

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4390
ANSWERED ON:08.08.2014
FUNDING OF POWER SECTOR
Scindia Shri Jyotiraditya Madhavrao

Will the Minister of FINANCE be pleased to state:

- (a) Whether his Ministry has decided to create a special fund to address funding challenges of power sector projects;
- (b) If so, the details thereof and sources of generating the fund; and
- (c) The likely modus operandi of the investment?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (Smt. Nirmala Sitharaman)

(a) to (c) There is no decision at this stage for setting up a special fund/Asset Reconstruction company for the stressed power projects the same is being discussed in the Government. However, Government had approved the proposal of the Ministry of Power for operationalisation of the Power System Development Fund on 2nd January 2014 and the Scheme formulated for utilization of the funds deposited therein based on the procedure laid in the Central Electricity Regulatory Commission Power System Development Fund Regulations. This fund is yet to be notified.