

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.4936
TO BE ANSWERED ON 25.03.2021**

FREE POWER FOR FARMERS

4936. SHRI MANICKAM TAGORE B.:

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

- (a) whether the Union Government has received any representation from the State Governments to not apply the Direct Benefit Transfer principle for the agricultural sector as per the Electricity (Amendment) Bill, 2020;**
- (b) if so, the details thereof;**
- (c) whether the Union Government is also aware of the fact that there is a consistent policy by the respective State Governments to ensure free power for farmers which needs to be continued; and**
- (d) if so, the details thereof and the reaction of the Union Government thereon?**

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) to (d) : As per the provisions of Section 65 of Electricity Act, 2003, if the State Government requires the grant of any subsidy to any consumer or class of consumers in the tariff determined by the State Commission under Section 62, the State Government shall pay the subsidy amount in advance to the DISCOM. Some of the States provide electricity to farmers at low rates and some provide free electricity to the farmers. The provisions regarding amendment in Section 65 pertaining to subsidy to the consumers which was proposed under draft Electricity Amendment Bill 2020 is not being pursued further.

However, based on the request received from fifteen States, the Government has recommended their cases for additional borrowing for implementation of Direct Benefit Transfer in at least one district in their State.
