

**MATERIALS FOR UPDATION OF GOVERNMENT WEBSITE  
( PARLIAMENTARY AFFAIRS DEPARTMENT )**

**CABINET DECISIONS**

**09.06.2005**

**1. Separation of Trading and Transmission activities of GRIDCO .**

As per the Electricity Act, 2003 which has come into force with effect from 10<sup>th</sup> June, 2003 a transmission utility can't engage in the business of bulk supply or trading in electricity after one year of the commencement of the Act. GRIDCO which is doing both the functions of transmission of electricity and bulk supply and trading in electricity had got one year time extension till 9<sup>th</sup> June, 2005 from Govt. of India for carrying out separation of these two activities as per the Electricity Act,2003.

Government of India has not considered further extension of time to any unbundled utilities. As such all the transmission utilities of various states have to separate transmission and power trading activities before 10<sup>th</sup> June, 2005. Accordingly the State Government has decided to separate transmission activity of GRIDCO from bulk supply and trading activity. The transmission activity will now vest on a company named, Orissa Power Transmission Corporation Limited. All the assets and employees of GRIDCO will be transferred to this Company. The liabilities will be distributed between GRIDCO and OPTCL. The service conditions of employees and other terms and conditions of service will remain unchanged including service continuity and other service benefit in the new dispensation. This has been done to comply the statutory requirements as provided in the Electricity Act, 2003.

The Cabinet approved the proposal.

**2. Summoning of the 5<sup>th</sup> Session of the 13<sup>th</sup> Orissa Legislative Assembly.**

The proposal to request His Excellency, the Governor to summon the 5<sup>th</sup> Session of 13<sup>th</sup> Orissa Legislative Assembly commencing from 1<sup>st</sup> August, 2005 to 12<sup>th</sup> August, 2005 (consisting of 10 sitting days) is approved.