

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:4019
ANSWERED ON:31.07.2009
APDRP
Singh Shri Dushyant

Will the Minister of POWER be pleased to state:

- (a) the Central assistance provided to the States for implementing the Accelerated Power Development and Reforms Programme (APDRP) during each of the last three years and the current year;
- (b) whether some State Governments are suffering huge losses in implementing the programme; and
- (c) if so, the Central assistance proposed to be given to such States to compensate the losses?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI BHARATSINH SOLANKI)

(a) to (c) : Government had launched Accelerated Power Development and Reforms Programme (APDRP) in the year 2002-03 in order to reduce Aggregate Technical and Commercial (AT&C) losses, improving quality of supply of power, increasing revenue collection and improving consumer satisfaction.

The Programme had two components:

Investment component- Central Government provided assistance to the tune of 25% and 90% of the project cost in the form of grant to Non- special category and Special Category states respectively. Balance amount to be arranged from Financial Institutions / own resources.

Incentive component- This component was to incentivize the SEBs / utilities to reduce their financial losses. Funds were released to the SEBs for actual cash loss reduction, for every Rs.2 of cash loss reduction Rs.1 is given as grant. The cash losses were calculated net of subsidy and receivables. The year 2000-01 had been adopted as the base year. Ten States had shown reduction of cash loss amounting to Rs.5809.89 Crore and became eligible for APDRP incentive of Rs.2904.89 Crore, out of which Rs.2879.73 Crore has already been released to the states.

Details of Central assistance provided in last three years:

(Figures in Rs. Crore)

2006-07	2007-08	2008-09			
Investment	Incentive	Investment	Incentive	Investment	Incentive

809.31 212.39 269.30 1130.70 436.03 -

Re- Structured APDRP for 11th Plan (RAPDRP)

APDRP has been re-structured for XI Plan as a Central Sector Scheme on 31.07.2008. The focus of the programme is on actual, demonstrable performance in terms of loss reduction. Projects under the scheme are to be taken up in two parts. Part-A is the projects for establishment of baseline data and IT applications for energy accounting/auditing & IT based consumer service centers and Part-B is regular distribution strengthening projects. The objective of the scheme is to reduce the AT&C losses to 15% in the project areas at the end of the scheme. Initially funds will be provided as loan, which will be converted into grant on achieving the AT&C loss reduction targets. 1022 projects at the estimated cost of Rs.3561.93 crore have been approved and Rs.584.31 Crs have been released by the PFC to various States.

Advance Funds released to Utilities 2008-09 2009-10
under R-APDRP of XI Plan

Rs.325 Crore Rs.259.31 Crore

Thus, the total Central assistance given to States in the last 3 years and current year is :

(Figures in Rs. Crores)
2006-07 2007-08 2008-09 2009-10
Investment Incentive Inv. Inc. Inv. Inc. Inv. Inc.

APDRP X Plan 809.31 202.39 369.30 1130.70 436.03 - - -

R-APDRP
XI Plan - - - - 325.00 - 259.31 -

No huge losses have been suffered by the States during implementation of the Accelerated Power Development & Reforms Programme.