

**GOVERNMENT OF INDIA
MINISTRY OF POWER

LOK SABHA
UNSTARRED QUESTION NO.3155
TO BE ANSWERED ON 04.08.2016**

UDAY

**3155. SHRI MUTHAMSETTI SRINIVASA RAO (AVANTHI):
SHRI CH. MALLA REDDY:
SHRI HARISHCHANDRA CHAVAN:
SHRI ANTO ANTONY:**

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

- (a) the objectives of Ujjwal DISCOM Assurance Yojana (UDAY);**
- (b) give details of the present status and the progress in implementation of the UDAY;**
- (c) the names of the State Governments that have already signed MoU under the UDAY;**
- (d) whether it is a fact that several State Governments have requested the Central Government to make certain modifications in the said Scheme; and**
- (e) if so, the details thereof and the response of the Government thereto?**

A N S W E R

**THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,
COAL, NEW & RENEWABLE ENERGY AND MINES**

(SHRI PIYUSH GOYAL)

(a) : Government of India has launched Ujjwal DISCOM Assurance Yojana (UDAY) on 20-11-2015 for the financial and operational turnaround of state-owned Power Distribution Companies (DISCOMs). The scheme aims to reduce interest burden, reduce the cost of power, reduce power losses in Distribution sector and improve operational efficiency of DISCOMs.

(b) & (c) : So far, fourteen States namely Jharkhand, Chhattisgarh, Rajasthan, Uttar Pradesh, Gujarat, Bihar, Punjab, Jammu & Kashmir, Haryana, Uttarakhand, Goa, Karnataka, Manipur and Andhra Pradesh have signed the Memorandum of Understanding (MoUs) under UDAY. In addition to them, six States and one Union Territory (UT) have shown their willingness to join the scheme.

As on 01-08-2016, Bonds worth Rs.1,66,754.00 crore have been issued by the participating States under UDAY and thus reduction in interest cost has already started. Cost of Power is also on downward trend.

(d) & (e): UDAY is optional for the States to join. A few States including Tamil Nadu and West Bengal have requested the Central Government to make certain modifications in the scheme. Government of India has already explained the details to them and also extended timeline to facilitate their participation.
