

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:6165
ANSWERED ON:30.04.2015
POWER TARIFFS
Chowdhury Shri Adhir Ranjan

Will the Minister of POWER be pleased to state:

(a) whether the Government has taken cognizance of increase in power tariffs by several discoms in the country and impact of such hike on the poor people particularly on tribals in the country; and

(b) if so, the reaction of the Government thereto along with the steps taken to control the increase in power tariffs?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, COAL AND NEW & RENEWABLE ENERGY (SHRI PIYUSH GOYAL)

(a) : The Central Government has no specific information regarding electricity tariff proposed to be increased by several Discoms in the country, as tariff of distribution companies is determined by the State Electricity Regulatory Commissions (SERCs)/ Joint Electricity Regulatory Commissions (JERCs) based on the principles enunciated under the Electricity Act, 2003 and policies framed thereunder. The State Governments can give subsidy to the extent they consider appropriate as per the provisions of Section 65 of the Electricity Act, 2003 as well as Clause 8.3 of the Tariff Policy. There is no provision for direct regulation of the electricity tariff by the Central Government.

(b): Through appropriate policy framework and programmes, the Government is promoting efficiency in generation, transmission and distribution business and also supporting strengthening of the distribution and transmission infrastructure, with a view to reducing the Aggregate Technical and Commercial (AT&C) losses. These measures, along with the Government's emphasis on discovery of tariff through competitive bidding, contribute towards lowering of tariff rates.