

GOVERNMENT OF INDIA
MINISTRY OF POWER
RAJYA SABHA
UNSTARRED QUESTION NO.2543
ANSWERED ON 10.08.2026

PRIVATISATION OF ELECTRICITY DISTRIBUTION IN SMART CITIES

2543 DR. LAXMI KANT BAJPAI:

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

- (a) whether it is a fact that privatization of electricity in the country has significantly improved service quality by reducing aggregate technical and commercial losses, enhancing collection efficiency by more than 98 per cent in some cases and upgrading infrastructure through private investment;
- (b) whether it is also a fact that private players have brought in advanced technology, such as smart metering and reliable grid management thereby, significantly reducing power theft and disruptions; and
- (c) whether Government propose to privatise the electricity distribution particularly in smart cities of the country, particularly such cities falling in NCR with a view to improve electricity situation there?

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 power distribution is handled by distribution utilities that function under the guidance of their respective State Electricity Regulatory Commission (SERC) and State Government. Hence, privatization of a state –owned distribution company (DISCOM) comes under the purview of respective State Government.

As per the *Report on Performance of Power Utilities 2024-25*, published by Power Finance Corporation Ltd., the details of collection efficiency, billing efficiency and AT&C losses for last 3 years for private DISCOMs is at **Annexure-I**. A comparison of performance parameters of state-owned DISCOMs and private DISCOMs for the same period is at **Annexure-II**.

Private distribution utilities have adopted modern technologies such as Advanced Metering Infrastructure (smart meters), automated meter reading, Supervisory Control and Data Acquisition (SCADA), Distribution Management Systems (DMS), Geographic Information Systems (GIS), and advanced outage management systems. These technological interventions have improved energy accounting, grid monitoring, fault detection and service reliability, besides helping reduce electricity theft and minimizing supply interruptions in their respective areas of operation. However, the deployment of such technologies is also being undertaken by State distribution utilities under various Government schemes, including the Revamped Distribution Sector Scheme (RDSS), launched by Government of India in the year 2021 to supplement the efforts of States to help them provide quality supply of power.

With concerted efforts of the Central and State Governments and as a result of various reform measures undertaken, there has been a reduction in overall transmission and distribution losses. AT&C losses across the country have reduced from 21.91% in FY21 to 15.04% in FY25. These collective efforts have also resulted in distribution utilities, on an aggregate basis, achieving a profit after tax (PAT) of Rs 2,701 crore in FY25 for the first time since coming into force of Electricity Act, 2003. Further, the average daily power supply, during the year 2024-25, in rural areas is **22.51 hours** for State DISCOMs and **23.55 hours** for private DISCOMs. In urban areas, during the year 2024-25, the average daily power supply is **23.22 hours** for State DISCOMs and **23.87 hours** for private DISCOMs.

ANNEXURE-I

ANNEXURE REFERRED IN REPLY TO PARTS (a) TO (c) OF UNSTARRED QUESTION NO. 2543 ANSWERED IN THE RAJYA SABHA ON 10.08.2026

Details of Collection efficiency, Billing Efficiency and AT&C loss for last 3 years of Private Distribution Utilities

	2022-23			2023-24			2024-25		
	Billing Efficiency (%)	Collection Efficiency (%)	AT&C Loss (%)	Billing Efficiency (%)	Collection Efficiency (%)	AT&C Loss (%)	Billing Efficiency (%)	Collection Efficiency (%)	AT&C Loss (%)
Delhi	93.18	99.96	6.86	93.67	99.56	6.74	93.72	99.78	6.48
BRPL	93.08	100.00	6.92	93.74	99.73	6.52	93.37	99.92	6.70
BYPL	92.71	100.00	7.29	92.95	99.29	7.71	93.30	99.51	7.15
TPDDL	93.65	99.87	6.48	94.09	99.53	6.35	94.50	99.78	5.70
Gujarat	96.43	99.62	3.93	96.28	99.79	3.92	96.83	99.53	3.63
Torrent Power Ahmedabad	96.26	99.69	4.04	95.84	100.00	4.16	96.67	99.51	3.80
Torrent Power Surat	96.83	99.47	3.69	97.23	99.34	3.41	97.19	99.56	3.24
Maharashtra	93.73	99.78	6.48	94.61	100.00	5.39	95.21	99.79	4.99
AEML	93.73	99.78	6.48	94.61	100.00	5.39	95.21	99.79	4.99
Odisha	79.98	97.94	21.67	81.00	99.26	19.59	82.67	99.42	17.81
TPNODL	83.62	98.96	17.25	85.39	100.00	14.61	87.54	99.94	12.51
TPSODL	75.34	92.12	30.59	73.53	99.61	26.75	76.64	100.00	23.36
TPWODL	81.65	97.66	20.26	83.47	98.36	17.90	83.77	98.31	17.64
TPCODL	77.36	100.00	22.64	78.35	99.73	21.86	80.89	100.00	19.11
Uttar Pradesh	92.37	99.58	8.02	92.52	99.71	7.75	92.52	98.92	8.48
NPCL	92.37	99.58	8.02	92.52	99.71	7.75	92.52	98.92	8.48
West Bengal	96.99	96.44	6.47	97.32	97.99	4.64	96.68	98.50	4.77
IPCL	96.99	96.44	6.47	97.32	97.99	4.64	96.68	98.50	4.77
Private Sector	88.87	99.17	11.87	89.42	99.53	11.00	90.33	99.58	10.05

ANNEXURE-II**ANNEXURE REFERRED IN REPLY TO PARTS (a) TO (c) OF UNSTARRED QUESTION NO. 2543 ANSWERED IN THE RAJYA SABHA ON 10.08.2026**

Comparison between State DISCOMs/Power Deptt. and Private DISCOMs

Parameter	FY 2022-23		FY 2023-24		FY 2024-25	
	State	Private	State	Private	State	Private
AT&C Loss (%)	15.47	10.76	16.33	11.00	15.40	10.05
ACS- ARR Gap (Rs/kWh)	0.56	(0.19)	0.24	(0.25)	0.11	(0.65)
PAT/ (Loss) (Rs Cr)	(64,660)	5,163	(30,523)	3,501	(9,437)	12,138
Outstanding Debt (Rs Cr)	6,62,116	23,122	7,43,045	15,951	7,11,402	14,975
Accumulated Surplus/ (Deficit) (Rs Cr)	(6,74,599)	27,848	(7,10,052)	18,637	(6,77,561)	30,351

Source: PFC's "Report on Performance of Power Utilities" for FY 2024-25.
