

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

STARRED QUESTION NO:343
ANSWERED ON:10.08.2017
Outstanding Debt of DISCOMS
Shrirang Shri Chandu Barne;Yadav Shri Dharmendra

Will the Minister of POWER be pleased to state:

- (a) whether the accumulated losses and the outstanding debt of DISCOMS are increasing in spite of increase in capacity of generation of power;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether it is a fact that two previous attempts to bail out the DISCOMS have failed; and
- (d) if so, the details thereof and the reasons therefor?

Answer

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

(SHRI PIYUSH GOYAL)

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

STATEMENT

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF STARRED QUESTION NO.343 TO BE ANSWERED IN THE LOK SABHA ON 10.08.2017 REGARDING OUTSTANDING DEBT OF DISCOMS.

(a) & (b) : As per 'Report on Performance of State Power Utilities' published by Power Finance Corporation Limited (PFC), the accumulated losses and outstanding debt of DISCOMs have increased from Rs.2,53,700 Crore and Rs.3,04,228 Crore respectively from the year 2012-13 to Rs.3,60,736 crore and Rs.4,06,825 crore respectively in the year 2014-15.

However, Since launch of Ujwal DISCOM Assurance Yojana (UDAY) in November 2015, the participating states have provisionally reported reduction in annual losses by approximately Rs.11,000 crore from 2015-16 to 2016-17.

The generation capacity from all conventional sources has increased by 99209.5 MW in the period 2012-13 to 2016-17. However, there is no established correlation between DISCOMs losses/debt with Generation capacity.

(c) & (d) : Previous attempts at addressing DISCOM's adverse financial position were limited, as the DISCOMs could not achieve financial and operational turnaround. Accumulated loss and debt kept on increasing due to several reasons which includes limitations of the scheme, limited participation of States and unsustainable operations of DISCOMs.
