

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:4308
ANSWERED ON:19.05.2006
FINANCIAL ASSISTANCE TO ORISSA
Satpathy Shri Tathagata

Will the Minister of POWER be pleased to state:

- (a) whether the Government of Orissa has asked to Union Government to provide financial incentives for successfully carrying out the reforms in the power sector;
- (b) if so, the details thereof; and
- (c) the response of the Union Government thereto?

Answer

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (c) : An incentive claim was filed by the Government of Orissa on 16.06.2005 under the incentive component of Accelerated Power Development and Reforms Programme (APDRP) for grant of incentive for Rs. 264.94 crore showing cash loss reduction of Rs. 529.88 crore. Incentives under APDRP is not permissible to the private distribution companies. Since the distribution of power in Orissa has been privatised, the incentive claim in respect of the loss reduction by the private distribution companies in Orissa is not permissible under APDRP. The position was informed to Government of Orissa on 5.3.2006.