

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:1614

ANSWERED ON:09.03.2007

ALLOCATION OF FUNDS UNDER APDRP

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Will the Minister of POWER be pleased to state:

- (a) whether the Government allocates funds for different projects under Accelerated Power Development & Reforms Programme (APDRP) for strengthening and upgradation of power generation and distribution system of the States ;
- (b) if so, the number of proposals received under this programme and the funds provided for each project during each of the last two years, State-wise ;
- (c) the time by which remaining proposals are likely to be approved ;
- (d) whether some projects under the programme are not being completed in time; and
- (e) if so, the reasons therefor along with the steps taken by the Government in this regard ?

Answer

THE MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) : Government of India is implementing Accelerated Power Development and Reforms Programme (APDRP) since 2002-03 with an objective to reduce Aggregate Technical and Commercial (AT&C) losses, improve quality of supply of power, increase in revenue collection and to improve consumer satisfaction. The said programme has two components viz.

(i) investment component and

(ii) incentive component. Under investment component, funds are released as Additional Central Plan Assistance to the States for strengthening and upgradation of sub-transmission and distribution system. Under the incentive component of APDRP, 50% of the actual cash loss reduction effected is given as grant to motivate State Power Utilities to reduce cash losses. For availing funds under investment component of APDRP, the project proposals are prepared by state utilities in form of Detailed Project Reports (DPRs) which are reviewed by Advisor cum Consultants (AcCs) and then considered and sanctioned by the APDRP Steering Committee, on merit.

(b) & (c) : During year 2005-06, 14 new projects at an estimated cost of Rs.284.77 crore were received and have been sanctioned under APDRP. Details are as under:

Sl. State No. of Projects Project Cost
No. sanctioned (Rs. in crore)

1	Chhattisgarh	1	3.33
2	Karnataka	2	26.19
3	Madhya Pradesh	6	4.34
4	Maharashtra	2	199.37
5	Punjab	1	6.19
6	Uttar Pradesh	2	45.35

Total 14 284.77

APDRP was approved by the Government for implementation during Tenth Plan. Keeping this in view, no new project was sanctioned during year 2006-07. However, 'In-principle approval' was accorded to following projects for implementation during Eleventh Plan subject to the approval of Government for continuation of the programme

during Eleventh Plan:

S. No. Scheme Details No of Projects Project Cost
(Rs. in crore)

1	Andhra Pradesh	1	6.75
2	Assam	1	3.63
3	Bihar	7	129.58
4	Chhattisgarh	2	8.16
5	Jammu & Kashmir	1	48.73
6	Jharkhand	4	27.91
7	Karnataka	4	10.93
8	Madhya Pradesh	3	1.86
9	Maharashtra	23	226.45
10	Nagaland	1	39.54
11	Orissa	3	295.40
12	Punjab	5	33.71
13	Sikkim	1	75.85
14	Tamil Nadu	1	0.69
15	Uttar Pradesh	28	540.57
16	West Bengal	5	137.86

Total 90 1587.62

Funds released to various states against Investment & Incentive components of APDRP during year 2005-06 & 2006-07 are as follows:

(Rs. In crore)

Sl. No.	State	2005-06	2006-07 (till date)	Total	Investment	Incentive	Total
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1	Gujarat	-	148.08	148.08	12.50	12.50	
2	Karnataka	12.52	-	12.52	12.50	-	12.50
3	Kerala	-	64.94	64.94	20.00	20.00	
4	Madhya Pradesh	-	-	-	20.00	-	20.00
5	Maharashtra	80.78	-	80.78	25.12	-	25.12
6	Punjab	-	65.28	65.28	12.50	12.50	
7	Rajasthan	-	-	-	17.50	-	17.50
8	Uttar Pradesh	39.49	-	39.49	62.61	-	62.61
9	West Bengal	52.75	302.76	355.51	5.88	5.88	
10	Assam	119.66	-	119.66	70.77	-	70.77
11	H.P.	78.41	-	78.41	35.39	-	35.39
12	Jammu & Kashmir	93.53	-	93.53	141.55	-	141.55
13	Manipur	-	-	-	9.00	-	9.00
14	Meghalaya	-	-	-	32.07	-	32.07
15	Mizoram	49.05	-	49.05	-	-	
16	Nagaland	25.75	-	25.75	-	-	
17	Tripura	-	-	-	16.67	-	16.61

Total 590.94 581.06 1172.00 443.18 50.88 494.06

(d) & (e) : There are delays in completion of the projects. The various reasons for delay in execution of projects are:

(i) Delay in processing the Notice Inviting Tender (NIT) for awarding the contracts by utilities.

(ii) Delay in awarding the contracts by utilities.

(iii) Delay in supply of equipments due to increased demand.

(iv) Poor response from the contractors, especially in North-Eastern states and Jammu & Kashmir.

(v) Delay in transfer of fund to the utilities by the states.

(vi) Heavy quantum of work which utilities were not geared up to handle.

(vii) Non-adoption of turnkey contract system by many utilities.

During various review meetings, states have been asked to expedite the award of the contracts, equipments supply, work execution etc. to complete the APDRP projects at the earliest.