

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.4917
TO BE ANSWERED ON 25.03.2021**

LOSSES MADE BY STATE OWNED DISCOMS

**4917. SHRI KAUSHAL KISHORE:
SHRI SUNIL KUMAR SINGH:
SHRI P.P. CHAUDHARY:**

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

- (a) the details of losses made by all the State owned DISCOMs during the last three years and the current year;**
- (b) the details of the schemes to help the DISCOMs;**
- (c) whether DISCOMs owned by States of Uttar Pradesh, Maharashtra, Jharkhand and Rajasthan are receiving support from the Union Government under the Ujwal DISCOM Assurance Yojana (UDAY);**
- (d) if so, the details of the support granted by the Union Government to the said States;**
- (e) the details of the MoU signed by the said States under UDAY along with the information on the structure of loans extended thereby;**
- (f) whether the said states are able to achieve the targets set under UDAY and if so, the details thereof;**
- (g) whether the Union Government proposes to extend UDAY and if so, the details thereof; and**
- (h) whether States owned DISCOMs are allowed to levy non-power centric cess while benefitting from central subsidy and financial aid and if so, the details thereof?**

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) : Based on the information available in the 'Report on Performance of State Power Utilities' published by Power Finance Corporation (PFC), the State wise profit & loss of Distribution Utilities in India for the years 2016-17 to 2018-19 is attached as Annexure-I. Data for 2019-20 is under finalization.

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(b) : Government of India had launched Deen Dayal Upadhyaya Gram Jyoti

Yojana (DDUGJY) in December 2014 for the rural areas with the objectives of electrification of all un-electrified villages as per Census 2011; strengthening and augmentation of sub-transmission & distribution infrastructure in rural areas including

construction of HT and LT lines, metering at distribution transformers, feeders and consumers; and feeder segregation. Similarly, Pradhan Mantri Sahaj Bijli Har Ghar Yojana - Saubhagya was launched in October, 2017 for electrification of rural and urban

poor households in the country.

Government of India had launched Integrated Power Development Scheme (IPDS) in December 2014 to facilitate State utilities to ensure quality and reliable 24x7 power supply in the urban areas. Strengthening of sub-transmission and distribution networks in the urban areas; metering of distribution transformers / feeders / consumers in the urban areas and IT enablement of distribution sector and strengthening of distribution network are being undertaken under the Scheme.

UDAY has been launched in 2015 for financial and operational turnaround of State owned power DISCOMs. The purpose of UDAY was to usher reforms across the Power and coal Sectors through competitive and cooperative federalism to pave the way for 24X7 affordable and reliable Power for all. UDAY incorporated a slew of measures, including financial re-engineering measures, as well as operational improvement measures. Exemptions were given to the States to borrow outside the FRBM limits in order to enable them to take over 75% of the outstanding debts of DISCOMs, as existed on 30th November 2015. The scheme had two outcome parameters: (i) AT&C loss reduction to 15%; and (ii) ACS-ARR gap reduction to zero by March 2019. Due to the large scale of problems/ challenges in some States, as well as late joining, some States were given extension to complete the turnaround process by one or two years.

In order to tide over the liquidity problems of the power sector, exacerbated by the outbreak of COVID-19, the Government of India had announced a Liquidity Infusion Scheme as part of Atmanirbhar Bharat Abhiyan on 13th May, 2020. Under this intervention, Rural Electrification Corporation (REC) and Power Finance Corporation (PFC) are extending special long term transition loans up to 10 years to Discoms for liquidating outstanding dues (as on 30.06.2020) of CPSE Gencos & Transcos, IPPs and RE generators. So far, Loans to the extent of Rs.1,35,497 crore have already been sanctioned and Rs. 46,322 crore have been disbursed. The disbursement under the long term transition loans have been linked with DISCOMs undertaking specified reform measures.

(c) to (e) : States of Uttar Pradesh, Maharashtra, Jharkhand and Rajasthan have joined Ujwal DISCOM Assurance Yojana (UDAY) for financial and operational turnaround of their Power Distribution Companies (DISCOMs). Under UDAY, no funds are disbursed by the Government of India. However, the scheme incentivizes the State by exempting State takeover of DISCOM debts from FRBM limits for two years; increased supply of domestic coal; coal linkage rationalization; liberally allowing coal swaps from inefficient to efficient plants; allocation of coal linkages to States at notified prices.

Details of the MOU signed by the States of Uttar Pradesh, Maharashtra, Jharkhand and Rajasthan are given below:-

Sl. No.	STATE	DISCOM	DATE OF SIGNING	Timeline as per MOU
1.	Rajasthan	AJMER (AVVNL)	27-01-2016	31-03-2019
		JODHPUR (JVVNL)		
		JAIPUR (JVVNL)		
2.	Jharkhand	JBVNL	05-01-2016	31-03-2019
3.	Maharashtra	MSPDCL	07-10-2016	31-03-2019
4.	Uttar Pradesh	UPPCL	30-01-2016	31-03-2020

Summary of debt restructuring by the States and DISCOMs of Uttar Pradesh, Maharashtra, Jharkhand and Rajasthan is given at Annexure-II.

(f) : The details of UDAY MoU Target vis-a-vis achievements for the States of Uttar Pradesh, Maharashtra, Jharkhand and Rajasthan are given at Annexure-III.

(g) : No Sir, the Government of India has recently announced the launch of the Revamped Reforms-Based Results-Linked Scheme in the Budget 2020-21, which provides for financial assistance to DISCOMs tied to reforms and results.

(h) : All DISCOMs are regulated by the respective State Electricity Regulatory Commissions and accordingly determine the consumer tariffs. Tariff setting process duly takes care of grants received from the State Governments or Central Government.

ANNEXURE-I**ANNEXURE REFERRED TO IN REPLY TO PART (a) OF UNSTARRED QUESTION NO. 4917 TO BE ANSWERED IN THE LOK SABHA ON 25.03.2021**

Profit/(Loss) on accrual basis (PAT)				
				Rs. crore
Sl. No.	State	2016-17	2017-18	2018-19
1	Andhra Pradesh	(2,282)	(2)	(11,934)
2	Arunachal Pradesh	(324)	(429)	(428)
3	Assam	(34)	165	21
4	Bihar	(1,257)	(2,650)	(2,409)
5	Chhattisgarh	(422)	(279)	(42)
6	Delhi	404	491	799
7	Goa	(283)	26	(172)
8	Gujarat	275	426	184
9	Haryana	(193)	412	281
10	Himachal Pradesh	(111)	4	4
11	Jammu & Kashmir	(4,063)	(2,999)	(2,902)
12	Jharkhand	(1,741)	(212)	(751)
13	Karnataka	(1,119)	(522)	970
14	Kerala	(1,495)	(784)	(290)
15	Madhya Pradesh	(1,470)	(5,284)	(7,159)
16	Maharashtra	785	492	1,097
17	Manipur	(15)	(8)	(19)
18	Meghalaya	(343)	(287)	(203)
19	Mizoram	(147)	87	(83)
20	Nagaland	(62)	(62)	(325)
21	Odisha	(913)	(792)	(1,539)
22	Puducherry	(8)	6	(36)
23	Punjab	(2,836)	(907)	(38)
24	Rajasthan	(1,981)	2,173	2,607
25	Sikkim	(115)	(29)	(3)
26	Tamil Nadu	(4,349)	(7,761)	(12,623)
27	Telangana	(6,202)	(5,485)	(8,019)
28	Tripura	40	28	21
29	Uttar Pradesh	(3,322)	(5,002)	(6,032)
30	Uttarakhand	(289)	(229)	(553)
31	West Bengal	(25)	(40)	(45)
	Grand Total	(33,894)	(29,452)	(49,623)

ANNEXURE-II

**ANNEXURE REFERRED TO IN REPLY TO PARTS (c) TO (e) OF UNSTARRED
QUESTION NO. 4917 TO BE ANSWERED IN THE LOK SABHA ON 25.03.2021**

Summary of Debt restructuring by four States

S. No.	State	Total Bonds issued by State in FY16, FY17	Total Bonds issued by Discom in FY16, FY17
1	RAJASTHAN	59,722	12,368
2	UTTAR PRADESH	39,133	10,377
3	JHARKHAND	6,136	-
4	MAHARASHTRA	4,960	-
TOTAL		1,09,951	22,745

ANNEXURE-III**ANNEXURE REFERRED TO IN REPLY TO PART (f) OF UNSTARRED QUESTION NO. 4917 TO BE ANSWERED IN THE LOK SABHA ON 25.03.2021**

UDAY targets of AT&C Loss with achievements

State / Discom	2018-19		2017-18		2016-17	
	MoU Target (%)	Achievement (%)	MoU Target (%)	Achievement (%)	MoU Target (%)	Achievement (%)
Jharkhand	15.00	28.60	22.00	32.48	28.00	35.95
JBVNL	15.00	28.60	22.00	32.48	28.00	35.95
Maharashtra	14.98	14.73	15.61	19.26	16.74	22.73
MSEDCL	14.98	14.73	15.61	19.26	16.74	22.73
Rajasthan		28.26		24.05		27.33
AVVNL	15.00	23.21	17.50	23.09	20.00	25.19
JdVVNL	15.00	35.12	16.50	23.47	18.00	26.16
JVVNL	15.00	25.93	18.50	25.18	22.00	29.79
Uttar Pradesh	19.36	33.15	23.63	37.80	28.27	40.91
DVVNL	20.44	37.12	24.83	38.89	30.30	40.62
KESCO	19.37	15.13	24.11	22.52	29.44	25.10
MVVNL	19.45	40.64	23.20	45.29	27.80	47.27
PaVVNL	17.53	22.27	20.63	25.97	22.99	29.73
PuVVNL	20.65	39.64	26.92	47.89	34.19	53.19
