

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:1293  
ANSWERED ON:09.02.2017  
Stressed Power Projects  
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**Will the Minister of POWER be pleased to state:**

- (a) whether the Government has identified stressed power projects of various public and private sector companies in the country;
- (b) if so, the details thereof, as on date, along with the amount stuck in these projects, as on date, State/UT-wise, Company-wise;
- (c) the details of such projects acquired by the other public and private sector companies during each of the last three years and the current year, Company-wise and Project-wise;
- (d) whether the Government has asked banks and cash rich public sector companies to float "re-construction fund" to buy stakes in such stressed power projects in the country;
- (e) if so, the details thereof along with the response of these Banks/Companies thereto; and
- (f) the other steps taken/being taken by the Government to expedite completion of such stressed power projects?

**Answer**

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,  
COAL, NEW & RENEWABLE ENERGY AND MINES

( SHRI PIYUSH GOYAL )

(a) & (b) : As many as 17 under construction thermal power projects, aggregating to a capacity of 18420 MW stalled due to financial issues, State/UT-wise, company-wise and Project/Capacity-wise along with the cost and amount spent on these power projects are given at Annexure-I.

The details of the 17 stressed gas based power projects due to various reasons, aggregating to a capacity of 11154.38 MW are given at Annexure-II.

The details of 20 stressed Hydro Electric Projects aggregating to a capacity of 6329 MW due to financial issues indicating State, Capacity, Expenditure till date, reasons for stuck up is enclosed at Annexure-III.

(c) : During the last 3 years & the current year, one stalled hydro project viz. Teesta-III HEP (6x200=1200 MW) in Sikkim by M/s. Teesta Urja Limited (TUL), which was earlier being executed in private sector, was acquired by Sikkim Govt. in August, 2015 by increasing its shareholding in TUL from 26% to 51%. Work was re-started in October, 2015 and, presently, 5 units of the project have been commissioned and balance units are scheduled for commissioning by March, 2017.

Also, Power Finance Corporation (PFC) Ltd. as a Lead Financial Investor (FI) along with six lenders in the consortium viz., Rural Electrification Corporation Limited (REC), Housing & Urban Development Corporation Limited (HUDCO), National Insurance Corporation Limited (NIC), Dena Bank, IFCI Ltd and Edelweiss ARC have acquired majority equity of 51% of shares of Shree Maheshwar Hydel Power Corporation Ltd. w.e.f June 01, 2016, through partial invocation of pledged shares as well as partial conversion of PFC's sub-debt into equity.

(d) & (e) : Yes, Madam. Government of India, on 28.06.2016, has asked PFC Ltd. and REC Ltd. to explore the possibility for creation of Stressed Assets Equity Fund and Stressed Assets Lending Fund.

(f) : The following steps have been taken by the Government to expedite completion of such stressed power projects:

I. After the cancellation of 204 coal blocks, Government of India formulated a transparent policy for reallocation of cancelled coal mines in a fair and transparent method. Government ensured re-allocation of 49 blocks supporting capacity of about 50,000 MW through auction/allotment till date.

II. Government of India has started a separate e-auction window for supply of coal to power sector. This window is helping power plants which do not have coal linkages or are not able to draw coal due to non-availability of PPA, to get fuel.

III. Government of India notified policy guidelines for grant of Bridge Linkage to specified end use plants of Central and State Public Sector Undertakings which have been allotted coal mines/blocks. All applications of Central and State Public Sector Undertakings for

allotment of bridge linkage as per policy have been considered.

IV. Project Monitoring Group (PMG) under Prime Minister's Office (PMO) is an institutional mechanism for resolving a variety of issues with a view to fast track the approvals for setting up and commissioning of large public, private and PPP Projects and to remove implementation bottlenecks in these projects.

V. Such projects are also reviewed from time to time by Ministry of Power and Central Electricity Authority (CEA).

VI. Reserve Bank of India (RBI) has issued guidelines on 'Strategic Debt Restructuring (SDR) Scheme'. In terms of the said scheme, for viable accounts facing financial difficulties, lenders may consider restructuring of the debts. RBI has also formulated the 'Scheme for Sustainable Structuring of Stressed Assets' (S4A) as an optional framework for the resolution of large stressed accounts. The S4A envisages determination of the sustainable debt level for a stressed borrower, and bifurcation of the outstanding debt into sustainable debt and equity/quasi-equity instruments which are expected to provide upside to the lenders when the borrowers turn around.

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