

GOVERNMENT OF INDIA
MINISTRY OF POWER

RAJYA SABHA
UNSTARRED QUESTION NO.2876
TO BE ANSWERED ON 20.03.2018

LOSSES OF POWER PLANTS

2876. SHRI AJAY SANCHETI:

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

- (a) whether a number of power plants both in public and private sector are incurring losses;
- (b) if so, the details thereof; and
- (c) the steps taken to make these plants economically viable?

A N S W E R

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER AND
NEW & RENEWABLE ENERGY

(SHRI R.K. SINGH)

(a) & (b) : None of the central power generating utilities are incurring losses, except Damodar Valley Corporation (DVC). The losses incurred by DVC during the last four years are as under:-

Year	2013-14	2014-15	2015-16	2016-17
Losses (Rs.crore)	995.43	1333.56	1143.29	906.6

The details of profit/losses of State Power Generating Utilities, as per the report of Power Finance Corporation (PFC) on performance of state power utilities, for the years 2013-14 to 2015-16 are given in **Annexure**.

Power generation is de-licensed activity, any generating company may establish, operate and maintain a generating station without obtaining a license under the Electricity Act. The decision to set up power generation plant in the private sector is taken by the concerned developer based on the market situation and their commercial judgement, without any interference by the Government. The information on profit and losses by the power plant in the private sector is not maintained.

(c) : In order to improve the viability of the power generating utilities, the Government has taken the following initiatives:-

- i. The amended tariff policy has provisions towards financial viability of generating sectors, as it emphasizes the need to maintain a balance between interest of the consumers and the need for investment while laying down rate of returns.
- ii. The Government has launched UDAY (Ujwal DISCOM Assurance Yojana) with the objective of improving operational and financial efficiency of state discoms. The improved financial health of discoms will lead to higher power purchase, which, in turn, shall help the generating companies.
- iii. Government has approved a proposal for allowing flexibility in utilization of domestic coal amongst power generating stations.
- iv. Government has started separate e-auction window for power sector from April, 2016, under which Coal India Limited (CIL) is making arrangements for conduct of forward e-auction of coal exclusively for power sector.
- v. Rationalisation of coal linkages to optimize cost of transportation.
- vi. Government has approved SHAKTI (Scheme for Harnessing and Allocating Koyala Transparently in India).
- vii. Third Party Sampling of coal both at loading and unloading ends has been introduced to address the problem of grade slippages.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) & (b) OF UNSTARRED QUESTION NO. 2876 TO BE ANSWERED IN THE RAJYA SABHA ON 20.03.2018.

Details of State Generating Companies incurring profit/loss after Tax

(In Rs. Crore)

Region	State	Utility	2013-14	2014- 15	2015-16
Eastern	Jharkhand	JUUNL	-	(12)	(2)
North Eastern	Assam	AEGCL	(7)	(81)	(200)
		APGCL	(86)	(1)	1
	Meghalaya	MePGCL	(70)	(90)	(46)
Northern	Delhi	Indraprastha	121	17	(92)
	Haryana	HPGCL	(26)	105	27
	Rajasthan	RRVUNL	(313)	(2,637)	(939)
	Uttar Pradesh	UPJVNL	10	28	(15)
	Puducherry	Puducherry PCL	9	(31)	5
Western	Chhattisgarh	CSPGCL	(684)	354	32
	Madhya Pradesh	MPPGCL	(565)	(1,027)	(50)
	Maharashtra	MSPGCL	111	436	(8,795)

Note: Figures in parenthesis "()" indicates loss.

Source : PFC Report on performance of State Power Utilities
