

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.2661
TO BE ANSWERED ON 27.12.2018**

REVIEW OF PRIVATE POWER PLANTS

†2661. DR. KRISHAN PRATAP:

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

- (a) whether the Government has reviewed the condition of private power plants which are debt-ridden;**
- (b) if so, the details and the present status thereof;**
- (c) whether the Government is considering to acquire such debt-ridden private power plants and set up a controlling company with the help of NTPC, PFC, REC and Banks and if so, the details thereof; and**
- (d) if so, the details and the present status 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) : A High Level Empowered Committee (HLEC) was constituted by the Government on 29.07.2018 to examine the issues of Stressed Thermal Power Projects, headed by Cabinet Secretary with representatives from Ministry of Railways, Ministry of Finance, Ministry of Power, Ministry of Coal and the lenders having major exposure to the power sector.

HLEC report mentions the major reasons for stress in the Power Sector, which are as follows:

- Issues related to Coal supply,**
- Slow growth in Power demand,**
- Delayed payments by DISCOMs,**
- Inability of the Promoter to infuse equity and service debt,**
- Slow implementation of project by the developers,**
- Issues related to Banks/ FIs**
- Aggressive tariffs quoted by bidders in competitive bidding process,**
- Regulatory and contractual disputes,**
- Legal issues related to auctioned coal mines,**
- Other operational issues such as delay in land acquisitions, inadequate transmission system etc.**

The report has been circulated by the Government to all members. It has also been published on the website of the Ministry.

(c) & (d) : No decision on this has been taken by the Government as yet.
