

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.46
TO BE ANSWERED ON 02.02.2017**

UDAY

**46. SHRI P. NAGARAJAN:
SHRIMATI RAMA DEVI:**

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

- (a) whether the Union Government has introduced Ujjwal Discom Assurance Yojana (UDAY) recently if so, the details thereof along with aims and objective of scheme;**
- (b) whether a number of States have joined the UDAY if so, the details thereof; and**
- (c) the details of work completed/ proposed under UDAY scheme in the country, State-wise including Bihar?**

A N S W E R

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

(SHRI PIYUSH GOYAL)

(a) : The Government launched the scheme Ujjwal DISCOM Assurance Yojana (UDAY) on 20-11-2015 to improve financial and operational efficiencies of Power Distribution Companies (DISCOMs). UDAY aims to reduce the burden of interest, cost of power and AT&C losses. The scheme also seeks to plug the gaps between Average Cost of Supply (ACS) and Average Revenue Realized (ARR).

The Scheme incentivizes the States by exempting State takeover of DISCOM debts from Fiscal Responsibility and Budget Management (FRBM) limits for two years; increased supply of domestic coal; coal linkage rationalization; allowing coal swaps from inefficient to efficient plants; allocation of coal linkages to States at notified prices and additional/priority funding in schemes of Ministry of Power (MoP) and Ministry of New and Renewable Energy (MNRE), if they meet the operational milestones in the scheme.

(b) & (c) : As on 27-01-2017, Twenty States, namely, Andhra Pradesh, Assam, Bihar, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Manipur, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand and one Union Territory of Puducherry have signed the Memorandum of Understanding (MoU) with the Government of India under Ujjwal DISCOM Assurance Yojana (UDAY). Bonds worth Rs.1,83,084.29 crore have been issued by the participating States under UDAY thereby reducing interest cost.
