

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.98
ANSWERED ON 29.01.2026**

ELECTRICITY (AMENDMENT) BILL, 2025

98. DR. PRASHANT YADAORAO PADOLE:

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

- (a) whether the Government has released the draft Electricity (Amendment) Bill, 2025, proposing major reforms, including cost-reflective tariffs, open access, regulatory accountability and push for non-fossil fuel generation and if so, the details thereof;**
- (b) the details of the key features of the proposed bill relevant to distribution companies (DISCOMs), electricity regulators and consumers in remote / tribal districts;**
- (c) whether these features would apply specifically in Maharashtra and if so, the details thereof;**
- (d) whether the Ministry intends to introduce safeguards or special provisions within the reform framework to protect vulnerable consumers (such as tribal households) from tariff shocks or service disruption and if so, the details thereof; and**
- (e) the timeline by which the Bill is expected to be passed, rules notified and the same is implemented in tribal and backward districts of Maharashtra?**

A N S W E R

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

(a) & (b) : Central Government has issued the draft Electricity (Amendment) Bill, 2025, proposing comprehensive reforms in the power sector. The draft Bill seeks to take measures for financial sustainability, promote competition, strengthen regulatory accountability, and accelerate India's transition towards non-fossil fuel-based electricity generation, in alignment with the vision of *Viksit Bharat @ 2047*. The key reforms proposed are outlined below:

- i. Financial Viability:** The financial sustainability of distribution licensees is critical for reliable and affordable electricity. The proposed amendments mandate cost-reflective tariffs, empower Commissions to determine tariffs *suo motu* effective 1st April each year.
- ii. Economic Competitiveness:** High industrial tariffs, cross-subsidies, and rising procurement costs have weakened industrial competitiveness. The proposed reforms aim to rationalise tariffs, unlock demand, reduce costs, and enhance India's economic productivity and global competitiveness.

iii. Energy Transition: To achieve 500 GW of non-fossil capacity by 2030, the amendments propose empowering CERC to introduce market-based instruments to attract investment and accelerate renewable capacity addition. Enforceable non-fossil energy obligations are also proposed to align the Electricity Act with the Energy Conservation Act.

iv. Ease of Living and Ease of Doing Business: The amendments propose uniform national standards of service to improve supply quality and accountability. Consumer-friendly measures include capping assessment for unauthorised use to one year, and reducing appeal pre-deposit requirements.

v. Regulatory Strengthening: To enhance accountability and efficiency, it is proposed that Governments may refer complaints against CERC and SERC Members, with expanded grounds for removal. A 120-day timeline is proposed for adjudicatory decisions, and the strength of APTEL is proposed to be increased to address pendency.

vi. Other Reforms: Powers for installation and maintenance of electric lines are proposed to be transitioned from the repealed Telegraph Act, 1885 into the Electricity Act, 2003, with States framing compensation framework. To reduce network duplication and costs, distribution licensees are proposed to be permitted to supply electricity through shared networks, subject to regulatory approval and charges.

(c) : Upon enactment, the provisions of the Electricity (Amendment) Bill, 2025 shall apply uniformly across all States, including Maharashtra.

(d) : Subsidies for specified consumer categories including tribal households may continue to be transparently funded by the State Government under Section 65, without compromising the financial sustainability of power sector.

(e) : The stakeholders comments on the draft Electricity (Amendment) Bill, 2025 were invited on 9th October, 2025. The bill is currently in consultation stage and extensive consultation with different categories of stakeholders is in process.
