

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:297  
ANSWERED ON:06.07.2004  
SUBSIDIES TO SEBS  
Rao Shri Sambasiva Rayapati

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

- (a) whether the Government has decided that State Governments will have to bear the bill for providing subsidies to State Electricity Boards and to different sections of consumers from their respective budgets;
- (b) if so, the details thereof;
- (c) whether the Government propose to review the Electricity Act, 2003 for the purpose; and
- (d) if not, other measures being taken by the Government in this regard?

**Answer**

THE MINISTER OF POWER ( SHRI P.M. SAYEED )

(a) to (d) : According to the Electricity Act, 2003, if the State Government requires the grant of any subsidy to any consumer or class of consumers in the tariff determined by the State Electricity Regulatory Commissions (SERCs), the State Government shall pay to the concerned utility the full amount required to compensate the grant of subsidy.

There is no proposal to amend the Electricity Act in this regard. The matter of providing subsidy to a class of consumers comes under the purview of concerned State Government.