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Title:Need to release incentive component grants to the Government of Orissa under Accelerated Power Development Reform Programmejana.

SHRI B. MAHTAB (CUTTACK): As per the incentive component of Accelerated Power Development Reform Programme (APDRP) guidelines the state Government of Orissa is to be incentivized upto 50 percent of the actual loss reduction achieved as a grant. Orissa Government has submitted a proposal to the Ministry of Power, Government of India since 2005 in the prescribed format claiming incentive to the tune of Rs 264.94 crore for the year 2003-04. This is 50 percent of the actual loss reduction achieved by the utilities with 2000-01 as the base year. Initially, Ministry of Finance, Government of India had declined to sanction the grant on the ground that the Distcoms are private company and not state-owned. Subsequently the task force constituted by Government of India suggested that APDRP assistance both assistance and incentive component may be extended to the private distribution utility. The incentive for loss reduction by the private utilities may be given to the state instead of the utility.

I would urge upon the Government to implement the decision in this regard for immediate release of incentive to the Government of Orissa under APDRP scheme. This release will not only be utilized for the benefit of the sector but also will encourage and motivate utilities to reduce cash losses.