

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:456
ANSWERED ON:25.11.2005
BIFURCATION OF ELECTRICITY BOARDS
Rajendran Shri P.

Will the Minister of POWER be pleased to state:

- (a) whether the Government has given any directions to the State Governments for the bifurcation of their Electricity Boards;
- (b) if so, the details and number of such boards which have resorted to the bifurcation so far;
- (c) whether the Government of Kerala has submitted any alternate proposal on the said bifurcation; and
- (d) if so, the details thereof along with the action taken by the Government thereon?

Answer

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

(a) & (b) : Various States had enacted State Electricity Reforms Acts which provided for reorganization of their State Electricity Boards (SEB) . Section 172 (a) of the Electricity Act, 2003 provides that the State Electricity Boards (SEB) shall be deemed to be the State Transmission Utility (STU) and a licensee under the provisions of the Act for a period of one year from the appointed date, i.e. 10th June, 2003. This section further provides that the State Government may, by notification, authorize the SEB to continue to function as the STU or a licensee for such further period beyond the stipulated period of one year, as may be mutually decided by the Central Government and the State Government.

So far, 12 states have reorganized their SEBs. Orissa, Haryana, Andhra Pradesh, Karnataka, Uttar Pradesh, Uttaranchal, Rajasthan, Delhi, Gujarat and Madhya Pradesh have done so under their State Electricity Reforms Acts. Assam and Maharashtra have reorganized their SEBs under the provisions of the Electricity Act, 2003. The SEBs of Madhya Pradesh and Assam presently continue to do the licensee function of trading of electricity only.

(c) & (d) : Government of Kerala have informed that they need some more time for the successful restructuring of the SEB in terms of the provisions of the Electricity Act, 2003 and therefore requested for further extension of time beyond 9.12.2005. Central Government has agreed for further extension of time up to 9.6.2006 for the Kerala SEB to continue as the STU and a licensee.