

GOVERNMENT OF INDIA  
MINISTRY OF POWER

**RAJYA SABHA**  
**UNSTARRED QUESTION NO.1273**  
**ANSWERED ON 10.03.2025**

**PRIVATISATION OF DISTRIBUTION COMPANIES IN THE COUNTRY**

**1273 SHRI SANA SATHISH BABU:**

Will the Minister of **POWER** be pleased to state:

- (a) whether Government has conducted any recent study/survey regarding the privatisation of distribution companies in the country;
- (b) if so, the details regarding the steps taken for the privatisation of distribution companies in the country during the last five years;
- (c) if not, the reasons therefor; and
- (d) whether Government has received any injunction regarding the privatisation of distribution companies, if so, the details regarding the same?

**A N S W E R**

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

**(a) to (c) :** Electricity is a concurrent subject and distribution of electricity in the States is handled by the distribution utilities (DISCOMs). The State distribution utilities function under the administrative control of the respective State Governments. Accordingly, decision to privatise the State distribution utility lies with the respective State Government. Government of India announced privatization of Power distribution utilities in Union Territories (UTs) under Aatma Nirbhar Bharat Abhiyan in May 2020. The decision is guided by the objective of providing better services to consumers while improving operational and financial efficiencies in electricity distribution, which will also provide a model for emulation by other Utilities across the country.

As per the decision of the Government of India, various UTs have undertaken steps for privatization of their electricity distribution utility. Ministry of Power has provided transaction advisory support to the UTs regarding privatization.

Accordingly, five UTs namely Chandigarh, Dadra and Nagar Haveli and Daman and Diu (DNH& DD), Andaman & Nicobar Islands, Lakshadweep and Puducherry initiated the process of privatization. The transfer scheme for DNH&DD became effective w.e.f. 01.04.2022 and for Chandigarh w.e.f. from 01.02.2025. Thus, the process of privatization of Electricity Distribution in these two UTs has been completed. Other UTs have issued the Request for proposal (RFP).

**(d) :** The details of injunctions received on the privatization of distribution utilities in the UTs under Aatma Nirbhar Bharat Abhiyan:

- i. Civil Writ Petition No. 20439 of 2020 (O&M) and Civil Writ Petition (PIL) No. 54 of 2022 were filed in the High Court of Punjab and Haryana, at Chandigarh against privatization of distribution utility of Chandigarh. The High Court dismissed both the writ petitions on 06.11.2024.
- ii. The High Court of Madras stayed the opening of bids for privatization of distribution utility of Puducherry on 16.11.2022.
- iii. The High Court of Bombay initially stayed the tender process for privatization of distribution utilities of DNH & DDD on 03.03.2021. However, the stay was vacated by the Supreme Court on 09.07.2021 and subsequently the process of privatization of distribution utilities of DNH&DDD was concluded.

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