GOVERNMENT OF INDIA MINISTRY OF POWER

LOK SABHA STARRED QUESTION NO.255 TO BE ANSWERED ON 05.08.2021

PRIVATISATION OF POWER DISTRIBUTION

*255. PROF. SOUGATA RAY:

Will the Minister of POWER be pleased to state:

- (a) whether the Government proposes to privatise the entire power distribution in the country;
- (b) if so, the details thereof;
- (c) whether any State Government has opposed the proposal;
- (d) if so, the details thereof;
- (e) whether any State Government has not handed over the power distribution to private companies so far; and
- (f) if so, the details thereof?

ANSWER

THE MINISTER OF POWER AND NEW & RENEWABLE ENERGY

(SHRI R.K. SINGH)

(a) to (f): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF STARRED QUESTION NO. 255 TO BE ANSWERED IN THE LOK SABHA ON 05.08.2021 REGARDING PRIVATISATION OF POWER DISTRIBUTION

(a) to (f): Electricity is a concurrent subject and distribution of electricity in States is handled generally by the State distribution utilities (Discoms). Accordingly, decision to privatise the power distribution in the States lies with the concerned State Government.

Government of India announced privatisation of Power Departments & Utilities in Union Territories (UTs) under Aatma Nirbhar Bharat Abhiyaan. The decision is guided by sub-optimal performance of power distribution utilities and the objective of providing better services to consumers with improvement in operational and financial efficiencies.

As per the decision of the Government of India, various UTs have undertaken steps for privatization of their electricity distribution for which Ministry of Power has provided transaction advisory support and status in this regard is given below:

UT of Chandigarh has received bids. The UTs of Dadra, Nagar Haveli (DNH) & Daman Diu (DD) have also received bids and bids have been evaluated. The UTs of A&N Islands and Lakshadweep are at Request for Proposal (RFP) finalization Stage. The Government of UT of Puducherry is currently at the RFP finalisation stage. The UT of Jammu & Kashmir has commissioned a study to assess suitable options in this direction.
