11

STANDING COMMITTEE ON ENERGY

(2025-26)

EIGHTEENTH LOK SABHA

MINISTRY OF POWER

DEMANDS FOR GRANTS
(2026-27)

ELEVENTH REPORT

सत्यमेव जयते

LOK SABHA SECRETARIAT
NEW DELHI

March, 2026/ Phalguna, 1947 (Saka)

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MINISTRY OF POWER

DEMANDS FOR GRANTS
(2026-27)

Presented to Lok Sabha on 12th March, 2026

Laid in Rajya Sabha on 12th March, 2026

LOK SABHA SECRETARIAT
NEW DELHI

March, 2026/Phalguna, 1947 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON ENERGY (2025-26)

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2. Shri Shyamkumar Daulat Barve
3. Shri Jagadish Chandra Barma Basunia
4. Shri Devusinh Chauhan
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RAJYA SABHA

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28. Shri Harsh Mahajan
29. Smt. Mamata Mohanta
30. Shri Rajeev Shukla
31. Shri P. Wilson

SECRETARIAT

1.	Shri Atul Anand	Joint Secretary
2.	Shri Kulmohan Singh Arora	Director
3.	Shri Ajitesh Singh	Deputy Secretary
4.	Ms. Deepika	Under Secretary

INTRODUCTION

I, the Chairperson, Standing Committee on Energy having been authorized by the Committee to present the Report on their behalf, present this Eleventh Report of the Committee on 'Demands for Grants (2026-27) of the Ministry of Power'.

2. The Committee took oral evidence of representatives of the Ministry of Power on 23rd February, 2026. The Committee wish to express their thanks to the representatives of the Ministry and concerned Organizations for appearing before the Committee for evidence and furnishing the information desired by the Committee in connection with the issues relating to the subject.

3. The Report was considered and adopted by the Committee at their sitting held on 10th March, 2026.

4. The Committee place on record their appreciation of the assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

5. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in Part-II of the Report.

New Delhi
10th March, 2026
19 Phalguna, 1947 (Saka)

Shrirang Appa Barne
Chairperson,
Standing Committee on Energy

LIST OF ABBREVIATIONS	
ACS	Average Cost of Supply
ADEETIE	Assistance in Deploying Energy Efficient Technologies in Industries & Establishment
ADMS	Advanced Distribution Management System
AHP	Ash Handling Plants
AMISP	Advanced Metering Infrastructure Service Provider
ARR	Average Revenue Realized
AT&C	Aggregated Transmission and Commercial
AUSC	Advanced Ultra Supercritical
BE	Budgetary Estimates
BEE	Bureau of Energy Efficiency
BESCOM	Bangalore Electricity Supply Company Limited
BESPA	Battery Energy Storage Purchase Agreement
BESS	Battery Energy Storage System
BHEL	Bharat Heavy Electricals Limited
BIS	Bureau of Indian Standards
BoP	Balance of Plants
BoV	Battery Operated Vehicle
BU	Billion Units
BUR	Biennial Update Report
CAG	Comptroller and Auditor General
CAPEX	Capital Expenditure
CCUS	Carbon Capture, Utilization and Storage
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CFA	Central Financial Assistance
CHP	Coal Handling Plants
cKm.	Circuit Kilometers
CoD	Commercial Operations Date
CPRI	Central Power Research Institute
CPSEs	Central Public Sector Enterprises
CPSUs	Central Public Sector Undertakings
CRGO	Cold Rolled Grain Oriented
CSIRT	Computer Security Incident Response Team
CSS	Centrally Sponsored Scheme
CTU	Central Transmission Utility
CVPPL	Chenab Valley Power Project Private Limited
DAJGUA	Dharti Aaba Janjatiya Gram Utkarsh Abhiyan
DBFOT	Design-Build-Finance-Operate-Transfer
DDF	Direct Debit Facility
DDUGJY	Deendayal Upadhyaya Gram Jyoti Yojana
DHBVNL	Dakshin Haryana Bijli Vitran Nigam Limited
DISCOM	Distribution Company
DPR	Detailed Project Report

DSM	Demand Side Management
DT	Distribution Transformer
DVC	Damodar Valley Corporation
DVVNL	Dakshinanchal Vidyut Vitran Nigam Limited
EAP	Externally Aided Project
EBR	Extra Budgetary Resources
ECSBC	Energy Conservation and Sustainable Building code
EFC	Expenditure Finance Committee
EoI	Expression of Interest
EPC	Engineering, Procurement and Construction
ERP	Enterprise Resource Planning
FCEV	Fuel Cell Electric Vehicle
FGD	Flue-gas Desulfurization
FPPCA	Fuel and Power Purchase Cost Adjustment
FY	Financial Year
GBS	Gross Budgetary Support
GCIL	Grid Controller of India Limited
GEF	Global Environment Facility
GIB	Great Indian Bustard
GoI	Government of India
GRID INDIA	Grid Controller of India Limited
GSDP	Gross State Domestic Product
GW	Gigawatt
GWh	Gigawatt Hours
HEP	Hydro Electric Project
HH	Households
HPSEBL	Himachal Pradesh State Electricity Board Limited
HRT	Head Race Tunnel
HVDC	High Voltage Direct Current
ICT	Information and Communication Technology
IEBR	Internal and Extra Budgetary Resources
IGEA	Investment Grade Energy Auditor
INDC	Intended Nationally Determined Contributions
IoT	Internet of Things
IPDS	Integrated Power Development Scheme
JDVVNL	Jodhpur Vidyut Vitran Nigam Limited
JBVNL	Jharkhand Bijli Vitran Nigam Limited
JERC	Joint Electricity Regulatory Commission
JV	Joint Venture
KESCO	Kanpur Electricity Supply Company Limited
KGBV	Kasturba Gandhi Balika Vidyalaya
KPI	Key Performance Indicator
kV	Kilo Volt
kWh	Kilowatt Hour
LoA	Letter of Award

L&T	Larsen & Toubro
MMTPA	Million Metric Tonnes Per Annum
MNRE	Ministry of New and Renewable Energy
MoP	Ministry of Power
MoU	Memorandum of Understanding
MPP	Multi-Purpose Project
MSEDCL	Maharashtra State Electricity Distribution Company Limited
MSME	Micro, Small and Medium Enterprises
MToE	Million Tonnes of Oil Equivalent
MU	Million Unit
MVA	Megavolt Amperes
MVVNL	Madhyanchal Vidyut Vitran Nigam Limited
MW	Mega Watt
MWh	Megawatt Hour
NCLT	National Company Law Tribunal
NEEPCO	North Eastern Electric Power Corporation Limited
NER	North Eastern Region
NERPSIP	North Eastern Region Power System Improvement Project
NHPC	*erstwhile* National Hydro Power Corporation Limited
NLDC	National Load Despatch Centre
NMEEE	National Mission for Enhanced Energy Efficiency
NPTI	National Power Training Institute
NSGM	National Smart Grid Mission
NTPC	*erstwhile* National Thermal Power Corporation Limited
NVVN	NTPC Vidyut Vyapar Nigam Limited
PD	Power Department
PEV	Plug-in Electric Vehicle
PFC	Power Finance Corporation
PGCIL	Power Grid Corporation of India Limited
PHEV	Plug-in Hybrid Electric Vehicle
PM-AJAY	Pradhan Mantri Anusuchit Jaati Abhyuday Yojana
PM-JANMAN	Pradhan Mantri Janjati Adivasi Nyaya Maha Abhiyan
PMDP	Prime Minister Development Package
PMRP	Prime Minister's Reconstruction Plan
PPP	Public Private Partnership
PSDF	Power System Development Fund
PSP	Pumped Storage Project
PSPCL	Punjab State Power Corporation Limited
PUVVNL	Purvanchal Vidyut Vitaran Nigam Limited
PVTG	Particularly Vulnerable Tribal Groups
R-APDRP	Restructured Accelerated Power Development and Reforms Programme
R&D	Research and Development
RAP	Resource Adequacy Plan
RAS	Resource Adequacy Studies
RDSS	Revamped Distribution Sector Scheme

RE	Revised Estimates
REC	*erstwhile* Rural Electrification Corporation
REMC	Renewable Energy Management Centers
RES	Renewable Energy Sources
RFP	Request for Proposal
RF AREA	Reserved Forest Area
RGGVY	Rajiv Gandhi Grameen Vidyutikaran Yojana
RLDC	Regional Load Despatch Centre
RLDS	Reform Linked Distribution Scheme
RoW	Right of Way
SAUBHAGYA	Pradhan Mantri Sahaj Bijli Har Ghar Yojana
SC	Scheduled Castes
SCADA	Supervisory Control and Data Acquisition
SCSP	Scheduled Caste Sub-Plan
SDA	State Designated Agency
SECF	State Energy Conservation Fund
SECI	Solar Energy Corporation of India
SEEAP	State Energy Efficiency Action Plans
SHEV	Strong Hybrid Electric Vehicle
SJVNL	*erstwhile* Satluj Jal Vidyut Nigam Limited
SMEs	Small and Medium Enterprises
SoPs	Standard Operating Procedures
ST	Scheduled Tribes
TASP	Tribal Area Sub-Plan
T&D	Transmission and Distribution
THDC	*erstwhile* Tehri Hydro Development Corporation
TOTEX	Total Expenditure
TPD	Tonne per Day
TPQMA	Third-Party Quality Monitoring Agency
TSA	Treasury Single Account
TSECL	Tripura State Electricity Corporation Limited
Twh	Terawatt Hours
UHBVNL	Uttar Haryana Bijli Vitran Nigam Limited
ULB	Urban Local Bodies
UNDP	United Nations Development Programme
UNNATEE	Unlocking NATional Energy Efficiency potential
UPCL	Uttarakhand Power Corporation Limited
USF	Unclassified State Forest
UTs	Union Territories
VGF	Viability Gap Funding
VVP	Vibrant Village Programme
WBSEDCL	West Bengal State Electricity Distribution Company Limited

PART-I
NARRATION ANALYSIS

CHAPTER – I
INTRODUCTORY

1.1 Rule 331E(1)(a) of the Rules of Procedure and Conduct of Business in Lok Sabha states that each of the Departmentally Related Standing Committees shall consider the Demands for Grants of the concerned Ministries/Departments and make a report on the same to the Houses. Accordingly, this Committee examined the Demands for Grants of the Ministry of Power (Demand No. 79) for the year 2026-27 in detail and prepared this Report.

1.2 Electricity is a concurrent subject at Entry 38 in List III of Seventh Schedule of the Constitution of India. As per the Government of India (Allocation of Business) Rules, 1961; the main items of work dealt with by the Ministry of Power are given below:

i) General Policy in the electric power sector and issues relating to energy policy and coordination thereof. (Details of short, medium and long-term policies in terms of formulation, acceptance, implementation and review of such policies, cutting across sectors, fuels, regions and intra-country and inter-country flows);
ii) All matters relating to hydro-electric power (except small/mini/micro hydel projects of and below 25 MW capacity), thermal power and transmission and distribution system network;
iii) Research, development and technical assistance relating to hydro-electric and thermal power, transmission system network and distribution systems in the States/UTs;
iv) Administration of the Electricity Act, 2003 (36 of 2003), the Energy Conservation Act, 2001 (52 of 2001), the Damodar Valley Corporation Act, 1948 (14 of 1948) and the Bhakra Beas Management Board as provided in the Punjab Reorganization Act, 1966 (31 of 1966);
v) All matters relating to Central Electricity Authority, Central Electricity Board and Central Electricity Regulatory Commission;
vi) (a) Rural Electrification;
    (b) Power schemes and issues relating to power supply/development schemes/programmes/decentralized and distributed generation in the States and Union Territories;
vii) Matters relating to the following Undertakings/Organizations:

(a) The Damodar Valley Corporation;
(b) The Bhakra Beas Management Board (except matters relating to irrigation);
(c) National Thermal Power Corporation Limited;
(d) National Hydro-electric Power Corporation Limited;
(e) Rural Electrification Corporation Limited;
(f) North Eastern Electric Power Corporation Limited;
(g) Power Grid Corporation of India Limited;
(h) Power Finance Corporation Limited;
(i) Tehri Hydro Development Corporation (THDC India Limited);
(j) Nathpa Jhakri Power Corporation (SJVN Limited);
(k) Central Power Research Institute;
(l) National Power Training Institute;
(m) Bureau of Energy Efficiency;
(n) Power Trading Corporation of India Limited;
(o) Narmada Hydro Development Corporation (Joint Venture).

viii) All matters concerning energy conservation and energy efficiency pertaining to Power Sector.

1.3 All India installed generation capacity as on 31.12.2025, as furnished by the Ministry, is given below:

(in MW)

Sector	Mode wise breakup									Grand Total
	Thermal					Nuclear	Renewable			
	Coal	Lignite	Gas	Diesel	Total		Hydro	RES	Total	
State	73387.50	1150.00	6961.01	280.31	81778.82	0.00	27524.94	2654.48	30179.42	111958.24
Private	72992.50	1830.00	5923.50	308.89	81054.89	0.00	5851.00	195144.00	200995.00	282049.89
Central	73230.00	3640.00	7237.91	0.00	84107.91	8780.00	17538.72	9294.94	26833.66	119721.57
Total	219610.00	6620.00	20122.42	589.20	246941.62	8780.00	50914.66	207093.42	258008.08	513729.70

CHAPTER – II
ANALYSIS OF DEMANDS FOR GRANTS (2026-27) OF THE MINISTRY OF POWER

2.1 The Demands for Grants of the Ministry of Power (Demand No. 79) was laid in Lok Sabha on 5th February, 2026. The provisions made in the Revenue and Capital Heads of the demand are as under:

(in Rs. Crores)

	Revenue	Capital	Total
Gross	30853.45	361.02	31214.47
Recoveries	-1217.62	---	-1217.62
Receipts	---	---	---
Net	29635.83	361.02	29996.85

2.2 The details of funds demanded by the Ministry of Power *vis-à-vis* the funds allocated by the Government, as furnished by the Ministry, are given below:

(in Rs. Crores)

S. No.	Name of the Scheme	Proposed BE (2026-27)	Actual BE (2026-27)
Central Sector Schemes (A)			
1	Reform Linked Distribution scheme	23000.00	18000.00
2	Strengthening of Transmission System in Arunachal Pradesh & Sikkim	950.00	800.00
3	Power System improvement in North Eastern States excluding Arunachal Pradesh and Sikkim	1.00	1.00
4	Power System Development Fund	1497.00	1102.62
5	Interest Subsidy to National Electricity Fund	168.10	168.10
6	Scheme for promoting Energy Efficiency activities in different sectors of Indian Economy	40.00	40.00
7	Energy Conservation	17.75	17.75
8	Green Energy Corridors	0.01	0.01
9	Viability Gap Funding for development of Battery Energy Storage Systems	1000.00	1000.00
10	Energy Efficiency Financing Facility-ADEETIE (Assistance in Deploying Energy Efficient Technologies in Industries & Establishment)	100.00	50.00
11	Support for equity participation-Hydro Electric Projects in NER	0.01	0.01
12	Carbon Capture, Utilization and Storage Scheme	0.00	500.00
Total - Central Sector Schemes		**26773.87**	**21679.49**
Other Central Sector Expenditure (B)			
13	GoI fully serviced bond issue expenditure and interest (REC Bonds)	1944.58	1944.58

14	Central Assistance for Pakal Dul HEP under J&K PMDP 2015 Project as grant to Chenab Valley Power Projects Private Limited (CVPPL)	0.01	0.01
15	GoI fully serviced bond issue expenditure and interest (PFC Bonds)	5376.40	5376.40
16	Central Power Research Institute (CPRI)	250.00	165.00
17	Manufacturing Zones under Atmanirbhar Bharat Package	100.00	40.00
18	Reimbursement of Claim for any expenditure already incurred by NTPC on Lohari Nagpala Hydro Power Project	80.00	80.00
19	Grant towards cost of Down Stream protection work of Subansiri Lower Project (NHPC)	0.00	0.00
20	National Power Training Institute (NPTI)	50.00	45.00
21	Payment pertaining to International Arbitration Case	5.00	5.00
22	Advance Ultra Super Critical Plant	0.01	0.01
23	Support for cost of enabling infrastructure i.e. roads/bridges	100.00	50.00
24	Support for Flood Moderation Storage-Hydroelectric Projects	300.00	300.00
Total - Other Central Sector Expenditure		**8206.00**	**8006.00**
Establishment Expenditure (C)			
25	Secretariat-Economic Services	89.06	79.56
26	Central Electricity Authority	175.00	164.80
27	Appellate Tribunal for Electricity	52.00	47.00
28	Setting up of JERC for UT's & Goa except Delhi (including J&K & UT of Ladakh)	42.50	20.00
29	Central Electricity Regulatory Commission	115.00	115.00
30	Less – Amount met from CERC Fund	-115.00	-115.00
Total - Establishment Expenditure		**358.56**	**311.36**
Grand Total (A) + (B) + (C)		**35338.43**	**29996.85**

2.3 Out of the total Union Budget (2026-27) of Rs. 53,47,314.81 crores, an amount of Rs. 29,996.85 crores have been allocated to the Ministry of Power which is 0.56% of the total Budget. The details of the budgetary allocation for other related Ministries, as furnished by the Ministry of Power, are given below:

S. No.	Ministry	Budget (2026-27) *(in Rs. Crores)*	% of the total Budget
1	MNRE	32,914.67	0.62
2	Coal	3,635.32	0.01
3	Ports, Shipping and Waterways	5,164.80	0.09
4	Atomic Energy	24,123.92	0.45
5	MSME	24,566.27	0.46

2.4 The targets regarding Internal & Extra Budgetary Resources (IEBR) for CPSEs of the Ministry of Power for the financial year 2026-27, as furnished by the Ministry, are given below:

(in Rs. Crores)

S. No.	Name of CPSEs	IEBR Target for 2026-27
1	NTPC	31000.00
2	PGCIL	37000.00
3	NHPC	14323.49
4	SJVNL	9416.00
5	THDCIL	2385.05
6	NEEPCO	1959.37
7	DVC	5553.00
8	GRID INDIA	126.00
Total		**101762.91**

2.5 About the scheduled Capacity Addition Targets for the year 2026-27, the Ministry stated that the targets for FY 2026-27 will be worked out in the Month of April 2026.

2.6 On being asked whether the allocation made for FY 2026-27 would be sufficient to meet the requirement of the physical targets under various Schemes/ Programmes, the Ministry stated the following:

> "The allocation made for 2026-27 for the Ministry of Power is Rs. 29,996.85 crores which is lesser than projected by MoP i.e. Rs. 35,338.43 crores.
>
> However, if the physical targets require more funds due to unforeseen circumstances, the Ministry may try to mobilize additional funds through the following ways:
>
> **Reallocation of funds within the Ministry**: The Ministry may reallocate funds from other programmes where the physical targets are not up to the desired level to critical programmes, as per requirement.
>
> **RE/Supplementary Grants**: The Ministry may request for additional funds at RE/Supplementary grants stage to meet the shortfall in funds."

2.7 When asked about the new initiatives including new Schemes/Programmes proposed to be started during the financial year 2026-27, the Ministry furnished the following:

"**Carbon Capture, Utilization and Storage Mission**: Ministry of Power has initiated the process of creation of Carbon Capture Utilization and Storage Mission. For this purpose, a Committee was constituted on 02.08.2024, under the Chairmanship of Chairperson, CEA, to prepare a concept note on creation of Mission on Carbon Capture, Utilization and Storage (CCUS). The Concept note on creation of Mission on CCUS has been prepared in consultation with relevant Ministries/Departments.

The CCUS Mission is designed to address carbon emissions from five major industrial sectors-Power, Steel, Cement, Refineries, and Chemicals-which are among the largest contributors to CO_2 emissions in India. The Mission aims to achieve technology learning and readiness at scale over a period of six years, with a total investment of Rs. 38,900 crores, of which Rs. 19,970 crores are proposed as Government contribution.

It is envisaged that a total of at least 7 MMTPA (Million Metric Tonnes Per Annum) Carbon Capture Capacity will be established in the country.

The CCUS Mission is under the process of creation.

For this scheme, Rs. 500 crores have been allocated to this Ministry for FY 2026-27."

2.8 Explaining about the Carbon Capture, Utilization and Storage Mission, the Ministry stated the following:

"Considering the CCUS technologies being still in the nascent stage in India compared to other developed and developing countries, the main aim of the CCUS Mission is Technology learning and readiness at scale. Under the CCUS Mission, projects have been proposed taking into account the development of each technology area viz. capture, storage and utilization. The Mission is initially proposed for a duration of 6 years. The projects are categorized into three categories viz. R&D, Pilot and Sizeable. Implementation of the Mission is expected to create a large-scale ecosystem for Carbon Capture, Storage and Utilization in the country.

Further, it is also mentioned here that the growing industrial economy emits emissions that are hard to abate and will continue to increase unless new technologies and carbon abatement mechanisms are deployed. While renewable energy capacity is continuously increasing, India will continue to be dependent on fossil energy sources like coal for a long time to support the domestic industry and to meet the requirements of affordable and reliable base load power. Therefore, India's low carbon pathway has to embrace technologies which will abate emissions from the hard to abate industries/ sectors. The role of CCUS becomes important as a reduction strategy to achieve these low carbon pathways."

2.9 On being asked whether any pilot project has been set up to demonstrate Carbon Capture Utilization and Storage (CCUS) technologies, the Ministry submitted the following:

> "With regard to CCUS in Power Sector, it is informed that two pilot projects for CO_2 capture and utilization have been taken up by NTPC Limited, a CPSE under the administrative control of MoP, the details are as under:
>
> a) 20 TPD (Tonne per Day) CO_2 capture from thermal power plant flue gases and conversion to Methanol (10 TPD) at NTPC Vindhyachal in Madhya Pradesh has been commissioned.
>
> b) 25 TPD (Tonne per Day) CO_2 capture from thermal power plant flue gases at NTPC Simhadri and conversion to 4G Ethanol (10 TPD) at Pudimadaka in Andhra Pradesh is under construction."

CHAPTER – III
ANALYSIS OF PAST PERFORMANCE OF THE MINISTRY

3.1 The details of the demands posted by the Ministry of Power and the funds allocated by the Government, as furnished by the Ministry, are given below:

(in Rs. Crores)

S. No.	Financial Year	BE sought by Ministry of Power	BE sanctioned to Ministry of Power
1	2021-22	29658.86	15322.00
2	2022-23	24049.99	16074.74
3	2023-24	25280.89	20671.32
4	2024-25	26091.62	20502.00
5	2025-26	35877.88	21847.00

3.2 The details regarding Budgetary Estimates (BE), Revised Estimates (RE) and the Actual Expenditure during the last five years, as furnished by the Ministry, are given below:

(in Rs. Crores)

Financial Year	Budget Estimate (BE)	Revised Estimate (RE)	Actual Expenditure	Expenditure (% of RE)
2021-22	15322.00	18416.26	17950.96	97.47
2022-23	16074.74	13106.58	9494.07	72.44
2023-24	20671.32	17635.00	16720.93	94.82
2024-25	20502.00	19845.00	19713.78	99.34
2025-26	21847.00	21587.66	19088.33 *(upto 20.02.2026)*	88.42

3.3 The Scheme-wise details of Budgetary Estimates (BE), Revised Estimates (RE) and the Actual Expenditure, as furnished by the Ministry, are given below:

(in Rs. Crores)

S. No.	Name of the Scheme	Budget Estimate (2025-26)	Revised Estimate (2025-26)	Released (upto 20th February, 2026)	Utilization % of RE (2025-26)
1	Reform Linked Distribution Scheme including PM-JANMAN and Dharti Aaba Janjatiya Gram Utkarsh Abhiyan	16021.00	15671.00	14752.48	94.14
2	Strengthening of Transmission System in Arunachal Pradesh & Sikkim	0.01	712.54	640.00	89.82
3	Power System improvement in North Eastern States excluding Arunachal Pradesh and Sikkim	600.00	295.00	200.00	67.80
4	Power System Development Fund	1100.08	1099.58	751.43	68.34

5	Interest Subsidy to National Electricity Fund	250.00	186.77	0.00	0.00
6	Scheme for promoting Energy Efficiency activities in different sectors of Indian Economy	40.00	35.00	30.00	85.71
7	Energy Conservation	44.35	40.00	25.90	64.75
8	Green Energy Corridors	0.01	0.01	0.00	0.00
9	Viability Gap Funding for development of Battery Energy Storage Systems	200.00	100.00	99.42	99.42
10	Energy Efficiency Financing Facility-ADEETIE	72.00	15.00	0.00	0.00
11	Carbon Capture Utilization and Storage System	0.00	0.00	0.00	0.00
12	Support for equity participation - Hydro Electric Project in NER	0.01	0.01	0.00	0.00
13	GoI fully serviced bond - issue expenditure and interest (REC Bonds)	1943.59	1944.58	1338.82	68.85
14	GoI fully serviced bond - issue expenditure and interest (PFC Bonds)	376.40	376.40	299.53	79.58
15	Reimbursement of Claim for any expenditure already incurred by NTPC on Lohari Nagpala Hydro Power Project	80.12	94.38	79.17	83.88
16	Central Assistance for Pakal Dul HEP under J&K PMDP 2015 Project as grant to Chenab Valley Power Projects Private Limited (CVPPL)	300.00	303.61	300.00	98.81
17	Central Power Research Institute	80.00	90.00	76.07	84.52
18	Manufacturing Zones under Atmanirbhar Bharat Package	20.00	0.00	0.00	0.00
19	Grant towards cost of Down Stream protection work of Subansiri Lower Project (NHPC)	13.00	13.21	12.24	92.66
20	National Power Training Institute	50.00	40.00	37.00	92.50
21	Payment pertaining to International Arbitration Case	5.00	3.00	0.10	3.33
22	Support for Flood moderation storage Hydro Electric Projects	299.20	220.00	220.00	100.00
23	Support for cost of enabling infrastructure i.e. roads/bridges	50.00	50.00	1.63	3.26
24	Advanced Ultra Super Critical Plants	0.01	0.01	0.00	0.00
25	Establishment Expenditure	302.22	297.56	224.54	75.46
Total		**21847.00**	**21587.66**	**19088.33**	**88.42**

3.4 The details of CAPEX achievements vis-à-vis targets of CPSEs of the Ministry of Power, as furnished by the Ministry, are given below:

Year	BE	RE	Actual Expenditure	Actual (% *w.r.t.* RE)
2021-22	50690.52	49006.30	48135.05	98.22
2022-23	51470.14	52878.08	57384.00	108.52
2023-24	60805.22	59119.55	55049.80	93.12
2024-25	67286.01	70709.65	75996.43	107.48
2025-26	85838.48	85525.32	84886.57 (upto 31.01.2026)	99.25

3.5 The details of targets and achievement regarding IEBR of CPSEs of the Ministry of Power, as furnished by the Ministry, are given below:

(in Rs. Crores)

Sr. No.	Name of CPSEs	F.Y. 2023-24			F.Y. 2024-25			F.Y. 2025-26		
		BE	RE	Actual	BE	RE	Actual	BE	RE	Actual *(as on 31.01.2026)*
1	NTPC	22454.00	22454.00	19443.53	22700.00	22700.00	23336.03	26000.00	29000.00	34656.88
2	PGCIL	8800.00	8800.00	11219.00	12250.00	20000.00	24630.00	25000.00	28000.00	29415.00
3	NHPC	10857.22	9006.31	7975.12	11193.19	10394.00	10541.04	13000.00	12478.32	10128.26
4	SJVNL	10000.00	10000.00	7581.53	12000.00	7000.00	7705.94	12000.00	7500.00	5117.73
5	THDCIL	3900.41	4877.22	5168.68	3440.96	5814.35	5368.93	3543.65	3543.00	2016.92
6	NEEPCO	2018.59	1150.02	1133.77	1841.18	1387.00	960.35	2600.00	1500.00	1141.42
7	DVC	2708.00	2708.09	2370.95	3262.00	3116.30	3116.30	3394.83	3394.00	2339.22
8	GCIL	67.00	124.00	157.22	30.00	298.00	337.84	300.00	110.00	71.14
Total		**60805.22**	**59119.64**	**55049.80**	**66717.33**	**70709.65**	**75996.43**	**85838.48**	**85525.32**	**84886.57**

3.6 When the Committee desired to know about the reasons for variation between Budgetary Estimates, Revised Estimates and the Actual Expenditure, the Ministry submitted as under:

> "The reasons for variation between BE/RE and Actual Utilization in respect of Gross Budgetary Support (GBS) component are as follows:
> **2021-22:** During the year 2021-22, against the allocation of ₹15322.00 crore in BE, allocation was enhanced to ₹18416.26 crore at RE/final supplementary stage, due to requirement of additional funds for DDUGJY/ IPDS schemes, being the sunset year. The actual expenditure was ₹17950.95 crore which is 97.47 % of RE. So, there is no short fall in expenditure as such.
> **2022-23:** In FY 2022-23, Budget allocation was ₹16074.74 crore in BE. At RE 2022-23, budget allocation was ₹13106.58 crore. The actual expenditure incurred was ₹ 9312.98 crore which is 71.06% of RE. Actual expenditure was less due to delay in receipt of Detailed Project Reports (DPRs) from State Distribution Companies (DISCOMs)/Power Departments and delay in award of sanctioned works by the DISCOMs. With the implementation of newly

introduced Treasury Single Account (TSA) module in FY 2022-23, the unspent balances lying with DISCOMs/Power Departments after 31st March of that financial year reverted to Consolidated Fund of India Account, so no unspent left with DISCOMs.

2023-24: In FY 2023-24, Budget allocation was ₹20671.32 crore in BE. At RE 2023-24, budget allocation was ₹17635.00 crore. The actual expenditure incurred was ₹ 16720.92 crore which is 94.82% of RE. Actual expenditure was less due to delay in getting possession of new office of Central Electricity Regulatory Authority (CERC), non-award of township package, delay in award and new norms for procurement in NER schemes etc. Further, Under Reform Linked Distribution Scheme (RLDS), Deen Dayal Upadhyaya Gram Jyoti Yojna (DDUGJY), Saubhagya etc., the unspent balances lying with DISCOMs/Power Departments after 31st March of that financial year reverted to Consolidated Fund of India Account, so no interest loss to Government of India.

2024-25: In FY 2024-25, Budget allocation was ₹20502 crore in BE. At RE 2024-25, budget allocation is ₹19845.00 crore. The actual expenditure incurred was ₹ 19713.78 crore which is 99.33% of RE.

2025-26: In FY 2025-26, Budget allocation was ₹21845 crore in BE. At RE 2025-26, budget allocation is ₹21587.66 crore. The expenditure incurred upto 09.02.2026 is ₹ 16302.37 crore."

3.7 The Ministry furnished the following details regarding quarter-wise utilization of budgetary allocations:

(in Rs. Crores)

FY (Allocation)		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
2021-22 (15322.00-BE) (18416.26-RE)	Actuals (₹)	1728.45	2790.49	3693.63	9738.38	17950.95
	Percentage against RE	11.28	18.21	24.10	52.87	97.47
2022-23 (16074.74-BE) (13106.58-RE)	Actuals (₹)	1411.40	4005.93	3248.10	647.55	9312.98
	Percentage against RE	10.77	30.56	24.78	4.94	71.06
2023-24 (20671.32-BE) (17635.00-RE)	Actuals (₹)	4929.84	2789.69	2541.88	6459.51	16720.92
	Percentage against RE	27.95	15.82	14.41	36.63	94.82
2024-25 (20502.00-BE) (19845.00-RE)	Actuals (₹)	2826.55	9280.70	3023.90	4582.63	19713.78
	Percentage against RE	14.24	46.77	15.24	23.09	99.34
2025-26 (21847.00-BE) (21587.66-RE)	Actuals (₹)	3537.27	7727.90	3876.93	802.24 *(upto 31.01.2026)*	15944.34 *(upto 31.01.2026)*
	Percentage against RE	16.39	35.80	17.96	3.72	73.86

3.8 When the Committee asked about the reasons for deviation in quarterly spending, the Ministry stated as under:

> "The progress of expenditure/release of scheme funds depends on various factors such as the time of receipt of proposals for release of funds, availability of utilization certificates which are due for the funds released in the past, position regarding unspent balances at the time of receipt of proposals, completion of the process of appraisal and approval of investment proposals. These factors are not always possible to be anticipated in advance."

3.9 The details regarding scheduled capacity addition targets and achievements, as furnished by the Ministry, are given below:

(All figures in MW)

Sector	Thermal		Hydro		Nuclear		Total	
	Scheduled	**Ach.**	**Scheduled**	**Ach.**	**Scheduled**	**Ach.**	**Scheduled**	**Ach.**
2020-21								
Central	5790	4080	300	300	0	0	6090	4380
State	4276.15	846.15	111	111	0	0	4387.15	957.15
Private	525	0	195	99	0	0	720	99
Total	**10591.15**	**4926.15**	**606**	**510**	**0**	**0**	**11197.15**	**5436.15**
2021-22								
Central	5400	2370	0.0	0	700	0	6100	2370
State	4360	1590	100	0	0	0	4460	1590
Private	525	525	393	393	0	0	918	918
Total	**10285**	**4485**	**493**	**393**	**700**	**0**	**11478**	**4878**
2022-23								
Central	3580	660	810	0	700	0	5090	660
State	2770	800	220	120	0	0	2990	920
Private	0	0	50	0	0	0	50	0
Total	**6350**	**1460**	**1080**	**120**	**700**	**0**	**8130**	**1580**
2023-24								
Central	6880	2920	560	60	1400	1400	10340	4380
State	7820	2120	100	0	0	0	7920	2120
Private	0	364	0	0	0	0	720	364
Total	**14700**	**5404**	**660**	**60**	**1400**	**1400**	**18980**	**6864**
2024-25								
Central	6740	1320	1800	600	1200	0	9740	1920
State	8620	3150	320	200	0	0	8940	3350
Private	0	60	1200	0	0	0	1200	60
Total	**15360**	**4530**	**3320**	**800**	**1200**	**0**	**19880**	**5330**
2025-26 (upto 31.01.2026)								
Central	6220	4100	2570	1450	2900	700	11690	6250
State	6640	3060	715	0	0	0	7355	3060
Private	0	1650	1920	1920	0	0	1920	3570
Total	**12860**	**8810**	**5205**	**3370**	**2900**	**700**	**20965**	**12880**

3.10 Further, the details regarding targets and achievements in respect of Transmission Lines and Transformation Capacity, as furnished by the Ministry, are given below:

Transmission Lines (of 220 kV & above voltage level) (in ckm)								
FY	**Central Sector**		**State Sector**		**Private Sector**		**Total**	
	Target	**Ach.**	**Target**	**Ach.**	**Target**	**Ach.**	**Target**	**Ach.**
2020-21	5889	7166	7964	7657	1938	1927	**15791**	**16750**
2021-22	3471	4676	12260	8939	3524	1280	**19255**	**14895**
2022-23	4035	3926	8661	6816	1885	3883	**14581**	**14625**
2023-24	2742	3938	11002	6993	2938	3272	**16682**	**14203**
2024-25	5413	2586	8254	4761	1586	1483	**15253**	**8830**
2025-26 *(As on 31-01-2026)*	5385	3187	6780	3276	3217	929	**15382**	**7392**
Transformation Capacity (of 220 kV & above voltage level) (in MVA)								
2020-21	23870	21330	35970	32035	3210	4210	**63050**	**57575**
2021-22	34075	39575	39470	38407	8000	1000	**81545**	**78982**
2022-23	36195	30370	37764	40532	5000	5000	**78959**	**75902**
2023-24	23590	19720	44199	36008	10320	15000	**78109**	**70728**
2024-25	51645	32460	43970	38268	16820	15705	**112435**	**86433**
2025-26 *(As on 31-01-2026)*	62005	41005	43497	27298	20505	10560	**126007**	**78863**

3.11 On being asked about the reasons for shortfall in achievement of scheduled targets, the Ministry stated the following:

"**Hydro Power Issues** - The main reasons for slow pace of development of hydroelectric potential in the Country are:

a) *Land Acquisition Issues*: Land acquisition is a persistent issue involved in the implementation of Hydro Projects. Acquisition of land for various locations of the project such as Dam, HRT, Power House, Switchyard, etc. delay the commencement/progress of works.

b) *Environment and Forest Issues*: Clearance process, multiple public hearings (due to lack of single point clearance), requirements of free flow stretch and e-flows retrospectively resulting in un-viability as well as redesigning/review of concurred schemes, resulting in significant delays.

c) *Rehabilitation & Resettlement Issues*: It is a sensitive issue arising out of dislocation of the people from their houses/workplaces etc. and their resettlement which involves a lot of time and money and often court cases resulting in delay in project execution/completion.

d) *Inadequate infrastructural facilities* due to remote location of hydro projects in relatively in-accessible areas/difficult terrains, which is one of the

major reasons for delays in project execution as substantial time is lost in creation of such facilities, like Roads & Bridges and significantly add to the project cost.

e) *Law & Order/Local Issues* due to protests by the local people against the construction activities, like blasting, muck disposal etc. and demands for employment, extra compensation etc., often create law and order problems which delays the commencement and affects progress of the works.

f) *Geological Surprises* have delayed a large number of hydroelectric projects.

g) *Natural Calamities* like unprecedented rain/flash floods, cloud burst, earthquake etc. sometimes delay the completion of project.

h) *Inter-state Issues*: sometimes hydroelectric projects get delayed due to interstate disputes between states.

Transmission Project Issues - Various challenges being faced with respect to transmission projects in the Country are mentioned below:

a) Issues relating to Right of Way (RoW), Land/crop compensation demanded by farmers/land owners and court cases linked to ROW issues.

b) Delay in getting approval from Forest.

c) Unexpected Route diversions of transmission lines to protect endangered species like Great Indian Bustards (GIB), coal mining areas etc.

d) Problems faced in acquiring land for construction of substations/bay extensions in existing substations.

e) Contractual issues/deteriorating financial condition of executing agencies leading to slow progress of works and sometimes situation forces for cancellation of contract and awarding the contract to a new executing agency.

f) Difficulty in mobilizing manpower during festive seasons/monsoon/ winter months and transportation of heavy equipment/material to site during monsoon months.

g) Execution in tough hilly terrain requiring more skilled labours and difficulty in transportation of material to site.

h) Unavailability/delay in supply of CRGO Electrical Steel as it is manufactured by limited foreign Countries.

i) Limited number of High-Voltage Direct Current (HVDC) systems manufacturers/vendors leading to higher cost and delayed supply.

Challenges in Thermal Power capacity addition:

a) *Limited availability of EPC Contractors/Issues in qualifying criteria of Main plant*: Genco's are mainly going for EPC contracts. BHEL, L&T are the two bidders participating as EPC contractors. In the recent tenders, it is observed that L&T is not submitting its bids and utilities are receiving practically single bid only.

b) *Limited availability of Balance of Plant (BoP) vendors/Issues in qualifying criteria of BoP*: There were issues in availability of BoP vendors particularly in CHP, AHP, Cooling tower areas.

c) FGD technology is being used to meet the SO_2 emission norms. FGD technology being new to our country, there are at present limited vendors with limited capacity to supply FGD components resulting in slow pace of FGD implementation."

3.12 When asked about the Schemes/Programmes of the Ministry which have either been closed or proposed to be closed since Demands for Grants (2024-25), the Ministry stated the following:

"North Eastern Region Power System Improvement Project (NERPSIP) is related to strengthening of the intra-state transmission and distribution system for six (6) states (Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura). The period of scheme is up to 31st March, 2026."

CHAPTER – IV
MAJOR SCHEMES/PROGRAMMES OF THE MINISTRY

A) Revamped Distribution Sector Scheme (RDSS)

4.1 The Government of India launched 'Revamped Distribution Sector Scheme' on 20.07.2021 with a total outlay of Rs. 3,03,758 crores and Gross Budgetary Support of Rs. 97,631 crores over a period of five years from FY 2021-22 to FY 2025-26. The Scheme is applicable to all State owned Discoms and State/UT Power Departments excluding Private Discoms. The financial assistance under the Scheme is conditional to Discoms meeting the pre-qualification conditions and achieving basic minimum benchmarks in Result Evaluation Matrix based on agreed upon Action Plan. The sunset date of the Scheme has been extended upto 31st March, 2028. The objectives of the Scheme are to:

- Improve the quality and reliability of power supply to consumers through a financially sustainable and operationally efficient Distribution Sector;
- Reduce the AT&C Losses to pan-India levels of 12-15%;
- Reduce ACS-ARR gap to zero.

4.2 The details regarding budgetary allocation and actual utilization for RDSS since its inception, as furnished by the Ministry, are given below:

(in Rs. Crores)

Year	BE	RE	Actual Expenditure
2021-22	0	1,000	814
2022-23	7,566	6,000	2,738
2023-24	12,072	10,400	10,064
2024-25	12,585	12,665	12,973.60
2025-26	16,021	15,671	13,061.86 *(as on 09.02.2026)*

4.3 On being asked whether the amount allocated for RDSS was sufficient, the Ministry stated as under:

> "RDSS is a reform-based result linked scheme and release of funds, except 10% of GBS as an advance, under the scheme is contingent upon distribution utilities qualifying the annual evaluations for a particular financial year and based on the actual physical progress under the scheme. It may be noted that basic structure for providing financial assistance under

the scheme is linked with the reforms, and grants are only released to distribution utilities if they undertake reforms and achieve desired results. Accordingly, the fund utilization under the scheme has been in line with the basic reform linked structure of the scheme.

Continuous review meetings are being undertaken at the level of Nodal Agencies and at the Ministry level for monitoring the progress of works to ensure effective utilization of funds. Based on continuous engagement with the States, the requirement of funds is assessed after which allocation is made under the Budget for a particular financial year. Accordingly, it is expected that 100% of the funds shall be utilized under the scheme by the sunset date of the scheme i.e. 31.03.2028."

4.4 When asked about the measures taken to ensure full utilization of the allocated amount, the Ministry stated as under:

"The fund utilization under the scheme has been in line with the basic reform linked structure of the scheme. Ministry of Power is taking all necessary actions to ensure optimum utilization of the budget allocated for RDSS. Monitoring and review of works sanctioned and utilization of funds are being done by the Ministry on a regular basis. Weekly meetings are also conducted by Ministry of Power with the States and the nodal agencies for expediting the progress of sanctioned works and therefore the utilization of the sanctioned amounts. With concerted efforts, the utilities have so far utilized 84% of the funds released during FY 2025-26."

4.5 Regarding the performance vis-à-vis physical targets under RDSS, the Ministry furnished the following:

Description		**FY 2022-23**	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**
Loss Reduction Works	Target	Award-80% of sanction cost	Award-85% of sanction cost	Physical Progress-25%	Physical Progress-50%
	Achievement	Awarded 64%	Awarded 84%	Physical Progress - 25.3%	Physical Progress – 37.20%
Smart Metering	Target	4 Crores	2 Crores (Revised)	5 Crores	6 Crores
	Achievement (including all Schemes)	0.57 Crores	1.04 Crores	2.13 Crores	5.59 Crores (till date)

4.6 Regarding quality monitoring of works undertaken under RDSS, a representative of the Ministry deposed during the evidence as under:

"There is already a mechanism established for checking Quality of Works in RDSS. One is the Project Management Agency at the State level for

monitoring. Apart from this, Third Party Quality Monitors have also been appointed whose job is to check the progress of goods coming in, till its installation and submit its report. In this way, TPQM have been appointed in every state.

…..TPQM has been appointed by our Nodal Agencies REC and PFC. The work is being got done by the State DISCOM, through its contractors.

…..As mentioned, we have engaged Third Party Quality Monitoring and not contractors or Discoms. So whatever monitoring is being done, we do it at the central level. The state's company, neither pays them nor has any direct interaction with them.

…..The main objective of Third Party is to monitor Loss Reduction Works *viz.* replacement of transformers, laying of new wires, erection of new poles and to check these works. They check in two steps. First, when the goods come to the store, before any transformer or wire is placed in the field, they take a sample at the store level. As there are many NABL accredited labs in the country, they get them checked there."

4.7 About Smart Meters, the Ministry furnished the following:

"Smart Metering supports Distribution Utilities in improving their financial viability through benefits, such as improvement in billing and collection efficiency, automatic energy accounting, improved load forecasting, optimized power purchase costs and renewable energy integration through net metering.

Under RDSS, Smart Metering is being implemented through the Advanced Metering Infrastructure Service Provider (AMISP) in TOTEX (Total Expenditure) mode, wherein Distribution Utilities are not required to incur upfront capital expenditure and pay per-month-per-meter cost to the AMISP. It is expected that as a result of improvement in billing and collection/power purchase optimization etc., Distribution Utilities will be able to pay the per-month-per-meter cost, thus making it self-financing without any additional burden on the consumers. The reduction in losses and improved power purchase optimization would help in reducing the cost of power.

Under the scheme, a fixed amount of 15% (22.5% in case of Special Category States) of the cost per meter worked out over the whole project period, subject to a maximum of Rs. 900 (Rs. 1350 in case of special category States) per meter in case of consumer meters, are funded under the scheme. An additional incentive of maximum of Rs. 450 (Rs. 675 in case of special category States) per consumer meter is also provided for prepaid Smart meters installed within the targeted timeline. For DT and feeder metering, a fixed amount of 15% (22.5% in case of Special Category States) of the cost per meter worked out over the whole project period, subject to a maximum of Rs. 3,450 (Rs. 5,175 in case of special category States) and Rs. 6,300 (Rs. 9,450 in case of special category States) per meter in case of DT and feeder respectively, are funded under the scheme."

4.8 With respect to the status regarding installation of Smart Meters in the Country, the Ministry furnished the following:

> "Under the Revamped Distribution Sector Scheme (RDSS), 20.33 crore smart meters have been sanctioned, which includes 19.79 crore at consumer level, 52.52 lakh at Distribution Transformer (DT) level and 2.05 lakh at feeder level. The progress of installation under RDSS, as on 15.02.2026, is 4.41 crore smart meters, including 4.25 crore at consumer level, 14.4 lakh at DT level and 1.65 lakh at Feeder level. Further, the total installation of smart meters under various schemes across the country is 5.83 crore. The Per day rate for installation of smart meters has increased to about 1,35,000. The installation of smart meters is to be completed by the end of the scheme period *i.e*. March 2028."

4.9 Regarding the cost of Smart Meters, the Secretary of the Ministry deposed during the evidence as under:

> "The investment in Smart Meters is done by Third Party, which is called AMISP. The Third Party is investing its own capital. In this, the Government of India gives a grant of about Rs 900. The rest of the investment is entirely of the Third Party, which has to ensure the functioning of the meter for about 10 years. The Third Party is also responsible to get data fetched and incorporated in the billing system. There is a provision for payment by the local distribution company, per meter per month as per functioning of the meter. The cost comes in the range of around Rs 70 to Rs 95 per meter per month across the country. Now, because this is the distribution company's expense, it has to be part of the tariff. This expense will also be recovered through the tariff. The expectation is that the efficiency gained from the smart meter and the cost incurred in installation of the smart meter, will offset each other, so there should not be an impact on the net tariff."

4.10 On being asked about the manufacturing capacity of Smart Meters in the Country, the Ministry stated as under:

> "As per information available, the manufacturing capacity of the smart meters in the country is around 10 crore meters per year and Indian Metering Industry has sufficient manufacturing capacity so as to meet the requirement of smart meters as per timelines under RDSS."

4.11 When asked about the constraints being faced in speedy installation of Smart Meters, the Ministry submitted the following:

> "Some of the initial challenges faced in respect of implementation of smart meters are as under:

a) Delay in tendering and awarding of works. Few utilities required longer time period for obtaining board approval, issuance of tender documents etc.
b) Delay in signing of Contract agreement and Direct Debit Facility (DDF) agreement by utilities.
c) Initial delays in issuing Request for Proposal (RFP) as Smart Metering being new technological initiative, establishment of test bed and empanelment of vendors for smart metering works.
d) Few utilities faced challenges in implementation in Total Expenditure (TOTEX) mode in Public Private Partnership (PPP) basis as per the scheme guidelines.
e) Consumer awareness/confidence building exercise were required to be taken up.
f) Contractual issues in some utilities such as change in scope, survey beyond project areas, etc."

4.12 The steps taken by the Ministry to address the challenges/complaints related to Smart Meters are as under:

"a) Smart meters are required to adhere to relevant technical and quality standards and need to have valid tests and BIS (Bureau of Indian Standards) certificate.
b) Advisories have been issued for installation of check meters to verify the readings of smart meters on random basis. Further, in case of complaints being received from consumers, check meters are to be compulsorily installed.
c) Ministry has issued Standard Operating Procedures (SoPs) for smart meters which include provisions for providing multiple recharge options, having consumer feedback mechanism, effective complaint resolution mechanism and comprehensive consumer engagement campaign, etc.
d) Smart meter mobile apps are being made available for regular tracking of consumption of electricity and for easy recharge.
e) In order to promote pre-paid smart metering, States have been advised to provide rebate for pre-paid consumers.

As a result of various initiatives, the per day installation rate is increasing and installation has picked up pace."

4.13 In response to a question about issues in accuracy of billing through Smart Meters, a representative of the Ministry deposed during the evidence as under:

"Several steps have been taken by the Ministry to improve billing accuracy and billing related issues in smart meters. From the Consumers Engagement point of view, Nodal Agencies i.e. PFC and REC, Discoms and Advance Metering Infrastructure Service Providers are regularly conducting

Smart Metering Consumer Engagement Activities. We have a Smart Meter Pakhwada going on across the country, wherein consumers are being made aware regarding app installation in mobile and how to see consumption behaviour and consumption history etc. In addition, Third Party Studies are also being conducted to check the billing accuracy and billing regularity, like a CEEW study, which has been done recently in four DISCOMs. Interim findings show an improvement of around 3 to 24% in billing accuracy. The standard for billing regularity was taken as how many bills were generated within 35 days. In that, there has been a 9-30% improvement."

4.14 Regarding check meters, the Secretary of the Ministry deposed during the evidence as under:

"As per our Standing Instructions/advisories to all the states, all such cases where complaints are coming, there should be mandatory installation of Check Meters. These have to be installed with minimum 5% consumers. If any consumer is complaining that his bill shows excess use, then it is mandatory to install a Check Meter there. After installation of a Check Meter demonstration is done that the bill is coming according to the actual consumption. If satisfied, then we will proceed, otherwise we will take further action on it."

4.15 About household electrification under RDSS, the Ministry furnished the following:

"The Government of India is supporting States for grid electrification of left-out households during SAUBHAGYA, under the ongoing Revamped Distribution Sector Scheme (RDSS). In addition, all identified households belonging to Particularly Vulnerable Tribal Group (PVTG) under PM-JANMAN (Pradhan Mantri Janjati Adivasi Nyaya Maha Abhiyan), tribal households under DA-JGUA (Dharti Aaba Janjatiya Gram Utkarsh Abhiyan), households belonging to Scheduled Caste (SC) under Pradhan Mantri Anusuchit Jaati Abhyuday Yojana (PM-AJAY) and households in remote & border areas under Vibrant Village Program (VVP), wherever found feasible, have also been sanctioned for on-grid electricity connection under RDSS, as per the scheme guidelines. The details are given below:

S. No	Name of State	Sanctioned Outlay (in Rs. Crores)	Sanctioned GBS (in Rs. Crores)	Total Households Sanctioned	Households Electrified (as on 29.01.2026)
A.	**Additional Households**				
1	Andhra Pradesh	49.24	29.55	15,475	15,319
2	Arunachal Pradesh	47.11	42.40	6,506	0
3	Assam	785.55	706.99	1,27,111	0

4	Bihar	238.86	143.32	35,467	0
5	Chhattisgarh	166.55	99.93	34,078	188
6	Jammu & Kashmir	106.70	96.03	15,359	0
7	Jharkhand	25.16	15.09	4,853	371
8	Kerala	0.33	0.20	40	11
9	Madhya Pradesh	1.13	0.68	196	21
10	Manipur	214.44	193.00	36,972	0
11	Meghalaya	435.70	392.13	50,501	0
12	Mizoram	79.90	71.91	15,167	0
13	Nagaland	69.55	62.59	10,004	0
14	Rajasthan	1,526.94	916.16	3,38,702	79,526
15	Uttar Pradesh	931.04	558.62	2,51,487	1,317
Total (A)		**4,678.19**	**3,328.60**	**9,41,918**	**96,753**
B.	**Vibrant Villages Program (VVP)**				
1	Himachal Pradesh	6.08	5.47	0	0
2	Arunachal Pradesh	20.18	18.16	1,683	0
3	Uttarakhand	13.08	11.77	1,154	0
	Total (B)	**39.34**	**35.41**	**2,837**	**0**
C.	**PM-JANMAN**				
C1	**Under RDSS**				
1	Andhra Pradesh	88.71	53.23	24,967	24,925
2	Chhattisgarh	38.16	22.90	7,077	7,160
3	Jharkhand	74.13	44.48	12,442	11,216
4	Karnataka	3.76	2.26	1,615	1,546
5	Kerala	0.86	0.52	345	314
6	Madhya Pradesh	148.83	89.28	30,216	27,032
7	Maharashtra	26.61	15.97	8,556	9,216
8	Rajasthan	40.34	24.20	17,633	16,023
9	Tamil Nadu	29.89	17.93	8,603	6,973
10	Telangana	6.79	4.07	3,884	3,884
11	Tripura	61.52	55.37	11,664	11,692
12	Uttar Pradesh	1.10	0.66	316	195
13	Uttarakhand	0.60	0.54	669	669
Sub Total (C1)		**521.59**	**331.57**	**1,27,987**	**1,20,845**
C2	**Under State Plan**				
1	Gujarat	0	0	0	6,626
2	Odisha	0	0	0	5,166
3	West Bengal	0	0	0	3,372
Sub Total (C2)		**0**	**0**	**0**	**15,164**
C3	**Public Places under RDSS**				
1	Madhya Pradesh	0	0	25	20
Sub Total (C3)		**0**	**0**	**25**	**20**
Total (C=C1+C2+C3)		**521.74**	**331.66**	**1,28,012**	**1,36,029**

D.	**DA-JGUA**				
D1	**Under RDSS**				
1	Andhra Pradesh	19.12	11.47	4,921	4,417
2	Arunachal Pradesh	8.20	7.38	1,938	1,529
3	Bihar	61.40	36.84	7,117	655
4	Chhattisgarh	218.44	131.06	39,579	12,648
5	Himachal Pradesh	0.49	0.45	93	10
6	Jammu & Kashmir	89.84	80.85	13,824	0
7	Jharkhand	92.44	55.47	19,467	0
8	Karnataka	41.00	24.60	5,288	1,101
9	Kerala	5.73	3.44	1,080	239
10	Madhya Pradesh	305.66	183.40	59,172	12,614
11	Maharashtra	23.60	14.16	6,961	5,228
12	Rajasthan	197.11	118.26	82,842	97
13	Telangana	110.73	66.44	26,525	15,592
14	Tripura	40.69	36.62	7,677	5,219
15	Uttar Pradesh	32.21	19.32	6,867	65
16	Uttarakhand	0.84	0.75	207	147
	Sub Total (D1)	**1,247.50**	**790.52**	**2,83,558**	**59,561**
D2	**Under State Plan**				
1	Odisha	0	0	0	0
	Sub Total (D2)	**0**	**0**	**0**	**0**
D3	**Public Places under RDSS**				
1	Andhra Pradesh	0.70	0.42	182	129
2	Arunachal Pradesh	0.04	0.03	9	9
3	Himachal Pradesh	0.05	0.05	7	3
4	Jharkhand	8.25	4.95	1,910	0
5	Kerala	0.15	0.09	17	0
6	Madhya Pradesh	3.32	1.99	650	100
7	Rajasthan	0.70	0.42	195	0
8	Telangana	2.90	1.74	672	0
9	Tripura	2.31	2.08	512	0
10	Uttar Pradesh	0.13	0.08	30	7
11	Uttarakhand	0.08	0.07	19	3
	Sub Total (D3)	**18.63**	**11.92**	**4,203**	**251**
D4	**Public Places under State Plan**				
1	Odisha	0	0	0	0
	Sub Total (D4)	**0**	**0**	**0**	**0**
	Total (D=D1+D2+D3+D4)	**1,266.13**	**802.44**	**2,87,761**	**59,812**
E.	**PM-AJAY**				
1	Andhra Pradesh	3.50	2.10	811	411
2	Jharkhand	6.141	3.684	1,782	0

3	Madhya Pradesh	0.002	0.001	6	3
4	Maharashtra	6.810	4.086	2,012	21
Total (E)		**16.45**	**9.87**	**4,611**	**435**
Grand Total (A+B+C+D+E)		**6,521.85**	**4,507.98**	**13,65,139**	**2,93,029**

4.16 When asked about the constraints that are being faced in electrification of households, the Ministry stated as under:

> "The Government of India is taking all necessary steps to support States for electrification of all households. Since most of the left-out households are in remote, hilly and forest areas, hence the norms for electrification under RDSS have been relaxed and the ceiling limit for cost of electrification has been enhanced. Survey has been carried out by distribution utilities to identify un-electrified households. Grid based electrification works have been sanctioned under RDSS wherever found feasible as per the revised norms and for remaining areas off-grid solar based electrification works have been sanctioned under New Solar Power Scheme. Further, for the sanctioned works, regular monitoring is being done so as to resolve issues, if any, and expedite the implementation."

4.17 About the aim to provide 24x7 power supply for all, the Ministry stated as under:

> **"**As per Rule (10) of the Electricity (Rights of Consumers) Rules, 2020, the distribution licensee shall supply 24x7 power to all consumers. The Rules are applicable for all States and UTs.
>
> The Government of India has been supplementing the efforts of the States through schemes like Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), Integrated Power Development Scheme (IPDS), Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) and Revamped Distribution Sector Scheme (RDSS), to help them achieve the objective of providing quality and reliable supply of power to all households. With the collective efforts, the hours of supply for Q3 of FY26 for rural areas has increased to 22.6 hours and urban areas to 23.4 hours."

4.18 The details regarding financial performance of Discoms, as furnished by the Ministry, are given below:

National Level Figures	**FY 2022-23**	**FY 2023-24**	**FY 2024-25**
Borrowings (Rs. Crores)	6,76,939	7,58,996	7,26,378
Accumulated Losses (Rs. Crores)	(6,56,345)	(6,91,416)	(6,47,210)
ACS-ARR Gap (Rs. /unit)	0.51	0.20	0.06
Billing Efficiency (%)	86.9	87.0	87.6
Collection Efficiency (%)	97.6	96.6	97.0

4.19 Regarding AT&C Losses in the Country, the Ministry furnished the following:

Year	All India AT&C Losses (in %)
2018-19	21.51
2019-20	20.78
2020-21	21.91
2021-22	16.28
2022-23	15.22
2023-24	15.97
2024-25	15.04

4.20 When the Committee specifically asked for details of the States where AT&C Losses have increased during the last five years, the Ministry furnished the following:

(in %)

States	FY 2020-21	FY 2024-25
Himachal Pradesh	14.02	19.44
Mizoram	29.05	32.31
Nagaland	47.08	48.86
Punjab	18.54	19.21
Telangana	13.33	19.84

4.21 On being asked about the States which could not follow the set trajectory regarding reduction in AT&C Losses during 2024-25, the Ministry furnished as under:

S. No	State	Discom	Target (%)	Achievement (%)
1	Andaman & Nicobar Island	Andaman & Nicobar PD	17.00	24.14
2	Arunachal Pradesh	Arunachal PD	28.00	46.20
3	Himachal Pradesh	HPSEBL	11.53	19.44
4	Jharkhand	JBVNL	24.00	28.19
5	Ladakh	Ladakh PD	28.00	26.82
6	Maharashtra	MSEDCL	15.50	18.09
7	Mizoram	Mizoram PD	17.50	32.31
8	Nagaland	Nagaland PD	34.00	48.86
9	Puducherry	Puducherry PD	14.00	14.72
10	Punjab	PSPCL	14.00	19.21
11	Rajasthan	JDVVNL	19.50	21.42
12	Sikkim	Sikkim PD	20.00	21.84
13	Tripura	TSECL	23.00	29.61
14	Uttar Pradesh	KESCO	10.65	14.29
15		PuVVNL	22.75	30.70
16	Uttarakhand	UPCL	14.99	15.08
17	West Bengal	WBSEDCL	15.50	17.17

4.22 When the Committee asked for details of the States where ACS-ARR Gap has increased during the last five years, the Ministry furnished the following:

State	Discoms/Power Departments	ACS-ARR Gap (Rs. /kWh)	
		FY 2020-21	FY 2024-25
Goa	Goa PD	(0.18)	0.20
Haryana	DHBVNL	(0.08)	0.03
Haryana	UHBVNL	(0.18)	0.20
Himachal Pradesh	HPSEBL	0.11	0.23
Karnataka	BESCOM	0.69	1.21
Maharashtra	MSEDCL	0.52	0.60
Sikkim	Sikkim PD	0.27	0.33
Tripura	TSECL	(0.01)	1.40
Uttar Pradesh	DVVNL	0.87	1.03
Uttar Pradesh	KESCO	0.51	1.09
Uttar Pradesh	MVVNL	0.38	1.11

4.23 Explaining about the reasons for losses in Discoms, the Ministry stated as under:

> "The losses in utilities (operational and financial) are a result of various parameters, which are as under:
> a) Non cost reflective tariff due to regulatory disallowance of expenses incurred by distribution utilities including other comprehensive income which are unrealized gains or losses.
> b) Continued ACS-ARR gap on account of non-recovery of power purchase cost in full owing to non-implementation of FPPCA (Fuel and Power Purchase Cost Adjustment).
> c) Delayed receipt of subsidy dues from the State Governments.
> d) Outstanding electricity bill dues of the State Government Departments."

4.24 Regarding impact of Net-Metering on financial health of Discoms, the Secretary of the Ministry deposed during the evidence as under:

> "Especially those who are upper middle class and upper class, can set up big plants. It provides electricity during daytime and take electricity in the evening. If you look at the market during the day, the electricity rate is around Rs 1 rupee 80 paise or Rs 2. When you are drawing electricity in the evening, the rate is around Rs 7 or Rs 10. This means, you gave electricity worth Rs 2 to the Discom and draw electricity at night worth Rs 10. Taking net benefit from grid by such affluent people or industrial consumers, will have an impact on the rest of the general consumers or it will have an impact on the balance sheet of DISCOMs. To deal with this commercial aspect, we have included this subject in the Draft National Electricity Policy to limit the

facility of net metering. We will keep net metering facility for very small consumers, but net metering facility will be stopped for all the big consumers. It is not only we who are doing it, but also in California and some countries of Europe, Australia etc., the net metering system is being changed. As the use of Rooftop Solar grows, we will have to bring in new commercial solutions."

B) Strengthening of Power Systems

4.25 Power Grid Corporation of India Limited has been implementing the following projects on consultancy basis under Strengthening of Power Systems Programme:

(in Rs. Crores)

Name of Scheme	Latest Approved Cost	Funds Received (as on 31.01.2026)
Power System Improvement in North Eastern States excluding Arunachal Pradesh and Sikkim (NERPSIP)	6700	5,482.51
Strengthening of transmission System in the States of Arunachal Pradesh and Sikkim (Comprehensive Scheme)	9129.32	7961.25
Green Energy Corridor (REMC)	166.6	156.44

4.26 The details regarding Budgetary Estimates, Revised Estimates and the Actual Utilization under Strengthening of Power Systems Programme, as furnished by the Ministry, are given below:

(in Rs. Crores)

Year	Power System Improvement in North Eastern States excluding Arunachal Pradesh and Sikkim (NERPSIP)			Strengthening of transmission System in the States of Arunachal Pradesh and Sikkim (Comprehensive Scheme)			Green Energy Corridor (REMC)		
FY	**BE**	**RE**	**Released**	**BE**	**RE**	**Released**	**BE**	**RE**	**Released**
2021-22	600	675.01	675.01	600	1600	1600	14.95	18.16	18.16
2022-23	644	973	820.77	1700	1145.60	1100.71	13.11	13.11	13.11
2023-24	987	600	375.40	1400	1409	1100.67	1.00	0.01	0.00
2024-25	600.01	400	320	1315.01	1214.66	828.36	0.01	0.01	0.00
2025-26 (upto 13.02.2026)	600	295	295	0.01	712.54	640	0.01	0.00	0.00

4.27 About North Eastern Region Power System Improvement Project (NERPSIP), the Ministry submitted the following:

"It is implemented as Central Sector Scheme, with funding on 50:50 basis by GoI & World Bank. The scheme aims to strengthen the Intra-State Transmission & Distribution infrastructure of six states of North Eastern Region (Assam, Meghalaya, Manipur, Mizoram, Nagaland and Tripura); improve its connectivity to the upcoming load centers, and thus would extend the benefits of the grid-connected power to all the consumers. The project would also provide the required grid connectivity to such villages and towns of the States, where development of distribution system at the downstream level has been taking place under GoI sponsored schemes. NERPSIP covers many transmission & distribution lines & sub-stations at 33 kV, 66 kV, 132 kV and 220 kV voltage levels. Other general details are as follows:

Date of Government approval	December 2014
Implementing Agency	PGCIL
Sanctioned Cost	Rs. 5111.33 Crores (at February 2014 price level)
Revised Cost Estimates	Rs. 6700.00 Crores (approved in December 2020)
Funding	50:50 (Government of India:World Bank)
Completion schedule	December 2018 (48 months from the date of release of 1st installment)
Anticipated Schedule	March 2026

4.28 On being asked about the present status of North Eastern Region Power System Improvement Project (NERPSIP), the Ministry submitted the following:

"Out of 446 elements in six States, 444 elements are completed and remaining 02 elements are targeted to be completed by March 2026. The summary of element-wise progress is given below:

S. No.	State	Total Elements Sanctioned (Nos.)	Elements Completed (Nos.)
1	Assam	116	116
2	Manipur	71	71
3	Meghalaya	41	41
4	Nagaland	56	54
5	Mizoram	11	11
6	Tripura	151	151
Total		**446**	**444**

4.29 When asked about the reasons for delay in completion of North Eastern Region Power System Improvement Project, the Ministry stated as under:

"Major reasons that have affected the project progress are as under:

a) Annulment & re-award of several packages due to poor financial health of contractors and some contractors entered NCLT proceedings.

b) Delay in handing over land for sub-stations.

c) Change in scope of work: During the implementation of the scheme, several changes in scope (addition/modification) have been made by beneficiary States as per their requirement and actual site conditions which resulted in delay in execution of the said work.

d) Changes in applicable taxes and duties in July 2017 with respect to the rates as envisaged at the time of DPR preparation.

e) Delay in forest clearances. The issue was taken up with concerned authorities on a regular basis.

f) Severe Right of Way issues in all 6 States.

g) Demand for higher land and crop compensation.

h) No work could be carried out during COVID 19 restrictions for several months. Some other issues such as movement of labor, and anti CAA protests hampered project progress.

i) Law and order issues.

j) Non-readiness of downstream network by State utilities**.**"

4.30 About Comprehensive Scheme for Strengthening of Transmission and Distribution System in Arunachal Pradesh and Sikkim, the Ministry submitted the following:

"It is a centrally funded scheme being run in Arunachal Pradesh and Sikkim. In Arunachal Pradesh, only 05 out of 20 districts are connected to transmission network at 132/220kV. The 33kV system is the backbone of power distribution system in the State. Due to low population density spread over its geographical area of 84,000 Sq.km, power demand in Arunachal Pradesh is scattered over large distances. Hence, it is necessary to strengthen the 132kV network in the state for proper voltage management and lower distribution losses. Similarly, the distribution system in Sikkim mainly relies on 66kV network, which needs to be strengthened substantially. In view of this, it was proposed to take up projects for strengthening intra-state T&D systems of the two States through 31 new 132kV Sub-stations, 12 Substations of 66/11kV, 2153 km of transmission lines (132 & 220kV and 66kV) and 1923 km of transmission lines (33kV). The project is being implemented through POWERGRID. Other general details are as follows:

Date of Government approval	October 2014
Implementing Agency	PGCIL
Estimated Cost	Rs. 4754.42 Crores
Revised Cost	Rs. 9129.32 Crores (approved in March 2021)
Funding	Government of India
Approved Completion schedule	March 2027

4.31 On being asked about the present status of Comprehensive Scheme for Strengthening of Transmission and Distribution System in Arunachal Pradesh and Sikkim, the Ministry submitted the following:

"Out of 294 elements in two States, 190 elements are completed and remaining 104 elements are targeted to be completed progressively by March 2027 i.e. during FY 2026-27. The summary of element-wise progress is given below:

S. No.	State	Total Elements Sanctioned (Nos.)	Elements Completed (Nos.)
1	Sikkim	55	44
2	Arunachal Pradesh	239	146
Total		**294**	**190**

4.32 When asked about the constraints and challenges being faced in completion of Comprehensive Scheme for Strengthening of Transmission and Distribution System in Arunachal Pradesh and Sikkim, the Ministry stated as under:

"Various constraints and challenges that are being faced in implementation of the project are:

Arunachal Pradesh:

a) Disbursement of Compensation in Unclassified State Forest (USF) Area of 18 nos. Phase-I and 15 nos. Phase-II lines: There is a substantial delay in disbursement of compensation. Out of total 3833 locations, so far disbursement of only 2612 locations have been completed. DoP (Arunachal Pradesh) has been requested to expedite Compensation assessment and disbursement.

b) RoW issues in Reserve Forest area (RF Area) of 12 nos. Phase-I and 03 nos. Phase-II lines: A total of 12 lines (out of 20 nos.) in Phase-I and 03 lines (out of 16 nos.) in Phase-II area passing through RF area. There is a total of 1253 locations in a 400 km stretch falling under RF in above 15 lines. Out of total 1253 locations, so far disbursement of only 556 locations have been completed. The revised ex-gratia policy has been notified on 07.04.2025. DoP (Arunachal Pradesh) has been requested to expedite the compensation assessment & disbursement.

Sikkim:

a) Severe Flood: Due to severe flood in October 2023 and again in June 2024, several elements under North Sikkim area have been severely affected. The approach road is still not completely restored.

b) Restoration of existing lines in damaged condition owned by Government of Sikkim: The charging of 02 nos. elements i.e. 66 kV Rohtak Bay Extn & 66 kV Rohtak-Sombaria line has been on hold as the existing source i.e. 66 kV Soreng-Sombaria line is in damaged condition. As decided in

the meeting chaired by Secretary (Power) on 3rd April, 2024, the restoration of this line is to be done by the State Power Department and the funds for the same have already been provided."

C) Viability Gap Funding (VGF)

4.33 Regarding Viability Gap Funding Scheme for development of Battery Energy Storage Systems, the Ministry submitted the following:

"Union Cabinet approved VGF on 6th September 2023 for the development of 4,000 MWh of BESS capacity, with up to 40% capital cost support. The VGF support was to be provided for Battery Energy Storage Systems (BESS) to be approved during a period of three years viz. 2023-24, 2024-25 and 2025-26. The disbursement of funds would extend upto 2030-31 in 5 tranches (10% on financial closure, 45% on commissioning of Project and 15% year wise for 3 years after commissioning). However, with the decline in prices of BESS, the BESS capacity was enhanced from 4000 MWh to 13845 MWh. The VGF scheme has been planned to be implemented under 3 components:

a) **Market Component (2200 MWh):** Tranche-I 1000 MWh BESS capacity is being implemented by NVVN with VGF support of Rs 46 lakh/ MWh and Tranche-II 1200 MWh BESS capacity is being implemented by SECI with VGF support of Rs 27 lakh/MWh.

b) **CPSU Component (5000 MWh):** CPSE component has a capacity of 5000 MWh to be developed by NVVN, NHPC and SJVN with VGF support of Rs 27 lakh/MWh.

c) **State Component (6645 MWh):** For enhancing the integration of variable renewable energy sources within the State, VGF is being provided for developing a capacity of 5520 MWh in the States of Rajasthan, Tamil Nadu, Karnataka, Gujarat, Maharashtra, Bihar, Kerala and Haryana providing VGF of Rs 27 lakh/MWh.

Further 1125 MWh BESS capacity is allocated to Madhya Pradesh and Uttar Pradesh for jointly implementing the BESS with VGF of Rs 12 lakh/MWh."

4.34 The details of the budgetary allocation and actual utilization for Viability Gap Funding Scheme, as furnished by the Ministry, are given below:

(in Rs. Crores)

Year	BE	RE	Actual expenditure
2024-25	96	46	Nil
2025-26	200	100	Till date Rs 50 crores have been disbursed. Sanction order for additional VGF disbursement of Rs 49.42 crores has been issued till 10.02.2026

4.35 On being asked about physical targets and achievement so far under Viability Gap Funding Scheme, the Ministry stated as under:

> "Out of the 13845 MWh allocated capacity, LOA has been awarded for 12700 MWh capacity and BESPA has been signed for 11500 MWh Capacity. Till date, 3070 MWh BESS capacity has achieved financial closure. Till date, Rs 50 crores have been disbursed. In addition, sanction order of Rs. 49.42 crores have been issued as on 10.02.2026."

D) Assistance in Deploying Energy Efficient Technologies in Industries & Establishments (ADEETIE)

4.36 About ADEETIE, the Ministry stated the following:

> "The scheme is designed to promote the adoption of energy-efficient technologies among MSMEs registered under the Udyam portal.
>
> The scheme aims to provide end-to-end support to the MSMEs in 60 clusters across 14 energy-intensive sectors, including Foundry, Forging, Steel Re-Rolling, Paper, Glass & Refractory, Ceramics, Brass, Chemicals, Pharma, Bricks, Food Processing, Leather, Fisheries, and Textile, by providing comprehensive support from investment-grade energy audits, identifying suitable energy efficient technology, preparation of detailed project reports for monitoring and verification of intended outcome. Under the scheme, MSMEs are eligible for financial incentives in the form of interest subvention of 5% for Micro and Small Enterprises and 3% for Medium Enterprises on loans availed for implementing energy-efficient technologies. The scheme is a key step towards fostering sustainable industrial growth and supporting India's transition to a cleaner energy future.
>
> The scheme will be implemented over a period of three years, starting from Financial Year (FY) 2025-26 to FY 2027-28. This three-year timeframe represents the disbursement period, during which MSMEs can avail of the scheme benefits, including interest subventions and hand-holding support.
>
> Loan repayments for projects initiated under the scheme will commence from FY 2028-29 onwards. Committed liability of the scheme shall be up to 2030-31."

4.37 The details of the budgetary allocation and its utilization under ADEETIE, as furnished by the Ministry, are given below:

> "The scheme has an outlay of Rs. 1000 Crores, which includes operational expenses. Rs. 925 crore is from GBS to provide interest subventions and reimburse IGEA-related fees. The operational fee of Rs. 75 Crores is to be borne by BEE. The scheme has been launched in the current financial year i.e. 2025-26. Year-wise expenditure details are given below:

(in Rs. Crores)			
Year	**BE**	**RE**	**Actual expenditure till January 2026**
2025-26	72.00	15.00	0

4.38 When asked about physical targets under ADEETIE, the Ministry furnished the following:

Estimated enterprise level handhold support	**Year -1 (2025-26)**	**Year -2 (2026-27)**	**Year -3 (2027-28)**	**Total**
Total Beneficiaries	1,750	3,500	3,500	8,750

4.39 Regarding performance so far under ADEETIE, the Ministry furnished the following:

Progress of the Scheme	**Number of Projects**	**Value** (in Rs. Lakhs)
Total applications received from MSMEs (EOI + IGEA)	814	--
Detailed Project Reports (DPRs) Received	79	
Detailed Project Reports (DPRs) approved by the TC	74	57,370.00
Projects for which loans have been sanctioned	28	29,538.01
Projects for which loans have been disbursed by the banks	27	27,750.01
Apportioned disbursed loan eligible for interest subvention	27	19,937.16
Projects Not Started Implementation	4	4,089.68
Projects currently under implementation	11	16,528.00
Projects that have completed commissioning	11	7,132.33

4.40 When asked about the constraints that are being faced in implementation of ADEETIE, the Ministry stated the following:

a) **"Payment Security and Perceived Risk of Non-Payment**: As of January 2026, approximately 200 energy auditors/firms have been on boarded under the Scheme; however, limited participation has been observed in the preparation and recommendation of IGEA-based Detailed Project Reports (DPRs).

b) **Existing Similar State-Level Schemes/Policies**: It has been observed that certain States have the fiscal incentive programmes for MSMEs (such as Atmanirbhar Bharat in Gujarat and SPICC in Tamil Nadu). In such cases, MSMEs tend to prefer availing benefits under State-level schemes and MSMEs tend to opt for Central schemes only if these are found to be comparatively more attractive. Additionally, some of the MSME units consulted have already availed credit facilities under the state scheme and are currently servicing their repayments."

CHAPTER – V
DEVELOPMENT OF POWER SECTOR IN NORTH-EASTERN REGION AND WELFARE OF SCs/STs

5.1 Besides North Eastern Region Power System Improvement Project and Comprehensive Scheme for Strengthening of Transmission and Distribution System in Arunachal Pradesh and Sikkim, the Government of India has been helping the North-Eastern States through its various Schemes including Revamped Distribution Sector Scheme. Further, the availability and access to power in the North-Eastern Region are proposed to be enhanced by accelerating the development of the Hydro Sector.

5.2 The details regarding allocation and utilization of funds in North-Eastern Region (NER), as furnished by the Ministry, are given below:

(in Rs. Crores)

Financial Year	BE of Ministry	RE of Ministry	10% of GBS (excluding establishment)	Actual Utilization
2021-22	15322.00	18416.23	1511.19	2992.56
2022-23	16074.74	13106.58	1287.89	2476.67
2023-24	20671.32	17635.00	1737.68	2526.07
2024-25	20502.00	19845.00	1956.95	2275.49
2025-26	21847.00	21587.66	2129.01	1888.48 *(upto 24.02.2026)*

5.3 The details of funds released under the Scheme of Budgetary Support towards Flood Moderation of storage Hydroelectric Projects in North-Eastern Region, as furnished by the Ministry, are given below:

(in Rs. Crores)

S. No.	Name of the project/IC/ Project Developer/State	Grant released in FY 2023-24	Grant released in FY 2024-25	Grant released in FY 2025-26 so far	Total Grant released so far
1	Dibang MPP/2880 MW/NHPC/ Arunachal Pradesh	109.00	486.24	162.11	757.35
Total		**109.00**	**486.24**	**162.11**	**757.35**

5.4 The Ministry submitted that no project developer in North Eastern Region has availed the grant under the Scheme of Budgetary Support towards Enabling Infrastructure so far.

5.5 In response to a question regarding fulfillment of the mandated requirement with respect to allocation and utilization of funds in North-Eastern Region, the Ministry stated as under:

> "Yes, the mandated requirement (10% of the GBS excluding Establishment budget) with respect to allocation and utilization of funds in North-Eastern Region is being fulfilled."

5.6 When asked about implementation of Special Component Plans for Scheduled Castes and Tribal Areas, the Ministry stated as under:

> "Infrastructure development projects such as electricity, roads, bridges, etc. cater to the entire population in a region, state, district, village etc., promoting holistic development of an entire population or a community or a region. These projects do not distinguish benefits based on specific population categories but rather aim at enhancing overall socio-economic development of an area. RDSS Scheme has universal coverage and is primarily focused on strengthening of sub-transmission and distribution network of the approved project areas for the benefit of all households/ consumers residing within the project area including SC & ST populations."

5.7 About the allocation and utilization of funds for implementation of these Sub-Plans, the Ministry furnished the following:

Financial Year	SCSP Head (in Rs. Crores)			TASP Head (in Rs. Crores)		
	BE	RE	Expenditure	BE	RE	Expenditure
2022-23	1246.25	678.92	318.79	584.09	388.74	194.73
2023-24	2042.41	1726.00	1272.04	957.23	900.00	763.36
2024-25	2089.11	2089.00	2154.11	1082.31	1082.00	1081.94
2025-26 (as on 09.02.2026)	3577.00	3577.00	1796.19	1543.00	1505.11	1461.78

5.8 On being asked about the mechanism to ensure that the allocated funds are utilized for the benefit of the targeted group of people, the Ministry stated as under:

> "The Schemes are monitored by the MoP/Nodal agencies and implemented by respected States/UTs. It is ensured by MoP/Nodal agencies that the funds are released, only after verification of the approved works in the intended areas for the targeted group of people."

CHAPTER – VI
STATUTORY/AUTONOMOUS BODIES UNDER THE ADMINISTRATIVE CONTROL OF THE MINISTRY

A) Central Electricity Authority (CEA)

6.1 The details of budgetary allocation and utilization in respect of Central Electricity Authority, as furnished by the Ministry, are given below:

(in Rs. Crores)

Year	BE	RE	Actual Expenditure
2021-22	130.66	129.05	113.70
2022-23	121.00	124.87	124.18
2023-24	135.04	140.92	135.33
2024-25	152.90	159.75	140.15
2025-26	155.05	161.13	130.50 *(upto 31st January 2026)*

6.2 On being asked about sufficiency of the funds and measures undertaken by CEA to ensure full utilization of the allocated amount, the following was stated:

> "In BE 2025-26, funds allocated in some of the object heads i.e. Training Expenses, Domestic Travel Expenses, Office Expenses, Professional Services, and ICT equipment were lesser than the projections given in such heads by CEA.
>
> Following measures have been undertaken for full utilization of the allocated amount:
>
> a) Periodic monitoring with respect to improving efficiency of budget utilization is done at the level of Chairperson CEA with all concerned divisions and sub-offices.
>
> b) BE for 2025-26 was conveyed to all concerned offices and a plan of action for utilization has been solicited.
>
> c) Requisite guidelines of Department of Expenditure are being followed towards utilization of allocated funds."

6.3 When asked about the constraints that CEA has been facing in achievement of its objectives, the following was furnished:

> "a) Non availability of data from States in time to carry out Resource Adequacy Studies for the states.
>
> b) Availability of only one license of the state-of-the-art computer Generation Expansion planning model with CEA.
>
> c) Issues in assessment of Comprehensive Cost trajectory of upcoming/ New Technologies e.g., CCUS, AUSC etc. which has to be taken in consideration while carrying generation expansion planning studies."

6.4 On being asked about the expectations of CEA from the Central Government/ Ministry/State Governments for achievement of its goals/targets/objectives, the following was submitted:

> "The fundamental key to effective functioning of CEA is the availability of comprehensive and qualitative statistics from all the stakeholders of the power sector. The availability of these statistics in a seamless manner would enhance the planning and operational interventions of CEA for coordinated development of the power sector. Further, the Regulations framed by CEA are required to be complied with by all the entities of power sector to ensure reliable and safe operation of the power system."

6.5 In response to a question about creation of a dedicated online portal for seamless submission, validation and monitoring of data by all the stakeholders, in order to ensure real-time accessibility of desired statistics, the Ministry submitted as under:

> "The matter was taken up with States and States have nominated nodal officers and the planning team to give the data and carry out Resource Adequacy Studies (RAS) jointly with CEA. Data for carrying out the RAS is now being received regularly from States/Discoms in a timely manner through e-mail as per specified format.
>
> As per resource adequacy Guidelines, each Distribution Licensee has to prepare a Resource Adequacy Plan (RAP) for a 10-year horizon, referred to as the LT-DRAP, which has to be vetted by Central Electricity Authority. In the initial years, CEA has been handholding the Discoms and preparing the Resource Adequacy Plan in association with the States/Discoms.
>
> To streamline the process further, a portal is being developed in CEA for submission of Long-Term Distribution Licensee Resource Adequacy Plan and associated data (technical and financial parameters of power projects, electricity demand, etc.) by the States/Discoms. The portal would be operational during 2026-27."

6.6 India's current data center load is approximately 1.20 GW, which is projected to increase to 13.60 GW by 2032 and further to around 16.40 GW by 2040. On being asked about the steps that have been taken by the Ministry and CEA to incorporate this increasing demand of electricity due to rapid growth of AI and large-scale data centers, into the National Electricity Policy and National Electricity Plan, the Ministry stated as under:

"As per present estimates, the data center load is projected to increase to 13.60 GW by 2032. The 21st Electric Power Survey Exercise is underway for assessing the electricity demand in the country. Increase in electricity demand on account of rapid growth of AI and other large-scale data centers, other emerging loads, etc., is being ascertained in the exercise. Accordingly, the same would be considered in the National Electricity Plan for the period 2027-28 to 2036-37. It is planned to release 'The National Electricity Plan' by March 2027."

6.7 Keeping in view the advancements in AI and use of AI-based applications in the Power Sector, when asked about the status of Central Electricity Authority (Cyber Security in Power Sector) Regulations, the Ministry submitted the following:

"The Draft Central Electricity Authority (Cyber Security in Power Sector) Regulations have been finalized and approved by Authority (CEA) and now, is in process of sending to Ministry of Law & Justice for legal vetting. Ministry of Power recognizes the urgency of the subject matter in view of the increasing digitalization and deployment of AI-based systems in the power sector and the subject regulations are expected to be published shortly. Meanwhile, certain interim measures such as cyber security guidelines and advisories/orders have already been issued by the Central Electricity Authority and Ministry of Power to address emerging cyber threats. The Regulations are expected to be notified shortly."

B) Bureau of Energy Efficiency (BEE)

6.8 The details of budgetary allocation and actual utilization in respect of BEE, as furnished by the Ministry, are given below:

Year	Schemes	BE	RE	Actual Expenditure
2021-22	Promoting Energy Efficiency Activities in different sectors of Indian Economy	115.82	115.82	115.82
	Energy Conservation Schemes	80.00	40.00	40.00
2022-23	Promoting Energy Efficiency Activities in different sectors of Indian Economy	153.00	113.00	77.16
	Energy Conservation Schemes	55.00	30.00	0.00
2023-24	Promoting Energy Efficiency Activities in different sectors of Indian Economy	101.80	31.56	31.56
	Energy Conservation Schemes	30.90	26.31	30.40
2024-25	Promoting Energy Efficiency Activities in different sectors of Indian Economy	38.00	35.00	35.00
	Energy Conservation Schemes	25.00	35.00	34.50
2025-26 *(as on 31st January.*	Promoting Energy Efficiency Activities in different sectors of Indian Economy	38.00	35.00	30
	Energy Conservation Schemes	44.35	40.00	25.90

Year	Schemes	BE	RE	Actual Expenditure
2026)	ADEETIE	72.00	15.00	0.00

6.9 The details regarding physical targets and achievements with respect to BEE are given below:

Subject	KPI	Units	As of 2014	Jan 2026
Impact of Energy Efficiency Measures (*Verified energy data saving as of 2023-24)*	Annual Electrical Savings	Billion Units	35.12	321.39
	Total Annual Energy Savings	Million toe	3.02	53.60
	CO_2 Emission Reduction	Million tonnes	24.93	321.06
	Total Annual Cost Savings	INR crores	17560	2,00,212.84
	Energy Intensity	Mega Joules per Rupees	0.2683	0.2181 (E)
	Reduction in Emission Intensity w.r.t 2005	Percentage	21	36% by 2020 (as per BUR 4)
Industrial Energy Efficiency (Perform, Achieve and Trade)	Energy Intensive Industries Covered	Numbers	478	1333
	Coverage of total industrial energy consumption	Percentage	25	55
	Energy Savings	Million toe	-	27.67
Appliance Energy Efficiency (Standards & Labelling)	Coverage of Appliances	Numbers	14 (4 mandatory & 10 voluntary)	41 (18 mandatory & 23 voluntary)
	Registration of Brand and Models	Numbers	1378 brands and 10399 models	4090 brands and 27,937 models
	Production of star labelled appliances	Number (crores)	10.5	64.7 (For 2024-25)
	Saving due to Standards & Labelling programme	Billion Units	33	89.8 (For 2023-24)
Electric Mobility	Sales of Electric Vehicles (including BOVs, PEVs, FCEVs, SHEVs and PHEVs) w.r.t total Sales	Percentage	Negligible	8.02%

6.10 On being asked about sufficiency of the funds and measures undertaken by BEE to ensure full utilization of the allocated amount, the following was furnished:

> "The amount allocated was less than the amount sought, particularly for State-level implementation activities such as strengthening of SDAs, awareness programmes and monitoring and verification initiatives.

However, BEE has strategically prioritized critical activities, optimized available resources, and ensured that key programme objectives are continued to be implemented to the extent possible within the reduced allocation.

BEE has put in place a robust mechanism to ensure full and timely utilization of allocated funds. Annual action plans with clearly defined activities, timelines and deliverables are prepared in advance, and implementation is closely monitored through regular reviews with SDAs and other executing agencies.

Fund releases are linked with readiness, milestones and submission of utilisation certificates, which ensures disciplined expenditure and avoids idle balances. In addition, BEE undertakes periodic re-assessment of progress during the year and proposes timely adjustments at Ministry level wherever required, so that funds are redirected to priority and implementation-ready activities."

6.11 On being asked about the expectations of BEE from the Central Government/Ministry/State Governments for achievement of its goals/targets/ objectives, the following was submitted:

"Energy efficiency is a cross-sectoral national priority, it requires a more robust institutional structure, stronger technical capacity and a coordinated mechanism for implementation and enforcement including strengthening of testing and verification infrastructure and promoting convergence of energy efficiency programmes with flagship national schemes in Urban Development, MSME, Transport, Housing, and Agriculture, both at Central and State levels. States need to institutionalise periodic review mechanisms to ensure inter-departmental coordination among DISCOMs, Urban Local Bodies, Industries, Transport, PWD, and Agriculture Departments for effective delivery of energy efficiency programmes. BEE's effectiveness will significantly improve when energy efficiency is treated as a priority development intervention."

6.12 When asked whether any study/assessment has been done regarding energy efficiency and conservation potential in the Country, the following was stated:

"BEE has undertaken a comprehensive study to assess the energy efficiency and conservation potential in India titled "Unlocking National Energy Efficiency Potential – UNNATEE, Strategy plan towards developing an energy efficient nation (2017-2031)". The energy saving potential of the country is estimated to be 89 MTOE by the year 2031 under the moderate savings scenario, with the industrial sector constituting highest energy saving potential."

6.13 On being asked about the constraints in the field of Energy Conservation and Efficiency in the Country, the Ministry furnished the following:

> "Energy conservation and efficiency in India face multiple structural, institutional, financial and behavioral constraints that slow the pace of adoption and limit the full potential of energy savings. Broad constraints are as below:
>
> a) Although the Energy Conservation Act provides a strong legal framework, the effectiveness of implementation largely depends on State Designated Agencies (SDAs) and local authorities. Many SDAs lack dedicated technical staff, enforcement capacity, and institutional strength to monitor compliance with standards, building codes, and sectoral programmes.
>
> b) High upfront costs of energy-efficient technologies and limited access to affordable finance remain a core barrier for both industries and end users. Financial institutions often perceive energy efficiency projects as high-risk due to long payback periods and uncertain returns, which restricts investment, especially among MSMEs and small establishments.
>
> c) In many sectors, especially MSMEs, agriculture, and buildings, uptake of energy-efficient technologies is limited by availability of suitable products, lack of technical knowledge, and insufficient awareness among consumers and decision-makers. Behavioural factors and low awareness about long-term economic and energy benefits lead to delayed or suboptimal adoption of efficient solutions."

C) Central Power Research Institute (CPRI)

6.14 The details of budgetary allocation and actual utilization in respect of CPRI, as furnished by the Ministry, are given below:

(in Rs. Crores)

Year	Budget Estimates	Revised Estimates	Actual Expenditure
2020-21	200.00	80.00	33.63
2021-22	180.00	120.01	161.29
2022-23	302.77	202.40	186.34
2023-24	208.00	150.00	143.95
2024-25	180.00	140.00	226.96
2025-26 *(Till January 2026)*	80.00	90.00	45.60

6.15 The details regarding physical targets and achievements with respect to CPRI are given below:

Parameters		2022-23		2023-24		2024-25		2025-26	
		Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement
Revenue *(in Rs. Crores)*		236.5	179.26	236.5	227.1	250.00	221.71	260.00	156.58
Papers	**Journals**	100 (N)	29 (N)	100 (N)	40 (N)	50	56	60	12
	Conference	135 (In)	79 (In)	135(In)	120 (In)	50	80	70	22
Seminars/Workshop/ Webinars/Training Programme		75	69	35	88	35	61	50	42
Research Projects		18	18	18	19	18	19	20	0
Patents		5	4	5	16	5	16	5	1
Capital Expenditure *(in Rs. Crores)*		302.77	187.14	208.00	143.81	140.00	206.96	90.00	40.17

6.16 On being asked about sufficiency of the funds and measures undertaken by CPRI to ensure full utilization of the allocated amount, the following was furnished:

> "The fund allocated was sufficient. To ensure full utilization of the allocated amount, the institute was advised by MoP to submit proposals well in advance along with utilization certificates regularly so that funds could be released in time."

6.17 When asked about the constraints that CPRI has been facing in achievement of its objectives, the following was stated:

> "There are no constraints for CPRI in achieving its objectives. With the continuous grant-in-aid support from the MoP, CPRI consistently upgraded its test facilities. This support enables CPRI to meet the needs of the electrical industry by developing products indigenously and conducting comprehensive testing of electrical equipment."

6.18 On being asked about the expectations of CPRI from the Central Government/Ministry/State Governments for achievement of its goals/targets/ objectives, the following was submitted:

> "The institute should identify gaps in the current research areas of the power sector and collaborate with the industry and academia to come up with innovative solutions and then conduct research on the emerging technologies to assist Energy transition goal of the nation. The Institute expects continuing financial and policy support from the Government."

D) National Power Training Institute (NPTI)

6.19 The details of budgetary allocation and actual utilization in respect of NPTI, as furnished by the Ministry, are given below:

(in Rs. Crores)

Year	BE	RE	Actual Expenditure
2021-22	70.00	16.07	16.07
2022-23	50.00	50.00	14.35
2023-24	35.00	35.00	22.93
2024-25	50.00	24.99	24.99
2025-26	50.00	40.00	31.17 *(as on 30th January, 2026)*

6.20 The details regarding physical targets and achievements with respect to NPTI are given below:

S. No.	Performance Parameter	Target 2022-23	Achieved 2022-23	Target 2023-24	Achieved 2023-24	Target 2024-25^	Achieved 2024-25
1.	No. of Trainees	20,000	71,727*	35,818	15,141	16,655	23,849
2.	Trainee Weeks	77,922	52,468	77,922	43,105	47,415	47,861
3.	Revenue Earnings (Rs. Lacs) $	4950.00	6012.22	6127.00	8153.57	6741.00	8075.53
4.	Excess Revenue over Expenditure with Depreciation (Rs. Lacs)	745.00	-105.72	983.00	2123.54	1082.00	1697.34

**50,262 Girl Students trained under Special Program on Capacity Building on Energy Conservation at various KGBVs in UP State.*
^ MoU not signed
$ including interest earned on investments.

6.21 On being asked about sufficiency of the funds and measures undertaken by NPTI to ensure full utilization of the allocated amount, the following was furnished:

> "The amount allocated to NPTI was sufficient. The Government of India provide funds to NPTI for meeting the requirement of its pension liabilities and for creation/up gradation of Infrastructure in its institutes spread across the country. To ensure full utilization of the allocated amount, the institute was advised by MoP to submit proposals well in advance along with utilization certificates regularly so that funds could be released in time."

6.22 When asked about the constraints that NPTI has been facing in achievement of its objectives, the following was stated:

"There are no constraints for NPTI in achieving its objectives. With the continuous grant-in-aid support from the MoP, NPTI has consistently upgraded its training facilities."

6.23 On being asked about the expectations of NPTI from the Central Government/Ministry/State Governments for achievement of its goals/targets/ objectives, the following was submitted:

"a) NPTI should cater to Indian Power Sector requirements which are dynamically changing with technology integration & Energy Transition Path.
b) NPTI should act as a resource centre of MoP for Training & capacity Building for Power Sector.
c) The institute should focus and develop syllabus of global standards on Power sector training in the areas of Smart Power Distribution System, Smart Transmission and Smart Generation including Renewable Energy, Electric Vehicle & Battery Energy Storage system, Carbon Neutrality, Renewable Energy and Microgrid, Green Hydrogen, Energy Transition & Energy Efficiency, SCADA, SMART GRID & SMART METERING (SSS), Ultra Supercritical and Advanced Ultra Supercritical Technologies, Cyber Security & IoT etc.
d) The institute expects continuing financial and policy support from the Government."

6.24 When asked about the main areas/fields of the Power Sector where there is an acute shortage of trained manpower, the following was stated:

"As per various studies, following are the areas where shortage of trained manpower may be felt:
a) **Lack of Cyber Security expertise**: With the advancement in technology, Cyber security is increasingly becoming critical to any organization. However, there are not enough qualified individuals to address increasing demand of these professionals.
b) **Smart Generation, Transmission and Distribution sector Professionals**: The upcoming Industry 4,0 standards require manpower to understand and implement digitalization. New technologies like Energy Transition, AMI, SCADA, Smart Grid, ADMS (Advanced Distribution Management System) and Smart Metering have to implement for AT&C Loss reduction and Efficiency Improvement of distribution sector. Also, Machine Learning, Artificial Intelligence, Data Analytics, Data Mining, ERP Software, Generative AI are some of the new technologies which will need trained manpower for modernization of distribution sector from Classical network

to Modern Grid network to achieve Smart Power Generation, Transmission and Distribution System in the upcoming years.

c) **Certified Lineman**: The demand for certified linemen in the distribution sector is indeed growing, especially as the energy infrastructure continues to expand and modernize. Certified linemen play a crucial role in maintaining and repairing electrical distribution systems, which are vital for power delivery to homes, businesses, and industries.

d) **Certified Trained Manpower**: There is also a need to certify and train the manpower who are working on contract basis in the Power Sector, starting from the linemen to Supervisor in the field of Electrical Safety, Behavior Science, Best Operation & Maintenance Practices, Information Technology in Power sector and overview of Smart Power Distribution System etc."

6.25 In response to a question about availability of required Cyber Security expertise in the Power Sector, the Ministry stated as under:

"Steps taken by the Ministry and NPTI for increasing cyber security in power sector are as under:

a) **Establishment of Computer Security Incident Response Team for the Power Sector (CSIRT-Power):** It was established on 5th April, 2023 to strengthen cybersecurity preparedness and resilience across the Indian power sector. The first phase of the initiative focused on advanced incident analysis and digital forensic capabilities, was inaugurated on 23rd September, 2024. CSIRT-Power is mandated to undertake real-time threat monitoring, incident detection and response, vulnerability assessment, capacity building, and sector-specific research to enhance cybersecurity maturity, particularly within Operational Technology (OT) environments.

b) **Capacity Building initiatives by MoP**: As of 25th February, 2026, CSIRT-Power has delivered comprehensive, hands-on OT cyber security training to over 650 personnel, in collaboration with premier institutions including IIT Kanpur, IIT Kharagpur, Rashtriya Raksha University (RRU) Gandhinagar and IISc Bengaluru. In addition, foundational-level cybersecurity training programs are conducted on a regular basis for power sector professionals at the Ministry of Power and across entities under its administrative control, with the objective of strengthening cyber hygiene and awareness throughout the sector.

c) **Capacity Building initiatives by NPTI:** Being an Apex institute of training in power sector, NPTI is actively engaged in imparting trainings on cyber security to technicians. NPTI in consultation with CEA has so far conducted various training programs on Cyber Security to the engineers/technicians associated with Generation, Transmission, Distribution, National/Regional/State level Load dispatch Centre as follows:

S. No.	Description	Nos. of Program	Trainee Trained	Certified
1	Basic Level	39	2751	2198
2	Intermediate Level	4	213	186
Total		**43**	**2964**	**2384**

d) **Guidelines and Regulations:** Central Electricity Authority (CEA) has issued the CEA (Cyber Security in Power Sector) Guidelines, 2021 with an objective of creating a robust cybersecurity environment which requires a multi-faceted approach, including raising awareness, establishing a secure cyber ecosystem, and developing a cyber-assurance framework."

PART – II
OBSERVATIONS/RECOMMENDATIONS OF THE COMMITTEE

Work Allocation of the Ministry

1. The Committee note that under the Government of India (Allocation of Business) Rules, 1961, the Ministry of Power has been entrusted with a critical mandate, covering policy formulation, regulation, planning, research and oversight of the entire Power Sector, including Generation (Thermal and Hydro), Transmission, Distribution, Rural Electrification, Energy Conservation and Energy Efficiency. The Ministry is also responsible for administering key legislations, such as the Electricity Act, 2003, the Energy Conservation Act, 2001 and the Damodar Valley Corporation Act, 1948. It also oversees a large number of Central Public Sector Undertakings, Regulatory Bodies and Technical Institutions.

The Committee observe that while the traditional and core responsibilities of the Ministry, covering generation, transmission, distribution, rural electrification and energy efficiency have been comprehensively outlined in the Rules, several emerging and critical dimensions of the contemporary Power Sector, like energy storage systems (including battery storage and pumped storage), electric mobility charging infrastructure, smart grids, smart metering, cyber security of power infrastructure, carbon markets, carbon capture technologies, etc. are required to be adequately reflected. Further, the Committee also observe that certain PSUs have since undergone restructuring, renaming or functional expansion, while some entities mentioned either no longer exist in their original form or operate with substantially altered mandates.

The Committee feel that over the years, the Power Sector has undergone significant transformation driven by energy transition imperatives, technological advancements, climate commitments and changing role of the consumers. The Committee, therefore, recommend that

the Ministry should pursue for a comprehensive review and suitable updation of the relevant part of the Allocation of Business Rules, 1961, so as to explicitly incorporate emerging and future-oriented subjects of the Power Sector.

Budgetary Allocation for 2026-27

2. The Committee note that an amount of Rs. 29,996.85 crores have been allocated to the Ministry of Power for the financial year 2026-27 which is 0.56% of the total Budget of the Government of India. Out of this Budgetary support, Rs. 21,679.49 crores have been allocated for Central Sector Schemes. The Ministry demanded Rs. 35,338.43 crores, but the actual allocation as Gross Budgetary Support is 84.89% of the demand posted by the Ministry, wherein the most evident cut pertains to Revamped Distribution Sector Scheme for which the Ministry has been allocated Rs. 5,000 crores less than the demand. The Ministry submitted before the Committee that if the physical targets require more funds, it may try to mobilize additional funds through Supplementary Grants or reallocation of funds within the Ministry. Observing that such a gap between projected demand and actual allocation and consequent dependence of the Ministry on reallocation have been a recurring trend, the Committee recommend that the Ministry should strengthen its expenditure forecasting assessment at the Budgetary Estimates stage so as to minimize its dependence on Supplementary Grants and internal Re-appropriation.

Utilization of Allocated Funds during Previous Years

3. The Committee note that the Budgetary Estimates of the Ministry for the financial year 2023-24 was Rs. 20,671.32 crores which was revised to Rs. 17,635 crores and actual utilization was Rs. 16,720.93 crores. It means actual utilization was 80.89% of the Budgetary Estimates and 94.82% of the Revised Estimates. During the financial year 2024-25, the Ministry improved its fund utilization and demonstrated better fiscal discipline with actual expenditure

being 96.16% of the Budgetary Estimates and 99.34% of the Revised Estimates. During the year 2025-26, the Ministry has been able to utilize Rs. 19,088.33 crores as on 20th February, 2026 i.e. 87.37% of the Budgetary Estimates and 88.42% of the Revised Estimates. The Committee observe that a significant portion of the under-utilized funds during the financial year 2025-26 relates to Schemes/Programmes like, Strengthening of Transmission Systems in the States of Arunachal Pradesh and Sikkim, Power System Development Fund, Interest Subsidy to National Electricity Fund, Energy Conservation, Energy Efficiency Financing Facility-ADEETIE, Support for cost of enabling infrastructure, etc. The Committee also observe that Budgetary Allocations of the Ministry have consistently been revised downwards at the stage of Revised Estimates since financial year 2022-23 and the Ministry could not fully utilize even the reduced allocations, which indicates persistent challenges in realistic budgeting and timely implementation of the Projects. The Committee feel that there has been a gradual improvement in utilization of funds by the Ministry over the past financial years and this trend should scrupulously be followed. In view of the above, the Committee recommend that the Ministry should institutionalize a quarterly review mechanism to assess fund utilization and corresponding physical progress so as to improve its fund absorption capacity and avoid March-rush.

<u>Achievement of Scheduled Capacity Addition Targets</u>

4. The Committee note that during the financial year 2024-25, against the scheduled capacity addition targets of 15,360 MW of Thermal Power and 3,320 MW of Hydro Power, the actual capacity additions were 4,530 MW and 800 MW, respectively. Similarly, during the year 2025-26, against the targets of 12,860 MW of Thermal Power and 5,205 MW of Hydro Power, the actual capacity additions have been 8,810 MW and 3,370 MW, respectively up to 31st January, 2026. The case with achievement of the stipulated targets in respect

of Transmission Lines and Transmission Capacity is no different as the targets for Transmission Sector have also remained under achieved since 2023-24. The Committee observe that this continued slippage in both generation and transmission capacity addition points to systemic challenges in implementation of the Projects, including land acquisition issues, delays in environment and forest clearances, issues relating to Right of Way, limited number of High-Voltage Direct Current (HVDC) system manufacturers, unavailability/delay in supply of CRGO Electrical steel, limited availability of EPC contractors, limited availability of Balance of Plants vendors, limited supply of Flue-gas Desulfurization (FGD) components, etc. Further, regarding scheduled capacity addition targets for financial year 2026-27, the Ministry submitted before the Committee that the same will be worked out in the Month of April 2026. In view of the above, the Committee recommend that:

i) The Ministry should undertake a comprehensive review of the progress in capacity addition across Generation and Transmission Sectors with the State Governments and implementing agencies concerned in order to ensure time-bound completion of the Projects.

ii) The Ministry should ensure that annual capacity addition targets are finalized well in advance of the financial year, based on realistic assessment of actual progress of the Projects. The capacity addition targets for financial year 2026-27 may also be placed before the Committee at the earliest.

<u>Carbon Capture, Utilization and Storage</u>

5. The Committee note that the Carbon Capture, Utilization and Storage Mission has been designed to address carbon emissions from five major industrial sectors, viz. Power, Steel, Cement, Refineries and Chemicals, which are among the largest contributors to CO_2 emissions in India. This Mission aims to achieve technology learning and readiness at scale over a period of six years, with a total investment of Rs. 38,900 crores, of which Rs. 19,970

crores are proposed as support from the Government. It is envisaged that a total of at least 7 MMTPA (Million Metric Tonnes Per Annum) Carbon Capture Capacity will be established in the Country as a result of this Mission. The Committee observe that two pilot projects for CO_2 capture and utilization have already been taken up by NTPC Limited at Vindhyachal in Madhya Pradesh and Simhadri in Andhra Pradesh.

Acknowledging that in order to follow its low carbon pathway, India needs to embrace technologies, like Carbon Capture, Utilization and Storage which will abate emissions from hard to abate Industries/Sectors, the Committee recommend that the Ministry should take into account the challenges, like risk of leakage, potential for induced seismicity, high energy intensive capture process, etc. while formulating the regulatory framework and guidelines for the Carbon Capture, Utilization and Storage Mission.

<u>Revamped Distribution Sector Scheme (RDSS)</u>

6. The Committee note that the Revamped Distribution Sector Scheme (RDSS) is a flagship reform-oriented programme, aimed at improving the quality and reliability of power supply to consumers through a financially sustainable and operationally efficient Distribution Sector. The Scheme had an outlay of Rs. 3,03,758 crores with a Gross Budgetary Support of Rs. 97,631 crores over a period of five years from the financial year 2021-22 to 2025-26. The Committee observe that a total of Rs. 45,736 crores (Revised Estimates) have been allocated for this Scheme during the first 5 years of its implementation i.e. from the financial year 2021-22 to 2025-26. Out of this allocation, Rs. 39,651.46 crores could actually be utilized during these years till 9th February, 2026. Further, the physical achievement with respect to loss reduction works is only 37.20% and against 13,65,139 sanctioned households for electrification, only 2,93,029 households could be electrified till 29th January, 2026. Consequent upon this below par performance, the sunset date of the Scheme has been extended up to 31st March, 2028. It was

submitted before the Committee that Third-party Quality Monitoring Agencies have been appointed by the implementing agencies (i.e. PFC and REC Limited) in order to ensure quality of works under the Scheme. However, there are persistent concerns regarding quality of works executed under the Scheme across States and therefore, there is a need to strengthen the Quality Assurance and Monitoring System. The Committee feel that unless the pace of implementation and quality of works are substantially improved, the core objectives of the Scheme and the intended reforms in the Distribution Sector would be hard to realize. In view of the concerns that not only the pace of implementation of works under this Scheme is extremely slow, the quality of works undertaken is also not upto the mark, the Committee recommend that:

i) The Ministry should undertake an urgent and comprehensive review of implementation of Revamped Distribution Sector Scheme, with particular emphasis on improving the quality of works undertaken under this Scheme.

ii) Third-party Quality Assessment of works executed under this Scheme should be done and a Report thereon (district-wise) be submitted to this Committee within 3 Months along with the details of action-taken against non-performing implementing agencies/contractors.

iii) Mechanism should be devised to ensure accountability of Scheme Implementing Agencies, concerned State Governments/Discoms, Third-party Quality Monitoring Agencies, Contractors, etc.

iv) A Performance Evaluation Report on the working of Third-party Quality Monitoring Agencies engaged by PFC and REC Limited (State-wise), including the details of NABL accredited Labs where samples were sent for checking, be submitted to this Committee within 3 Months.

v) Strict adherence to the prescribed timelines for loss reduction works and household electrification should be ensured, especially in view of the extended sunset date of the Scheme up to 31st March, 2028.

Smart Meters

7. The Committee note that Smart Metering is a critical reform measure that supports Distribution Utilities in improving their financial viability through benefits such as, improvement in billing and collection efficiency, automatic energy accounting, improved load forecasting, optimized power purchase costs and renewable energy integration through net metering. The Government had set a target for installation of 25 crore Smart Meters in the Country by March 2025, against which only 5.83 crore Smart Meters have been installed in the Country till 15th February, 2026. The Committee observe that although the rate of installation of Smart Meters in the Country has increased to about 1,35,000 per day, it may still be insufficient to bridge the large gap between the specified target and corresponding achievements within the revised timeline i.e. upto March 2028. Further, frequent complaints are being reported by consumers across States regarding billing inaccuracies, errors during data migration, concerns over data privacy, frequent replacements of consumer meters, etc. These issues have the potential to erode consumer confidence and undermine the very objectives of Smart Metering as a tool for reform. In view of the above, the Committee recommend that:

i) Since the pace of installation of Smart Meters across the Country has been far below the envisaged targets, the Ministry should undertake urgent measures to significantly accelerate the rollout of Smart Meters in a structured and time-bound manner, with clearly defined state-wise and utility-wise milestones.

ii) Robust mechanisms should be put in place to address the concerns of consumers and stringent testing, certification and quality assurance of Smart Meters before installation should be ensured. Moreover, a Quality Monitoring Mechanism should be devised to ensure

accountability of Advanced Metering Infrastructure Service Providers and Discoms in this regard.

iii) Distribution Utilities should be directed to establish transparent and responsive consumer grievance mechanisms, including time-bound resolution of billing disputes and mandatory installation of check meters, in case of complaints.

iv) Comprehensive and adequate safeguards should be instituted to ensure consumer data privacy and cyber security of the Smart Metering infrastructure, including clear guidelines on data ownership, access, storage and grievance redressal.

<u>Performance of Distribution Utilities</u>

8. The Committee note that Revamped Distribution Sector Scheme (RDSS) aims to reduce the AT&C losses to 12-15% and eliminate the gap between Average Cost of Supply and Average Revenue Realized (ACS-ARR). The Committee observe that although AT&C losses and gap between ACS-ARR have shown promising trends, AT&C losses have increased for the States of Himachal Pradesh, Mizoram, Nagaland, Punjab and Telangana from financial year 2020-21 to 2024-25. Discoms in 16 States/UTs have failed to achieve their AT&C loss targets for financial year 2024-25 and the gap between ACS-ARR has widened for 11 Discoms in 8 States during the same period. The Committee acknowledge that there have been perceptible improvements in AT&C losses and gap between ACS–ARR at the national level, but this improvement is uneven across States and Utilities, which indicates that structural inefficiencies and inadequate implementation of reforms persist in several States despite availability of financial support under the RDSS. Further, Billing and Collection Efficiencies at pan India level stand at 87.60% and 97%, respectively, which will continue to adversely impact revenue realization and reflects deficiencies in metering, billing systems and energy accounting. Believing that RDSS should deliver structural transformation of

the Distribution Sector as opposed to only temporary Scheme driven improvements, the Committee recommend that the Ministry should adopt State specific strategies to address persistently high loss geographies, with special focus on the States and Discoms that have shown deterioration or persistent underperformance so as to ensure improvement in governance and accountability of the Distribution Utilities in the long run.

Issue of live hanging wires

9. The Committee note with serious concern, the alarming condition of electrical wiring infrastructure in the Country, where dead and live wires hang dangerously side by side and redundant cables remain uncleared for years. The Committee observe that such jungles of wires are not merely an aesthetic issue, but the prevalence of loosely hanging, scattered and overhead electrical wires poses a constant threat to human life and property, particularly in densely populated areas and the risk gets significantly exacerbated during the monsoon season. The Committee understand that responsibility on this matter majorly lies with the State Governments/ Discoms, however, considering electrical safety as a critical public welfare obligation, there is a need for urgent, coordinated and sustained action at all levels to prevent avoidable loss of life and property due to hanging live wires. The Committee are of the view that the existing situation highlights serious gaps in electrical safety management, accountability of distribution utilities and coordination between civic authorities and other utility service providers. The Committee, therefore, recommend that the Ministry, in coordination with State Governments and Discoms should formulate and enforce a comprehensive National Electrical Safety and Cable Management Framework to address the issue of unsafe overhead hanging wires. In addition, Complaint Redressal Mechanisms should also be strengthened to enable citizens to report hazardous wiring conditions, with time-bound action by the concerned Authorities.

Comprehensive Scheme for Strengthening of Transmission and Distribution System in Arunachal Pradesh and Sikkim

10. The Committee note that the Comprehensive Scheme for Strengthening of Transmission and Distribution System in the States of Arunachal Pradesh and Sikkim was approved by the Government in October 2014 with an estimated cost of Rs. 4754.42 crores, which subsequently got revised upwards to Rs. 9129.32 crores in March 2021. The Committee observe that out of 294 elements under this Scheme, 190 elements have been completed and the remaining 104 elements are targeted to be completed by March 2027. Observing that it has been more than 11 years since this Project got approved and is yet to be completed, the Committee feel that such prolonged delays have not only resulted in substantial cost escalation, but have also delayed the intended benefits of improved transmission and distribution infrastructure in strategically important and geographically sensitive States. The Ministry has cited very specific reasons for delay in completion of this Project, like delay in disbursement of compensation in Unclassified State Forest Area and Right of Way (RoW) issues in Reserve Forest Area in the State of Arunachal Pradesh and delay in restoration of lines which got damaged due to occurrence of severe floods in the State of Sikkim. In view of the above, the Committee recommend that the Ministry and Power Grid Corporation of India Limited should accord highest priority to completion of the remaining elements of the Scheme within the revised timeline of March 2027 and ensure that outstanding issues relating to disbursement of compensation, Right of Way and restoration of damaged lines are resolved on a time-bound basis through proactive engagement with the State Governments of Arunachal Pradesh and Sikkim.

Assistance in Deploying Energy Efficient Technologies in Industries & Establishments (ADEETIE)

11. The Committee note that the Scheme ADEETIE has been designed to promote the adoption of energy-efficient technologies among MSMEs across 14 energy-intensive sectors, including Foundry, Forging, Steel Re-Rolling, Paper, Glass & Refractory, Ceramics, Brass, Chemicals, Pharma, Bricks, Food Processing, Leather, Fisheries and Textiles. The Scheme will be implemented over a period of three years, starting from financial year 2025-26 to 2027-28 with an outlay of Rs. 1000 crores. The Committee observe that for the financial year 2025-26, Rs. 72 crores were allocated for this Scheme as Budgetary Estimates, which got drastically reduced to Rs. 15 crores at the stage of Revised Estimates and the Ministry has been unable to spend a single Rupee till January 2026. The Committee are of the view that such underutilization at the very inception of the Scheme undermines its credibility and risks delaying the achievement of its intended outcomes. The inability to operationalize ADEETIE in the first year for the reasons cited by the Ministry, including perceived risk of non-payment and existing similar Schemes/ Policies at the State level, also raises concerns about the feasibility of achieving the targets under this Scheme within the remaining period of implementation. The Committee, therefore, recommend that:

i) The Ministry, in coordination with the Bureau of Energy Efficiency, should undertake immediate corrective measures to operationalize the ADEETIE Scheme on priority basis.

ii) The Ministry should strengthen outreach and awareness among MSMEs and energy auditors to facilitate faster preparation of Detailed Project Reports (DPR) and approval of Projects under the Scheme.

iii) The Ministry should closely engage with Banks and Financial Institutions to streamline loan processing and ensure timely disbursement of credit linked with interest subvention under ADEETIE.

iv) Adequate safeguards should also be put in place to address the concerns regarding payment security.

Development of Power Sector in North-Eastern Region

12. The Committee observe that sustained allocation and utilization of the allocated funds for the North-Eastern Region are critical for strengthening transmission and distribution infrastructure, improving access to reliable power, supporting hydroelectric development and fostering socio-economic growth in the Region. The Committee note with appreciation that the Ministry has continuously excelled in fulfilling the mandated requirement with respect to allocation and utilization of funds in the North-Eastern Region i.e. 10% of the Gross Budgetary Support (excluding Establishment Budget). The Committee acknowledge that compliance with the mandated allocation norm is a positive step, particularly in view of the persistent implementation challenges in the Region, such as difficult terrain, remoteness, climatic vulnerabilities and law and order issues. The Committee believe that adherence to this norm reflects the Ministry's commitment to addressing regional imbalances and promoting equitable development of the Power Sector in geographically challenging and strategically important areas of the Country. The Committee, therefore, recommend that the Ministry should continue to strictly adhere to the mandated requirement of allocation and utilization of at least 10% of Gross Budgetary Support for the North-Eastern Region in future as well, so as to ensure enhanced availability and access to power in the North-Eastern Region.

Increasing demand of electricity due to rapid growth of AI and large-scale Data Centers

13. The Electricity Act, 2003 stipulates that the Central Government shall, from time to time, prepare the National Electricity Policy, in consultation with the State Governments and the Central Electricity Authority for development of the Power System based on optimal utilization of resources such as coal,

natural gas, nuclear substances or materials, hydro and renewable sources of energy. Further, the Authority has been mandated to prepare a National Electricity Plan in accordance with the National Electricity Policy and notify such plan once in five years. The Committee note that India's current data center load is approximately 1.20 GW, which is projected to increase to 13.60 GW by 2032 and further to around 16.40 GW by 2040. The Committee feel that the rapid growth of Artificial Intelligence (AI) and other large-scale data centers and their increasing demand on the National Grid, need to be duly factored into both the National Electricity Policy and the National Electricity Plan as AI is highly energy intensive. The Committee, therefore, recommend that the Ministry and Central Electricity Authority should review the extant National Electricity Policy and corresponding National Electricity Plan in order to suitably incorporate the issues related to increasing use of Artificial Intelligence in the Power Sector, rapid growth of large-scale data centers and their increasing demand on the National Grid.

<u>Regulations for ensuring Cyber Security in the Power Sector</u>

14. In view of the extensive deployment of AI-based applications and Smart Meters in the Power System, the Committee observe that there is an urgent need for regulatory framework in order to tackle issues related to Cyber Security in the Power Sector. The Committee note that while certain interim measures, such as Cyber Security Guidelines and Advisories/Orders have already been issued by the Ministry and Central Electricity Authority to address emerging cyber threats, the Draft Central Electricity Authority (Cyber Security in Power Sector) Regulations are still in process. Recognizing the urgency of the subject matter in view of the increasing digitalization and deployment of AI-based systems, the Committee recommend that the necessary Regulations regarding Cyber Security in the Power Sector should be finalized and issued at the earliest.

National Power Training Institute (NPTI)

15. The Committee note that shortage of Cyber Security expertise may be felt in the Power Sector in the coming days as there are not enough qualified individuals to address increasing demand of these professionals. It has been submitted before the Committee that Computer Security Incident Response Team for the Power Sector (CSIRT-Power) has been established and Capacity Building Initiatives are being taken by the Ministry and National Power Training Institute to strengthen Cyber Security preparedness and resilience across the Indian Power Sector. The Committee observe that NPTI has conducted just 43 Programmes on Cyber Security, including 39 Programmes of basic level, which cannot be considered sufficient given the vast size, complexity and criticality of the Indian Power Sector. Further, such limited and largely introductory training cannot meet the growing demand for skilled cyber security professionals. The Committee are of the view that when cyber threats to critical infrastructure are becoming more frequent, sophisticated and disruptive, Cyber Security is no longer a peripheral technical function, but a core operational requirement and inadequate preparedness could expose the Power Sector to serious risks, including grid disruptions, data breaches and financial losses. The Committee, therefore, recommend that the Ministry and NPTI should urgently strengthen Cyber Security Capacity in the Power Sector through a comprehensive and structured training and skill-development strategy.

New Delhi
10th March, 2026
19 Phalguna, 1947 (Saka)

Shrirang Appa Barne
Chairperson,
Standing Committee on Energy

ANNEXURE – I

STANDING COMMITTEE ON ENERGY

MINUTES OF SIXTH SITTING OF THE STANDING COMMITTEE ON ENERGY (2025-26) HELD ON 23rd FEBRUARY, 2026 IN MAIN COMMITTEE ROOM, PARLIAMENT HOUSE ANNEXE, NEW DELHI

The Committee sat from 1130 hours to 1400 hours

MEMBERS - LOK SABHA

Shri Shrirang Appa Barne – Chairperson

2. Shri Shyamkumar Daulat Barve
3. Captain Brijesh Chowta
4. Shri Chandra Prakash Joshi
5. Dr. Shivaji Bandappa Kalge
6. Shri Jagdambika Pal
7. Smt. Shambhavi
8. Shri Chandubhai Chhaganbhai Shihora

MEMBERS - RAJYA SABHA

9. Shri Gulam Ali
10. Dr. Laxmikant Bajpayee
11. Shri Ajit Kumar Bhuyan
12. Shri Javed Ali Khan
13. Shri Harsh Mahajan
14. Shri Rajeev Shukla
15. Shri P. Wilson

SECRETARIAT

1.	Shri Atul Anand	Joint Secretary
2.	Shri Kulmohan Singh Arora	Director
3.	Shri Ajitesh Singh	Deputy Secretary
4.	Ms. Deepika	Under Secretary

WITNESSES		
MINISTRY OF POWER		
1	Shri Pankaj Agarwal	Secretary
2	Shri Piyush Singh	Additional Secretary
3	Dr. D. Sai Baba	Additional Secretary
4	Shri Mohammad Afzal	Joint Secretary
5	Shri Mahabir Prasad	Joint Secretary & Financial Advisor
6	Shri Hemant Jain	Chief Controller of Accounts
7	Shri Hemant Kumar Pandey	Chief Engineer
8	Shri Dheeraj Kumar Srivastava	Chief Engineer
9	Ms. Ritu Jain	Economic Advisor
PSUs/AUTONOMOUS BODIES/STATUTORY BODIES		
10	Shri Ghanshyam Prasad	Chairperson, CEA
11	Shri Gurdeep Singh	CMD, NTPC Limited and NEEPCO
12	Shri R. K. Tyagi	CMD, PGCIL
13	Smt. Parminder Chopra	CMD, PFC Limited
14	Shri Jitender Srivastava	CMD, REC Limited
15	Shri Bhupender Gupta	CMD, NHPC Limited and SJVN Limited
16	Shri Sipan Kumar Garg	CMD, THDC India Limited
17	Shri Samir Chandra Saxena	CMD, Grid Controller of India Limited
18	Shri S. Suresh Kumar	Chairman, DVC
19	Shri Manoj Tripathi	Chairman, BBMB
20	Shri Krushna Chandra Panigrahy	Director General, BEE
21	Dr. J. Sreedevi	Director General, CPRI
22	Shri Hemant Jain	Director General, NPTI

2. At the outset, the Hon'ble Chairperson welcomed the Members of the Committee and representatives of the Ministry of Power and concerned CPSUs, Autonomous Bodies and Statutory Bodies to the Sitting and informed that the Sitting had been called for evidence in connection with examination of Demands for Grants (2026-27) of the Ministry. The Hon'ble Chairperson also apprised them about the provisions of Directions 55(1) and 58 of the Directions by the Hon'ble Speaker.

3. During the discussion, a power-point presentation was made on the subject which, *inter-alia,* covered major achievements of the Ministry of Power;

Growth of Indian Power Transmission System; Impact of Energy Efficiency Interventions; Budgetary Allocation and Actual Expenditure during last 5 years; Budget (2026-27); Details of CAPEX Targets of CPSEs of the Ministry of Power from Financial Year 2021-22 to 2026-27; Revamped Distribution Sector Scheme; Transmission Schemes; Carbon Capture, Utilization and Storage Scheme; etc.

4. The Committee, *inter-alia,* deliberated upon the following points with representatives of the Ministry of Power and concerned CPSUs, Autonomous Bodies and Statutory Bodies:

i) Issues related to repeated variation between projected requirement of funds, actual allocation and final utilization by the Ministry;
ii) Issues related to budgetary allocation and utilization for North-Eastern Region;
iii) Reasons for sharp rationalization in allocation for Energy Conservation Scheme;
iv) Issues related to significant savings by the Ministry during FY 2022-23 and 2023-24 and non-surrendering of unused allocated amount during 2022-23 within the stipulated date i.e. 21st March of the Financial Year;
v) Issues related to merger of Power Finance Corporation and REC Limited;
vi) Issues related to fund utilization and project execution under the Revamped Distribution Sector Scheme;
vii) Issues related to third-party monitoring under Revamped Distribution Sector Scheme;
viii) Need for independent evaluation framework to assess whether the Revamped Distribution Sector Scheme is able to deliver structural transformation of the Distribution Sector;
ix) Issues related to installation of Smart Meters;
x) Issues related to Transmission and AT&C Losses;
xi) Issues related to gap between Average Cost of Supply and Average Revenue Realized (ACS-ARR);
xii) Issues related to deteriorating financial condition of Discoms;
xiii) Issues related to Household Electrification;

xiv) Issues related to supply of 24x7 reliable power supply for all;
xv) Need for creation of online portal for Hydro, Solar and other Renewable Power Projects so as ensure seamless submission, validation and monitoring of data by all the stakeholders;
xvi) Issues related to AI and Cyber Security in the Power Sector;
xvii) Issues related to evacuation and transmission of power;
xviii) Present status of Comprehensive Scheme for strengthening of Transmission & Distribution System in Arunachal Pradesh and Sikkim;
xix) Issues related to Carbon Capture Utilization and Storage Scheme;
xx) Issues related to Energy Efficiency Financing Facility – ADEETIE;
xxi) Issues related to grant for downstream protection work and flood moderation;
xxii) Need for conducting timely safety audits of Hydro Power Projects;
xxiii) Issues related to safety hazard due to low hanging high tension wires;
xxiv) Issues related to building Small Modular Reactors to replace older Thermal Power Plants;
xxv) Physical and financial performance of Central Electricity Authority, Bureau of Energy Efficiency, National Power Training Institute and Central Power Research Institute.

5. The Members also sought clarifications on various other issues relating to the subject and representatives of the Ministry and concerned Organizations responded to the same. The Committee directed the representatives to furnish written replies to all those queries which could not be fully responded to within 5 days of the Sitting.

The Committee then adjourned.

The verbatim proceedings of the sitting have been kept for record.

ANNEXURE – II

STANDING COMMITTEE ON ENERGY

MINUTES OF EIGHTH SITTING OF THE STANDING COMMITTEE ON ENERGY (2025-26) HELD ON 10TH MARCH, 2026 IN COMMITTEE ROOM-C, PARLIAMENT HOUSE ANNEXE, NEW DELHI

The Committee sat from 1500 hours to 1530 hours

MEMBERS - LOK SABHA

Shri Shrirang Appa Barne - Chairperson

2. Shri Shyamkumar Daulat Barve
3. Shri Devusinh Chauhan
4. Shri Shahu Shahaji Chhatrapati
5. Captain Brijesh Chowta
6. Shri Malaiyarasan D.
7. Dr. Shivaji Bandappa Kalge
8. Shri Nilesh Dnyandev Lanke
9. Shri Dulu Mahato
10. Shri Ramprit Mandal
11. Dr. Kirsan Namdeo
12. Shri Jagdambika Pal
13. Shri Kunduru Raghuveer
14. Dr. Shrikant Eknath Shinde
15. Shri Abhay Kumar Sinha

MEMBERS - RAJYA SABHA

16. Shri Gulam Ali
17. Shri Birendra Prasad Baishya
18. Shri R. Dharmar
19. Shri Javed Ali Khan
20. Shri Harsh Mahajan
21. Shri P. Wilson

SECRETARIAT

1.	Shri Atul Anand	Joint Secretary
2.	Shri Kulmohan Singh Arora	Director
3.	Ms. Deepika	Under Secretary

2. At the outset, the Chairperson welcomed the Members of the Committee and apprised them about the agenda of the sitting. The Committee then took up for consideration and adoption the following draft Reports:

(i) Report on Demands for Grants (2026-27) of the Ministry of Power.

(ii) Report on Demands for Grants (2026-27) of the Ministry of New and Renewable Energy.

3. After discussing the contents of the Reports in detail, the Committee adopted the abovementioned two draft Reports without any amendment/ modification.

4. The Committee authorized the Chairperson to finalize the above-mentioned Reports and present the same to both the Houses during the current session.

The Committee then adjourned.

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