

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.2610
TO BE ANSWERED ON 27.12.2018**

PROBLEM FACED BY POWER SECTOR

2610. SHRI C. MAHENDRAN:

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

- (a) whether the Government has any data about the problems being faced by the power sector in the country;**
- (b) if so, the details thereof;**
- (c) whether the power sector in the country is gripped by the lack of spending on research and development of renewables and transmission technology;**
- (d) if so, the details thereof;**
- (e) whether the funds allocated for the research was used by the Government to finance transition of States to GST; and**
- (f) if so, the details thereof?**

A N S W E R

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

(SHRI R. K. SINGH)

(a) & (b): There has been a drastic reduction in peak and energy shortages in the country as compared to the situation about 5 years ago. The peak and energy shortages for the month of November, 2018 are 0.5% and 0.5% respectively, compared with peak and energy shortages of 3.7% and 4.0% respectively, in the month of November, 2013. However, some of the problems being faced by the power sector in the country are related to poor financial health of distribution companies, inadequate coal and gas supply, regulatory challenges, slow implementation of projects by developers etc.

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(c) & (d) : The Ministry of Power allocates funds to Central Power Research Institute (CPRI) for its various research schemes. Rs. 90.8284 crore have been allocated by Ministry of Power for the period of three years from 2017-18 to 2019-20. Further, power sector CPSUs also allocate funds towards the R&D activities as per the R&D Policy of the Department of Public Enterprises. In addition, Ministry of Human Resources Development is also implementing two schemes, namely, Impacting Research, Innovation and Technology (IMPRINT) and Uchhatar Avishkar Yojana (UDY) for promoting research and development in various sectors including power sector.

(e) & (f) : Through Finance Bill 2010-11, a corpus called National Clean Energy Fund (NCEF) was created out of cess on coal produced/imported for the purpose of financing and promoting clean energy initiatives, funding research in the area of clean energy or for any other purpose relating thereto. Subsequently, the scope of the fund was expanded to include clean environment initiatives also. However, the Goods and Services Tax (Compensation to States) Act, 2017 which has been notified on 12.04.2017, provides that coal cess, along with cess on pan masala, tobacco, aerated water, etc., would constitute GST Compensation Fund and the same would be utilised to compensate the States for five years to compensate them for potential losses on account of GST implementation. After five years any amount left would be shared on 50% basis between centre and states.
