

Bihar State Electricity Reforms Transfer Scheme, 2012

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Rule

BIHAR-STATE-ELECTRICITY-REFORMS-TRANSFER-SCHEME-2012 of 2012

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Bihar State Electricity Reforms Transfer Scheme, 2012Published vide Notification No. izo@cksMZ iquZo lao&31@2008 ¼[kaM&1½&4893&17, Dated 30.10.2012Last Updated 11th February, 2020No. izo@cksMZ iquZo lao&31@2008 ¼[kaM&1½&4893&17 - In exercise of the powers conferred by section 131, 133 and other applicable provisions of the Electricity Act, 2003, the Government of Bihar hereby makes the following Scheme for providing and giving effect to the transfer of properties, interests, rights, assets, liabilities, obligations, proceedings and personnel of Bihar State Electricity Board to the Transferees and for matters incidental and ancillary thereto.

1. Short Title, Extent and Commencement.

- 1.1 This Scheme may be called the Bihar State Electricity Reforms Transfer Scheme, 2012.1.2The Scheme shall extend to the whole of the State of Bihar including properties, interests, rights, assets, liabilities, obligations, proceedings and personnel of Bihar State Electricity Board outside the State.1.3The Scheme shall come into force with effect from 01.11.2012.

2. Definitions.

- In the Scheme, unless the context otherwise requires :-(a)"Act" means the Electricity Act, 2003 (36 of 2003) and any subsequent amendments thereto;(b)"Assets" means all assets & properties including power systems, plant, machinery, land, building, offices, stores, furniture, fixtures, vehicles, residential quarters and guest houses and amenities and installations pertaining and attached thereto and other movable and immovable assets, cash in hand, cash at bank, investments, book debts - corporeal and incorporeal, tangible and intangible assets, benefits, licenses, consents, authorities, registration, patents, trade marks and powers of every kind, nature and description

whatsoever, privileges, liberties, easements, advantages, benefits and approvals, contracts, deeds, schemes, bonds, agreements and other instruments and interest of whatever nature and wherever situated and including the contingent assets, which may arise in regard to dealings before the effective date of transfer in respect of the specified Undertakings;(c)"Board" means Bihar State Electricity Board originally constituted under Section 5 of the Electricity (Supply) Act, 1948 (54 of 1948) and reconstituted under section 62 of The Bihar Reorganisation Act 2000;(d)"Company" means a company incorporated under the Companies Act, 1956.(e)"South Bihar Power Distribution Company Limited", "North Bihar Power Distribution Company Limited", collectively mean the Distribution Companies, to which the Distribution Undertakings of the Board are to be transferred in accordance with this Scheme;(f)"Bihar State Power Generation Company Limited" means the Generating Company to which the Generating Undertakings of the Board are to be transferred in accordance with this Scheme;(g)"Bihar State Power Transmission Company Limited" means the Transmission Company to which the Transmission Undertakings of the Board are to be transferred in accordance with this Scheme;(h)"Bihar State Power (Holding) Company Limited" means the Company that will own all shares of newly incorporated reorganized four companies i.e. Bihar State Power Generation Company Limited, Bihar State Power Transmission Company Limited, South Bihar Power Distribution Company Limited, and North Bihar Power Distribution Company Limited;(i)"Effective Date" means the date notified by the State Govt. at para 1.3 above for effecting transfer of different Undertakings or properties, interest, rights, assets and liabilities, proceedings or personnel of the Board forming part of the Undertakings, to the relevant Transferee, in accordance with the Act and this Scheme;(j)"Liabilities" include all liabilities, debts, duties, obligations and other outstandings including statutory liabilities and Government levies of whatever nature and contingent liabilities which may arise in regard to the dealings before the effective date of the transfer in respect of the Undertakings, (defined hereinafter) transferred under this scheme.(k)"Personnel" means workmen, employees, staff and officers of the Board by whatever name called and includes trainees, if any, for the recruitment in the Board and those on deputation from the Board to other organizations or institutions, but shall exclude personnel on deputation from other organizations or institutions to the Board;(l)"Proceedings" means the proceedings of whatever nature including suits appeals, complaints, petitions, applications, conciliatory, arbitration whether civil or criminal or otherwise, in which Board is one of the parties;(m)"Schedules" means the Schedules appended to this Scheme;(n)"State" means the State of Bihar.(o)"State Government" means the Government of Bihar.(p)"Transferee" means Bihar State Power (Holding) Company Limited, Bihar State Power Generation Company Limited, Bihar State Power Transmission Company Limited, South Bihar Power Distribution Company Limited, North Bihar Power Distribution Company Limited, as the case may be.(q)"Undertaking (s)" mean the functions, business and a block or blocks of properties, interest, rights, assets, liabilities, obligations, proceedings and personnel to the extent and in the manner specified as a part of the undertakings of the Board and such other properties, interests, rights, assets, liabilities, obligations and proceedings and wherever the context so admits shall include the Personnel as specified in this Scheme relevant to the functions;(r)Words and expressions which are used in the Scheme and also defined in the Act but not specifically defined in this Scheme shall have the same meaning as assigned to them in the Act.

3. Classification of Undertakings of the Board.

- 3.1 The undertakings of the Board are classified in the Following Schedules:(a)Transmission Undertakings as set out in Schedule 'A';(b)Generation Undertakings as set out in Schedule 'B';(c)Distribution Undertakings as set out in Schedule 'C';(d)Holding Undertaking as set out in Schedule 'D';(e)Residual assets and liabilities as set out in Schedule 'E';(f)Transfer of Personnel as set out in Schedule 'F';3.2If the assets of the Undertakings under sub-clause 3.1 above are subject to security documents or arrangements in favour of third parties for any financial assistance or obligations taken by the Board and the liabilities in respect thereof are to be classified in different Undertakings, the State Government, may by order to be issued for the said purpose, provide for the apportionment of the liabilities secured by such properties, assets and rights between the different Undertakings and upon such apportionment the security shall be applicable to the extent of apportioned liability.

4. Transfer of Assets, Liabilities etc. to the State.

- 4.1 On and from the effective date, the assets and all interests, rights and liabilities of the Board as specified in such of the Schedules 'A' to 'E', as per the decision of the State Government, shall stand transferred to and vest in the State Government for the purposes of further transfers under this Scheme without any further act or thing to be done by the State Government or Board or any person, subject to the terms and conditions specified in the Act and this Scheme.4.2The assets and liabilities specified in Schedule - 'E' shall not form part of the assets and liabilities to be transferred to the proposed successor companies as classified in Schedules - 'A' to 'D' but shall form part of residuary assets and liabilities to be retained by the State Government. However, outstanding State Govt. Loans and interest thereon receivable from board will continue to be shown as recoverable from board in the books of State Govt., pending final adjustment between board and State Govt.4.3Nothing in sub-clause 4.1 above shall apply to rights, responsibilities, liabilities and obligations in respect of the personnel and personnel related matters including statutory dues such as salary, wages, gratuity, pension, provident fund, compensation, terminal and retirement benefits and the same shall be dealt with in the manner provided under Clause 6 of this Scheme.

5. Transfer of Undertaking by the State.

- 5.1 The functions, business and Undertakings forming part of Transmission Undertakings as set out in Schedule 'A' hereto shall stand transferred to and vest in Bihar State Power Transmission Company Limited on and from the effective date, without any further act or thing to be done by the State Government or Board or any person, subject to the terms and conditions specified in the Act and this Scheme.5.2The functions, business and Undertakings forming part of Generation Undertakings as set out in Schedule 'B' shall stand transferred to and vest in Bihar State Power Generation Company Limited on and from the effective date, without any further act or thing to be done by the State Government or Board or any person, subject to the terms and conditions specified in the Act and this Scheme.5.3The functions, business and Undertakings forming part of Distribution Undertakings as set out in Schedule 'C' shall stand transferred to and vest in South Bihar Power Distribution Company Limited, North Bihar Power Distribution Company Limited on

and from the effective date, without any further act or thing to be done by the State Government or Board or any person, subject to the terms and conditions specified in the Act and this Scheme.5.4The function, business and undertakings forming part of Holding Undertakings as set out in Schedule 'D' shall stand transferred to and vest in Bihar State Power (Holding) Company Limited on and from the effective date, without any further act or thing to be done by the State Government or Board or any person, subject to the terms and conditions specified in the Act and this Scheme.5.5On such transfer and vesting of the functions, business and Undertakings in terms of sub-clauses 5.1 to 5.4 above and except as otherwise provided, the respective Transferee, shall be responsible for all functions, contracts, rights, deeds, schemes, bonds, agreements, proceedings and other instruments of whatever nature relating to the respective Undertakings transferred to it to which the Board was a party, subsisting or having effect on the date of the transfer, and the same shall remain in force and effect against or in favour of the respective Transferee and may be enforced effectively as if the respective Transferee had been a party thereto instead of the Board.5.6As consideration for the transfer and vesting of the Undertakings as specified in this Scheme, the relevant Transferee shall have the financials and opening balance sheet and shall issue shares and / or/ other instruments as the State Government may notify by order (as specified in Part II of Schedule A to D respectively).5.7The State Government may, by an order to be issued for the purpose, amend, vary, modify, add, delete or otherwise change the terms and conditions specified in the Schedules at any time during the provisional period mentioned in Clause 9 of this Scheme.5.8The transfer value of the Assets & Liabilities forming part of the Schedules A, B, C & D of the respective Transferee have been taken at Book Values. However the land assets will be revalued on the basis of Govt. values as on the effective date and other fixed assets consisting of Buildings, Equipments and Machinery will be valued at their depreciated book value. The revaluation of the fixed assets will be completed before the notification of the final transfer scheme but in no case later than the first Annual General Meeting of the respective successor company. The impact of revaluation will be reflected in the Equity Contribution of the State Govt.

6. Transfer of Personnel.

- 6.1 The transfer of personnel shall be subject to the terms and conditions contained in section 133 and other applicable provisions of the Act.6.2The personnel of the Board, involved in Distribution, Generation, Transmission and Common Services including at the Head Office, on the effective date, will stand transferred to the holding company.6.3Subject to sub-clause 6.2, the personnel on the effective date shall stand further transferred from Holding Company as under: -(i)All the personnel working with the Transmission function and activities of the Board shall be deemed to be transferred to Bihar State Power Transmission Company Limited.(ii)All the personnel working with the Generation function and activities of the Board shall be deemed to be transferred to Bihar State Power Generation Company Limited.(iii)All the personnel working with the Distribution function and activities of the Board shall be deemed to be transferred to South Bihar Power Distribution Company Limited and North Bihar Power Distribution Company Limited.6.4The detailed scheme and terms and conditions for transfer of group of employees in Transmission, Generation, Distribution and common services is given in Schedule-F.6.5On such transfer and subject to the provisions of the Act and other provisions of this Scheme the personnel shall form a part of the services of the Transmission, Generation and Distribution companies, as the case may be, but their

rank, scale of pay and inter-se seniority as existing in the Board on the effective date shall be maintained in the holding company and the retirement benefits and other facilities shall in no way be reduced than the one existing in the Board on the effective date.6.6Notwithstanding the provisional nature of transfer of personnel to Holding Company and further transfer to Transmission, Generation and Distribution companies, as per para 6.2 and 6.3 above, the personnel shall discharge the duties and functions as may be assigned to them from time to time by Transmission, Generation and Distribution companies, as the case may be and the Transmission, Generation and Distribution companies shall have the power to exercise all administrative and disciplinary control over such personnel transferred to them as per this Scheme.6.7The transfer of personnel shall be subject to the following conditions, namely, -(a)That the personnel shall be governed by the Rules and Regulations framed by the Board existing on the effective date.(b)The terms and conditions of the services applicable to personnel on the effective date shall not in anyway be less favourable than those applicable to them immediately before the said effective date. Accordingly the salary, allowances and other pecuniary benefits including terminal benefits applicable on the effective date shall be protected and shall not be adversely changed;(c)All such personnel shall have continuity of service in all respects;(d)All benefits of service accrued before the said effective date shall be fully recognised and taken into account for all purposes including the payment of terminal benefits;(e)To any orders that may be passed by the Courts in the proceedings pending on the said effective date in regard to seniority or other matters concerning the service conditions of the Personnel;(f)Subject to this Scheme, the personnel shall cease to be in the service of the Board and shall not assert or claim any benefit of service not covered in the scheme.6.8Subject to the Act and this Scheme, the Holding Company shall be entitled to frame regulations governing the conditions of personnel transferred to the subsidiary companies under this Scheme and till such time the existing/ (as suggested for modification) service rules/regulations of the Board shall apply mutatis-mutandis.6.9Subject to para 6.7, in respect of all statutory and other schemes and employment related matters including the provident fund, gratuity fund, pension, leave encashment and any other Superannuation fund or any other special fund created or existing for the benefit of the personnel, the Holding Company shall stand substituted for the Board for all purposes and all the rights, powers and obligations of the Board in relation to any and all such matters shall become those of the Holding Company and the services of the personnel shall be treated as having been continuous for the purpose of the application of this sub- clause.6.10The Holding Company shall, in consultation with the Bihar State Power (Holding) Company Limited, Bihar State Power Generation Company Limited, Bihar State Power Transmission Company Limited, South Bihar Power Distribution Company Limited and North Bihar Power Distribution Company Limited, finalize the transfer to and permanent absorption of the Personnel in the subsidiary companies taking into account the suitability, ability and experience of the personnel, number and nature of the vacancies and other relevant factors and issue appropriate orders for such permanent absorption within the provisional period of transfer of the Undertakings specified in Clause 9 of this Scheme.6.11For the purpose of sub-clause 6.10 above the Holding Company may constitute a Committee as specified in Schedule-F of this scheme to (a) receive representations from the Personnel who may raise grievances in regard to their transfer and absorption in the subsidiary companies in terms of Schedule-F and (b) to make recommendation on such transfer and absorption, within such time as State Government may specify for the purpose.6.12The Holding Company shall take a decision on the transfer and permanent absorption of the Personnel in the

subsidiary companies after considering the recommendation of the Committee appointed for the purpose and shall issue orders for such transfer and permanent absorption of the Personnel.6.13 Upon the finalization and issue of orders in terms of the sub-clause 6.10 above, the personnel shall form part of the services of the subsidiary company concerned, in the post, scale of pay or seniority in accordance with the orders that may be issued for this purpose, without any further act, deed or thing to be done by the State Government or the Holding Company or the subsidiary company or the Personnel or any other person.6.14 The liability in respect of existing pensioners of the Board (based on actuarial valuation as on 31.03.2011) shall be the liability of the State Government. Further the liability, as assessed on actuarial valuation, in respect of the retiral dues of the existing employees, as on the effective date, to the extent they are unfunded shall also be the liability of the State Govt. As per actuarial valuation carried out by registered actuary, the net present value of the total terminal benefit liabilities is Rs.4613 Crores (discounted at 8% per annum) out of which total unfunded liability is approximately Rs. 4438 Crores as on 31.03.2011.6.15 The unfunded liabilities accumulated in respect of terminal benefits of the employees, covered under State Govt.'s policies and directions, will be borne by the State Govt. The unfunded liability upto the cut off date will be treated as covered under State Govt. policies and directions. The energy department will obtain the detailed statement in respect thereof from the Board/holding Company and will submit after due analysis for decision of the State Govt. and thereafter on this point the transfer scheme will be considered final. The above unfunded terminal benefit liability will be determined on yearly basis by the actuary considering the impact of inflation, pay revisions etc. After the effective date, the liability on account of service in the subsequent periods shall be borne by the respective successor companies. The disbursal of terminal benefits will be through a master trust administered by the holding company. The contribution from the State Govt. will be paid in advance in two installments every year i.e. by 31st May and 30th November and the successor companies will be contributing on monthly basis by 7th of the following month. The State Govt. and the transferees shall be jointly and severally liable for payments arising thereon till such notification, establishment of master trust and proper funding.6.16 For the purpose of this clause 6, the term:-(i)"Existing Pensioner" means all the personnel eligible for the pension as on the effective date of the transfer from the Board and shall include family members of the personnel as per the applicable scheme, and(ii)"Terminal Benefits" means the gratuity, pension, dearness allowance and other applicable relief, medical benefit, and other applicable benefits including the right to have the appropriate revisions in the above benefits consistent with the practice that were prevalent in the Board.6.17 All proceedings including disciplinary proceedings pending against the personnel prior to the effective date of the transfer of the personnel from the Board to the Transferee or from such Transferee to another Transferee, as the case may be, or which may relate to misconduct, lapses or acts of commission or omission committed before the effective date of the transfer, shall not abate and may be continued by the relevant Transferee consistent with the applicable service rules.6.18 The personnel transferred to the Transferees, shall be deemed to have entered into an agreement with the Transferee concerned to repay loans, advances and other sums due and perform obligations undertaken by them to the Board which remain outstanding as on the effective date of the transfer for the benefit of the Transferee in the same manner on the same terms and conditions as contained in the arrangement with the Board.6.19 Nothing contained in this Scheme shall apply to personnel of the State Government or other organisation on deputation to Board as on the effective date but such personnel shall continue on deputation to the concerned Transferee(s) to whose

services they are assigned on "as-is-where-is" basis till further orders of the Transferee.6.20The officers and the employees of the board after the restructuring shall have continuity of service. Their service conditions will not be inferior to the present service conditions and in case the transferee companies do not fulfill any service condition, the State Govt. guarantees and shall ensure through holding company continuance of those benefits. However these provisions will not be applicable to the new employees appointed in the transferee companies after the effective date of restructuring.

7. Rights and obligations of third parties restricted.

- Upon the transfer being effected in accordance with the Act and this Scheme, the rights and obligations of all persons shall be restricted to the Transferee to whom they are assigned to and notwithstanding anything contained in any deed, documents, instruments, agreements or arrangements which such person has with the Board, the person shall not claim any right or interest against the State Government or the Board or any other Transferee, except the transferee to whom it is assigned.

8. Pending suits, Proceedings, etc.

- 8.1 All Proceedings of whatever nature by or against the Board pending on the effective date shall not abate or discontinue or otherwise in any way prejudicial be affected by reason of the transfer under this Scheme and the proceedings shall be continued, prosecuted and enforced by or against the Transferee to whom the same are assigned in accordance with this Scheme and orders issued there under.8.2The proceedings covered under sub-clause 8.1 above shall be continued in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Board if the transfers specified in this Scheme had not been made.

9. Classifications and transfer of property, rights, assets, liabilities and proceedings to be provisional in the first instance.

- 9.1 The classification and transfer of Undertakings including personnel under this Scheme, unless otherwise specified in any order made by the State Government, shall be provisional for a period of one year from the effective date.9.2At any time within a period of one year from the effective date, the State Government may, by order to be notified, amend, vary, modify, add, reduce, delete or otherwise change terms and conditions of the transfer including items included in the transfer, and transfer such properties, interests, rights, assets, liabilities, personnel and proceedings and forming part of an Undertaking of one Transferee to that of any other Transferee or the Board or to the State Government in such manner and on such terms and conditions as the State Government may consider appropriate.9.3On the expiry of the period of one year from the effective date and subject to any directions given by the State Government, the transfer of undertakings, properties, interests, rights, assets, liabilities, personnel and proceedings made in accordance with, this Scheme shall become final.

10. Transfer by operation of law.

- The transfer under this Scheme shall operate and be effective pursuant to action of the State Government by publishing this Scheme and Orders issued in terms of this Scheme and without any further act, deed or thing to be done by the State Government, Board, Transferees or any other person, subject to the terms and conditions of this Scheme.

11. Decision of State Government to be final.

- 11.1 If any doubt, dispute, difference or issue shall arise in regard to the transfers under this Scheme subject to the provisions of the Act, the decision of State Government thereon shall be final and binding on all parties. 11.2 The State Government may, by order publish in the Official Gazette, amend this Scheme and make such provisions, not inconsistent with the provisions of the Act, as may appear to be necessary for removing the difficulties arising in implementing the transfers under this Scheme.

12. Exemption of Duty.

- Exemption from all types of taxes, duties, levies of State Govt. and local bodies arising out of transfer and implementation thereof under this transfer scheme will be considered separately by the State Govt. as per the requirement. Order :- Ordered that this notification be published in Bihar Gazette Extraordinary issue for information to general public.

'A' Transmission Undertaking

Part I – The transmission undertaking shall comprise of all Assets, Liabilities and proceedings including the following but not limited to them, belonging to the Bihar State Electricity Board, concerning the transmission of electricity: -

I. Transmission Assets. - All the transmission lines having the capacity to carry electricity at voltages of above 33kV on double circuit/single circuit on double circuit towers with Grid sub-stations of various capacities with all associated and related equipment, including step-up, stepdown transformers, circuit breakers, switchgear sets in sub-stations, metering arrangements and other protective devices with power-line communication system, allied control rooms, load dispatch center, lands (including right of way), buildings, roads and other auxiliary assets spread over within and outside the territory of the State including such assets under construction and assets acquired, transferred or rights of which were vested with the Board by transfer, sale, lease or otherwise, but excluding such constructions or installations lawfully owned and operated by others. In addition to the above, the outgoing bays connected to Grid Sub-stations which are integral part of the transformation, shall be part of the transmission system and they shall not form part of the

distribution undertakings notwithstanding anything contained in any other schedule.II. General Assets. - The following, if they exclusively or primarily pertain to the above mentioned transmission systems properties or projects or activities related to such transmission systems, properties or projects:(a)Special tools and equipment, material handling equipment, earth movers, bulldozers, concrete mixtures, cranes, trailers, heavy and light vehicles, furniture, fixtures, office equipment, air conditioners, refrigerators, computers and signal systems, spares, consumables, raw materials, lands and civil works installations including roads, buildings, staff quarters, rest houses, properties and structures and their associated buildings, schools, dispensaries, testing laboratories and equipment, training centers, workshops, works in progress, machinery and equipment sent for repairs, scraps and obsolete.(b)All independent and stand-alone Rest houses, which are not part of any substations/installations of the Board but established as a part of transmission project of voltage class above 33 kV.(c)The office establishment, buildings, lands and all other assets not covered elsewhere in this schedule, which is predominantly occupied, used for the activities of Transmission Undertakings as on the effective date.III. Miscellaneous: -(a)Contracts, agreements, interest and arrangements to the extent they are associated with or related to transmission activities or to the Undertakings or Assets referred to in Para I and II above.(b)Loans, secured and unsecured, current liabilities and other liabilities, to the extent they are associated with or related to transmission activities or to the Undertakings or assets referred to in to in Para I and II above and Part II of Schedule A.(c)Cash & bank balances, Other current assets, other assets, to the extent they are associated with or related to transmission activities or to the Undertakings or assets referred to in to in Para I and II above and Part II of Schedule A.(d)Contingent liabilities to the extent they are recognised and are associated with or related to transmission activities or to the Undertaking or Assets referred to in Para I and II above.(e)Proceedings to the extent they are associated with or related to transmission activities or to the Undertaking or Assets referred to in Para I and II above.(f)The transfer value of the assets and liabilities hereunder is based on the book value of the assets and liabilities on the effective date.IV. General: -(a)The assets and liabilities of the Transmission Undertakings shall vest in Bihar State Power Transmission Company Limited.(b)In consideration of the transfer mentioned above, the Transmission Company (Bihar State Power Transmission Company Limited) shall issue equity shares in favour of the Bihar State Power Holding Company Limited after taking into account the assets and liabilities of Transmission Undertaking of the Board transferred to Transmission Company.

'A' Transmission Undertaking

Part II – Aggregate Assets and Liabilities vested in Bihar State Power Transmission Company Limited

Balance Sheet As on 1st April 2011		TransCo
Assets		(Rs. In Cr.)
1	Fixed Assets	
	Gross Block	748
	Less: Accumulated Depreciation	492
	Net Fixed Assets	255

2	Capital Expenditure in Progress	102
3	Assets not in use	-
4	Deferred Cost	-
5	Regulatory Assets	-
6	Intangible Assets	-
7	Investments	
	Investment in Joint Ventures etc.	-
	Investment in Subsidiary Companies	-
8	Current Assets	
(i)	Stocks	55
(ii)	Receivables against supply of power	-
(iii)	Cash and Bank Balances	68
(iv)	Loans & Advances	4
(v)	Sundry Receivables	7
(vi)	Investments (in Fixed Deposits)	110
	Total Current Assets (A)	245
	Less: Current Liabilities	
(i)	Liabilities for purchase of power	-
(ii)	Staff related Liability & Provisions	-
(iii)	Deposits and Retentions from Suppliers and Contractors	16
(iv)	Other Liabilities	35
(v)	Borrowings for Working Capital	40
	Total Current Liabilities (B)	90
	Net Current Assets (A-B)	155
9	Subsidy Receivable from Government	-
	Total Assets	512
	Liabilities	
1	Equity Capital	235
2	Reserves & Surplus	
(i)	Contributions, Grant and Subsidies towards Cost of Capital assets	-
(ii)	Reserves and Reserve Funds	-
3	Secured & Unsecured Loans	
(i)	Term Loan from Banks	277
(ii)	Payments due on Capital Liabilities	
(a)	From State Govt.	-
(b)	From CPSUs (REC)	-

(iii) Capital Liabilities	
(a) From REC	-
(b) From PFC	-
(c) Others	-
(iv) Funds from state Government	-
4 Other Liabilities	
(i) Security Deposits from Consumers	-
(ii) Deposit for Electrification, Service Connection etc.	-
5 Surplus/(Deficit)	-
Total Liabilities	512

Notes 1. - The above opening balance sheet has been drawn on a provisional basis based on the Balance Sheet of the Board as on March 31st, 2011. The amounts mentioned under various heads are subject to validation, verification, and updation and these shall be completed during the provisional period mentioned in Clause 9 of the Transfer Scheme.

2. The shares to the extent of the value of the share capital mentioned above shall be issued to the Bihar State Power (Holding) Company Limited at par as on the effective date.

'A' Transmission Undertaking

Part III – Functions and Duties of Bihar State Power Transmission Company Limited

The functions and duties of Bihar State Power Transmission Company Limited will be detailed per the clauses of the Memorandum of Association and Articles of Association of the Company framed thereunder as originally framed or as altered from time to time. Main functions and duties of Bihar State Power Transmission Company Limited: (a) The Company shall be primarily in the business of transmission of electricity and it shall be vested with the transmission assets, interest in property, rights and liabilities of the Bihar State Electricity Board (The "Board") necessary for the business of transmission, as per decision of the Government of Bihar to reorganize the Board under the provisions of Part-XIII (Reorganization of Board) of the Electricity Act, 2003 (and the transfer schemes notified thereunder) and the resolutions, circulars, ordinances and notifications issued in this regard. The company shall act as Transmission License under the Provisions of Section 14 of the Electricity Act, 2003 and the company shall also act as State Transmission Utility if notified by the State Government under the provisions of Section 39 of Electricity Act, 2003. (b) To undertake planning and coordination activities in regard to intra-State Transmission, works connected with the intra-State Transmission in the State of Bihar, to introduce open access in transmission on payment of transmission charges and such other functions as may be assigned to the company by law or otherwise by Government or Government Authority concerning the operation of the Power

System and to ensure development of an efficient, coordinated and economical system of intra-State Transmission lines for smooth flow of electricity from a generating station to load centers and to provide non-discriminatory open access to its transmission system as per the provisions of the Electricity Act, 2003.(c)To plan, acquire, develop, establish, construct, take over, erect, lay, operate, run, manage, hire, lease, buy, lease, buy, sell, maintain, enlarge, alter, work and use, renovate, modernize, electrical transmission lines and / or net works through various voltage lines and associated sub-stations, including cables, wires, accumulators plants, motors, meters, apparatus, computers and materials connected with transmission, ancillary services, telecommunication and tele-metering equipment.(d)Load dispatch function.(e)CRITL function.(f)Any other function as assigned by the holding company.

'B' Generation Undertaking

Part I – The Generation Undertaking shall comprise of the Assets, Liabilities and proceedings, including the following but not limited to them, belonging to Bihar State Electricity Board, concerning the Generation of electricity: -

I. Generation Assets. - Barauni Thermal Power Station (BTPS) 320 MW generating station with seven generating units and with all associated and related equipment such as generators, turbines, boilers, condensers, electrostatic precipitators, controls and instrumentation, Railway Sidings, coal handling system, ash handling system, ash pond, raw water supply and treatment system, DM water plant, secondary fuel oil storage facilities and its handling system, switch yard including step up transformers, service transformers, auxiliary unit transformers, circuit breakers, HT and LT Switchgears, control and protection system, overhead cranes, chimney, Stores, spare parts, consumables, raw materials etc. and capital works in progress in respect of ongoing projects and investments in joint ventures for construction of power projects.II. General Assets. - The following, if they exclusively or primarily pertain to the generating stations or projects referred to in Para I above or activities related to such generating stations or projects:(a)Special tools and equipment, material handling equipment, earth movers, bulldozers, concrete mixtures, cranes, trailers, heavy and light vehicles, furniture, fixtures, office equipment, air conditioners, refrigerators, computers and signal systems, spares, consumables, raw materials, lands and civil works installations including water intake channel, barrages, canals roads, buildings, staff quarters, rest houses, properties and structures and their associated buildings, schools, dispensaries, testing laboratories and equipment, training centres, workshops, works in progress, machinery and equipment sent for repairs, scraps and obsolete.(b)All independent and stand-alone Rest houses, which are not part of any substations/ installations of the Board.(c)The office, establishment and other buildings and lands, not covered elsewhere in this schedule, which are predominantly occupied/used for the activities of Generation Undertakings as on the effective date.III. Miscellaneous. - (a) Contracts, agreements, interest and arrangements to the extent they are associated with or related to Generation activities or to the Undertakings or Assets referred to in Para I above.(b)Loans, secured and unsecured, current liabilities and other liabilities, to the extent they are associated with or related to Generation activities or to the Undertakings or assets referred to in to in Para I and II above and Part II of

Schedule B.(c)Cash & bank balances, Other current assets, other assets, to the extent they are associated with or related to Generation activities or to the Undertakings or assets referred to in to in Para I and II above and Part II of Schedule B.(d)Contingent liabilities to the extent they are recognised and are associated with or related to Generation activities or to the Undertaking or Assets referred to in Para I above.(e)Proceedings to the extent they are associated with or related to Generation activities or to the Undertaking or Assets referred to in Para I above.(f)The transfer value of the assets and liabilities hereunder is based on the book value of the assets and liabilities on the effective date.IV. General: (a) The assets of the Generation Undertakings shall vest in Bihar State Power Generation Company Limited.(b)In consideration of the transfer mentioned above, the Generation Company (Bihar State Power Generation Company Limited) shall issue equity shares in favour of the Bihar State Power (Holding) Company Limited after taking into account the assets and liabilities of Generation Undertaking of the Board transferred to Generation Company.

'B' Generation Undertaking

Part II – Aggregate Assets and Liabilities vested in Bihar State Power Generation Company Limited

Balance Sheet As on 1st April 2011		GenCo
Assets		(Rs. In Cr.)
1	Fixed Assets	
	Gross Block	318
	Less: Accumulated Depreciation	229
	Net Fixed Assets	89
2	Capital Expenditure in Progress	466
3	Assets not in use	-
4	Deferred Cost	-
5	Regulatory Assets	-
6	Intangible Assets	-
7	Investments	
	Investment in Joint Ventures etc.	338
	Investment in Subsidiary Companies	-
8	Current Assets	
(i)	Stocks	31
(ii)	Receivables against supply of power	-
(iii)	Cash and Bank Balances	105
(iv)	Loans & Advances	70
(v)	Sundry Receivables	46
(vi)	Investments (in Fixed Deposits)	444
	Total Current Assets (A)	696

Less: Current Liabilities	
(i) Liabilities for purchase of power	-
(ii) Staff related Liability & Provisions	-
(iii) Deposits and Retentions from Suppliers and Contractors	144
(iv) Other Liabilities	105
(v) Borrowings for Working Capital	162
Total Current Liabilities (B)	411
Net Current Assets (A-B)	285
9 Subsidy Receivable from Government	-
Total Assets	1,179
Liabilities	
1 Equity Capital	344
2 Reserves & Surplus	
(i) Contributions, Grant and Subsidies towards Cost of Capital assets	429
(ii) Reserves and Reserve Funds	-
3 Secured & Unsecured Loans	
(i) Term Loan from Banks	406
(ii) Payments due on Capital Liabilities	
(a) From State Govt.	-
(b) From CPSUs (REC)	-
(iii) Capital Liabilities	
(a) From REC	-
(b) From PFC	-
(c) Others	-
(iv) Funds from state Government	-
4 Other Liabilities	
(i) Security Deposits from Consumers	-
(ii) Deposit for Electrification, Service Connection etc.	-
5 Surplus/(Deficit)	-
Total Liabilities	1,179

Notes 1. - The above opening balance sheet has been drawn on a provisional basis based on the Balance Sheet of the Board as on March 31st, 2011. The amounts mentioned under various heads are subject to validation, verification, and updation and these shall be completed during the provisional period mentioned in Clause 9 of the Transfer Scheme.

2. The shares to the extent of the value of the share capital mentioned above shall be issued to the Bihar State Power (Holding) Company Limited at par as on the effective date.

'B' Generation Undertaking

Part III – Functions and Duties of Bihar State Power Generation Company Limited

The functions and duties of the Bihar State Power Generation Company Limited will be detailed as per the clauses of the Memorandum of Association and Articles of Association of the Company framed there under as originally framed or as altered from time to time. Main functions and duties of Bihar State Power Generation Company Limited are -(a) To acquire, establish, construct, take over, erect, lay, operate, run, manage, hire, lease, buy, sell, maintain, enlarge, alter, renovate, modernize, work and use Electric generating stations, projects associated lines and all things connected thereto for the purpose of generation and distribution of power including power stations, civil works distribution centres, cables, wires, lines, accumulators, plant, motors, meters, apparatus materials and things connected with the production, generation use, storage, measurement and transmission lines connected therewith. (b) To carry on the business, if so required, of purchasing, Imposing, exposing producing, trading manufacturing or otherwise dealing in Electric power and coordinate, aid and advise on the activities of other companies and concerns including subsidiaries, associates, affiliates engaged in the generation, distribution or trading of power on all matters concerning the operation and maintenance of Electric generating stations, associate lines and in the production, generation, use, storage and measurement, distribution and supply of electric power. (c) To acquire, establish, construct, take over, erect, lay, operate, run, manage, hire, lease, buy, sell, maintain, enlarge, alter, renovate, modernize, work and use electrical sub-transmission lines and / or net work through, high voltage, medium voltage and low voltage line and associated sub-stations, including distribution centres, cables, wires, accumulators plants, motors, meters, apparatus, computers and materials, distribution, ancillary services, supply of electrical energy, telecommunication and tele-metering equipment in the State of Bihar and elsewhere. To coordinate, aid and advise on the activities of other companies and concerns, including subsidiaries, associates and affiliates engaged in the generation, transmission and distribution of electricity, on all matters concerning the construction, operation and maintenance of generating stations and associated facilities. (d) To explore, prospect, develop, exploit, operate, administer; manage, control, equip, pay or contribute to the expenses of, maintain and improve mine reserves, mines both open cast and underground; quarries and operate, administer and manage beneficiation, mineral dressing concentration, and refining plants, and to construct, maintain and improve the works and conveniences of all kinds related to these operations and for that purpose to take on lease, in exchange, under amalgamation, transfer, license, concession contract and to purchase or otherwise acquire all forms of conventional and/ or non-conventional Sources of energy including coal, lignite and other mines, deposits of gas and hydro carbons, and their derivatives from any person or persons, corporation, company, Government(s) or local body, for the attainment of the main objects of the Company and including entering into agreements with bodies like Coal India Ltd., Railways etc. for procuring fuels and transportation to its various sites and settle any matter/dispute which may be pending as on the effective date. (e) To enter into joint ventures for construction of power projects. (f) Any other function as assigned by the holding company.

'C' Distribution Undertakings

Part I – The Distribution Undertaking shall comprise generally of all the Assets, Liabilities and proceedings, including the following but not limited to them, belonging to the Board, concerning the distribution of electricity in the State of Bihar:-

I. Distribution Assets. - All 33 kV, 11kv, LT (Single phase 2 wire to 3 phase 4 wire) lines (with overhead lines, Aerial Bunched cables on different types of supports and underground cables) with various sizes of conductors and 33 kV sub-stations and step up/step down power transformers and distribution transformers, breakers, capacitor banks, protective and metering devices and control rooms, boosters, wireless systems, testing laboratories, SCADA and AMR systems, lands (including right of way), buildings, roads, diesel generating sets or other conventional and non-conventional generating units, service connections and installations inside consumer's premises, street lighting and signal systems owned by or leased to the Board but excluding fittings, fixtures and installations owned, by private persons or local authorities, including any of the above assets under construction as on effective date. II. General Assets: - The following, if they exclusively or primarily pertain to the above mentioned distribution systems, Properties or projects or activities related to such distribution systems, properties or projects: (a) Special tools and equipment, material handling equipment, earth movers, bulldozers, concrete mixtures, cranes, trailers, heavy and light vehicles, furniture, fixtures, office equipment, air conditioners, compressors, refrigerators, computers and signal systems, spares, consumable raw materials, lands and civil works installations including roads, buildings, staff quarters, rest houses, properties and structures and their associated buildings, schools, dispensaries, testing laboratories and equipment, training centres, workshops, works in progress, machinery and equipment sent for repairs, scraps and obsolete. (b) All independent and stand-alone Rest houses, which are not part of any substations/installations of the Board. (c) The office establishment, buildings, lands and all other assets not covered elsewhere in this schedule, which is predominantly occupied, used for the activities of Distribution Undertakings as on the effective date. III. Miscellaneous: (a) Contracts, agreements, interest and arrangements including power purchase agreements to the extent they are associated with or related to distribution activities or to the Undertakings or assets referred to in Para I and II above. (b) Loans, secured and unsecured, current liabilities and other liabilities, to the extent they are associated with or related to Distribution activities or to the Undertakings or assets referred to in to in Para I and II above and Part II of Schedule C. (c) Cash & bank balances, Other current assets, other assets, to the extent they are associated with or related to Distribution activities or to the Undertakings or assets referred to in to in Para I and II above and Part II of Schedule C. (d) Amount recoverable as on effective date from all the State Govt./ Semi State Govt. Institutions on account of DPS will not be transferred to the new distribution companies and the same will be adjusted against the loans and interest thereon payable by BSEB to the State Govt. (e) Contingent liabilities to the extent they are recognized and are associated with or related to distribution activities or to the Undertakings or Assets referred to in Para I and II above. (f) Proceedings to the extent they are associated with or related to distribution activities or to the Undertakings or Assets referred to in Para I and II

above.(g)The transfer value of the assets and liabilities hereunder is based on the book value of the assets and liabilities on the effective date.IV. General: - (a) The assets of the Distribution Undertaking in the area of supply in the State of Bihar shall vest in two Distribution Companies, namely, South Bihar Power Distribution Company Limited and North Bihar Power Distribution Company Limited on the basis of location of assets in respective jurisdiction of distribution companies.(b)In consideration of the transfer mentioned above, the Distribution Companies (South Bihar Power Distribution Company Limited and North Bihar Power Distribution Company Limited)shall issue equity shares in favour of the Bihar State Power (Holding) Company Limited after taking into account the assets and liabilities of Distribution Undertakings of the Board transferred to Distribution Companies.

'C' Distribution Undertakings

Part II – This part of Schedule 'C' separately provides for the aggregate assets and liabilities of each of the Distribution Companies (South Bihar Power Distribution Company Limited and North Bihar Power Distribution Company Limited).

A. Aggregate Assets and Liabilities of South Bihar Power Distribution Company Limited

Balance Sheet As on 1st April 2011	D-I (South)
Assets	(Rs. In Cr.)
1 Fixed Assets	
Gross Block	1,612
Less: Accumulated Depreciation	652
Net Fixed Assets	960
2 Capital Expenditure in Progress	261
3 Assets not in use	-
4 Deferred Cost	-
5 Regulatory Assets	40
6 Intangible Assets	-
7 Investments	
Investment in Joint Ventures etc.	4
Investment in Subsidiary Companies	-
8 Current Assets	
(i) Stocks	175
(ii) Receivables against supply of power	679
(iii) Cash and Bank Balances	258
(iv) Loans & Advances	15

(v) Sundry Receivables	10
(vi) Investments (in Fixed Deposits)	302
Total Current Assets (A)	1,440
Less: Current Liabilities	
(i) Liabilities for purchase of power 401	
(ii) Staff related Liability & Provisions	-
(iii) Deposits and Retentions from Suppliers and Contractors	33
(iv) Other Liabilities	147
(v) Borrowings for Working Capital	110
Total Current Liabilities (B)	692
Net Current Assets (A-B)	748
9 Subsidy Receivable from Government	-
Total Assets	2,013
Liabilities	
1 Equity Capital	494
2 Reserves & Surplus	
(i) Contributions, Grant and Subsidies towards Cost of Capitalassets	577
(ii) Reserves and Reserve Funds	-
3 Secured & Unsecured Loans	
(i) Term Loan from Banks	394
(ii) Payments due on Capital Liabilities	
(a) From State Govt.	-
(b) From CPSUs (REC)	27
(iii) Capital Liabilities	
(a) From REC	64
(b) From PFC	98
(c) Others	-
(iv) Funds from state Government	-
4 Other Liabilities	
(i) Security Deposits from Consumers	141
(ii) Deposit for Electrification, Service Connection etc.	217
5 Surplus/(Deficit)	-
Total Liabilities	2,013

Notes. 1. The above opening balance sheet has been drawn on a provisional basis based on the Balance Sheet of the Board as on March 31st, 2011. The amounts mentioned under various heads are subject to validation, verification, updation and truing up and these shall be completed during the provisional period mentioned in Clause 9 of the Transfer Scheme.

2. The shares to the extent of the value of the share capital mentioned above shall be issued to the Bihar State Power (Holding) Company Limited at par as on the effective date.

B. Aggregate Assets and Liabilities of North Bihar Power Distribution Company Limited

Balance Sheet As on 1st April 2011		D-II (North)
Assets		(Rs. In Cr.)
1	Fixed Assets	
	Gross Block	1,149
	Less: Accumulated Depreciation	504
	Net Fixed Assets	645
2	Capital Expenditure in Progress	453
3	Assets not in use	-
4	Deferred Cost	-
5	Regulatory Assets	20
6	Intangible Assets	-
7	Investments	
	Investment in Joint Ventures etc.	2
	Investment in Subsidiary Companies	-
8	Current Assets	
(i)	Stocks	87
(ii)	Receivables against supply of power	332
(iii)	Cash and Bank Balances	231
(iv)	Loans & Advances	17
(v)	Sundry Receivables	9
(vi)	Investments (in Fixed Deposits)	272
	Total Current Assets (A)	948
	Less: Current Liabilities	
(i)	Liabilities for purchase of power	196
(ii)	Staff related Liability & Provisions	-
(iii)	Deposits and Retentions from Suppliers and Contractors	48
(iv)	Other Liabilities	104
(v)	Borrowings for Working Capital	99
	Total Current Liabilities (B)	447
	Net Current Assets (A-B)	501
9	Subsidy Receivable from Government	-
	Total Assets	1,620

Liabilities		
1	Equity Capital	385
2	Reserves & Surplus	
(i)	Contributions, Grant and Subsidies towards Cost of Capital assets	565
(ii)	Reserves and Reserve Funds	-
3	Secured & Unsecured Loans	
(i)	Term Loan from Banks	123
(ii)	Payments due on Capital Liabilities	
(a)	From State Govt.	-
(b)	From CPSUs (REC)	47
(iii)	Capital Liabilities	
(a)	From REC	109
(b)	From PFC	170
(c)	Others	-
(iv)	Funds from state Government	-
4	Other Liabilities	
(i)	Security Deposits from Consumers	67
(ii)	Deposit for Electrification, Service Connection etc.	155
5	Surplus/(Deficit)	-
	Total Liabilities	1,620

Notes 1. The above opening balance sheet has been drawn on a provisional basis based on the Balance Sheet of the Board as on March 31st, 2011. The amounts mentioned under various heads are subject to validation, verification, updation and truing up and these shall be completed during the provisional period mentioned in Clause 9 of the Transfer Scheme.

2. The shares to the extent of the value of the share capital mentioned above shall be issued to the Bihar State Power (Holding) Company Limited at par as on the effective date.

'C' Distribution Undertakings

Part III – This part of Schedule 'C' separately provides for the Functions & Duties of each of the Distribution Companies (South Bihar Power Distribution Company Limited and North Bihar Power Distribution Company Limited).

A. Functions and Duties of South Bihar Power Distribution Company Limited The functions and duties of South Bihar Power Distribution Company Limited will be detailed as per the clauses of the Memorandum of Association and Articles of Association of the Company framed thereunder as originally framed or as altered from time to time. Main functions and duties of South Bihar Power Distribution Company Limited in the South Bihar area are:-(a) To undertake the activities of distribution to all consumers irrespective of the voltage, provision, supply, wheeling, purchase, sale, import, export and trading of electricity, introduce open access in distribution as per the Electricity Act 2003 and/or the directions of the regulator. (b) To plan, develop, acquire, establish, construct, erect, lay, hire, lease, buy, sell, operate, run, manage, maintain, enlarge, alter, renovate, modernize, work and use a power distribution system network in all its aspects including amongst others various voltage lines and associated sub-stations, including distribution centres, cables, wires, accumulators, plants, motors, meters, apparatus, computers and materials connected with sub-transmission, distribution, supply of electrical energy, ancillary services, telecommunication and telemetering equipments. (c) To tender, finalise and execute Power Purchase Agreements and other agreements for sale or purchase of electricity with generating companies, trading companies, other distribution companies, Central and State generating authorities, departments or companies, societies, other States, utilities, Independent Power Producers and other Persons. (d) To undertake Rural Electrification schemes in the licensed area. (e) Any other function as assigned by the holding company.

B. Functions and Duties of North Bihar Power Distribution Company Limited The functions and duties of North Bihar Power Distribution Company Limited will be detailed as per the clauses of the Memorandum of Association and Articles of Association of the Company framed thereunder as originally framed or as altered from time to time. Main functions and duties of North Bihar Power Distribution Company Limited, in the north Bihar Area are :-(a) To undertake the activities of distribution to all consumers irrespective of the voltage, provision, supply, wheeling, purchase, sale, import, export and trading of electricity, introduce open access in distribution as per the Electricity Act 2003 and/or the directions of the regulator. (b) To plan, develop, acquire, establish, construct, erect, lay, hire, lease, buy, sell, operate, run, manage, maintain, enlarge, alter, renovate, modernize, work and use a power distribution system network in all its aspects including amongst others various voltage lines and associated sub-stations, including distribution centres, cables, wires, accumulators, plants, motors, meters, apparatus, computers and materials connected with sub-transmission, distribution, supply of electrical energy, ancillary services, telecommunication and telemetering equipments. (c) To tender, finalise and execute Power Purchase Agreements and other agreements for sale or purchase of electricity with generating companies, trading companies, other distribution companies, Central and State generating authorities, departments or companies, societies, other States, utilities, Independent Power Producers and other Persons. (d) To undertake Rural Electrification schemes in the licensed area. (e) Any other function as assigned by the holding company.

'D' Holding Undertaking

Part I – The Holding Undertaking shall comprise of all the Assets, Liabilities including all rights, obligations, contingencies and proceedings belonging to the Board which

do not concern/ belong to Generation, Distribution and Transmission activities/divisions/companies and not otherwise included in Schedule "A", "B" and "C" and which are common in nature and used in the electricity activities of the Board including but not limited to the following:-

I. Investment in Subsidiary Companies. - To hold the equity investments (as shown in respective Balance Sheets of Transferees as provided in Schedule A, B & C of this Scheme) made in Bihar State Power Generation Company Limited, Bihar State Power Transmission Company Limited, South Bihar Power Distribution Company Limited and North Bihar Power Distribution Company Limited. II. General Assets. - The office establishment, buildings, lands together with land rights, investments in subsidiary companies and all other assets not covered elsewhere in this schedule, which are predominantly occupied used for the activities of Holding Undertakings as on the effective date. Head Office building of the Board at Patna including all independent and stand-alone Rest houses, which are not parts of any substations/installations of the Board and not otherwise included in Schedule "A", "B" and "C". III. Miscellaneous: - (a) Contracts, agreements, interest and arrangements to the extent they are associated with or related to the common activities or not associated with Generation, Transmission and Distribution Undertakings or assets referred to in Para I and II above. (b) Contingent liabilities to the extent they are recognized and are associated with or related to common activities or not associated with Generation, Transmission and Distribution activities or Assets referred to in Para I and II above. (c) Proceedings to the extent they are associated with or related to common activities or not associated with Generation, Transmission and Distribution activities or Assets referred to in Para I and II above. IV. General. - In consideration of the transfer mentioned above, the Holding Company (Bihar State Power Holding Company Limited) shall issue equity shares in favour of the State Government or otherwise as the State Government may direct after taking into account the assets and liabilities of holding Undertaking of the Board transferred to Holding Company.

'D' Holding Undertaking

Part II – Aggregate Assets and Liabilities vested in Bihar State Power (Holding) Company Limited

Balance Sheet As on 1st April 2011		Holding
Assets		(Rs. In Cr.)
1	Fixed Assets	
	Gross Block	22
	Less: Accumulated Depreciation	13
	Net Fixed Assets	10
2	Capital Expenditure in Progress	-

3	Assets not in use	-
4	Deferred Cost	-
5	Regulatory Assets	-
6	Intangible Asset	-
7	Investments	
	Investment in Joint Ventures etc.	-
	Investment in Subsidiary Companies	1,458
8	Current Assets	
(i)	Stocks	-
(ii)	Receivables against supply of power	-
(iii)	Cash and Bank Balances	0.05
(iv)	Loans & Advances	9
(v)	Sundry Receivables	-
(vi)	Investments (in Fixed Deposits)	-
	Total Current Assets (A)	9.12
	Less: Current Liabilities	
(i)	Liabilities for purchase of power	-
(ii)	Staff related Liability & Provisions	-
(iii)	Deposits and Retentions from Suppliers and Contractors	-
(iv)	Other Liabilities	2
(v)	Borrowings for Working Capital-OD	-
	Total Current Liabilities (B)	2
	Net Current Assets (A-B)	7
9	Subsidy Receivable from Government	-
	Total Assets	1,475
	Liabilities	
1	Equity Capital	1,475
2	Reserves & Surplus	
(i)	Contributions, Grant and Subsidies towards Cost of Capital assets	-
(ii)	Reserves and Reserve Funds	-
3	Secured & Unsecured Loans	
(i)	Term Loan from Banks	-
(ii)	Payments due on Capital Liabilities	
(a)	From State Govt.	-
(b)	From CPSUs (REC)	-
(iii)	Capital Liabilities	
(a)	From REC	-

(b) From PFC	-
(c) Others	-
(iv) Funds from state Government	-
4 Other Liabilities	
(i) Security Deposits from Consumers	-
(ii) Deposit for Electrification, Service Connection etc.	-
5 Surplus/(Deficit)	-
Total Liabilities	1,475

Notes 1. The above opening balance sheet has been drawn on a provisional basis based on the Balance Sheet of the Board as on March 31st, 2011. The amounts mentioned under various heads are subject to validation, verification, and updation and these shall be completed during the provisional period mentioned in Clause 9 of the Transfer Scheme.

2. The shares to the extent of the value of the share capital mentioned above shall be issued to the State Government at par as on the effective date.

'D' Holding Undertaking

Part III – Functions and Duties of Bihar State Power (Holding) Company Limited

The functions and duties of Bihar State Power Holding Company Limited will be detailed as per the clauses of the Memorandum of Association and Articles of Association of the Company framed thereunder as originally framed or as altered from time to time. Main functions and duties of the Bihar State Power (Holding) Company Limited are: (a) The Bihar State Power (Holding) Company Limited (Holding Company) shall be the holding company of the Bihar State Power Generation Company Limited, Bihar State Power Transmission Company Limited, North Bihar Power Distribution Company Limited and South Bihar Power Distribution Company Limited, (hereinafter referred to as "Successor Entities"), vested with the assets, interest in property, rights and liabilities of Bihar State Electricity Board ("The Board") as per the Governments of Bihar's decision to reorganize the Board under the provisions of Part - XIII (Re-organisation of Board) of the Electricity Act 2003 (and the notified transfer schemes) and the resolutions, circulars, notification or ordinances issued in this regard. (b) This Company shall be primarily an investment company and shall invest in companies in the field of electricity. These companies may be engaged in the business of generation, transmission, distribution and trading of electricity or any or all of these activities. (c) The Holding Company shall undertake coordination activities between Bihar State Power Generation Company Limited, Bihar State Power Transmission Company Limited, North Bihar Power Distribution Company Limited and South Bihar Power Distribution Company Limited, including cash/fund management for smooth functioning of the above mentioned subsidiary companies. (d) The Holding Company shall handle all the disputes between Bihar State Power Generation Company Limited, Bihar State Power Transmission Company Limited, North Bihar

Power Distribution Company Limited and South Bihar Power Distribution Company Limited.(e)The Holding Company shall provide all the necessary support to Bihar State Power Generation Company Limited, Bihar State Power Transmission Company Limited, North Bihar Power Distribution Company Limited and South Bihar Power Distribution Company Limited till the finalization of the transfer scheme.(f)Operating expenses incurred by the Holding Company like administration & general expenses legal and consulting fees etc. would be shared by the Bihar State Power Generation Company Limited, Bihar State Power Transmission Company Limited, North Bihar Power Distribution Company Limited and South Bihar Power Distribution Company Limited, in the ratio of their respective equity.(g)To absorb the personnel of Board under the transfer scheme and their further transfer to the subsidiary companies as in the scheme, till the new arrangements for absorption in the successor companies are notified and the successor companies have established the proper organization structure.(h)To administer the master trust for managing the terminal benefits of the employees and pensioners and any amounts available in the existing Trusts/funds for the employees of the board under separate accounts on the effective date, which would stand transferred to such master trust on its formation.(i)Holding Company shall handle all issues relating to the subsidiary companies in respect of:-• Business of purchasing, importing, exporting and trading of power subject to the provisions of Electricity Act, 2003 and to supply electric power generated by other plants to transmission companies, distribution companies, trading companies, other generation companies and other Persons, and in this regard execute agreements with Central and State generating authorities, departments or companies, Independent Power Producers and other Persons. • Resolution of any dispute amongst the successor companies on account of the transfer scheme including on the apportionment of assets and liabilities etc. • The disputed assets and liabilities in respect to division of erstwhile BSEB into BSEB and JSEB and also the assets and liabilities to the extent not included in schedules, if any. • To prepare and notify the organization structure for the subsidiary companies. • Any other issues which the Holding Company deemed fit for the smooth operations of the successor entities.

"E"

State GovernmentAll residual assets and liabilities not part of Schedule "A", "B", "C" and "D" shall remain vested with the State Government. However, outstanding State Govt. Loans and interest thereon receivable from board will continue to be shown as recoverable from board in the books of State Govt., pending final adjustment between board and State Govt.

"F"

Reorganisation of BSEB & Transfer of Personnel

Part I – 1. The erstwhile State of Bihar was reorganized as per the Bihar Reorganisation Act, 2000 (Act no. 30 of 2000) and a new State of Jharkhand was carved out of the erstwhile State of Bihar. Consequently, Ministry of Power (MoP), Government of India (Gol), in view of the power conferred by sub-section (3) of

section 62 of the Bihar Reorganisation Act, 2000, issued a notification dated November 4, 2004 in respect of dissolution of the erstwhile BSEB and apportionment of its assets, rights and liabilities between the successor Electricity Boards of the States of Bihar and Jharkhand.

2. After the enactment of the Electricity Act 2003, the Government of Bihar is required to unbundle the BSEB into successor corporate entities towards meeting the challenges imposed by the power sector reforms and to enhance the efficiency and effectiveness as per the requirements of the Electricity Act 2003.

3. In view of the above, the Energy Department, Government of Bihar (GoB) vide its Resolution No. 3056 dated August 2, 2006 (read with Energy Department, GoB's resolutions no. 218 dated January 31, 2006 and 733 dated March 3, 2006) as amended by Resolution No. 3698 dated August 18, 2011 has decided to form the following resultant corporate entities in view of reorganisation of BSEB:

Nature of the Company	Name of the Proposed Company
Holding Company - (One)	Bihar State Power (Holding) Company Limited
Generation company - (One)	Bihar State Power Generation Company Limited
Transmission company - (One)	Bihar State Power Transmission Company Limited
Distribution Companies - (two)	1. South Bihar Power Distribution Company Limited 2. North Bihar Power Distribution Company Limited

4. Constitution of two distribution companies as mentioned above is based on reorientation of seven area offices. Reorientation is based on regrouping of circles. As such from circle level and below there is no change from the existing system. In the existing seven areas include 16 circles, which are shown in a tabular form below:

Area	Circle
PESU	1. PESU East
	2. PESU West

Patna Central	1. Patna
2. Bhojpur (Ara)	
3. Nalanda	
Magadh	1. Gaya
2. Rohtas	
Bhagalpur	1. Bhagalpur
2. Munger	
Tirhut	1. Muzaffarpur
2. Chapra	
3. Motihari	
Mithila	1. Darbhanga
2. Samastipur	
Kosi	1. Saharsa
2. Purnea	

5. The four area offices i.e. PESU, Patna central, Magadh and Bhagalpur have been regrouped to form one company, i.e. South Bihar Power Distribution Company Limited. PESU (East), PESU (West), Patna, Ara, Nalanda, Gaya, Rohtas, Bhagalpur and Munger constitutes the South Bihar Power Distribution Company Limited. The three area offices i.e. Tirhut, Mithila and Kosi Areas are combined to form another company, i.e. North Bihar Power Distribution Company Limited. Consequently Muzaffarpur, Chapra, Motihari, Darbhanga, Samastipur, Saharsa and Purnea Circles are automatically combined within the company North Bihar Power Distribution Company Limited.

Apart from these circles there are seven pole factories and seven TRWs (Transformer Repair Workshops) which provide the support services to the distribution system. However, with the existing practice, Head of the pole factory and transformer repair workshop report directly to Head-Quarter and they are not directly a part of the distribution system. The existing TRWs and pole factories have been allocated to the Discom in the respective jurisdiction. The final shape of the distribution companies is shown in a tabular form.

S.No.	Distribution Company	Circles and other establishment
1	South Bihar Power Distribution Company Limited	Electrical SupplyArea:Central (Patna), PESU (Patna)Electric SupplyCircles:PESU (East), PESU (West), Patna, Bhojpur (Ara),Nalanda (Biharsharif)TRW:PatnaPole Factory:Patna and Ara.Electric SupplyArea:Magadh (Gaya)Electric SupplyCircles:Gaya, Rohtas (Sasaram)TRW:GayaPole Factory: Barun,Dandibagh (Gaya)Electric

2	North Bihar Power Distribution Company Limited	SupplyAreas:BhagalpurElectric SupplyCircles: Bhagalpur, MungerTRW:Bhagalpur.
		Electric SupplyArea:Kosi (Saharsa)Electric SupplyCircles:Saharsa, PurneaTRW:Katihar,SaharsaPole Factory:KatiharElectric SupplyAreas:Tirhut (Muzaffarpur), Mithila (Darbhanga)Electric SupplyCircles:Muzaffarpur, Motihari, Chapra, Darbhanga, SamastipurTRW:Muzaffarpur, DarbhangaPole Factory:Madhopur, Khabra.

6. In case of existing transmission system, there are two area offices; Patna and Muzaffarpur. Under Patna area, there are four circles namely Patna, Biharsharif, Gaya and Dehri-on-son. Under Muzaffarpur, there are three circles namely Mazaffarpur, Purnia and Bhagalpur. All of these four circles have two numbers of divisions. In case of Muzaffarpur circle, there are four number of divisions and two each in case of Purnia and Bhagalpur circles. Detail of areas, circles and divisions are shown in a tabular form.

Area	Circle	Division
Patna	A. Patna	1. Patna
2. Khagaul		
B. Biharsharif	1. Biharsharif	
2. Hathidah		
C. Gaya	1. Gaya	
2. Bodhgaya		
D. Dehri-on-son	1. Dheri-on-son	
2. Ara		
Muzaffarpur	A. Muzaffarpur	1. Muzaffarpur
2. Motihari		
3. Hajipur		
4. Samastipur		
B. Purnea	1. Purnea	
2. Begusarai		
C. Bhagalpur	1. Bhagalpur	
2. Khagarga		

7. Since there is one transmission company therefore the entire transmission assets of the existing system have been transferred to the new company.

8. The generating company at present deals with only one power plant BTPS since there is no other power plant. However, the generating company is engaged in the construction of new power plants or encouraging IPPS to install power plants.

9. Holding company's function is primarily to hold the shares, integrated policy and planning and funds management. Apart from that there is no major function of the holding company.

The functions and duties of each of the companies are given in Part III of the Schedules A, B, C & D of the Transfer Scheme.

10. Now on the effective date of Transfer, the transfer of personnel shall be done through following procedure:

The employees of Barauni Thermal Power Plant (BTPS) shall be allocated on "as is-where-is" basis to Bihar State Power Generation Company Limited. The employees of Transmission Area Patna and Muzaffarpur shall be allocated on "as is-where-is" basis to Bihar State Power Transmission Company Limited. The employees of Distribution Area Tirhut, Mithila and Kosi and distribution circles therein shall be allocated on "as is-where-is" basis to North Bihar Power Distribution Company Limited. The employees of Distribution Area Bhagalpur, Magadh, Patna Central and PESU and distribution circles therein shall be allocated on "as is-where-is" basis to South Bihar Power Distribution Company Limited. The employees of TRW Patna, Gaya and Bhagalpur shall be allocated on "as is-where-is" basis to South Bihar Power Distribution Company Limited. The employees of TRW Muzaffarpur, Saharsa, Katihar and Darbhanga shall be allocated on "as is-where-is" basis to North Bihar Power Distribution Company Limited. The employees of Pole factories of Patna, Ara Barun and Dandibagh shall be allocated on "as is-where-is" basis to South Bihar Power Distribution Company Limited. The employees of Pole factories of Katihar, Madhopur and Khabra shall be allocated on "as is-where-is" basis to NORTH Bihar Power Distribution Company Limited. The employees working in Head-Quarter to the extent they are identified and working for Transmission Co., distribution Co(s), Generation Co. shall stand transferred to the respective companies. The other employees in common services shall be allocated between four (4) companies i.e. Bihar State Power Transmission Company Limited, Bihar State Power Generation Company Limited, South Bihar Power Distribution Company Limited and North Bihar Power Distribution Company Limited.

11. The employees working in common services like accounts, stores and purchase, vigilance, IT, Civil, Administration etc. shall be allocated to the four (4) companies by a Committee specially constituted for resolving the disputes i.e. Dispute Resolution Committee, consisting of the director incharge/managing director of the subsidiary companies and the chairman of the holding company shall be the chairman of the committee. The employees

will be allowed to make a representation to any dispute regarding their transfer to a particular company. The decision of the committee will be final and binding.

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Reorganisation of Bseb & Transfer of Personnel

**Part II – 1. Arrangements for the Transfer of Offices: -
Offices/Regions/Circles /Divisions etc. of the Bihar State Electricity Board (BSEB) and their respective units including posts and personnel as the case may be on the effective date of transfer are assigned as shown in the table below. Personnel shall stand transferred according to Clause No. 6 of the Transfer Scheme, to Bihar State Power Generation Company Limited (Genco), Bihar State Power Transmission Company Limited (Transco), South Bihar Power Distribution Company Limited, and North Bihar Power Distribution Company Limited (Discoms).**

List of Establishments

S.No.	Name of Establishment	Functions	Company to which attached
1	2	3	4
1	Barauni Thermal Power Station (BTPS)	Generation of Electricity	Bihar State Power Generation Company LimitedLtd.
2	Transmission Area Patna	Transmission of Electricity	Bihar State Power Transmission Company LimitedLtd.
3	Transmission Area Muzaffarpur	Transmission of Electricity	Bihar State Power Transmission Company LimitedLtd.
4	Distribution Area PESU	Distribution of Electricity	South Bihar Power Distribution Company Limited
5	Distribution Area Patna Central	Distribution of Electricity through circles in Patna and Ara	South Bihar Power Distribution Company Limited
6	Distribution Area Magadh		

		Distribution of Electricity through circles Gaya and Rohtas	South Bihar Power Distribution Company Limited
7	Distribution Area Bhagalpur	Distribution of Electricity	South Bihar Power Distribution Company Limited
8	TRW Patna	Repair of Transformer Repair Workshop	South Bihar Power Distribution Company Limited
9	TRW Gaya	Transformer Repair Workshop	South Bihar Power Distribution Company Limited
10	TRW Bhagalpur	Transformer Repair Workshop	South Bihar Power Distribution Company Limited
11	Pole Factory in Patna and Ara	Manufacturing of Poles	South Bihar Power Distribution Company Limited
12	Pole factory in Barun and Dandibagh (Gaya)	Manufacturing of Poles	South Bihar Power Distribution Company Limited
13	Distribution Area Tirhut	Distribution of Electricity	North Bihar Power Distribution Company Limited
14	Distribution Area Mithila	Distribution of Electricity	North Bihar Power Distribution Company Limited
15	Distribution Area Kosi	Distribution of Electricity	North Bihar Power Distribution Company Limited
16	TRW Muzaffarpur	Transformer Repair Workshop	North Bihar Power Distribution Company Limited
17	TRW Saharsa	Transformer Repair Workshop	North Bihar Power Distribution Company Limited
18	TRW Katihar	Transformer Repair Workshop	North Bihar Power Distribution Company Limited
19	TRW Darbhanga	Transformer Repair Workshop	North Bihar Power Distribution Company Limited
20	Pole factory in Madhopur and Khabra	Manufacturing of Poles	North Bihar Power Distribution Company Limited
21	Pole factory in Katihar	Manufacturing of Poles	North Bihar Power Distribution Company Limited

2. Common Services

The Testing Divisions, Training Department at Head-Quarter and all the Departments at the Corporate Head Office like -- General Administration• Accounts and Finance• IT• Stores & Purchase• Transmission/Distribution/Generation• Personnel• Publicity• Legal• Vigilance and Security• Commercial• Planning• Civil Engineering• Transmission (O&M)• Rural Electrifications shall constitute 'Common Services' which shall continue to provide services to all successor entities during the Interregnum period, until issue of further transfer notifications allocating the employees to respective companies.