

**GOVERNMENT OF INDIA
MINISTRY OF POWER
LOK SABHA
UNSTARRED QUESTION NO.709
ANSWERED ON 02.12.2021
STATUS OF PFC AND REC**

709. SHRI SUNIL KUMAR MONDAL:

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

- (a) the present status of Power Finance Corporation (PFC) and the Rural Electrification Corporation (REC);**
- (b) the details of revenue losses during lockdown period;**
- (c) whether any strategy is planned to generate more revenue to recover the losses during lockdown period; and**
- (d) if so, the details thereof and if not, the response of the Government thereto?**

A N S W E R

THE MINISTER OF POWER AND NEW & RENEWABLE ENERGY

(SHRI R.K. SINGH)

(a): PFC is a Maharatna Central Public Sector Enterprise (CPSE) and REC Ltd is a Navratna CPSE. Both the organisations are Schedule 'A', Non-Banking Financial Companies (NBFC) with Infrastructure Finance Company (IFC) status under the aegis of Ministry of Power.

The present holding of Government of India (GoI) in PFC is 55.99% while PFC holds a 52.63% stake in REC. PFC and REC also play a strategic role in power sector reforms by acting as the Nodal Agency for Government of India flagship schemes including Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya), Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and IPDS/R-APDRP. Both of them have also been nominated as nodal agencies for recently launched Revamped Distribution Sector Scheme (RDSS).

(b) to (d): PFC and REC have not experienced any significant impact on their liquidity position or with regard to continuing business operations during the Covid induced lockdowns. However, in compliance to the RBI circular dated 07.04.2020, all lending

institutions including NBFCs have refunded 'interest on interest' charged to borrowers during the moratorium period (01.03.2020 to 31.08.2020). Accordingly, PFC has reversed the interest income of Rs. 291.32 crore during FY 2020-21. Similarly, REC has reversed the interest income of Rs. 129 crore during FY 2020-21. No special strategy has been envisaged since business is back to usual with the demand for power reaching pre-covid levels.
