

## UDAY Improvement Trends

The articles focuses on the Post UDAY Improvement Trends in the State of Rajasthan, Karnataka, Andhra Pradesh and Maharashtra.

### UDAY

Ministry of Power, Government of India, launched Ujwal DISCOM Assurance Yojana (UDAY) which was approved by Union Cabinet on 5th November, 2015.

The scheme envisages:

- Financial Turnaround
- Operational improvement
- Reduction of cost of generation of power
- Development of Renewable Energy
- Energy efficiency & conservation

### Salient Features of the Scheme

For Financial Turn around

- States will take over 75% of the DISCOM debt as on Sept 30, 2015 - 50% in FY 2015-16 and 25% in FY 2016-17
- States to issue non-SLR including SDL bonds, to take over debt and transfer the proceeds to DISCOMs in a mix of grant, loan, equity
- Maturity period of bonds - 10-15 years
- Moratorium period - up to 5 years
- Rate - G-sec plus 0.5% spread plus 0.25% spread for non-SLR
- Borrowing not to be included for calculating fiscal deficit of the State

Achieving Financial Turnaround

- Balance 25% of debt to remain with the DISCOMs in the following manner:

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1. Issued as State-backed DISCOM bonds; or
2. Re-priced by Banks/FIs at interest rate not more than bank base rate + 0.10%
  - States to take over future losses of DISCOMs as per trajectory in a graded manner.
  - [0% of loss of 14-15 & 15-16; 5% of 16-17; 10% of 17-18; 25% of 18-19 & 50% of 2019-20]
  - Balance losses to be financed through State bonds or DISCOM bonds backed by State Govt guarantee, to the extent of loss trajectory finalised with MoP.

- Jharkhand and J&K given special dispensation for take over of outstanding CPSU dues

Benefits to Participating States

- Reduction in Cost of power through Central Support
  1. Increased supply of domestic coal
  2. Allocation of coal linkages at notified prices
  3. Coal price rationalization
  4. Coal linkage rationalization & allowing coal swaps
  5. Supply of washed & crushed coal
  6. Additional coal at notified prices
  7. Faster completion of Interstate Transmission lines
  8. Power purchase through transparent competitive bidding
- Additional priority funding under DDUGJY, IPDS, etc.

### Improvement Trends

Following is the Post UDAY Improvement Trends in the State of Rajasthan, Karnataka, Andhra Pradesh and Maharashtra. The graphs below depict the cumulative/quarterly progress, in absolute terms, made by distribution sector of the States during post UDAY period. (shown through green bars in the graph). The pre-UDAY position as on 31.03.2016 is shown through blue bar in the graphs.

# POWER SECTOR

## Rajasthan

### 1. Feeding Meter (Urban)



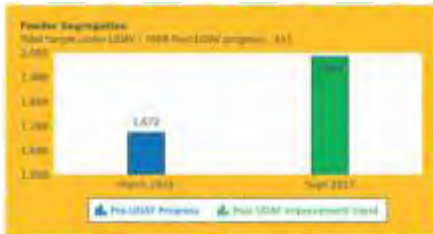
### 2. Feeding Meter (Rural)



### 3. Distribution of LEDS under UJALA



### 4. Feeder Segregation



### 5. Smart Metering above 500kWh



### 6. Electricity Access



## Karnataka

### 1. Feeding Meter (Urban)



### 2. Feeding Meter (Rural)



### 3. Distribution of LEDS under UJALA



### 4. Feeder Segregation



### 5. Smart Metering above 500kWh



### 6. Electricity Access



## Andhra Pradesh

### 1. Feeding Meter (Urban)



### 2. Feeding Meter (Rural)



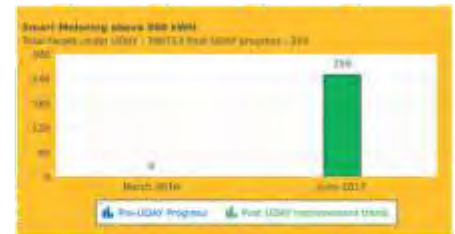
### 3. Distribution of LEDS under UJALA



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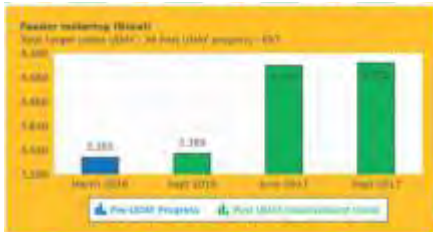


## Maharashtra

### 1. Feeder Meter (Urban)



### 2. Feeder Meter (Rural)



### 3. Distribution of LEDS under UJALA



### 4. Feeder Segregation



### 5. Electricity Access



## Methodology & Assumptions for Improvement Barometers:

Parameters used for depicting Improvement Barometers of Discoms / States and the weightages / marks assigned to each parameters are subjective and have been used for sole



purpose of assessing the improvement of distribution utilities under UDAY.

## Quarterly updation of Improvement Barometers:

Marks in the improvement barometers built on the latest quarterly progress data updated by the Discoms / States. For Operational Parameters, targets & progress are cumulated for post UDAY period. In case of Financial Parameters (including AT&C loss), targets & progress are cumulated upto 12 months of respective financial year.

## Assumptions:

- In case of non-feeding of quarterly AT&C loss and GAP targets in the portal by the Discoms / State, yearly target given in the MoU for the relevant year shall be considered for all four quarters. Similarly in absence of quarterly targets of other financial parameters, 1/4 of all Income/Expenditure related figures given in the MoU for the relevant FY shall be considered.
- In case the Discom has not shared/entered data in respect of any of the Parameters, the progress tubes will show 'No Data' and no marks shall be assigned. Moreover, where

Discoms have entered zero target for a particular period (say 1st half-year of 2016-17) against any operational parameters, then also no marks shall be assigned and the progress tubes will show 'No Targets'.

- In case of P&L statement, Utilities showing positive Net Income (i.e. showing Profit) and in case of ACS-ARR Gap, Utilities where ARR is more than ACS, shall get 50% of the assigned marks against these parameters as a measure of efficiency irrespective of the target achievement. For remaining 50% marks and for all other cases, marks will be assigned based on target and achievement of respective quarter.
- In case of Payables parameter, if Payable figure is less than or equal to 90 days of yearly power purchase amount (annualized based on the quarterly figures) then full marks will be assigned otherwise zero. Similarly in case of Receivables parameter, if Receivables outstanding figure is less than or equal to 90 days of yearly turnover amount (annualized based on the quarterly figures) then full marks will be assigned otherwise zero.