6.1. OBSERVATIONS:

1. Public sector company APCPDCL is also working on par with private sector to withstand the competition. This statement can be justified by observing the changes that have taken place over a period of time in Electricity Department.

2. APSEB has got restructured & formed:
   (i) APGENCO: Dealing with generation of power.
   (ii) APTRANSCO: Dealing with transmission of power.
   (iii) 4 Distribution companies APCPDCL, APEPDCL, APSPDCL & APNPDCL: Dealing with distribution of power to consumers.

3. Earlier APSEB’s main objective was service. But now for distribution companies earning profits has also become one of the main objectives along with providing quality service to its customers.

4. Implementation of SAP is a major turning point for APCPDCL which will shower its results in the future.

5. NSL PL is profit oriented company and it is also diversified into other business sectors.

6. It is observed that in Public sector i.e., in APCPDCL there is no delegation of power which means, it is totally centralized. But responsibility is delegated without delegation of power.

7. In NSL PL decentralized atmosphere is observed, where both authority and responsibility are delegated.
8. Lot of political interference is observed in APCPDCL (like Government announces free power to a category of people (farmers) and subsidies are not received by the company in time).

9. Whereas in NSL PL the political interference is nil.

10. In APCPDCL it can be observed from graph 5.1.4 of analysis of Gazzeted (pg.174) & graph 5.2.1 of analysis of Non-Gazzeted (pg.193) that training programs are conducted but they are not need based.

11. As can be observed from 4.3.2 (pages 133-136) APCPDCL runs two centers for providing training to its employees & also many training programs are conducted for which it spends approximately 60 Lakhs, which is not cost effective.

12. Training programs are not conducted in time in APCPDCL, where as NSLPL spends almost nothing for its training activities as all the training programs are online training.

13. It can be observed that APCPDCL has taken several measures such as spot collection through machines, increase in number of revenue collection centers, encouraging consumers to pay through RTGS, NEFT, Core-banking, online payments, collection through E-Seva, APonline centers. Along with revenue collection measures, APCPDCL has implemented SAP as a measure to reduce and control the expenditure, so as to improve the productivity of the employees. System based controls are adopted through SAP in all the areas of expenditure in different segments.

14. It can be observed from the graphs 5.1.5 & 5.1.6 on analysis of gazzeted (pg.175 & 176) & graph 5.2.2 & 5.2.3 of analysis of Non-Gazzeted (pg 194 & 195) it can be observed that APCPDCL employees are not provided with training when required, due to which there is lot of technology gap between employees and the management.
15. From the analysis of questionnaire it can be observed that the public sector employees i.e., APCPDCL employees job satisfaction is lower than that of private sector employees, i.e., NSL PL employees. Economic theories & literature also consider that the public sector is less efficient & less productive than the private sector.

16. It can be observed from the graph 5.1.12 & graph 5.2.9 that both the executives and Non-Executives of APCPDCL (Public sector) enjoy a high level of job security and private sector employees (NSLPL) do not have Job Security (refer Pg. No’s.182 & 201). Baldwing & literature on General Personnel Management conclude that public employees have a greater need for job security than private employees.
6.2. RECOMMENDATIONS

1. Training:-

   (i) Training Programs should be targeted to reach the correct employee, so that they can be made cost effective in both APCPDCL and NSL PL.

   (ii) In APCPDCL budget is not allotted separately for training programmes. The expenditure is booked as and when it is met. Instead if every year certain budget is allotted towards training, the expenditure on training will have due control.

   (iii) At the same time NSLPL should take up certain training programs like refreshment training programs etc, for the welfare of its employees.

2. Reduction of Expenditure: - APCPDCL has to take up measures for reducing its expenditure through taking up cost effective programmes unlike measures for revenue collection.

3. Centralization to Decentralization:- Authority and responsibility should go together in APCPDCL. The delegation of power has to be changed according to the situation whereas it is found that always centralized situation is observed in APCPDCL.

4. Political interference:-

   (i) APCPDCL provides subsidies to its consumers as per the Government Policies, which has to be reimbursed by the Government to APCPDCL. But unfortunately the Government is not reimbursing the subsidies in time, which is creating a negative impact on the financial structure & performance of APCPDCL. To the end of 31st March 2014 APCPDCL has to
receive an amount of Rs.1627 crores from Government in the form of subsidy which is still pending.

(ii) As far as possible political interference has to be reduced in APCPDCL so that the company performs well.

(iii) As providing subsides is a welfare measure, it has to be scheduled & reimbursed in time by the Government.

5. Employee Cost:-

(i) APCPDCL is spending 90% of its revenue for power purchase and only 10% towards its employee cost. Power purchase is its major cost which has to be reduced so, as to increase employee cost and employee satisfaction for development of a good organizational climate.

6. Increase the Generation Capacity of APGENCO:-

(i) If APGENCO enhances and increases its generation capacity, then all the distribution companies including APCPDCL can save the expenditure which they spend on purchasing power at higher tariff from private generating companies like GVK, Spectrum, NSL PL etc. As APCPDCL has to purchase at around Rs.6 or Rs.6.50 per unit from private companies whereas it purchases at Rs.2 or Rs.2.50 per unit from APGENCO. So the difference of this can be saved if GENCO increases its generation capacity.

(ii) 2003 Electricity Act envisages backward integration & forward integration for Generation & Distribution companies. APCPDCL can adopt backward integration policy by entering into the power generation which facilitates the improvement in morale of employees & movement of employees for better performance of the company.