

GOVERNMENT OF INDIA  
MINISTRY OF POWER  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO.1919**  
ANSWERED ON 14.12.2021

**AMENDMENT IN ELECTRICITY ACT, 2003**

**1919 # DR. KIRODI LAL MEENA:**

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

- (a) whether Government has any plans of making amendments in the Electricity Act, 2003;
- (b) if so, the details thereof;
- (c) whether there is a possibility of adverse impact of these proposed amendments on small domestic consumers and farmers;
- (d) whether there is a possibility of withdrawal of subsidy being given to farmers on electricity bills due to proposed amendments and, if so, the details thereof; and
- (e) whether Government plans to make amendments in Tariff Policy after carrying out these proposed amendments in the said Act?

**A N S W E R**

THE MINISTER OF POWER AND NEW & RENEWABLE ENERGY

(SHRI R.K. SINGH)

**(a) to (c):** The condition of most of the State Government owned Distribution companies is a matter of grave concern. Their AT&C losses at the end of 2019-20 range from an average of 21% to a maximum of 60.16 %. The gap between Average Cost of Supply (ACS) and Average Revenue Realised (ARR) excluding Regulatory Assets and Ujwal DISCOM Assurance Yojana (UDAY) grants averages 60 paise per Unit in 2019-20 and the accumulated losses of all DISCOMs in the country by 2019-20 have risen to Rs.5,07,416 crore. DISCOMs have not been able to pay the Generation Companies for the power procured, and the Outstanding payments to Generation Companies is estimated to be in excess of Rs.1,56,000 crore. The Outstanding dues to Renewable Generators are around 11 months of revenues. Therefore, reforms have been deliberated upon in consultation with the States and all Stakeholders. No final decisions have been arrived at so far.

**(d) & (e):** The State Governments have right to give subsidy to the extent they consider appropriate as per provision of section 65 of the Electricity Act, 2003 and relevant provisions of Tariff Policy. There is no proposal to amend this provision.

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