## GOVERNMENT OF INDIA MINISTRY OF POWER

## LOK SABHA UNSTARRED QUESTION NO.3870 TO BE ANSWERED ON 08.12.2016

### SHARE OF POWER SECTOR IN BANKS' NPAs

### **†3870. SHRI ANANTKUMAR HEGDE:**

# Will the Minister of POWER be pleased to state:

(a) whether the power generation sector had 12.39% share in the NPAs of banks during December, 2015 which has increased in June, 2016;

(b) if so, the facts thereof and the percentage of said increase in June, 2016;

(c) whether the Union Government has ascertained the reasons for increase in power sector's share of NPAs; and

(d) if so, the details thereof?

#### ANSWER

## THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, COAL, NEW & RENEWABLE ENERGY AND MINES

### (SHRI PIYUSH GOYAL)

(a) to (d): No, Madam. The share of Power Generation Sector in the Gross Nonperforming Assets (GNPAs) of Scheduled Commercial Banks (SCBs), as on December 2015, was 4.54%, which has decreased to 4.38% in June, 2016, as indicated below:

*....* 

|                 |            |                            | (In Rs crore)  |
|-----------------|------------|----------------------------|--|
| Period<br>as on | Gross NPAs | Power generations<br>GNPAs | Share of Power<br>Generation - GNPAs in<br>Gross NPAs (in %) |
| 31-Dec-2015     | 4,36,883   | 19,831                     | 4.54   |
| 30-Jun-2016     | 6,15,429   | 26,967                     | 4.38   |

The Financial Stability Report (June-2015) released by the Reserve Bank of India (RBI) has highlighted some of the major problems in power sector as under:

- Fuel availability / linkages
- Project clearances
- Social activism
- Aggressive bidding in coal block auctions by power producers resulting in lower plant load factors (PLF).
- Dependence on imported coal which is more expensive.
- Poor financial health of State DISCOMs.

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