

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:922
ANSWERED ON:13.07.2004
DISBANDING OF STATE ELECTRICITY BOARDS
Mahajan Shri Y.G.;Varma Shri Ratilal Kalidas

Will the Minister of POWER be pleased to state:

- (a) whether the Government has directed some State Governments to disband their electricity boards;
- (b) if so, the details thereof;
- (c) the reasons for disbanding the State Electricity Boards; and
- (d) the time by which the electricity boards are likely to be disbanded in all the States?

Answer

THE MINISTER OF POWER (SHRI P.M. SAYEED)

(a) to (d) : No, Sir. State Electricity Boards are under the administrative control of the State Government. Section 172 of the Electricity Act provides that 'A State Electricity Board constituted under the repealed laws shall be deemed to be the State Transmission Utility and a licensee under the provisions of this Act for a period of one year from the appointed date or such earlier date as the State Government may notify, and shall perform the duties and functions of the State Transmission Utility and a licensee in accordance with the provisions of this Act and rules and regulations made there under:

'Provided that the State Government may, by notification, authorize the State Electricity Board to continue to function as the State Transmission Utility (STU) or a licensee for such further period beyond the said period of one year as may be mutually decided by the Central Government and the State Government'.

In pursuance of this provision State Governments of Assam, Chhattisgarh, Himachal Pradesh, Kerala, Maharashtra, Meghalaya, Punjab, West Bengal, M.P., Bihar, Jharkhand, Gujarat and Tamil Nadu have requested the Union Government for its consent to their proposals for continuation of their respective SEBs as STU and/or licensee for periods ranging from two months to one year as the process initiated in most cases towards reorganization of SEBs could not be completed by 10th June, 2004. The Union Government has conveyed its consent to these States.