

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

STARRED QUESTION NO:55
ANSWERED ON:28.02.2000
FUNDS TO SEBS TO UNDERTAKE TRANSMISSION AND DISTRIBUTION
M.V.CHANDRASHEKHARA MURTHY;RAMESH CHAND TOMAR

Will the Minister of POWER be pleased to state:

- (a) whether the Government propose to set up a special fund to enable the cash starved State Electricity Boards to undertake the improvements in the power transmission and distribution sector;
- (b) if so, the details of State Electricity Boards facing financial crisis;
- (c) whether the some State Electricity Boards have urged the Union Government to provide more funds to them;
- (d) if so, the details in this regard;
- (e) whether the foreign financial institutions have provided funds to the State Electricity Boards during the last three years; and
- (f) if so, the details in this regard, state-wise ?

Answer

THE MINISTER OF POWER

(SHRI P.R. KUMARAMANGALAM)

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

STATEMENT

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF STARRED QUESTION NO.55 TO BE ANSWERED IN THE LOI SABHA ON 28.2.2000 REGARDING FUNDS TO SEBS TO UNDERTAKE TRANSMISSION AND DISTRIBUTION.

(a) : The Government is considering to introduce a new scheme under which funds will be provided to power utilities to undertake investment in sub-transmission and distribution projects including the provision of meters at all levels with the object of reducing T&D losses and improving the operational efficiency of State Power Utilities. However, release of funds would be contingent on the State Government accepting conditionalities with regard to reform and restructuring.

(b) : The financial position of State Electricity Boards for the year 1997-98 is given in the enclosed Statement

(Annexure-I).

(c) & (d) : Government of Orissa has submitted a proposal for financial restructuring of Grid Corporation of Orissa (GRIDCO) which includes, inter-alia,

Conversion of GRIDCO's payables to the generators totalling Rs.1160.4 crores as on 31.3.2000, into tax free bonds;

Re-schedulement of loans to PFC and REC and

Soft loan of Rs.206 crores from the World Bank (in addition to the US \$ 350 million loan already sanctioned by World Bank).

The Government of Andhra Pradesh has requested for Government of India's recommendation for availing special assistance of Rs.1000 crores (50% as grant and 50% as loan) from the World Bank, in order to support the State Government's restructuring efforts in the power sector.

The Government has signed a Memorandum of Agreement with the Government of Karnataka on 12.2.2000. The Agreement provides for, among other things, Government of India's commitment for financial support to the State.

To upgrade its sub-transmission and distribution network in a phased manner;

For executing the system loss reduction programme.

For adequate funding through REC for 100% electrification of villages and hamlets and

For undertaking studies on reforms and restructuring through PFC grant and interest free loans.

For assisting the State Government in raising funds from financial institutions and other sources.

(e) & (f) : Details of loans provided by foreign financial institutions to SEBs for Transmission and Distribution works during the last 3 years are given at Annexure-II.

Annexure-I

Annexure referred to in reply to Part (b) of Lok Sabha Starred Question No.55 to be answered on 28.2.2000 regarding details of commercial loss/profit (with and without subsidy) of SEBs.

Statement indicating the profit and loss incurred by State Electricity Boards as per 1997-98 accounts. (Without subsidy)

Name of the SEB (Rs. Crores)

1. APSEB	-1134.46
2. ASEB	- 439.58
3. BSEB	- 225.42
4. GEB	-1363.62
5. HSEB	- 712.79
6. HPSEB	- 29.45
7. KEB	- 321.77
8. KSEB	- 296.70
9. MPEB	- 753.01
10. MSEB	36.61
11. MeSEB	- 52.00
12. OSEB	
13. PSEB	- 555.27
14. RSEB	- 639.53
15. TNEB	- 317.75
16. UPSEB	-1547.97
17. WBSEB	- 164.18
ALL SEBs	-8457.99

OSEB was restructured w.e.f 1.4.1996.

Annexure-II

Annexure referred to in reply to Lok Sabha Question No.55 Part (e&f) to be answered on 28.2.2000 regarding details of External Assistance to S.E.B's for undertaking T&D Projects During Last 3 Years.

Sl.No. Name of Project State Funding 1999- 1998- 1997- TOTAL
Agency 2000 1999 1998

1. Orissa Power Sector Restr.	Orissa	IBRD	50.00	70.00	87.50	207.50
2. Haryanan Power Sector Restr.	Haryana	IBRD	93.00	70.00	0.00	163.00
3. A.P. Power Sector Restr.	A.P.	IBRD	60.00	33.86	0.00	93.86
4. Automation in Chennai Metro	T.N.	ADB	33.00	22.64	67.40	123.04
5. Power System Improvement Multi/RE	JBIC	100.00	75.00	63.02	238.02	
6. Srisailam Power Trans.	A.P.	JBIC	188.80	115.00	222.15	525.95
7. Anpara Power Trans.	U.P.	JBIC	100.00	105.00	236.23	441.23
8. W.B. Trans. System	W.B.	JBIC	70.00	4.00	0.00	74.00
9. Simhadri and Vizag Trans.	A.P.	JBIC	20.00	18.00	0.00	38.00
10. A.P. Energy Efficiency Proj.	A.P.	U.K.	15.00	8.00	30.30	53.30
11. Orissa Power Sector Restr.	Orissa	U.K.	19.00	62.15	63.12	144.27
12. Power Efficiency Improvement/lulti/PF(IBRD	0.00	72.12	350.00	422.12	
13. Power Efficiency Improvement/lulti/PF(ADB	0.00	176.03	385.13	561.16	
TOTAL			748.80	831.80	1504.85	3085.45

Covered in ADB Loan for Second North Madras Power Project.