

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

STARRED QUESTION NO:103  
ANSWERED ON:10.07.2009  
RESTRUCTURING OF SEBs  
Semmalai Shri S.

**Will the Minister of POWER be pleased to state:**

- (a) whether the Electricity Act, 2003 envisages restructuring of State Electricity Boards;
- (b) if so, the details thereof;
- (c) the number of States/UTs which have completed the process of restructuring of electricity Boards; and
- (d) the benefits accrued as a result thereof?

**Answer**

THE MINISTER OF POWER ( SHRI SUSHILKUMAR SHINDE )

(a) to (d) : A Statement is laid on the Table of the House.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF STARRED QUESTION NO. 103 TO BE ANSWERED IN THE LOK SABHA ON 10.07.2009 REGARDING RESTRUCTURING OF SEBs.

(a) : Yes, Madam.

(b) & (c) : Sections 131 to 134 under PART XIII of the Electricity Act 2003 provide the framework for reorganization of the State Electricity Boards (SEBs). The details of SEBs re-organized, not yet reorganized and States/UTs which have Electricity Departments are indicated at Annex-I.

(d) :

(i) Out of the SEBs reorganized, Utilities in 6 States are reporting consolidated profits and six are reporting consolidated losses on accrual basis during the year 2007-08. The details of profit / loss (on accrual basis) is given at Annex-II.

(ii) The Ministry had awarded a study to the Indian Institute of Public Administration (IIPA) on the impact of reorganization of the SEBs. The study concluded that `despite some short comings, the overall impact of restructuring has been positive and in the right direction`. The report given by IIPA states that the following overall improvements have been noticed in four of the States which have reorganized their SEBs (Andhra Pradesh, Haryana, Karnataka and Orissa):

- (i) Trend towards reducing AT&C losses.
- (ii) Increased and more focused investments.
- (iii) Capacity addition and strengthening of the power systems.
- (iv) Localisation and reduction of inefficiencies.
- (v) Improved customer care.
- (vi) Progress in metering, billing and collection etc.
- (vii) Increased accountability of the Utilities.
- (viii) Establishment of Regulatory Mechanism.
- (ix) Empowerment of consumers.
- (x) Reporting and reviewing of performance of the Utilities on a regular basis.

