

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

LOK SABHA

**UNSTARRED QUESTION NO.4410
ANSWERED ON 19.03.2026**

FINANCIAL HEALTH OF DISCOMS

**4410. SHRI P P CHAUDHARY:
SHRI DINESHBHAI MAKWANA:
SHRI DAMODAR AGRAWAL:
SHRI KOTA SRINIVASA POOJARY:
DR. SANJAY JAISWAL:**

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

- (a) whether specific policy interventions and structural reforms undertaken by the Government to improve the financial health of DISCOMs have had a positive effect;**
- (b) if so, the details thereof, including the status of the Electricity (Late Payment Surcharge) Rules and the role of the Electricity (Amendment) Bill 2025 on promoting competition and payment discipline;**
- (c) the details of the Average Technical and Commercial (AT&C) Losses at the pan-India level since the inception of the Revamped Distribution Sector Scheme (RDSS) in 2021; and**
- (d) the year-wise trends of the gap between the Average Cost of Supply (ACS) and Average Revenue Realised (ARR) since the inception of the RDSS?**

A N S W E R

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

(a) & (b) : Government of India (GoI) has been supporting the distribution utilities to improve their financial viability through various initiatives. Some of the key initiatives taken are as under:

- 1. Revamped Distribution Sector Scheme (RDSS) has been launched in the year 2021 with the objective of improving the quality and reliability of supply of power through a financially sustainable and operationally efficient distribution sector. The release of funds under the scheme is linked to performance of the States/ distribution utilities against financial and operational parameters.**
- 2. Additional borrowing space of 0.5% of Gross State Domestic Product (GSDP) has been made available to State Governments, which is conditional upon them undertaking specific reforms in the power sector including financial performance of the distribution utilities.**

- 3. Additional Prudential Norms have been laid down for sanctioning of loans to State-owned power utilities based on performance of power distribution utilities against prescribed conditions.**
- 4. Rules for implementation of Fuel and Power Purchase Costs Adjustment (FPPCA) and cost-reflective tariff have been framed so as to ensure that all prudent costs for supply of electricity are passed through.**
- 5. Rules and Standard Operating Procedure have been issued for proper subsidy accounting and their timely payment.**

With concerted efforts of Central and State Governments, the Aggregate Technical and Commercial (AT&C) losses at national level have reduced from 21.91% in FY21 to 15.04% in FY25 while the national Average Cost of Supply - Average Revenue Realized (ACS-ARR) gap has narrowed from Rs. 0.69/kWh to Rs. 0.06/kWh. These collective efforts have also resulted in DISCOMs achieving a profit after tax (PAT) of Rs 2,701 crore in FY25 for the first time.

Gol notified the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 on 3rd June, 2022. The Rules provide that all the dues of Generating companies (IPPs, CPSEs and Renewable Energy Developers), Traders and Inter State Transmission Service Providers, including late payments surcharges, upto 3rd June 2022 were considered as arrears which were to be rescheduled and the distribution licensee shall pay such dues in equated monthly installments (EMIs) as per the rules, starting from August 2022 with benefits of non-applicability of late payment surcharge after 03.06.2022. These rules also provide framework for time-bound clearance of current dues.

As a result, the outstanding legacy dues of Rs. 1,39,947 crore as on 03.06.2022 have reduced to Rs. 3,300 crore as on 10.03.2026. DISCOMs are also paying their current dues in time.

In order to ensure long-term financial stability for DISCOMs while safeguarding consumer interests, various measures have been envisaged in the draft National Electricity Policy (NEP) 2026, and Electricity (Amendment) Bill 2025.

(c) & (d) : State wise AT&C loss and ACS-ARR gap since the inception of RDSS are enclosed at Annexure I and II respectively.

**ANNEXURE REFERRED IN REPLY TO PARTS (c) & (d) OF UNSTARRED QUESTION
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AT&C Loss (%)

State/ UT	2020-21	2021-22	2022-23	2023-24	2024-25
ANI	25.30	19.80	19.77	20.76	24.14
Andhra Pradesh	20.42	10.56	7.74	12.05	7.87
Arunachal	51.82	47.83	51.70	42.86	46.20
Assam	18.73	16.95	16.22	14.03	15.44
Bihar	34.40	33.94	23.45	20.32	15.51
Chandigarh	13.81	NA	NA	NA	NA
Chhattisgarh	18.05	18.13	16.14	15.88	14.25
Delhi (NDMC)	9.43	7.88	10.67	12.82	8.36
Goa	12.89	12.79	17.09	9.09	10.39
Gujarat	11.08	9.17	10.72	8.97	8.25
Haryana	17.46	14.06	12.01	11.30	11.76
Himachal	14.02	12.90	10.57	10.88	19.44
Jammu &	59.28	NA	NA	NA	NA
Jharkhand	43.09	30.85	27.46	30.51	28.19
Karnataka	15.97	11.51	14.19	11.89	11.92
Kerala	7.83	8.08	5.65	7.44	6.61
Ladakh	NA	48.29	38.61	42.46	26.82
Lakshadweep	11.63	NA	NA	NA	NA
Madhya Pradesh	41.72	21.36	20.45	22.89	22.76
Maharashtra	26.60	14.73	16.96	23.86	17.69
Manipur	24.56	24.28	13.82	13.41	12.90
Meghalaya	23.37	29.75	17.75	17.51	17.52
Mizoram	29.05	36.45	26.53	28.01	32.31
Nagaland	47.08	43.26	47.28	47.11	48.86
Puducherry	20.12	14.20	21.83	17.75	14.72
Punjab	18.54	11.67	11.23	10.96	19.21
Rajasthan	26.18	17.49	15.44	22.13	15.18
Sikkim	98.35	30.77	26.41	27.84	21.84
Tamil Nadu	11.78	10.53	10.92	11.39	10.96
Telangana	13.33	10.65	18.65	19.01	19.84
Tripura	37.36	24.97	24.91	69.01	29.61
Uttar Pradesh	26.78	30.62	22.18	16.39	19.54
Uttarakhand	15.39	14.15	14.41	14.69	15.08
West Bengal	20.94	16.37	17.43	17.13	17.17
Private Sector	14.97	15.23	10.76	11.0	10.05
National	21.91	16.28	15.22	15.97	15.04

**ANNEXURE REFERRED IN REPLY TO PARTS (c) & (d) OF UNSTARRED QUESTION
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ACS-ARR Gap (Rs per kWh)

States/ UTs	2020-21	2021-22	2022-23	2023-24	2024-25
ANI	5.09	2.61	1.31	2.70	2.22
Andhra Pradesh	1.01	0.34	0.29	0.34	(0.15)
Arunachal Pradesh	0.00	0.00	0.00	0.00	0.00
Assam	0.10	(0.30)	0.62	(0.22)	(0.26)
Bihar	0.87	0.62	0.04	(0.18)	(0.41)
Chandigarh	(0.42)	NA	NA	NA	NA
Chhattisgarh	0.20	0.21	0.26	(0.20)	(0.19)
Delhi (NDMC)	(0.77)	(0.39)	0.95	(2.45)	(0.86)
Goa	(0.18)	0.54	0.46	1.04	0.20
Gujarat	(0.07)	(0.06)	(0.02)	(0.58)	(0.40)
Haryana	(0.12)	(0.15)	(0.15)	(0.04)	0.10
Himachal Pradesh	0.11	0.10	0.78	0.36	0.23
Jammu & Kashmir	1.81	NA	NA	NA	NA
Jharkhand	1.92	1.20	2.52	1.66	0.95
Karnataka	0.83	(0.64)	0.32	1.08	0.69
Kerala	0.19	(0.03)	0.32	0.42	(0.17)
Ladakh	NA	0.42	2.05	0.89	(0.89)
Lakshadweep	19.44	NA	NA	NA	NA
Madhya Pradesh	1.23	0.28	(0.22)	0.18	(0.04)
Maharashtra	0.53	0.08	1.24	0.28	0.56
Manipur	0.07	0.16	1.16	(0.45)	(0.20)
Meghalaya	0.40	0.56	0.73	1.28	0.13
Mizoram	1.58	0.76	1.70	1.31	(0.34)
Nagaland	0.19	(0.26)	(0.31)	(0.40)	(0.50)
Puducherry	0.08	(0.25)	0.51	(0.18)	(0.64)
Punjab	(0.01)	(0.27)	0.19	(0.20)	(0.30)
Rajasthan	0.69	(0.31)	0.20	0.31	(0.04)
Sikkim	0.27	(0.00)	(0.72)	0.18	0.33
Tamil Nadu	1.48	0.93	0.89	0.11	(0.19)
Telangana	1.06	0.08	1.40	0.75	0.27
Tripura	(0.01)	0.40	0.80	0.84	1.40
Uttar Pradesh	0.94	0.56	1.34	0.55	0.73
Uttarakhand	0.10	(0.00)	0.72	0.10	0.06
West Bengal	1.16	(0.20)	0.32	0.17	(0.03)
Private Sector	(0.09)	(0.26)	(0.32)	(0.19)	(0.25)
National	0.69	0.10	0.50	0.20	0.06
