GOVERNMENT OF INDIA MINISTRY OF POWER

LOK SABHA UNSTARRED QUESTION NO.2484 TO BE ANSWERED ON 16.03.2017

UJWAL DISCOM ASSURANCE YOJANA

2484. SHRI DHARAM VIRA: SHRI RAHUL KASWAN:

Will the Minister of POWER be pleased to state:

(a) the success of Ujwal DISCOM Assurance Yojana in achieving its objectives;

(b) the details of funds that has been disbursed towards the implementation of the above mentioned scheme, State-wise;

(c) the economic momentum of DISCOMS after implementation of this scheme; and

(d) the criteria for the increase in tariff under the above mentioned scheme?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, COAL, NEW & RENEWABLE ENERGY AND MINES

(SHRI PIYUSH GOYAL)

(a): The Government has launched the scheme Ujwal DISCOM Assurance Yojana (UDAY) on 20-11-2015 to improve the financial and operational efficiencies of State Owned Power Distribution Companies (DISCOMs). So far, 23 states/UT have joined UDAY out of which 15 states are engaged in restructuring of DISCOM liabilities.

Although the scheme is under initial stage of implementation, many States/DISCOMs have shown positive trends in operational parameters like Aggregate Technical and Commercial (AT&C) loss and Average Cost of Supply – Average Revenue Realize (ACS-ARR) Gap. On the financial turnaround front, the participating states have issued Bonds worth Rs.1,90,328.29 crore. In addition to this, DISCOM bonds worth Rs.23,859 crore has also been issued as per the provision in Memorandum of Understanding (MOU) executed under UDAY.

(b): Under UDAY, there is no financial implication on the part of Government of India hence, question does not arise.

(c): The scheme is at an initial stage of implementation and the economic momentum will reflect in the audited annual accounts of utilities. The UDAY Portal (<u>www.uday.gov.in</u>) updates the broad based relative performance of the States, based on progress made in various parameters, subject to seasonal variations.

(d): UDAY provides an option for quarterly tariff revision, particularly to reflect fuel price charge, if any. However, tariff decisions are taken by the State Regulators.

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