

GOVERNMENT OF INDIA
MINISTRY OF POWER
RAJYA SABHA
UNSTARRED QUESTION NO.1747
TO BE ANSWERED ON 03.08.2021

LOSS INCURRED BY POWER DISCOMS

1747 # DR. KIRODI LAL MEENA:

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

- (a) whether power distribution companies are incurring heavy losses and, if so, State/Union Territory-wise details thereof during the last three years;
- (b) whether Government has formulated any plan or strategy to lessen the loss of power distribution companies and if so, the details thereof;
- (c) whether Government has conducted any study on the losses incurred by power distribution companies; and
- (d) if so, the details thereof and the action taken by Government in this regard?

A N S W E R

THE MINISTER OF POWER AND NEW & RENEWABLE ENERGY

(SHRI R.K. SINGH)

(a) : As per information made available by Power Finance Corporation (PFC) Ltd, the financial losses of Power Distribution Utilities have reduced from Rs.54,558 Crore in the year 2014-15 to Rs.32,898 Crore in 2019-20. Further, Aggregate Technical & Commercial (AT&C) losses have reduced from 25.72% in the year 2014-15 to 21.83% in 2019-20. The State/Union Territory-wise details of profit and loss of Power Distribution Utilities for the years 2014-15 to 2019-20 are **annexed**.

(b) to (d) : PFC conducts a study of the financial condition of Power Utilities every year and publishes a “Report of Performance of State Power Utilities”, which includes the evaluation of the losses incurred by power Distribution Companies.

The Government has undertaken several initiatives to lessen the loss of Power Distribution Companies (DISCOMs) like:

- (i)** The Central Government has approved a “Revamped Distribution Sector Scheme - A Reforms based and Results linked Scheme” with the objective of improving the quality and reliability of power supply to consumers through a financially sustainable and operationally efficient distribution Sector. The Scheme aims to reduce the AT&C losses to

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pan-India levels of 12-15% and Average Cost of Supply (ACS) - Average Revenue Realised (ARR) gap to zero by 2024-25. The Scheme has an outlay of Rs.3,03,758 crore. Under the scheme, eligible DISCOMs would be provided financial support for upgradation of the Distribution Infrastructure and Smart Metering Systems for the network as well as prepaid smart metering systems for consumers. The funding against the works other than prepaid Smart Metering and System Metering would be contingent upon DISCOMs meeting the pre-qualifying criteria and achieving at least 60% marks on the result evaluation matrix formulated on the basis of action plans for loss reduction and work plans of DISCOMs agreed upon by the Government of India. A DISCOM which is making losses will not be able to access funds under this Scheme unless it draws up a plan to reduce the losses, lists out the steps it will take to reduce such losses and the timelines thereof and get their State Government's approval on it, and file the same with the Central Government.

- (ii) Liquidity infusion scheme tied to credible action plan by States for the reduction of AT&C losses and ACS - ARR gap: Under the Scheme State Governments are required to give undertaking to liquidate the payments due to DISCOMs on account of electricity dues of Government departments/attached offices, and also to install smart prepaid or prepaid meters in Government departments/attached offices etc. The State Governments are also required to give undertaking to clear the dues of subsidies and to put in place a system such that the bills for subsidies are raised by DISCOMs and paid upfront every quarter, notify subsidy of State Government per unit of consumption for each consumer category.
- (iii) Government of India has provided additional borrowing permissions to the extent of 0.05% of the State GSDP each linked to reduction of AT&C losses and ACS-ARR gap for the year FY 2020-21.
- (iv) Based on the recommendations of Fifteenth Finance Commission, Govt. of India has also decided to provide performance based additional borrowing space of 0.50% of Gross State Domestic Product (GSDP) to States on certain performance criteria in the power sector viz. AT&C loss and ACS-ARR Gap reduction against targets, Reduction in cross subsidies, Payment of Electricity bills by Government Departments/Offices/Local Bodies, Government Offices on prepaid meters, Innovation and Innovative technologies viz. Smart Grids including Smart prepaid metering, Enterprise Resource Planning (ERP), Automatic Metering Infrastructure (AMI) and such other parameters.
- (v) In addition, Corporate Governance Guidelines have also been communicated recently to States with an advice that future release of funds by PFC and REC against loans or Government schemes would be made considering the rating of DISCOMs against these guidelines.

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF UNSTARRED QUESTION NO. 1747 TO BE ANSWERED IN THE RAJYA SABHA ON 03.08.2021

Profit/(Loss) on accrual basis

Figures in Rs. Crores

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Andhra Pradesh	(2,397)	(3,899)	(2,282)	(2)	(11,934)	(151)
APEPDCL	(722)	(472)	(394)	3	(4,253)	(152)
APSPDCL	(1,675)	(3,427)	(1,888)	(4)	(7,681)	1
Arunachal Pradesh	(257)	(40)	(324)	(429)	(428)	(413)
Arunachal PD	(257)	(40)	(324)	(429)	(428)	(413)
Assam	(578)	(104)	(34)	165	21	203
APDCL	(578)	(104)	(34)	165	21	203
Bihar	(1,044)	(1,073)	(1,257)	(2,650)	(2,409)	(2,948)
NBPDCL	(297)	(339)	(295)	(362)	(596)	(1,283)
SBPDCL	(748)	(734)	(962)	(2,287)	(1,813)	(1,665)
Chhattisgarh	(1,554)	24	(422)	(279)	(42)	(973)
CSPDCL	(1,554)	24	(422)	(279)	(42)	(973)
Delhi	418	222	404	491	799	942
BRPL	63	40	108	145	291	310
BYPL	19	7	34	40	172	218
TPDDL	336	175	262	306	336	414
Goa	(17)	(286)	(283)	26	(172)	(271)
Goa PD	(17)	(286)	(283)	26	(172)	(271)
Gujarat	108	155	275	426	184	538
DGVCL	51	57	93	94	39	130
MGVCL	29	43	79	93	33	65
PGVCL	11	(17)	37	137	75	227
UGVCL	17	72	67	101	37	117
Haryana	(2,117)	(808)	(193)	412	281	331
DHBVNL	(636)	(472)	12	134	95	114
UHBVNL	(1,481)	(336)	(205)	278	186	218
Himachal Pradesh	(114)	(11)	(111)	4	4	11
HPSEBL	(114)	(11)	(111)	4	4	11
Jammu & Kashmir	(4,114)	(4,278)	(4,063)	(2,999)	(2,902)	(3,160)
JKPDD	(4,114)	(4,278)	(4,063)	(2,999)	(2,902)	(3,160)
Jharkhand	(474)	(1,151)	(1,741)	(212)	(751)	(1,132)
JBVNL	(474)	(1,151)	(1,741)	(212)	(751)	(1,132)
Karnataka	88	(385)	(1,119)	(522)	970	(1,850)
BESCOM	113	100	57	60	85	146
CHESCOM	40	8	21	(0)	(209)	(366)
GESCOM	(110)	(131)	(267)	(472)	348	(992)
HESCOM	30	(373)	(943)	(140)	690	(682)
MESCOM	14	11	13	31	56	44
Kerala	(1,273)	(697)	(1,495)	(784)	(290)	(270)
KSEBL	(1,273)	(697)	(1,495)	(784)	(290)	(270)
Madhya Pradesh	(4,950)	(5,586)	(1,470)	(5,284)	(7,159)	(1,744)
MPMaKVVCL	(2,728)	(2,585)	(1,235)	(2,717)	(3,838)	(1,275)
MPPaKVVCL	(1,061)	(1,153)	553	(370)	(424)	1,103
MPPoKVVCL	(1,162)	(1,848)	(788)	(2,197)	(2,897)	(1,571)

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Maharashtra	(366)	(3,383)	785	492	1,097	307
MSEDCL	(366)	(3,383)	785	492	1,097	307
Manipur	(30)	(20)	(15)	(8)	(19)	(9)
MSPDCL	(30)	(20)	(15)	(8)	(19)	(9)
Meghalaya	(198)	(192)	(343)	(287)	(203)	(428)
MePDCL	(198)	(192)	(343)	(287)	(203)	(428)
Mizoram	(192)	(122)	(147)	87	(83)	(109)
Mizoram PD	(192)	(122)	(147)	87	(83)	(109)
Nagaland	(315)	(15)	(62)	(62)	(325)	(488)
Nagaland PD	(315)	(15)	(62)	(62)	(325)	(488)
Odisha	(882)	(931)	(913)	(792)	(1,539)	(842)
CESU	(123)	(507)	(425)	(503)	(429)	(336)
NESCO Utility	(379)	(176)	(48)	(81)	(2)	(141)
SOUTHCO Utility	(224)	(98)	(228)	(187)	(211)	(336)
WESCO Utility	(155)	(150)	(211)	(22)	(897)	(29)
Puducherry	105	9	(8)	6	(36)	(301)
Puducherry PD	105	9	(8)	6	(36)	(301)
Punjab	166	(1,645)	(2,836)	(907)	(38)	(1,158)
PSPCL	166	(1,645)	(2,836)	(907)	(38)	(1,158)
Rajasthan	(12,474)	(11,241)	(1,981)	2,173	2,607	2,986
AVVNL	(3,593)	(3,504)	(337)	1,199	467	788
JdVVNL	(4,146)	(3,274)	(1,029)	30	1,234	10
JVVNL	(4,735)	(4,463)	(616)	943	906	2,188
Sikkim	(35)	(182)	(115)	(29)	(3)	(57)
Sikkim PD	(35)	(182)	(115)	(29)	(3)	(57)
Tamil Nadu	(12,757)	(5,787)	(4,349)	(7,761)	(12,623)	(11,965)
TANGEDCO	(12,757)	(5,787)	(4,349)	(7,761)	(12,623)	(11,965)
Telangana	(2,513)	(3,380)	(6,202)	(5,485)	(8,019)	(6,057)
TSNPDCL	(1,343)	(1,010)	(1,502)	(1,561)	(3,051)	(1,116)
TSSPDCL	(1,171)	(2,369)	(4,700)	(3,925)	(4,967)	(4,940)
Tripura	(80)	(100)	40	28	21	(91)
TSECL	(80)	(100)	40	28	21	(91)
Uttar Pradesh	(6,474)	(2,522)	(3,322)	(5,002)	(6,032)	(3,792)
DVVNL	(2,036)	(1,493)	(1,578)	(2,258)	(2,567)	(629)
KESCO	(317)	24	319	64	(450)	(231)
MVVNL	(965)	(317)	(727)	(458)	(746)	(660)
PaVVNL	(1,837)	(578)	(468)	(1,517)	(1,290)	(1,068)
PuVVNL	(1,318)	(158)	(867)	(833)	(978)	(1,204)
Uttarakhand	(260)	(95)	(289)	(229)	(553)	(577)
UPCL	(260)	(95)	(289)	(229)	(553)	(577)
West Bengal	20	(5)	(25)	(40)	(45)	567
WBSEDCL	20	(5)	(25)	(40)	(45)	567
Grand Total	(54,558)	(47,526)	(33,894)	(29,452)	(49,623)	(32,898)

Note: Figures in parenthesis indicate losses.
