

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:4328

ANSWERED ON:19.05.2006

POWER LOSSES DUE TO FORMATION OF CHHATTISGARH STATE ELECTRICITY DIVISION

Pateriya Smt. Neeta

Will the Minister of POWER be pleased to state:

(a) whether the Government is aware that the Madhya Pradesh State Electricity Division has been adversely affected and the losses have doubled per annum due to formation of State of Chhattisgarh;

(b) if so, the details thereof;

(c) whether the Union Government has taken any action to compensate the losses being suffered by the State of Madhya Pradesh as a result thereof; and

(d) if so, the details thereof?

Answer

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) & (b) : The annual losses/profit of M.P. State Electricity Board (MPSEB) depends on its commercial operations for which revenue requirement is regulated by the State Electricity Regulatory Commission. As per the report published by Power Finance Corporation on 'Performance of the State Power Utilities for year 2002-03 to 2004-05', the losses without subsidy suffered by MPSEB during the financial years 2002-03 to 2004-05 are as under:

S.No. Year Amount (Rs. in crores)

1.	2002-03	835
2.	2003-04	667
3.	2004-05	764

The Central Government has divided the assets and liabilities of the erstwhile Madhya Pradesh Electricity Board between the successor State Electricity Boards of Madhya Pradesh and Chhattisgarh under the provisions of Madhya Pradesh Reorganisation Act 2000 after hearing the views of both the State Governments and taking into account all relevant facts.

(c) & (d) : In view of (a) & (b) above, do not arise.