

NLC to acquire 2 more stressed power assets to augment capacity

₹1.77 lakh crore debt of 34 stressed thermal plants under govt scanner

OUR BUREAU

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Neyveli Lignite Corporation of India Ltd (NLCIL) has identified two more stressed power assets for acquisition, besides the 2x660 MW Raghunathpur Thermal Power Station of the Damodar Valley Corporation (DVC) that it has shortlisted to take over.

In a written response in the Lok Sabha, Minister of State (Independent Charge) for Coal, Power, Renewable Energy and Mines, Piyush Goyal, stated, "NLC has also shortlisted two suitable stressed power assets for possible acquisition to augment its power generation capacity."

NTPC has no proposal to acquire stressed power projects or enable their lenders to operate on contract basis, he added.

Goyal said that the government has reviewed the status of 34 stressed thermal power projects, as per the list



Piyush Goyal, Minister of State (Independent Charge) for Coal, Power, Renewable Energy and Mines

provided by the Department of Financial Services (DFS), with an estimated debt of about ₹1.77 lakh crore.

As per the DFS data, the total advances towards electricity generation sector reported by Scheduled Commercial Banks (SCBs) is about ₹4.71 lakh crore and most of them are stranded assets.

Goyal said that the major reasons for stress in the power sector are non-availability of regular fuel supply arrangements and lack of power purchase agreement (PPA) tie-ups. The inability of promoters to infuse equity and service debt has also been identified as a reason for stress in the sector.

In a bid to lower the stress, the Goyal said that the government has approved the New Coal Allocation Policy, 2017. He also said that the Ujwal DISCOM Assurance Yojana (UDAY) scheme for Financial and Operational Turnaround of power distribution utilities (DISCOMs) in the country will help boost consumption.

In addition to these, the Power for All (PFA) initiative, Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) for Rural Electrification and Integrated Power Development Scheme (IPDS) were also highlighted by Goyal.

The issue of setting up of a fund to aid the stressed assets has been discussed among other options with stakeholders, he added.