

# Distribution Franchise in India

In recent years, the distribution franchise (DF) model has emerged as an attractive option. A number of private players have won DF bids recently issued by states or expressed their interest in obtaining more franchises. With the UDAY scheme mandating stringent loss reduction targets, the DF model comes as an opportunity to bring down the spiralling losses, while also providing business opportunities to private players and enhanced services to consumers. Also, unlike outright privatisation, the DF model offers the best of both worlds - public ownership of assets and private management of operations. Further, it also brings in the much-needed investment in the distribution segment.

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#### The franchises covered include

- Bhiwandi (Torrent Power Limited)
- Nagpur (Spanco Nagpur Discom Limited)
- Agra (Torrent Power Limited)
- Muzaffarpur (Essel Vidyut Vitaran (Muzaffarpur) Limited)
- Gaya (India Power Corporation Limited)
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