

**GOVERNMENT OF INDIA  
MINISTRY OF POWER**

**LOK SABHA  
UNSTARRED QUESTION NO.2041  
TO BE ANSWERED ON 22.09.2020**

**RELAXATION ON WORKING CAPITAL LOANS**

**2041. SHRI CHANDRA SEKHAR BELLANA:  
SHRI MAGUNTA SREENIVASULU REDDY:  
SHRI SRIDHAR KOTAGIRI:  
SHRI POCHA BRAHMANANDA REDDY:**

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

- (a) whether the Government has approved a one-time relaxation on the limit of working capital loans extended to State-owned distribution companies by the Power Finance Corporation and the Rural Electrification Corporation; and**
- (b) if so, the details thereof?**

**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) & (b): Yes, Sir. Government of India has approved a one-time relaxation to Power Finance Corporation (PFC) Ltd. and Rural Electrification Corporation (REC) Ltd. for extending loans to Power Distribution Companies (DISCOMs) above limits of working capital of 25% of last year's revenues imposed under Ujwal Discom Assurance Yojana (UDAY) to discharge their liabilities as existing on 30.06.2020 in favour of Central Public Sector Undertaking (CPSU) Generation (Genco) & Transmission Companies (Transcos), Independent Power Producers (IPPs) and Renewable Energy (RE) generators, with the proviso that these loans above the 25% limit will not be counted against the working capital limit imposed under UDAY till the loans are repaid.**

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