



BSPHCL Signs Agreement with REC Ltd. | Bihar | 13 Sep 2022

Why In News?

- On September 12, 2022, Bihar State Power Holding Company Limited (BSPHCL) signed an agreement with REC Limited in a major step to strengthen the power infrastructure.

Key Points

- MoU was signed with REC Limited under the Revitalization Distribution Sector Scheme (RDSS) to improve the operational efficiency and financial stability of Power Distribution Companies (Discoms) and cut down on aggregate technical and commercial (AT&C) losses.
- Sanjeev Hans, Chairman-cum-Managing Director (CMD), BSPHCL signed agreement with Joginath Pradhan, Chief Program Manager, REC Limited in the presence of Managing Directors of North Bihar Vidyut Vitran Company Limited (NBPDC) and Dakshin Bihar Vidyut Vitran Company Limited (SBPDCL). signed at.
- NBPDC and SBPDCL will get Rs 6,625 crore under the agreement. Apart from this, Rs 1,993 crore will be available for the work of smart prepaid meters. Of the total allocated funds, 60% will come from the center and 40% from the state government.
- Under RDSS, NBPDC will get Rs 3,100 crore and SBPDCL Will get Rs 3,525 crore to strengthen infrastructure. NBPDC will be allocated Rs 969 crore and SBPDCL Rs 1,024 crore for smart prepaid meter work.
- 400 crore will be allocated to power distribution companies (discoms) to cut AT&C losses by March 2026 for Information Technology Operational Technology (ITOT).
- According to Sanjeev Hans the infrastructure will be strengthened with the allocation of funds. He informed that the target is to reduce AT&C from 25.74% (2020-21) of NBPDC to 16% by 2025 and from 36.80% (2020-21) to 20% for SBPDCL in the next three years.