

CRISIL Infrastructure Advisory Services conducts a successful seminar ‘Core Reforms - Time for Action Now’ on Power Sector Reforms

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CRISIL Infrastructure Advisory, the specialized consulting division of **The Credit Rating Information Services of India Limited (CRISIL)** recently organized a seminar on ‘**Core Reforms – Time for Action Now**’ in New Delhi where leading practitioners, decision makers and opinion makers in the power sector discussed the urgency of ‘core reform’ initiatives in the power sector.

Delivering the keynote address at the seminar, **Mr. R.V. Shahi, Secretary, Ministry of Power**, said “Inadequate focus on accountability didn’t help us realize the benefits from new power policies.” He added, “Ministry of Power is contemplating a reliability index to drive State Electricity Boards (SEBs) to become more accountable.”

Mr. R. Ravimohan, Managing Director and Chief Executive Officer, CRISIL indicated “Every reform strategy requires a substantial time to build consensus among the stakeholders for successful implementation and whatever may be the route adopted for reforms, the urgency of core reform initiatives to bring about operational and commercial efficiency in utility business, remains.”

The first session of the conference highlighted the need for a performance management system that would help institute accountability across all levels in electricity utility organizations. While talking on the need to institute accountability, **Mr. Shrikant Kulkarni, Director, CRISIL Infrastructure Advisory** opined that the “structural changes are ‘glamorous’ aspects of reforms, receiving maximum attention. These are necessary but not sufficient. Addressing fundamental aspects of commercialization along with accountability are imperative for achieving reform objectives.”

The second session highlighted the issues in metering, billing and collection activities of the utilities and the various strategies and solutions like usage of technology, consumer analysis tools & theft management etc. In this session, **Mr. J. P. Chalasani, C.E.O, B.S.E.S Rajdhani Power Limited & B.S.E.S Yamuna Power Ltd.** while bringing out other issues spoke about as to how “Distribution privatization is difficult and more complex than other disinvestments being pursued.”

In the third session the seminar focused on issues related to accounting reforms in power sector and application of information technology to various aspects of distribution business. The deliberations during the session clearly bought out the growing importance of the role of IT in transforming distribution businesses. The final session of the day discussed issues on managing the environment and role of second tier institutional arrangements in driving distribution business in rural areas.. The session discussed the importance of communication and involvement of all stakeholders for successful implementation of the ‘Core Reform’ process.

CRISIL Infrastructure Advisory Services plays a significant role in creating policy frameworks for reforms, institution building, private-public partnerships, leading assignments with international partners in the multilaterally funded projects market, and assisting Central and state government disinvestments initiatives. With long-standing relationships with the Indian central and state governments, it offers the ability to reduce risks and enhance the success probability of proposed projects with insights on institutional nuances, regulatory / policy initiatives and development priorities of the government. **CRISIL Infrastructure Advisory’s** strong regulatory practice includes a strategic alliance with the **National Economic Research Associates (NERA), USA** for energy sector regulation. A dedicated Centre Of Excellence (COE) conceptualizes new services and provides thought leadership to the business.

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