

GOVERNMENT OF INDIA
MINISTRY OF POWER

RAJYA SABHA
UNSTARRED QUESTION NO.2707
ANSWERED ON 16.03.2026

SHORTAGE OF ELECTRICITY IN THE COUNTRY

2707 DR. KANIMOZHI NVN SOMU:

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

- (a) whether there is acute shortage of electricity in the country;
- (b) if so, the details thereof and the steps taken by Government to restore normal demand and supply of electricity; and
- (c) the strategy adopted by Government to eliminate the gap between the unit cost of electricity supply and price/revenue realisation?

A N S W E R

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

(a) & (b): There is adequate availability of power in the country. Present installed generation capacity of the country is 520.51 GW (as on January, 2026). India has addressed the critical issue of power deficiency by adding 296.388 GW of fresh generation capacity since April, 2014 transforming the country from power deficit to power sufficient.

The 'Power Supply Position' for last three financial years and the current financial year i.e. 2025-26 (up to February, 2026) is given at **Annexure**. The 'Energy Supplied' has been commensurate to the 'Energy Requirement' with only a marginal gap which is generally on account of constraints in the State transmission / distribution network.

(c): Revamped Distribution Sector Scheme (RDSS) has been launched in the year 2021 with the objective of improving the quality and reliability of supply of power through a financially sustainable and operationally efficient distribution sector.

A key objective of the RDSS is to reduce the Aggregate Technical and Commercial (AT&C) losses to pan-India levels of 12-15 % and the gap between Average Cost of Supply (ACS) and Average Revenue Realized (ARR) to Zero. To achieve this objective, works amounting to Rs 1.53 Lakh Crores for strengthening of Distribution Infrastructure and Rs 1.3 lakh Crores for smart metering have been sanctioned under the scheme based on the proposals submitted by States.

The following works to strengthen the distribution network have been sanctioned under the scheme:

- Works for creation of new substations/upgradation of substations
- Installation of new Distribution Transformers (DTs) and augmentation of existing DTs
- Replacement of old conductors
- Undergrounding of HT/LT lines
- Segregation of agricultural feeders

Further, smart metering works help improve the collection efficiency of Distribution utilities while providing benefits like automatic energy accounting, improved load forecasting and facilitating an enabling ecosystem for energy transition. Pre-paid smart metering works covering 19.79 crore consumers and smart system metering works for 2.11 lakh feeders and 52.53 lakh DTs have been sanctioned under the scheme. Till date, 4.55 Cr crore smart meters have been installed under RDSS, and overall, 5.97 crore smart meters have been installed across the country under various schemes.

The release of funds under the scheme is contingent on improvement in operational and financial performance of the utilities which, in addition to the above initiatives taken by GoI, has helped in bringing discipline in payment of Government subsidies and Govt. department dues to the utilities, regular issuance of tariff orders, timely publishing of accounts, non-creation of regulatory assets, etc.

Further, in addition to implementation of RDSS, Government of India has taken the following measures to improve the financial condition of distribution utilities:

- (i) Additional Borrowing space of 0.5% of GSDP to State Governments, which is conditional on them undertaking specific reforms in the power sector.
- (ii) Additional Prudential Norms for sanctioning of loans to State owned Power Utilities which would be contingent to the performance of Power Distribution Utilities against prescribed conditions.
- (iii) Rules for implementation of Fuel and Power Purchase Cost Adjustment (FPPCA) and Cost reflective tariff so as to ensure that all prudent cost for supply of electricity are passed through.
- (iv) Rules and Standard Operating Procedure issued for proper Subsidy Accounting and their timely payment.
- (v) Advisory to SERCs (State Electricity Regulatory Commission) & JERCs (Joint Electricity Regulatory Commission) for timely issuance of tariff and true up orders.
- (vi) To improve payment discipline in the power sector value chain, Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 were promulgated, 2022 which entail obligations upon the DISCOMs to clear their legacy dues as existing on 03.06.2022 in a phased manner and time bound clearance of current dues.

With concerted efforts of Central and State Governments, the Aggregate Technical and Commercial (AT&C) losses at national level have reduced from 21.91% in FY21 to 15.04% in FY25 while the national Average Cost of Supply - Average Revenue Realized (ACS-ARR) gap has reduced from Rs. 0.69/kWh to Rs. 0.06/kWh. These collective efforts have also resulted in DISCOMs achieving a profit after tax (PAT) of Rs 2,701 crore for the first time.

ANNEXURE**ANNEXURE REFERRED IN REPLY TO PARTS (a) & (b) OF UNSTARRED QUESTION NO. 2707 ANSWERED IN THE RAJYA SABHA ON 16.03.2026**

The details of actual Power Supply Position of the country for last three financial years and the current financial year i.e. 2025-26 (upto February, 2026):

Financial Year	Energy Requirement	Energy Supplied	Energy not Supplied		Peak Demand	Peak Met	Demand not Met	
	(MU)	(MU)	(MU)	(%)	(MW)	(MW)	(MW)	(%)
2022-23	15,13,497	15,05,914	7,583	0.5	2,15,888	2,07,231	8,657	4.0
2023-24	16,26,132	16,22,020	4,112	0.3	2,43,271	2,39,931	3,340	1.4
2024-25	16,93,959	16,92,369	1,590	0.1	2,49,856	2,49,854	2	0.0
2025-26 (upto February, 2026)	15,59,936	15,59,482	454	0.0	2,45,444	2,45,416	28	0.0
