

GOVERNMENT OF INDIA
MINISTRY OF POWER

RAJYA SABHA
UNSTARRED QUESTION NO.1877
TO BE ANSWERED ON 09.07.2019

LOANS ON THE POWER GENERATING COMPANIES

1877. SHRI SANJAY SINGH:

Will the Minister of **POWER**
be pleased to state:

- (a) whether it is a fact that the 34 power generating companies in the country have accumulated debt worth of ` 1.74 lakh crore;
- (b) if so, how does Government plan to take the power sector out of the potential bad debts; and
- (c) the details of the loan amounts of these 34 power generating companies since the last two years, company-wise and year-wise?

A N S W E R

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, NEW & RENEWABLE ENERGY AND THE MINISTER OF STATE FOR SKILL DEVELOPMENT & ENTREPRENEURSHIP

(SHRI R.K. SINGH)

- (a) : As per the list provided by Department of Financial Services, 34 Thermal (coal based) Power projects were stressed with an estimated debt of Rs. 1.77 lakh crore.
- (b) : The steps taken by Government for resolution of stressed assets in power sector are listed in the **Annexure**.
- (c) : The information is being collected.

ANNEXURE REFERRED TO IN REPLY TO PART (b) OF UNSTARRED QUESTION NO. 1877 TO BE ANSWERED IN THE RAJYA SABHA ON 09.07.2019.

Government of India constituted a High Level Empowered Committee (HLEC) under the Chairmanship of Cabinet Secretary to address the issues of stressed thermal power projects. The report of the HLEC was submitted on 12.11.18 and was also placed in the public domain on the website of Ministry of Power.

The Government thereafter constituted a Group of Ministers (GoM) to examine the specific recommendations of HLEC. The Group of Ministers (GoM) had made recommendations regarding stressed power projects. The major recommendations of the GoM as approved by the Government are:

- I. Grant of linkage coal for short-term Power Purchase Agreement (PPA).
- II. Allowed existing coal linkage to be used in case of termination of PPAs due to payment default by DISCOMs.
- III. Procurement of bulk power by a nodal agency against pre-declared linkages.
- IV. Central/State Gencos may act as an aggregator of power.
- V. Increase in quantity of coal for special forward e-auction for power sector.
- VI. Coal linkage auctions to be held at regular intervals.
- VII. Non-lapsing of short supplies of coal.
- VIII. Annual Contracted Quantity (ACQ) to be determined based on efficiency.
- IX. Payment of Late Payment Surcharge (LPS) has been made mandatory.
- X. Non-cancellation of Power Purchase Agreement (PPA)/Fuel Supply Agreement (FSA)/ Long Term Open Access (LTOA) post National Company Law Tribunal (NCLT) scenario.
- XI. Non-cancellation of PPA for non-compliance of Commercial Operation Date (COD).
