

Liquidity grants for DISCOMSs under Aatma Nirbhar Bharat Package

1102. SHRI PRABHAKAR REDDY VEMIREDDY: Will the Minister of POWER be pleased to state:

- (a) the details of Rs.90,000 crores liquidity injection proposed for DISCOMS by Government under Aatma Nirbhar Bharat Package;
- (b) the conditions put in to avail this liquidity injection;
- (c) whether it is not a fact that Central Power Generating companies are giving concessions to DISCOMS but they are not being passed to the final consumer; and
- (d) if so, the manner in which the Ministry will ensure this?

THE MINISTER OF STATE OF THE MINISTRY OF POWER (SHRI RAJ KUMAR SINGH): (a) Government of India is infusing liquidity in the power sector through Power Finance Corporation (PFC) Ltd. and Rural Electrification Corporation (REC) Ltd. to enable the sector to maintain power supplies as cash flows had plummeted during lockdown imposed to contain the spread of COVID-19. Under this intervention, REC and PFC are extending special long term transition loans upto 10 years to Power Distribution Companies (DISCOMS) for liquidating their outstanding dues of Central Public Sector Undertaking (CPSU) Generation (Genco) & Transmission Companies (Transcos), Independent Power Producers (IPPs) and Renewable Energy (RE) generators as existing on 30.06.2020. As against Rs.90000 crore of liquidity infusion package announced by the Government, ₹ 70,590 crore worth of loans have been sanctioned and ₹ 24,742 crore has already been disbursed/released till 16-09-2020.

(b) The conditions imposed for availing this liquidity injection are given in the Statement (*See below*).

(c) and (d) In order to ensure that the benefits of the concessions/rebates given by power sector CPSUs (Gencos and Transcos), are passed on to the final consumers, Ministry of Power has requested all States/UTs on 10th June, 2020, to give a detailed statement along with timelines during which State Governments envisage to pass on the benefits of this special rebate to the final consumers.

Statement***Conditions for availing loans under ₹ 90000 crore liquidity infusion package announced by the Government under Aatma Nirbhar Bharat Abhiyan***

The funding under the liquidity infusion package would be done in 2 tranches of ₹ 45,000 crores each.

- (i) For sanction and release of tranche 1 the following undertaking will be taken from respective entities:
 - (a) DISCOMs to enable digital payments of electricity bills.
 - (b) DISCOMs to enable self-assessment by consumers (make provision for the consumer to send meter reading by picture of the meter or sms to facilitate provisional billing). The bills will be settled and accounted once the meter is read. The amounts paid by consumers will be set off.
 - (c) The respective state governments to provide an undertaking to liquidate the payments due to DISCOMs on account of electricity dues of government departments/attached offices in three annual instalments, and also install smart prepaid or prepaid meters in government departments/attached offices etc. so that in future the electricity dues of DISCOMs are paid regularly. The State Governments will also undertake to clear the dues of subsidies and put in place a system so that bills for subsidies are raised by DISCOMs and paid upfront every quarter. The above undertaking will be required prior to the release of the first instalment.
- (ii) For availing of tranche 2 the DISCOMs will have to submit details of implementation of the undertakings given at the time of tranche 1 and will have to give the following:

A plan, endorsed by the State Government to bring down their losses over the next three or four years. This will involve steps to reduce theft, and for bringing down the Annual Cost of Supply (ACS) - Annual Revenue Realized (ARR) gaps.