

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.802
TO BE ANSWERED ON 17.09.2020**

LOSSES TO DISCOMS

802. SHRI RANJEETSINGH HINDURAO NAIKNIMBALKAR:

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

- (a) whether the DISCOMs are running under huge losses and if so, the details thereof during the last three years, State/UT-wise;**
- (b) whether the Government has prepared any plan or strategy to reduce the losses of the DISCOMs and if so, the details thereof;**
- (c) whether the Government has done any study with regard to the cause of losses to the DISCOMs; and**
- (d) if so, the details thereof and the action taken by the Government in this regard?**

A N S W E R

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, NEW & RENEWABLE ENERGY AND THE MINISTER OF STATE FOR SKILL DEVELOPMENT & ENTREPRENEURSHIP

(SHRI R.K. SINGH)

(a) : The State/UT-wise Profit/ (Loss) for distribution utilities during the last three years is available at Annexure.

(b) to (d) : The evaluation of losses of DISCOMs is carried out and discussed with the States and their utilities continuously. There are several reasons for DISCOM losses, which include high AT&C losses; tariffs not being reflective of costs; uncovered revenue gaps; payment of subsidies by State not in accordance with announcements, etc.

Distribution of electricity, and management of operational and financial efficiency of DISCOMs is overseen by the respective states and their Utilities. Government of India have been assisting states under schemes such as Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), Integrated Power Development Scheme (IPDS) for bringing about loss reduction by measures such as separation of Feeders; IT enablement; metering of Feeders, Distribution transformers and consumers to facilitate energy accounting. In addition, for operational and financial turnaround of distribution utilities by reducing Aggregate Technical and Commercial (AT&C) losses, the Government initiated Ujwal Discom Assurance Yojana (UDAY).

Certain reforms measures such as reduction of Aggregate Technical & Commercial (AT&C) losses; reduction of average cost of supply – average revenue realized (ACS-ARR) gap; and introduction of direct benefit transfer (DBT) for payment of subsidies have been linked by the Government to additional borrowing permissions of 0.25% of the State Gross Domestic Product (GSDP) to be accorded to the States in wake of COVID-19. Government have also linked the disbursals of the liquidity infusion package for the power sector in the wake of COVID-19 to reform measures such as digital payment of electricity bills; enabling self-assessment by consumers; states' undertaking to liquidate outstanding payments to DISCOMs; installation of smart prepaid or prepaid meters in government departments; timely payment of subsidies due; and an action plan to be provided by states to bring down their losses over the next three to four years.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF UNSTARRED QUESTION NO. 802 TO BE ANSWERED IN THE LOK SABHA ON 17.09.2020.

Profit After Tax (PAT) of Distribution Utilities in States

(Figures in INR Crore)

States	2016-17	2017-18	2018-19
Andhra Pradesh	(2,282)	(2)	(11,934)
Arunachal Pradesh	(324)	(429)	(428)
Assam	(34)	165	21
Bihar	(1,257)	(2,650)	(2,409)
Chhattisgarh	(422)	(279)	(42)
Delhi	404	491	799
Goa	(283)	26	(172)
Gujarat	275	426	184
Haryana	(193)	412	281
Himachal Pradesh	(111)	4	4
Jammu & Kashmir	(4,063)	(2,999)	(2,902)
Jharkhand	(1,741)	(212)	(751)
Karnataka	(1,119)	(522)	970
Kerala	(1,495)	(784)	(290)
Madhya Pradesh	(1,470)	(5,284)	(7,159)
Maharashtra	785	492	1,097
Manipur	(15)	(8)	(19)
Meghalaya	(343)	(287)	(203)
Mizoram	(147)	87	(83)
Nagaland	(62)	(62)	(325)
Odisha	(913)	(792)	(1,539)
Puducherry	(8)	6	(36)
Punjab	(2,836)	(907)	(38)
Rajasthan	(1,981)	2,173	2,607
Sikkim	(115)	(29)	(3)
Tamil Nadu	(4,349)	(7,761)	(12,623)
Telangana	(6,202)	(5,485)	(8,019)
Tripura	40	28	21
Uttar Pradesh	(3,322)	(5,002)	(6,032)
Uttarakhand	(289)	(229)	(553)
West Bengal	(25)	(40)	(45)
Grand Total	(33,894)	(29,452)	(49,623)
