

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:3645  
ANSWERED ON:11.12.2009  
REFORMS IN POWER SECTOR  
Gandhi Shri Feroze Varun

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

- (a) whether the Government has reviewed the progress made in power sector reforms in the country;
- (b) if so, the details thereof; and
- (c) the action taken/proposed to be taken by the Government to expedite the reform process?

**Answer**

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

- (a) to (c): Reforms in power sector are ongoing process. The Central Government has taken various reforms initiatives such as:
- (i) The Electricity Act, 2003 has put in place a liberal and progressive legal framework including features like open access, non-requirement of license for generation and freely permitting captive power plants.
  - (ii) An independent regulatory framework at Centre and State levels.
  - (iii) The Appellate Tribunal for Electricity under the Electricity Act, 2003 has been made operational facilitating expeditious settlement of disputes.
  - (iv) The Accelerated Power Development and Reforms Programme (APDRP) for assisting the States in investment in sub-transmission and distribution segments and also for incentivising better financial performance by the State Power Utilities.
  - (v) Rajiv Gandhi Grameen Vidyutikaran Yojana with 90% capital subsidy from the Central Government for providing access to electricity in rural areas. The scheme gives a special emphasis on mechanisms for improved revenue collection.
  - (vi) The Tariff Policy notified under the Act provides for competitive procurement of power in a transparent manner in accordance with the guidelines issued by the Central Government.

Electricity is a concurrent subject under the Constitution. Therefore, the Government of India has been discussing and reviewing issues regarding power sector reforms with the State Governments at various fora like Chief Ministers `Conference, Power Ministers` Conference, etc. The last Power Ministers` Conference was held on 15-11-2009.