

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.2191
TO BE ANSWERED ON 04.07.2019**

STRESSED POWER PLANTS

2191. SHRI KANUMURU RAGHU RAMA KRISHANA RAJU:

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

- (a) whether the Government proposes to protect and rescue the stressed power plants in the country and if so, the details thereof;**
- (b) whether the Government has issued any instructions to regulators asking them to abstain from lowering tariffs of stressed plants; and**
- (c) if so, the details thereof?**

A N S W E R

**THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, NEW &
RENEWABLE ENERGY AND THE MINISTER OF STATE FOR SKILL
DEVELOPMENT & ENTREPRENEURSHIP**

(SHRI R.K. SINGH)

**(a) : The steps taken by Government for resolution of stressed
assets in power sector are listed in the Annexure.**

(b) : No, Sir.

(c) : Question does not arise.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF UNSTARRED QUESTION NO. 2191 TO BE ANSWERED IN THE LOK SABHA ON 04.07.2019.

Government of India constituted a High Level Empowered Committee (HLEC) under the Chairmanship of Cabinet Secretary to address the issues of stressed thermal power projects. The report of the HLEC was submitted on 12.11.18 and was also placed in the public domain on the website of Ministry of Power.

The Government thereafter constituted a Group of Ministers (GoM) to examine the specific recommendations of HLEC. The Group of Ministers (GoM) had made recommendations regarding stressed power projects. The major recommendations of the GoM as approved by the Government are:

- I. Grant of linkage coal for short-term Power Purchase Agreement (PPA).**
- II. Allowed existing coal linkage to be used in case of termination of PPAs due to payment default by DISCOMs.**
- III. Procurement of bulk power by a nodal agency against pre-declared linkages.**
- IV. Central/State Gencos may act as an aggregator of power.**
- V. Increase in quantity of coal for special forward e-auction for power sector.**
- VI. Coal linkage auctions to be held at regular intervals.**
- VII. Non-lapsing of short supplies of coal.**
- VIII. Annual Contracted Quantity (ACQ) to be determined based on efficiency.**
- IX. Payment of Late Payment Surcharge (LPS) has been made mandatory.**
- X. Non-cancellation of Power Purchase Agreement (PPA)/Fuel Supply Agreement (FSA)/ Long Term Open Access (LTOA) post National Company Law Tribunal (NCLT) scenario.**
- XI. Non-cancellation of PPA for non-compliance of Commercial Operation Date (COD).**
