd cited [S.P.O.O. CGM(HRD) Rt.No.1222, Dt.15.12.2021] regarding restoration of post of Chief General Manager/Accounts Service & Member (Finance)/CGRF-1-(Rural) which was converted as CGM/RAC vide S.P.O.O. CGM(HRD) Rt.No.790, Dt 02.09.2021. This is for favour of information.”

S.P.O.O. CGM(HRD) Rt.No.1222, dated 15.12.2021:

“TSSPDCL has issued orders for conversion of post of Chief General Manager/Accounts Service & Member (Finance)/CGRF-I-(Rural) as Chief General Manager/RAC vide reference 5th cited [S.P.O.O. CGM(HRD) Rt.No.790, Dt.02.09.2021].

2. *The TSSPDCL Board has passed the following resolution:*

“Resolved to restore the post of CGM/Accounts for the CGRF-I for Utilization as Finance Member & CGM/Accounts which was converted as CGM/RAC vide SPOO 790, Dt: 02.09.2021 duly creating a Supernumerary post of CGM/RAC by suppression of 3 Nos. sanctioned & Vacant posts of Sub-Engineers Subject to restoration of suppressed posts till the retirement of the incumbent Sri P.Nageshwar Rao i.e. upto 30.06.2025.”

3. *Accordingly it is hereby ordered that:-*

i. To create a Supernumerary post of Chief General Manager/RAC duly suppressing 3 Nos. sanctioned & Vacant posts of Sub-

Engineers till the retirement of the incumbent Sri P.Nageshwar Rao, CGM i.e., upto 30.06.2025.

- ii. *To restore the post of Chief General Manager/Accounts Service & Member (Finance) CGRF-I (Rural) which was converted as CGM/RAC vide reference 5th cited.*
4. *It is further ordered that, the supernumerary post of CGM/RAC created as a special case arising out of bifurcation of employees between Telangana and Andhra Pradesh and such creation of supernumerary post will not become a precedent for future demands under normal circumstances.*
5. *The incumbents holding the above newly created/restored posts are eligible for drawing the Pay & Allowances as admissible at their respective place of duty.”*

7. In view of the TSSPDCL's order and the letter noticed above and as the Chairman & Managing Director has expressed that the violation in transferring the post from the CGRF to the company had been rectified, further pleading for dropping the proceedings, the Commission deems it appropriate that no further action survives in the matter and as such, the present proceedings can be closed. Accordingly, the proceedings is closed and the action proposed is dropped.

This order is corrected and signed on this the 08th day of March, 2022.

Sd/-
(BANDARU KRISHNAIAH)
MEMBER

Sd/-
(M.D.MANO HAR RAJU)
MEMBER

Sd/-
(T.SRIRANGA RAO)
CHAIRMAN

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