

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

STARRED QUESTION NO:74

ANSWERED ON:25.11.2011

DEFAULT IN PAYMENT BY POWER UTILITIES

Mandlik Shri Sadashivrao Dadoba;Paranjpe Shri Anand Prakash

Will the Minister of POWER be pleased to state:

(a) whether the Government has taken note of the default or the near default of payment to Banks/Financial Institutions by the Central Power Public Sector Units and other power Companies;

(b) if so, the details thereof;

(c) the reaction of the Government thereto; and

(d) the action proposed to be taken to salvage the power utilities, from being bankrupt?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF STARRED QUESTION NO. 74 TO BE ANSWERED IN THE LOK SABHA ON 25.11.2011 REGARDING DEFAULT IN PAYMENT BY POWER UTILITIES.

(a) to (d): No, Madam. No report of default of payment to banks/financial institutions by Central Power Sector companies under this Ministry has been received.

Electricity is listed in the Concurrent List. Distribution of electricity is done by State/UT Govt. utilities. However, Ministry of Power has launched R-APDRP scheme to assist in reducing losses and to improve the financial health of utilities.

Ministry of Power had also taken up with Appellate Tribunal for Electricity (APTEL) for ensuring adequacy of tariff through state regulators. Accordingly, APTEL has recently passed a judicial order dated 09.11.2011 outlining measures to ensure long term viability of distribution sector.