

PRESS RELEASE

OFFICE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

New Delhi

23rd February, 2026

CAG ORGANISES A NATIONAL CONFERENCE ON POWER SECTOR

**A COMPREHENSIVE POWER SECTOR AUDIT PLAN WILL EMERGE AFTER
DELIBERATIONS: MURTHY**

**USE OF ARTIFICIAL INTELLIGENCE AND BIG DATA ANALYTICS TO STRENGTHEN
THE SECTOR: CAG**

HORIZONTAL PERFORMANCE AUDIT of DISCOMS INITIATED

A National conference on power sector was held here today. Organised by the Office of Comptroller and Auditor General Of India (CAG), the conference was attended by the Secretaries of power sector from the states and the union government, Chairperson, Central Electricity Regulatory Commission (CERC), Chairperson, Central Electricity Authority (CEA) along with CMDs of NTPC, NHPC, SECI, PFC, Grid-India and PGCIL, and CMDs/ MDs of selected Power Generation, Transmission and Distribution, State PSUs and Vasudha Foundation. This foundation is a non-profit think tank working to advance clear energy and climate solutions in India. CAG and Vasudha Foundation have signed MoU to support capacity building and detailed audit in power sector.

In his inaugural address, Shri K Sanjay Murthy, CAG of India said that the conference is aimed at finding out innovative ideas by discussing best practices and gaining from collective valuable experience to enrich one of the most important sectors of our economy i.e. power. At the end of the conference, we would present our audit plan and align our audit focus in line with the deliberations of this conference, he stated. He further said, that the audit plan should be able to contribute towards achieving the national vision for power sector as well as towards achieving the shared goal of Viksit Bharat@2047.

The CAG added that, “the advancement in technology has played a pivotal role in the ongoing metamorphosis of Power Sector. With the increasing use of Artificial Intelligence and big data analytics in the sector, the capacity to tackle inherent complexities in the sector are getting strengthened. I have taken note of some important initiatives in these areas including strategic and statistical dashboards offered by National Power Portal, Central Electricity Authority, and NITI Aayog’s India Climate & Energy Dashboard, which are further supplemented by other Dashboards covering operational aspects. It is in this context, we need to align our audit priorities to the work that is being done to provide context, best practices and most important have a 3 to 4 pipeline of audit products, which can be beneficial to both Union and states in their endeavor for meeting the goals set for themselves.”

He also mentioned that “Power Sector is the most crucial driver to run the economy and its growth, as literally every aspect of the economy needs continuous and quality power supply to operate and scale new heights. The expectations from the Sector have risen sharply over the years especially in order to achieve the vision of Viksit Bharat 2047 with energy independence being the central part of the vision. The vision of enhancing per capita electricity consumption from 1,460 kWh at present to 2,000 kWh by 2030 and 4,000 kWh by 2047 and providing reliable 24x7 quality power through a financially viable and environmentally sustainable power sector would require all the constituents of the sector, be it Policy making, Generation, Transmission and Distribution to work together to achieve this Vision.”

He further added that “since last decade, the Power Sector has achieved a lot as the generation has gone up from 1,168 BU in 2015-16 to 1824 BU in 2025-26. The sources from which this power is being generated have also undergone major change as the shift to Green Energy has been increasingly gaining focus which is evident from the rise in its share from 6% to 24%. I am happy to note the milestone achievement for the country in meeting its Nationally Determined Contribution (NDC) target of 50 *per cent* non-fossil capacity in 2025 itself, which is five years ahead of scheduled target date.”

Speaking at the occasion Mr. Jishnu Barua, Chairperson of the Central Electricity Regulatory Commission urged concrete, time-bound, and implementable recommendations on resource adequacy, grid readiness, discom reform,

digitalisation, storage, and market design. He said “as the Supreme Audit Institution of India, the Comptroller and Auditor General of India has a primary responsibility for how public resources are used in this transformation. Sound planning, efficient procurement, timely implementation, and transparent reporting are essential if each rupee invested in the power sector is to translate into reliable supply, improved service quality, and sustainable outcomes for our citizens. If we can align performance, accountability, and resilience, our power sector will not only power Viksit Bharat but also serve as a model of balanced, climate-compatible development for the world.”

In his address, Shri Santosh Kumar Sarangi, Secretary, Ministry of New and Renewable Energy, stated that as far as the policymakers in the energy sectors are concerned, the energy trilemma is something which has bothered all of us, and the three pillars of this trilemma are affordability, reliability, and security. If you look at the stakeholders who are associated with electricity generation, distribution, and consumption, then from a customer-- consumer perspective, the consumer is looking at least cost energy to be provided to him. The states are bothered with sourcing power, managing the distribution, and also ensuring that they have the least gap between average cost of procurement and average cost of supply. And at the central level, there is a concern relating to management of energy security i.e., sourcing of energy from different mix and identifying the right balance and finding the least cost energy transition pathway for the country. So in this context, Renewable Energy in the last decade or so, has played a very pivotal role in India’s energy transition journey. Going forward, India also wants to become a manufacturing nation, and from that perspective, the manufacturing in Renewable Energy has also been phenomenal. We have gone ahead in our manufacturing plan, and today India is the second largest manufacturing, module manufacturing country after China.”

Additional Deputy CAG Shri Guljari Lal informed that CAG office has initiated a horizontal performance audit of operational and financial performance of DISCOMS and performance audit of Pradhan Mantri Surya Ghar Muft Bijli Yojana. Strengthening and augmenting of transmission capacity in selected states will also be undertaken. Subject specific compliance audit of battery energy storage system, green energy corridor scheme and market development is also contemplated during the next few years. A horizontal subject specific

compliance audit of regulatory challenges will also be done in next few years, he said.



*CAG Shri K Sanjay Murthy addressing National Conference on Power Sector in New Delhi on
23.02.2026*

BSC/SS/AV/IK/5-26