

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

STARRED QUESTION NO:347
ANSWERED ON:21.03.2013
GRANT OF LICENCE UNDER ELECTRICITY ACT
Ganpatrao Shri Jadhav Prataprao;Rama Devi Smt.

Will the Minister of POWER be pleased to state:

- (a) whether as per the Electricity Act, 2003 only one licensee is allowed in one particular area for distribution of electricity;
- (b) if so, the details thereof including the manner in which a competitive environment could be created for the purpose;
- (c) whether the existing provision affects the interests of the consumer;and
- (d) if so, the corrective steps taken/being taken by the Government in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF POWER (SHRI JYOTIRADITYA M. SCINDIA)

(a) to (d) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF STARRED QUESTION NO.347 TO BE ANSWERED IN THE LOK SABHA ON 21.03.2013 REGARDING GRANT OF LICENCE UNDER ELECTRICITY ACT, 2003.

(a) & (b) No, Madam. As per the Electricity Act, 2003, more than one licensee is allowed in one particular area for distribution of electricity as per the sixth proviso to section 14 of the Electricity Act, 2003, which is given at Annexure.

(c) & (d) The provisions of the Electricity Act, 2003, inter-alia, are aimed at development of electricity industry in general and promotion of competition therein and protection of consumers interest. Government of India has framed National Electricity Policy (NEP) and Tariff Policy in furtherance of the provisions of the Electricity Act, 2003 to meet these objectives which include protection of consumers interest.