

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:1722

ANSWERED ON:23.03.2012

RESTRUCTURED ACCELERATED POWER DEVELOPMENT AND REFORMS PROGRAMME

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

(a) whether the Aggregate Technical and Commercial (AT&C) losses in the country still remain significantly higher than global benchmarks despite reforms in the power sector and unbundling the State Electricity Boards into separate General, Transmission and Distribution units;

(b) if so, the details thereof along with the reasons therefor;

(c) the extent to which AT & C losses have been reduced after the implementation of the Restructured Accelerated Power Development and Reforms Programme (RAPDRP) in the country; and

(d) the details of funds/financial assistance provided to State Electricity Boards under the RAPDRP during the last three years and the current year State-wise?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI K.C. VENUGOPAL)

(a) & (b): Yes, Madam. The AT&C losses in India are relatively higher as compared to global benchmarks. As per PFC's 'Report on Performance of State Power Utilities' for the year 2007-08, 2008-09 and 2009-10, States/UT-wise Aggregate Technical & Commercial (AT&C) losses has been reduced from 29.45% in year 2007-08 to 27.15% in 2009-10. The details of States/UT-wise Aggregate Technical & Commercial (AT&C) losses are given at Annex-I.

Electricity is a concurrent subject and the responsibility of sub-transmission and distribution rests with the States. The primary reasons for; (a) Commercial losses are operational inefficiency, leading to high AT&C losses, inadequate revision of tariff to cover cost of supply, pilferage/theft of power and non-disbursement of subsidy by State Governments to utilities; and (b) technical losses are due to overloaded networks, inadequate neutralization of reactive power by capacitors, load imbalances in 3 phase supply etc.

(c): With the aim to reduce the AT&C losses up to 15% in the country and improvement in power distribution sector, Government of India has launched the Restructured-Accelerated Power Development and Reforms Programme (R-APDRP) during 11th Plan period. The focus of R-APDRP is on actual demonstrable performance by utilities in terms of sustained AT&C loss reduction. Projects under the scheme are being taken up in two Parts. Part-A & Part-B. Part-A of the scheme is dedicated to the establishment of an IT enabled system for achieving reliable & verifiable baseline data that shall enable evaluation of exact & verifiable AT&C losses in towns where the scheme is being implemented. Part-B of the scheme is for actual up-gradation and strengthening of the sub-transmission and distribution system.

Under R-APDRP, projects worth Rs.31416.15 crores (Part-A: Rs.6639.98 crores covering 1402 towns and 63 SCADA projects; Part-B: Rs.24776.17 crores covering 1086 towns) have already been sanctioned. All the eligible towns posed by states having population more than 30,000 (10,000 for special category states) have been covered under Part-A.

The standard project completion cycle for Part-A and Part-B schemes is 24 months and 36 months respectively. The projects sanctioned under R-APDRP scheme are at various stages of implementation. On successful completion of the scheme, the AT&C losses are target to be reduced to the extent of 15% in the project areas.

(d): The details of funds/financial assistance provide to State Electricity Boards under the RAPDRP during the last three years and the current Year State-wise is given at Annex-II.