

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:843  
ANSWERED ON:13.07.2004  
LOSSES DUE TO PRIVATISATION OF POWER  
Shiwankar Shri Maha Deo Rao

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

- (a) whether the Union Government is aware that the National Capital of Delhi had to suffer heavy losses due to privatization of power distribution;
- (b) if so, the facts thereof and the amount of loss suffered by the Government of Delhi due to privatization of power during the years 2002-03 and 2003-04 along with the reasons therefor;
- (c) whether the Government of Delhi has sought any permission or discussed the matter with the Union Government in this regard; and
- (d) if so, the role played and the future policy of the Union Government in this regard?

**Answer**

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

(a) & (b) : As per information made available by the Government of NCT of Delhi, it is not correct to say that it had to suffer heavy losses due to privatization of distribution system. According to the Transfer Scheme, Distribution Companies were to be provided power commensurate with their paying capacities at the rate fixed by Delhi Electricity Regulatory Commission (DERC). According to this Scheme each Distribution Company is required to meet aggregate technical and commercial loss reduction targets on the year to year basis which have been met by the DISCOMS at the end of second year i.e. 31st March, 2004. An amount of Rs.3450 crores have been earmarked for providing loan to TRANSCO for bridging the gap between power purchase cost and bulk supply tariff. The Transfer Scheme provided that an amount of Rs.1364 crores and 1260 crores respectively shall be made available to the TRANSCO in the first two years and Rs.690 crores in the year 2004-05.

(c) & (d) : Privatization of distribution of electricity comes within the purview of the Government of National Capital Territory of Delhi.