

**GOVERNMENT OF INDIA
MINISTRY OF POWER

LOK SABHA
UNSTARRED QUESTION NO.3130
ANSWERED ON 18.12.2025**

OUTSTANDING DUES OF POWER GENERATION COMPANIES

†3130. SHRI RAVINDRA SHUKLA ALIAS RAVI KISHAN:

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

- (a) the details of the total outstanding dues of power generation companies (GENCOS) on power distribution companies (DISCOMs) at present; and**
- (b) the corrective steps taken/proposed to be taken by the Government in this regard?**

A N S W E R

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

(a) & (b) : The Ministry of Power, Government of India notified the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 (LPS Rules, 2022) on 3 June 2022. The Rules provided that all outstanding dues, including late payment surcharge, of generating companies (Independent Power Producers, Central Public Sector Enterprises and renewable energy developers), inter-State transmission licensees, and trading licensees, outstanding as on 3rd June 2022, would be treated as legacy arrears and rescheduled with re-determined due dates for payment by distribution licensees in Equated Monthly Instalments (EMIs) in accordance with the provisions of the LPS Rules. Accordingly, 13 States opted to reschedule arrears amounting to ₹1,39,947 crore as on 03.06.2022 under the EMI mechanism.

The LPS Rules also lay down a framework for time-bound clearance of current dues and provide for progressive regulation of access in the event of persistent payment defaults by distribution licensees.

Under the Revamped Distribution Sector Scheme (RDSS) launched by the Government of India, compliance with the LPS Rules has been prescribed as pre-qualifying criterion for assessing DISCOMs' eligibility for financial assistance.

Further, the Ministry of Power has introduced Additional Prudential Norms for sanctioning loans to State DISCOMs, TRANSCOs and GENCOs, under which lending is made contingent upon performance against specified conditions. Compliance with the LPS Rules is a key requirement under these prudential norms.

As a result of these measures, following the payment of 41 EMIs by distribution utilities in terms of the LPS Rules, including pre-payment of legacy dues by some utilities, the outstanding legacy dues have reduced to ₹5,747 crore as on 09.12.2025. DISCOMs are also largely paying their current dues on time to avoid action under the Rules.
