

Abstract of Doctoral Dissertation

Power Sectors Reforms in Andhra Pradesh¹

P. VENKATESWARA RAO*

I. Introduction

POWER DEVELOPMENT IN India commenced towards the *finis* of the nineteenth century. In the pre-independence era, the private sector held the *carte blanche* of power supply whose demand is restricted to urban areas only. With the formation of State Electricity Boards (SEBs) during five year plans, a significant step was taken in bringing about systematic growth of power supply under the public sector domain in India. However, since 1990s the Indian power sector has been through the critical phase of reforms.

The present study, however, deals with Andhra Pradesh, which is one of the twenty-eight states in India. It has the distinction of being the pioneer in effectively implementing power sector reforms. Andhra Pradesh is the fourth most populous state in India, with a population of 75.73 millions. The State covers an area of 275,000 sqkms. Agriculture is the main occupation of about 62 percent of the people in Andhra Pradesh. One of the critical inputs for agriculture is power. There are 3,111 large and medium scale industries in the State, which mainly depend on power.

The Andhra Pradesh State Electricity Board (APSEB) had been *fait accompli* for power generation, transmission and distribution and for the overall development of the power sector till reforms were introduced. The APSEB maintained high levels of performance on the generation side to help the whole system to support itself on *terra firma*. Though Andhra Pradesh power sector's performance was lauded as excellent, it deteriorated during the last few years before the introduction of reforms. It is due to low tariffs and consequential

1 The Thesis was submitted to Acharya Nagarjuna University, Andhra Pradesh, in 2004, for award of Ph.D. degree, awarded in 2005, under the supervision of Prof. CSN Raju, Professor, Acharya Nagarjuna University, Department of Economics, Nagarjuna Nagar Andhra Pradesh, 522510, INDIA

* Professor and Head of Department, Department of Business Administration, Montessori Mahila Kalasala, Opp. All India Radio, Punnamathota Vijayawada 520010, INDIA