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STANDING COMMITTEE ON ENERGY

(2024-25)

EIGHTEENTH LOK SABHA

MINISTRY OF POWER

**[Action-taken by the Government on observations/recommendations
contained in the Fourth Report (18th Lok Sabha) on 'Demands for Grants
(2025-26) of the Ministry of Power']**

EIGHTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

July, 2025/ Shravana, 1947 (Saka)



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STANDING COMMITTEE ON ENERGY
(2024-25)
(EIGHTEENTH LOK SABHA)

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**[Action-taken by the Government on observations/recommendations
contained in the Fourth Report (18th Lok Sabha) on 'Demands for Grants
(2025-26) of the Ministry of Power']**

Presented to Lok Sabha on 4th August, 2025

Laid in Rajya Sabha on 5th August, 2025



LOK SABHA SECRETARIAT
NEW DELHI

July, 2025/ Shravana, 1947 (Saka)



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COMPOSITION OF THE STANDING COMMITTEE ON ENERGY (2024-25)

LOK SABHA

Shri Shrirang Appa Barne – Chairperson

2. Shri Shyamkumar Daulat Barve
3. Shri Jagadish Chandra Barma Basunia
4. Shri Devusinh Chauhan
5. Shri Shahu Shahaji Chhatrapati
6. Captain Brijesh Chowta
7. Shri Malaiyarasan D.
8. Shri Chandra Prakash Joshi
9. Dr. Shivaji Bandappa Kalge
10. Dr. Kirsan Namdeo
11. Shri Nilesh Dnyandev Lanke
12. Shri Dulu Mahato
13. Shri Ramprit Mandal
14. Smt. Bijuli Kalita Medhi
15. Shri Jagdambika Pal
16. Shri Kunduru Raghuveer
17. Smt. Shambhavi
18. Shri Chandubhai Chhaganbhai Shihora
19. Dr. Shrikant Eknath Shinde
20. Shri Abhay Kumar Sinha
21. Smt. Dimple Yadav

RAJYA SABHA

22. Shri Gulam Ali
23. Shri Birendra Prasad Baishya*
24. Dr. Laxmikant Bajpayee
25. Shri Ajit Kumar Bhuyan
26. Shri R. Dharmar
27. Shri N.R. Elango
28. Shri Javed Ali Khan
29. Shri Harsh Mahajan
30. Smt. Mamata Mohanta
31. Shri Rajeev Shukla

SECRETARIAT

- | | | |
|----|------------------------------|------------------|
| 1. | Shri Ramkumar Suryanarayanan | Joint Secretary |
| 2. | Shri Kulmohan Singh Arora | Director |
| 3. | Shri Ajitesh Singh | Deputy Secretary |
| 4. | Ms. Deepika | Under Secretary |

** Shri Birendra Prasad Baishya ceased to be Member of the Committee consequent upon his retirement from Rajya Sabha on 14th June, 2025. He has been re-nominated as Member of the Committee w.e.f. 24th July, 2025.*

INTRODUCTION

I, the Chairperson, Standing Committee on Energy, having been authorized by the Committee to present the Report on their behalf, present this Eighth Report on action-taken by the Government on observations/recommendations contained in the Fourth Report (18th Lok Sabha) on 'Demands for Grants (2025-26) of the Ministry of Power'.

2. The Fourth Report was presented to the Lok Sabha on 12th March, 2025 and was laid on table of the Rajya Sabha on the same day. Replies of the Government to the observations/recommendations contained in this Report were received on 22nd May, 2025.

3. The Report was considered and adopted by the Committee at their sitting held on 30th July, 2025.

4. An Analysis of action-taken by the Government on the observations/recommendations contained in the Fourth Report (18th Lok Sabha) of the Committee is given at Appendix-II.

5. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in the body of the Report.

New Delhi
30th July, 2025
8 Shravana, 1947 (Saka)

Shrirang Appa Barne
Chairperson,
Standing Committee on Energy

CHAPTER – I

This Report of the Standing Committee on Energy deals with action-taken by the Ministry of Power on observations/recommendations contained in the Fourth Report (Eighteenth Lok Sabha) on 'Demands for Grants (2025-26) of the Ministry of Power'.

2. The Fourth Report was presented to the Lok Sabha on 12th March, 2025 and was laid on table of the Rajya Sabha on the same day. The Report contained 12 observations/recommendations.

3. Action Taken Notes in respect of all the observations/recommendations contained in the Report have been received from the Government. These have been categorized as follows:

- | | |
|--|---------------------------|
| (i) Observations/Recommendations which have been accepted by the Government:
Serial Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 | Total – 12
Chapter-II |
| (ii) Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies:

Nil | Total - 00
Chapter-III |
| (iii) Observations/Recommendations in respect of which the replies of the Government have not been accepted by the Committee and which require reiteration:

Nil | Total– 00
Chapter-IV |
| (iv) Observation/Recommendation in respect of which the final replies of the Government are still awaited:

Nil | Total - 00
Chapter-V |

4. The Committee desire that Action-taken Statement on the observations/recommendations in Chapter-I of this Report may be furnished to the Committee within three months of the presentation of this Report.

5. The Committee will now deal with action-taken by the Government on some of their observations/recommendations that require reiteration or merit comments.

Recommendation No. 4

6. The Committee had recommended as under:

“The Committee note that the Ministry of Power has issued an advisory to all the coal/lignite based thermal power producers to provide Ash to the prospective user agencies through a transparent bidding process. It was submitted before the Committee during the evidence that there is a provision to reserve 20% of the Ash for allotment to local industries through separate auction. The Committee feel that there is a need to ensure proper disposal of Fly Ash generated by thermal power plants so that nearby areas do not get polluted. Keeping in view the fact that our Country has already been grappling with the issue of air pollution and there is a need to prioritize environmental well-being, the Committee recommend that the transportation of Ash should be done in body packed vehicles right from the loading end. The Ministry should also ensure strict compliance of the provision of limited auction to reserve 20% of the issuable quantity of Ash for allotment to local industries involved in manufacturing of ash-based products, by all the thermal power producers.”

7. In its action-taken reply, the Ministry of Power has stated as under:

“Ministry of Power has noted the recommendations of the Committee.

All thermal power plants are following Ministry of Power’s (MoP) guidelines dated 15.03.2024 & Ministry of Environment, Forest & Climate Change’s (MoEF&CC) guidelines dated 31.12.2021, 30.12.2022, 01.01.2024. The dry fly ash is transported through closed container like bulker and through railway rake with tarpaulin covering after bagging in environment friendly manner.

As per MoEF&CC notification dated 31.12.2021 and its amendments dated 30.12.2022 & 01.01.2024 para-A (7):

“Every coal or lignite based thermal power plant shall ensure that loading, unloading, transport, storage and disposal of ash is done in an environmentally sound manner and that all precautions to prevent air and water pollution are taken and status in this regard shall be reported to the concerned State Pollution Control Board (SPCB) or Pollution Control Committee (PCC).”

As per para 5 B (i) of MoP’s guidelines dated 15.03.2024: 1:10 times of the Highest issued quantity up-to previous three years to MSE by the TPP or, in case of non-availability of previously issued quantities, 20% issuable quantity has been provided for first year of limited auction. The Central Pollution Control Board (CPCB) under Ministry of Environment, Forest & Climate Change and the concerned State Pollution Control Board (SPCB) or Pollution Control Committee (PCC) are the enforcing and monitoring authority for ensuring compliance of all the provisions and shall monitor the utilization of ash on quarterly basis.

MoP’s guidelines, 2024 are advisory in nature. However, compliance thereof is subject to scrutiny by the appropriate Commission provided under para 6 of the Guidelines. For enforcement, monitoring etc. MoEF&CC Notification, 2021 relies on the Enforcement Agencies provided under the para-E. Further, CEA periodically holds meeting inter-alia persuading TPPs to comply with the provisions of the said guidelines.”

8. In their recommendation, the Committee raised the issues related to safe transportation of Fly Ash and compliance of the provision of limited auction to reserve 20% of the issuable quantity of Ash for allotment to local industries. The Ministry, in its action-taken reply, has stated that all the thermal power plants are following the Ministry of Power’s guidelines dated 15.03.2024 and Ministry of Environment, Forest & Climate Change’s (MoEF&CC) guidelines dated 31.12.2021, 30.12.2022, 01.01.2024. It has also been submitted that the dry fly ash is transported through closed container like bulker and through railway rake with tarpaulin covering after bagging in environment friendly manner. Further, the Ministry has furnished that the Central Pollution Control Board (CPCB) and the concerned State Pollution

Control Board (SPCB) or Pollution Control Committee (PCC) are the enforcing and monitoring authority for ensuring compliance of all the provisions and shall monitor the utilization of ash on quarterly basis. Acknowledging the claim of the Ministry that all the thermal power plants are following the concerned guidelines of the Ministry of Power and Ministry of Environment, Forest & Climate Change, the Committee would like to be apprised about the compliance status (plant-wise) regarding these guidelines in respect of all the thermal power plants managed by CPSUs falling under the administrative control of the Ministry of Power.

Recommendation No. 9

9. The Committee had recommended as under:

“The Committee note that the Government has approved the Viability Gap Funding for development of Battery Energy Storage Systems (BESS). The Scheme had set a target of adding at least 4,000 MWh of BESS by the financial year 2027-28 by providing a VGF of Rs. 3,760 crores in the form of capital subsidy, however due to decline in prices of BESS in the recent past, enhanced capacity of 13,200 MWh is envisaged under the VGF Scheme. During the financial year 2024-25, an amount of Rs. 96 crores was allocated for this Scheme which got reduced to Rs. 46 crores at the time of Revised Estimates and the actual expenditure is zero till now. For the financial year 2025-26, an amount of Rs. 200 crores has been allocated. This Scheme is expected to not only enhance the integration of renewable energy into the electricity grid but also minimize wastage while optimizing the utilization of transmission networks, consequently reducing the need for costly infrastructure upgrades. Acknowledging the importance of Battery Energy Storage Systems in stabilization of the Grid, the Committee recommend that the Ministry should take every possible step to ensure that the implementation of this Scheme remains on track and all the stipulated targets are achieved as per the prescribed timeline.”

10. In its Action-taken reply, the Ministry has stated as under:

“Ministry of Power has noted the recommendations of the Committee.

- a) Viability Gap Funding (VGF) scheme is proposed to have three components viz. Market component (1000 MWh under Tranche-I with VGF support Rs 46 lakh/MWh and 1200 MWh under Tranche-II with VGF support Rs 27 lakh/MWh), State component (6000 MWh with VGF support Rs 27 lakh/MWh) and CPSE component (5000 MWh with VGF support Rs 27 lakh/MWh). Operational Guidelines for State Component and CPSU Component have been issued separately.
- b) For disbursement of VGF amount through Market component (Tranche-I), Battery Energy Storage Purchase Agreement (BESPA) has been signed with successful bidders by NVVN, as the BESS Implementing Agency, for 1000 MWh of BESS capacity.
- c) Under the State component, Letter of Award (LoA) has been issued for 2500 MWh BESS capacity including 1000 MWh in Gujarat, 500 MWh in Maharashtra and 1000 MWh in Rajasthan.
- d) Entire 13,200 MWh BESS capacity, allocated under the VGF Scheme, shall be awarded by June 2025 and all the BESS projects shall commission within 18-24 months from the date of signing of BESPA.
- e) The Ministry has also designated Grid Controller of India as CNA for the scheme for the VGF scheme to be implemented through Treasury Single Account.
- f) The overall monitoring of the scheme will be done through CEA, who will submit monthly progress in respect of physical and financial achievement vis-à-vis the agreed milestones.
- g) Besides, the overall monitoring of the scheme is also being carried out by MoP also on regular basis.”

11. In response to the recommendation of the Committee about time bound implementation of Viability Gap Funding (VGF) Scheme for development of Battery Energy Storage Systems (BESS), the Ministry has stated that the entire 13,200 MWh capacity, allocated under the VGF Scheme, shall be awarded by June 2025 and all the BESS projects shall commission within 18-24 months from the date of signing of BESPA. Since June 2025 is already over, the Committee would like to know about the present status (component-wise) regarding award of the 13,200 MWh BESS capacity.

Recommendation No. 11

12. The Committee had recommended as under:

“The Committee note that the fundamental key to effective functioning of the Central Electricity Authority is the availability of comprehensive and qualitative statistics from all the stakeholders which would enhance the planning and operational interventions of CEA for coordinated development of the Power Sector. It is understandable that the subject ‘Electricity’ falls under the Concurrent List and Generation being the delicensed activity have resulted into innumerable stakeholders in this Sector. However, the Committee feel that delay in availability of data in the today’s technologically advanced time and age is incomprehensible. The Committee, therefore recommend that a dedicated online portal may be created at the earliest in order to ensure seamless submission, validation and monitoring of the data by all the stakeholders in order to ensure real-time accessibility of desired statistics.”

13. In its Action-taken reply, the Ministry has stated as under:

“Ministry of Power has noted the recommendations of the Committee.

For online monitoring of under construction thermal power projects in the country, IT based project management i.e PROMPT Portal (Portal for Online Monitoring of Projects-Thermal) has been developed. It is designed to facilitate availability of online status and analysis of physical progress of under construction thermal power projects.”

14. The Committee had recommended for creation of a dedicated online portal in order to ensure seamless submission, validation and monitoring of the data by all the stakeholders so as to ensure real-time accessibility of desired statistics. The Ministry, in its action-taken reply, has submitted that for online monitoring of under construction thermal power projects in the Country, IT based project management i.e. PROMPT Portal (Portal for Online Monitoring of Projects-Thermal) has been developed. In this regard, the Committee re-emphasize that in addition to thermal power projects, the online portal should also include other power generating projects, especially hydro and solar power projects.

CHAPTER – II

Observations/Recommendations which have been accepted by the Government

Recommendation No. 1

The Committee note that the Ministry of Power sought Rs. 35,877.88 crores for the financial year 2025-26, but the actual allocation as Gross Budgetary Support is Rs. 21,847 crores which is 60.89% of the demand posted by the Ministry. The most evident difference in demand and actual allocation pertains to the Revamped Distribution Sector Scheme wherein the Ministry has been allocated Rs. 13,579 crores less than the demand. In order to make up for this shortfall, the Ministry has suggested that it may reallocate funds from other programmes where physical targets are not upto the desired level to the critical programmes, as per requirement. It means that one or the other Schemes/Programmes is liable to be impacted due to reallocation of funds within the Ministry and prioritization of one Scheme/Programme over the others. In view of the above, the Committee recommend that all the Schemes/Programmes of the Ministry should be given due priority so that achievement of targets under none of the Schemes/Programmes is hindered due to lack of available funds and the Ministry may seek additional funds as supplementary Grants, if required. The Committee may also be apprised about the reallocation of funds made within the Ministry (scheme/programme wise) and its impact on the concerned Schemes/Programmes.

Reply of the Government

Ministry of Power has noted the recommendations of the Committee. Revamped Distribution Sector Scheme (RDSS) is a reform-based result linked scheme and release of funds, except 10% of GBS as advance, under the scheme is contingent upon distribution utilities qualifying the annual evaluations for a particular financial year (FY) and based on the actual physical progress under the scheme. Even though the funds allocated as Budget Estimate (BE) is less than the demand sought for RDSS, additional fund shall be sought at Revised Estimate (RE) stage based on the then physical and financial progress of works under RDSS as per the scheme guideline. Similarly, reallocation of funds under RDSS through schemes/Programmes shall also be decided during the end of FY 2025-26 as per the then current progress of the scheme and availability of funds under RDSS budget head.

The orders of re-allocation of funds within the ministry (scheme/programme wise) are provided every year to the Standing Committee on Energy before the yearly meeting of Demand for Grants of Ministry of Power. Funds are re-

allocated from one scheme/programmes where physical targets are not upto the desired level to the critical schemes / programmes, as per requirement.

[Ministry of Power

O.M. No. 10/1/2025-Budget, Dated: 22/05/2025]

Recommendation No. 2

The Committee note that the Budgetary Estimates of the Ministry for the financial year 2023-24 was Rs. 20,671.32 crores which was revised to Rs. 17,635 crores and actual utilization was Rs. 16,720.93 crores. It means actual utilization was 80.89% of the Budgetary Estimates and 94.82% of the Revised Estimates. During the financial year 2024-25 as on 31st January, 2025, the Ministry has been able to utilize 85.80% of the Revised Estimates. The major part of the under-utilization of funds during the financial years 2024-25 pertains to the Schemes/Programmes like, Energy Conservation, Strengthening of Transmission Systems in the States of Arunachal Pradesh and Sikkim, Power System Improvement in North Eastern States, Interest Subsidy to National Electricity Fund, Viability Gap Funding for development of Battery Energy Storage Systems, etc. The Committee observe that Budgetary Allocations of the Ministry have been revised downwards at the stage of Revised Estimates during the last three financial years which may be symptomatic of the specific structural or procedural challenges which have been causing under-utilization of funds. Hence, fund utilization by the Ministry for various Schemes/Programmes needs to be improved. Accordingly, the Committee, recommend that:

- i) The Ministry should take effective steps towards increasing its fund absorption capacity as under-utilization of allocated funds may impact on the future budgetary allocations.
- ii) The Ministry should introduce a quarterly Fund Utilization and Performance Report and also keep track of the fund usage efficiency of the concerned States with respect to Schemes/Programmes of the Ministry.

Reply of the Government

- i) Ministry of Power has noted the recommendations of the Committee. The following steps are being taken for full utilization of funds under various schemes/programmes:

(i) Reform-Linked Distribution Sector Scheme (RDSS): Ministry of Power is taking all necessary actions to ensure optimum utilization of the budget allocated for RDSS. Monitoring and review of works sanctioned and utilization of funds is being done by the Ministry on a regular basis. Weekly meetings are also conducted by Ministry of Power with the States and the nodal agencies for expediting the progress of sanctioned works. Regular

review meetings are being undertaken by senior officials of MoP with Nodal Agencies and MD/CMDs of distribution utilities to ensure timely utilization of funds. With concerted efforts, the fund utilization in FY 2024-25 under RDSS was 100%.

(ii) Energy Conservation Schemes

The Bureau of Energy Efficiency has implemented series of robust measures in which limited resources were strategically managed by taking following steps like: -

- a) Timely award of works to Implementing Agencies: B.E.E. ensures prompt award of works to Implementing Agencies.
- b) Regular Monitoring of Activities/Tasks: -
 - Monthly Reports are being obtained from Implementing Agencies for close monitoring of physical and financial progress and its review at national and regional level together with direct meetings to address challenges in course of program implementation.
 - Sharing Best Practices from SDAs for active peer learning from exchange of knowledge and experiences.

(iii) Viability Gap Funding (VGF) for the Development of Battery Energy Storage Systems: As per the Scheme, VGF for the Development of Battery Energy Storage Systems' scheme support is to be provided for BESS projects sanctioned over three years (2023-26), i.e. 1,000 MWh in 2023-24, 2,000 MWh in 2024-25 and 1,000 MWh in 2025-26. The VGF funds will be disbursed in five tranches: 10% upon financial closure, 45% upon commissioning and 15% year wise up to 3 years from the COD of the project. As per the approved year wise plan, the disbursement of funds would start from 2024-25 and extend upto 2030-31.

It was estimated that BESS cost in 2023-24 shall be around Rs 2.4 crore/MWh, resulting in an initial VGF allocation of Rs 0.96 crore/MWh (40% of Rs 2.4 crore/MWh), total VGF of Rs 960 crore for the 1000 MWh BESS capacity getting approved in 2023-24. Accordingly, a budget estimate of Rs 96 crore was set for FY 2024-25, considering a 10% disbursement at financial closure.

However, due to declining BESS costs, the VGF amount was revised from Rs 0.96 Cr/MWh to Rs 0.46 crore/MWh for the 1,000 MWh capacity approved in 2023-24 and BESS capacity of 13,200 MWh is envisaged under the scheme within the sanctioned scheme outlay. Accordingly, in the revised estimate, the VGF disbursement was reduced to Rs. 46 crore from Rs 96 crore.

ii) Quarterly Expenditure Plan (QEP) is incorporated in the Detailed Demand for Grant (DDG) FY 2025-26. Regular meetings are being held with all the DISCOMs/Power Departments of State govt./UTs and Implementing

Agencies (IAs) of Central Government to improve the fund usage efficiency of concerned states with respect to schemes/programmes.

[Ministry of Power
O.M. No. 10/1/2025-Budget, Dated: 22/05/2025]

Recommendation No. 3

The Committee note that during the financial year 2023-24, against the scheduled capacity addition targets of 14,700 MW of Thermal Power and 2,880 MW of Hydro Power, the actual achievements were only 5,404 MW and 60 MW respectively. Similarly, during the year 2024-25 (upto 31st January, 2025), against the targets of 15,360 MW of Thermal Power and 1,730 MW of Hydro Power, the actual capacity additions were 1,380 MW and 40 MW respectively. This delay in commissioning of the Thermal and Hydro Capacity would ultimately lead to cost escalation, wherein Subansiri Lower, Parbati-II, Pakal Dul Hydro Projects and Barh, Buxar, Ghatampur, North Karanpura Thermal Power Projects, etc. are cases in point. Therefore, the Committee recommend that the Ministry should coordinate with concerned States and Implementing Agencies in order to ensure that the hindrances, if any, are timely catered to, so that scheduled capacity addition targets are achieved in a time bound manner.

Reply of the Government

Ministry of Power (MoP) has noted the recommendations of the Committee.

(i) The following action/steps are taken to ensure timely completion of the under construction thermal power projects -

a) Regular reviews are undertaken in Ministry of Power to identify the constraint areas to facilitate faster resolution of inter-Ministerial and other outstanding Issues.

b) As and when required, issues are also reviewed in the PRAGATI portal of PMO for proactive governance and timely implementation.

c) CEA monitors the progress of under-construction power projects through frequent site visits and interaction with the developers & other stakeholders. CEA holds review meetings periodically with the developers and other stakeholders to identify and resolve issues critical for commissioning of Projects.

d) In case of Central Power Sector Undertakings (CPSUs) projects, the project implementation parameters/ milestones are incorporated in the annual MoU signed between respective CPSUs and Ministry of Power and the same are monitored during the quarterly performance review meetings of CPSUs and other meetings held in MoP/CEA.

- e) Various matters related with project implementation are being taken up with State Government/District Administration for facilitating the support in resolving the issues to the project implementing agencies.
- f) For timely completion of thermal power projects, IT based project management i.e. PROMPT Portal (Portal for Online Monitoring of Projects-Thermal) has also been developed and launched on 20-08-2024 for monitoring of under construction thermal power projects. This online platform enables project managers and stakeholders to make informed decisions swiftly, ensuring that potential delays and issues are identified early and addressed promptly.
- (ii) The following action/steps are taken for achieving scheduled hydro capacity addition targets in a time-bound manner are as follows:
- a) IT based monitoring system introduced for close monitoring of the hydro projects. The IT portal has been prepared and tested during August'22 and presently training to developers and filling of data is in progress.
- b) Measures to reduce time and cost overrun has been notified by Ministry of Power (MoP) vide OM dated 8-11-2019.
- c) Dispute Avoidance Mechanism for avoidance and resolution of contractual disputes in hydro CPSU's at initial stage of construction by engagement of an Independent Engineer has been devised vide MoP OM dated 27-9-2021.
- d) Dispute Resolution Mechanism for resolution of disputes for contracts being executed by power sector CPSU's/ other organizations through Conciliation Committees has been devised vide OM dated 29-12-2021.
- e) Guidelines for early settlement of disputes and to minimize the arbitral claims/ disputes have been issued by MoP vide OM dated 22-03-2022.
- f) To prevent contractual disputes with respect to price variation calculation in case of change of Wholesale Price Index (WPI) series, Guidelines for 'Price Variation Calculation in case of Change/ Discontinuation of Wholesale Price Index Series during execution of the contract' were issued by MoP on 04.05.2022.
- g) Review/Monitoring Meetings are regularly organized by Ministry of Power/Central Electricity Authority (CEA) to sort out the critical issues on Quarterly Basis.

[Ministry of Power
O.M. No. 10/1/2025-Budget, Dated: 22/05/2025]

Recommendation No. 4

The Committee note that the Ministry of Power has issued an advisory to all the coal/lignite based thermal power producers to provide Ash to the prospective user agencies through a transparent bidding process. It was

submitted before the Committee during the evidence that there is a provision to reserve 20% of the Ash for allotment to local industries through separate auction. The Committee feel that there is a need to ensure proper disposal of Fly Ash generated by thermal power plants so that nearby areas do not get polluted. Keeping in view the fact that our Country has already been grappling with the issue of air pollution and there is a need to prioritize environmental well-being, the Committee recommend that the transportation of Ash should be done in body packed vehicles right from the loading end. The Ministry should also ensure strict compliance of the provision of limited auction to reserve 20% of the issuable quantity of Ash for allotment to local industries involved in manufacturing of ash-based products, by all the thermal power producers.

Reply of the Government

Ministry of Power has noted the recommendations of the Committee.

All thermal power plants are following Ministry of Power's (MoP) guidelines dated 15.03.2024 & Ministry of Environment, Forest & Climate Change's (MoEF&CC) guidelines dated 31.12.2021, 30.12.2022, 01.01.2024. The dry fly ash is transported through closed container like bulker and through railway rake with tarpaulin covering after bagging in environment friendly manner.

As per MoEF&CC notification dated 31.12.2021 and its amendments dated 30.12.2022 & 01.01.2024 para-A (7):

"Every coal or lignite based thermal power plant shall ensure that loading, unloading, transport, storage and disposal of ash is done in an environmentally sound manner and that all precautions to prevent air and water pollution are taken and status in this regard shall be reported to the concerned State Pollution Control Board (SPCB) or Pollution Control Committee (PCC)."

As per para 5B(i) of MoP's guidelines dated 15.03.2024: 1:10 times of the Highest issued quantity up-to previous three years to MSE by the TPP or, in case of non-availability of previously issued quantities, 20% issuable quantity has been provided for first year of limited auction. The Central Pollution Control Board (CPCB) under Ministry of Environment, Forest & Climate Change and the concerned State Pollution Control Board (SPCB) or Pollution Control Committee (PCC) are the enforcing and monitoring authority for ensuring compliance of all the provisions and shall monitor the utilization of ash on quarterly basis.

MoP's guidelines, 2024 are advisory in nature. However, compliance thereof is subject to scrutiny by the appropriate Commission provided under para 6 of the Guidelines. For enforcement, monitoring etc. MoEF&CC Notification, 2021 relies on the Enforcement Agencies provided under the para-E. Further,

CEA periodically holds meeting inter-alia persuading TPPs to comply with the provisions of the said guidelines.

[Ministry of Power
O.M. No. 10/1/2025-Budget, Dated: 22/05/2025]

Comments of the Committee

(Please see Para No. 8 of Chapter – I of the Report)

Recommendation No. 5

The Committee note that the Revamped Distribution Sector Scheme has been formulated to improve the operational efficiencies and ensure financial sustainability of the Distribution Sector. It aims to reduce the AT&C Losses to 12-15% and the gap between Average Cost of Supply and Average Revenue Realized to zero. The Scheme has an outlay of Rs. 3,03,758 crores with a Gross Budgetary Support of Rs. 97,631 crores from the Government of India over a period of five years from the financial year 2021-22 to 2025-26. The Committee observe that a total of Rs. 30,065 crores (Revised Estimates) have been allocated for Revamped Distribution Sector Scheme during the first 4 years of this Scheme i.e. from the financial year 2021-22 to 2024-25. Out of this allocation, Rs. 25,664 crores could actually be utilized during these years till 10th February, 2025. Further, the physical achievement with respect to loss reduction works is only 25.3% and against 9,97,680 households sanctioned for electrification; 1,80,070 households could be electrified till 9th February, 2025. The Committee observe that the accumulated losses of Discoms have been continuously increasing as losses were Rs. 5,45,418 crores in financial year 2020-21 which increased to Rs. 5,84,071 crores in 2021-22, Rs. 6,47,913 crores in 2022-23 and Rs. 6,92,269 crores in 2023-24. Further, the Billing and Collection Efficiencies of the Discoms are not very impressive and the gap between Average Cost of Supply and Average Revenue Realized has been fluctuating and is far from zero. It was submitted before the Committee during the evidence that the deadline for implementation of the Revamped Distribution Sector Scheme will be extended by two years. Keeping in view the physical progress in first four years under this Scheme, the Committee recommend that the Ministry should conduct a comprehensive review of this Scheme on the basis of its experience of past four years in order to remove the bottlenecks so that intended targets are achieved atleast by the proposed extended deadline and Distribution Sector becomes operationally efficient at the earliest.

Reply of the Government

Ministry of Power has noted the recommendations of the Committee.

RDSS is a result linked scheme launched to assist distribution utilities for improving their operational performance and financial efficiency. However, the losses in utilities (operational and financial) is a function of various parameters, some of which are highlighted below:

- Non cost reflective tariff due to regulatory disallowance of expenses incurred by Distribution Utilities including other comprehensive income which are unrealized gains or losses.
- Continued ACS-ARR gap especially in FY 23 on account of non-recovery of power purchase cost in full owing to non-implementation of FPPCA (Fuel and power Purchase Cost Adjustment).
- Delayed receipt of subsidy dues from the State Governments.
- Outstanding electricity bill dues of the State Government Departments.

Further, the Accumulated losses also includes further adjustments other than operational income in the form of Other Comprehensive Income (OCI), etc. which are in the nature of expenses, gains, revenues and losses incurred in the past excluded from net income of that year. Thus, they are not a reflection of annual operational performance of a particular year.

Government of India is supplementing the efforts of State Government and their distribution utilities under RDSS to improve their financial performance. With the concerted efforts and as a result of reform measures undertaken, the annual financial loss of utilities has decreased from Rs 44,614 crore (in FY21) to Rs 25,553 crore in FY 24. Further, the AT&C loss at the national level has reduced from 21.91% in FY21 to 16.28% in FY24 and ACS-ARR Gap has reduced from Rs. 0.69/kWh in FY21 to Rs. 0.19/kWh in FY24. This indicates the positive impact of RDSS and other concurrent reform initiatives.

A robust monitoring and review mechanism is already in place under RDSS. Weekly meetings are also conducted by Ministry of Power with the States and the nodal agencies for expediting the progress of sanctioned works. An inter-Ministerial committee headed by Secretary (Power) regularly reviews and monitor implantation of the scheme. Further, Review Planning and Monitoring (RPM) meeting and Power Ministers' Conference under the chairmanship of Hon'ble Minister of Power are held with all administrative heads of Power Departments/ DISCOMs of States to review the progress of works. At the state level, periodic discussions and visits are carried out by the nodal agencies to ensure hand holding and close monitoring of progress of the scheme.

[Ministry of Power
O.M. No. 10/1/2025-Budget, Dated: 22/05/2025]

Recommendation No. 6

The Committee note that Smart Metering supports Distribution Utilities in improving their financial viability through benefits such as improvement in billing and collection efficiency, automatic energy accounting, improved load forecasting, optimized power purchase costs and renewable energy integration through net metering. The Government has set a target of installing 25 crore Smart Meters in the Country by March 2025, against which only 2.08 crore Smart Meters have been installed in the Country as on 10th February, 2025. The Committee feel that there is a need to make all out efforts in order to achieve the targets regarding installation of Smart Meters by the extended deadline. It was submitted before the Committee during the evidence that installation of Smart Meters in the Country has picked up pace with present installation of eighty thousand Smart Meters per day and expected installation of one lakh Smart Meters per day. Since, there is going to be massive installation of Smart Meters in the Country during the coming years, the Committee recommend that:

- i) The Ministry should focus on Cyber Security aspect of Smart Meters;
- ii) Cases of complaints regarding faulty meters should be addressed on priority with installation of check meters in respect of all the complaints to verify the readings of the faulty Smart Meter; and
- iii) Independent Third Party Verification of installed Smart Meters and Awareness Campaigns may also be initiated in order to boost confidence of the Consumers.

Reply of the Government

Ministry of Power has noted the recommendations of the Committee.

(i) Cyber Security: The Standard Bidding Document (SBD) for selection of Advanced Metering Interface Service Provider (AMISP) under RDSS, apart from covering other key facets of smart metering implementation, also covers the Cyber Security related aspects. SBD contains various clauses related to cyber security and establishes secure transfer of data between smart meter, Data Concentrator Unit (DCU), Head-End System (HES) and Meter Data Management (MDM) using encryption and other appropriate methods. All the smart meters have to conform to the Indian standards and as per IS 15959, the confidentiality of data communicated between smart meter and the user is to be handled by the encryption mechanism. There shall also be authentication for any type of data transport. In addition to the above, detailed requirements and terms and conditions for Network Protection & Security, Cyber Security and Data Privacy have been mentioned in the AMISP contract for adherence by the selected Bidder.

In order to further strengthen the Cyber Security aspects of the smart metering works, additional provisions have been incorporated in the SBD.

(ii) Check Meters: Advisories have been issued for Installation of check meters for up-to 5% of the Smart meters installed and mandatorily in case of complaints related to Smart meters. States are being pursued to comply with the SOP issued for installation of check meters and is being reviewed on weekly basis by the Nodal Agency. In addition, advisories have been issued to take regular feedback from consumers pre and post installation of smart meters.

(iii) Third Party Verification: Ministry has issued broad Term of Reference (ToR) for Third Party Verification of smart meters installed to be conducted on pilot basis in 2 States. Smart meter advisories and Standard operating Procedures (SoPs) prioritizing installation of Smart meter in Government Establishments, Government colonies and Industrial and commercial category of consumers and other high load consumers. Based on successful demonstration in above category of consumers, Smart meter installation may be rolled out for other consumers. SoP also prescribes for regular consumer engagement exercise in respect of Smart meters and its benefits so as to build consumer confidence.

[Ministry of Power

O.M. No. 10/1/2025-Budget, Dated: 22/05/2025]

Recommendation No. 7

The Committee note that out of 446 elements in six States under 'North Eastern Region Power System Improvement Project', 443 elements are completed and remaining 3 elements are targeted to be completed by June 2025. Similarly, out of 294 elements under 'Comprehensive Scheme for Strengthening of Transmission and Distribution System in Arunachal Pradesh and Sikkim', 182 elements are completed and remaining 112 elements are targeted to be completed by March 2025. The Committee observe that it has been more than 10 years since these two Projects got the approval of the Government and their completion is still due. The reasons cited by the Ministry for delay in completion of these Projects are the typical issues like, heavy rain-fall and lack of connectivity in North-Eastern Region, delay in land acquisition, delay in forest clearance, Right of Way and compensation issues, land sliding, poor financial condition of contractors, etc. The Committee feel that difficult terrain, heavy rainfall, lack of connectivity, etc. in the North-Eastern Region are the issues that are obvious and very much known from the start. Due to these very reasons, this Region remained low on development for so long, therefore there is a need to stop looking at these

aspects as justifications for time and cost over-runs and instead efforts should be made in finding the solutions. In view of the above, the Committee recommend that the Ministry and Power Grid Corporation of India Limited should expedite and focus on completion of 'Comprehensive Scheme for Strengthening of Transmission and Distribution System in Arunachal Pradesh and Sikkim' and 'North Eastern Region Power System Improvement Project' by March and June, 2025 respectively on priority basis so that these Projects are not delayed further.

Reply of the Government

Ministry of Power has noted the recommendations of the Committee.

(i) North Eastern Region Power System Improvement Project (NERPSIP):

Apart from challenges related with geographical terrain and inclement weather, POWERGRID encountered several other issues during implementation of NERPSIP which could not be envisaged during the initial stage of the scheme such as:

- a) Annulment & re-award of several packages due to poor financial health of contractors and some contractors entered NCLT proceedings.
- b) Delay in handing over land for sub-stations.
- c) Change in scope of work: During the implementation of the scheme, several changes in scope (addition/modification) have been made by beneficiary States as per their requirement and actual site conditions which resulted in delay in execution of the said work.
- d) Changes in applicable taxes and duties in July 2017 with respect to the rates as envisaged at the time of DPR preparation.
- e) Delay in forest clearances. The issue was taken up with concerned authorities on a regular basis.
- f) Severe Right of Way issues in all 6 States.
- g) Demand for higher land and crop compensation.
- h) No work could be carried out during COVID 19 restrictions for several months. Some other issues such as movement of labor, and anti CAA protests hampered project progress.
- i) Law and order issues.
- j) Non-readiness of downstream network by State utilities.

Presently, with support of the State Governments of six States & Ministry of Power, most of the issues are sorted out and 444 out of 446 elements have been completed and balance are expected to be completed by June 2025.

(ii) Comprehensive Scheme for Strengthening of Transmission and Distribution System in Arunachal Pradesh and Sikkim (CSSTDS):

In CSSTDS scheme, apart from challenges related with geographical terrain and inclement weather, POWERGRID encountered several other issues during implementation of the scheme such as:

- **Arunachal Pradesh:**

- a) Delay in Forest clearance for Extra High Voltage (EHV) & Distribution Management System (DMS) Lines, which was to be arranged by the State Government.
- b) Unlike other states, a unique policy for compensation to forest dwellers towards land diminution value and surface damage was introduced in July 2021 and August 2023 for Unclassed State Forest (USF) & Reserve Forest (RF) areas, respectively, apart from the payment to the Forest Department as per Forest diversion rules.
- c) Further, one time ex gratia amount at par with USF for Forest Dwellers was also approved by the State Cabinet on 25th February 2025 and notification of the same is expected shortly.
- d) There were substantial delays in provisioning of the Right of Way by the Arunachal Pradesh govt through Compensation Assessment & Disbursement in the lines passing through USF/RF area as per above policy.
- e) Annulment & re-award of several packages due to poor performance of the agency.
- f) Additional scope for high altitude (Tawang) region along with delay in permission for placement of award of 88 elements after approval of Revised Cost Estimate-I in March 2021.
- g) Delay in handing over land for sub-stations.
- h) Severe Right of Way (RoW) issues by local public for most areas.

- **Sikkim:**

- a) Severe Flood in Oct'23 and June'24: Due to severe flood, works under North Sikkim were almost held up. The road connectivity to Chungthang & Lachen areas is not yet restored.
- b) Resistance by the locals in Dzumsa Area.
- c) Transportation of the Transformers affected due to load restriction/collapse of several bridges in Sikkim.
- d) Severe ROW in the construction of transmission lines under Namchi district.

- e) Demand for higher land and crop compensation.

- **Other reasons common to Arunachal Pradesh & Sikkim:**

- a) Law and order issues.
- b) Some other issues such as COVID restrictions impacted the works for several months, movement of labor and anti CAA protests hampered project progress intermittently.
- c) Non-readiness of downstream network by State utilities.

As on 28.02.2025, 182 elements out of assigned 294 elements in the states of Arunachal Pradesh and Sikkim have been completed. Most of the work in the state of Sikkim has been completed with only 14 elements remaining to be completed.

Best efforts are being made to complete the project within the targeted schedule and project cost. Regular monitoring of the projects is being done at the level of concerned Joint Secretary/Additional Secretary in Ministry of Power (MoP). Regular interactions with State Government Authorities by POWERGRID and MoP to resolve various issues pending with State Governments are being done. POWERGRID deployed additional manpower in the project and a separate set up created in POWERGRID for monitoring of CSSTDs.

Due to unprecedented delay in provisioning of the RoW by the State Govts as referred above second Revised Cost Estimate of the Comprehensive Scheme is under review with the Ministry of Power.

[Ministry of Power
O.M. No. 10/1/2025-Budget, Dated: 22/05/2025]

Recommendation No. 8

The Committee observe that the issues regarding compensation for Right of Way, delay in Land Acquisition and Forest Clearances, etc. are the constant contributors to the cost over-runs and delays in completion of Power Projects across the Country. These issues deserve some serious consideration in order to create a balance between infrastructure development and impact on communities and environment. The Committee therefore, recommend that the Ministry should consult the States, concerned Departments/Agencies and other Stakeholders so as to reach at an amicable solution so that cost and time over-runs may be avoided without compromising on the environment and interests of the People.

Reply of the Government

Ministry of Power has noted the recommendations of the Committee.

Hydro Power projects: Hydro power projects require considerably large amount of land for reservoir, quarry for raw material, dump yard for excavated wastes, rehabilitation and resettlement, construction of roads & bridges, afforestation site, shifting of local infrastructure viz. Govt. buildings, schools, hospitals etc.

The process of land acquisition begins with the project proponent submitting a formal request to the Deputy Commissioner (DC) of the respective district. Before acquisition, a Social Impact Assessment (SIA) is conducted to evaluate

displacement, livelihood loss, and environmental impact. Based on the SIA report, a Preliminary Notification (Section 11) is issued, allowing affected landowners to file objections within 60 days. Following the public hearing, a joint survey of the land and standing assets (structures, crops, etc.) is carried out to determine compensation and rehabilitation requirements. Once objections are resolved, a final declaration (Section 19) is issued, confirming the acquisition. The Land Award (Section 23) is then issued by the DC, specifying the compensation amount based on market value, solatium (extra compensation) and the resettlement benefits. After the Land Award, the possession of land (Section 38) is taken by the government, but only after full payment of compensation, implementation of Rehabilitation and Resettlement (R&R) measures (Section 31-42), including alternative land, employment opportunities, housing, and other livelihood restoration measures.

The acquisition of private and Govt. land involves active support from State Govt./local administration along with coordinated action from developer. Presently, issues encountered in land acquisition that require assistance or intervention from the Central/ State Government and other agencies are reported on PMG (Project Monitoring Group) portal of the DPIIT, Ministry of Commerce, GoI for timely resolution.

The Ministry of Power, actively monitors the progress of hydro power projects by project reviews, CAPEX reviews etc.

Transmission projects: Ministry of Power (MoP) issued RoW compensation guidelines on 14.06.2024 which contain provisions for compensation for tower base @ 200% and RoW corridor @30%. The said guidelines also mention that States can decide higher rates of compensation as per the requirement of the concerned area and urgency of work. Further, States may adopt the guidelines in totality or with modifications as deemed fit. Many States have framed their own RoW guidelines.

Subsequently, MoP after consulting with various States (Haryana, Rajasthan, Gujarat, Karnataka and Delhi) brought out supplementary guidelines to ease out RoW related issues in the implementation of Transmission Lines, vide order dated 21.03.2025. As per these supplementary guidelines, the compensation shall be calculated based on market rate (to be determined by a Market Rate Committee (MRC) based on the valuation by independent land valuers) instead of circle rate. Further, the compensation amount for Right-of-Way (RoW) corridor have now been revised as under (for ISTS lines):

- (i) 30% of the land value in rural areas.
- (ii) 60% of the land value in municipal corporations and metropolitan areas notified by the State Government.

(iii) 45% of the land value for municipalities, nagar panchayats and all other urban planning areas notified by the State Government.

[Ministry of Power
O.M. No. 10/1/2025-Budget, Dated: 22/05/2025]

Recommendation No. 9

The Committee note that the Government has approved the Viability Gap Funding for development of Battery Energy Storage Systems (BESS). The Scheme had set a target of adding at least 4,000 MWh of BESS by the financial year 2027-28 by providing a VGF of Rs. 3,760 crores in the form of capital subsidy, however due to decline in prices of BESS in the recent past, enhanced capacity of 13,200 MWh is envisaged under the VGF Scheme. During the financial year 2024-25, an amount of Rs. 96 crores was allocated for this Scheme which got reduced to Rs. 46 crores at the time of Revised Estimates and the actual expenditure is zero till now. For the financial year 2025-26, an amount of Rs. 200 crores has been allocated. This Scheme is expected to not only enhance the integration of renewable energy into the electricity grid but also minimize wastage while optimizing the utilization of transmission networks, consequently reducing the need for costly infrastructure upgrades. Acknowledging the importance of Battery Energy Storage Systems in stabilization of the Grid, the Committee recommend that the Ministry should take every possible step to ensure that the implementation of this Scheme remains on track and all the stipulated targets are achieved as per the prescribed timeline.

Reply of the Government

Ministry of Power has noted the recommendations of the Committee.

a) Viability Gap Funding (VGF) scheme is proposed to have three components viz. Market component (1000 MWh under Tranche-I with VGF support Rs 46 lakh/MWh and 1200 MWh under Tranche-II with VGF support Rs 27 lakh/MWh), State component (6000 MWh with VGF support Rs 27 lakh/MWh) and CPSE component (5000 MWh with VGF support Rs 27 lakh/MWh). Operational Guidelines for State Component and CPSU Component have been issued separately.

b) For disbursement of VGF amount through Market component (Tranche-I), Battery Energy Storage Purchase Agreement (BESPA) has been signed with successful bidders by NVVN, as the BESS Implementing Agency, for 1000 MWh of BESS capacity.

- c) Under the State component, Letter of Award (LoA) has been issued for 2500 MWh BESS capacity including 1000 MWh in Gujarat, 500 MWh in Maharashtra and 1000 MWh in Rajasthan.
- d) Entire 13,200 MWh BESS capacity, allocated under the VGF Scheme, shall be awarded by June 2025 and all the BESS projects shall commission within 18-24 months from the date of signing of BESPA.
- e) The Ministry has also designated Grid Controller of India as CNA for the scheme for the VGF scheme to be implemented through Treasury Single Account.
- f) The overall monitoring of the scheme will be done through CEA, who will submit monthly progress in respect of physical and financial achievement vis-à-vis the agreed milestones.
- g) Besides, the overall monitoring of the scheme is also being carried out by MoP also on regular basis.

[Ministry of Power
O.M. No. 10/1/2025-Budget, Dated: 22/05/2025]

Comments of the Committee

(Please see Para No. 11 of Chapter – I of the Report)

Recommendation No. 10

The Committee note that the Government of India has been helping the North-Eastern States through its various Schemes including Deen Dayal Upadhyaya Gram Jyoti Yojana, Saubhagya and Revamped Distribution Sector Scheme. During the last three financial years, Rs. 2,497.03 crores have been allocated for North-Eastern Region under Revamped Distribution Sector Scheme. Further, the Government of India has approved the Scheme for providing Central Financial Assistance to the State Governments of North Eastern Region towards their equity participation for development of Hydro Electric Projects in the Region through joint ventures between concerned State Governments and Central Public Sector Undertakings with an outlay of Rs. 4,136 crores for cumulative hydro capacity of about 15000 MW. Additionally, Funds have also been allocated by the Government for Flood Moderation with respect to Dibang Multipurpose Project and Downstream Protection works of Subansiri Lower Project in Arunachal Pradesh. However, it has been submitted before the Committee that no project developers in North Eastern Region has availed the grant under the Scheme of Budgetary Support towards Enabling Infrastructure, such as Roads/Bridges so far, which in itself is quite ironical given the condition of such infrastructure in the Region. Nonetheless, the Committee recommend that the Ministry should continue to ensure that the mandated atleast 10% of its Gross Budgetary

Support is not only earmarked for development of Power Sector in the North-Eastern Region, but the same is actually utilized for the intended purpose.

Reply of the Government

Ministry of Power has noted the recommendations of the Committee.

In FY 2024-25, out of total allocation of Ministry of Power of Rs. 19845 crore (Revised Estimate), Rs. 2650.66 crore earmarked for North Eastern Region and actual expenditure incurred was Rs. 2240.93 crore.

As per guidelines issued by Ministry of Power (MoP) vide OM dated 28.09.2021 for budgetary support towards cost of enabling infrastructure i.e., roads/bridges, all large hydropower projects wherein the letter of award of first major package is awarded after 08.03.2019 are eligible for budgetary support. The budgetary support shall be in the form of reimbursement after achievement of 25% financial progress with respect to approved/original project cost. The grant of budgetary support for a defined part/full length of eligible roads shall be reimbursed in two stages. The first stage is after operationalization of Motorable road (construction of kachha/unpaved road) while the second stage is after black-topping/metalling/finishing works. The grant of budgetary support for eligible bridges shall be reimbursed only after complete construction of the bridge. The scope for budgetary support has been subsequently widened to include the cost incurred for the construction of: (a) transmission line from power house to the nearest pooling point including upgradation of pooling substation of State/Central Transmission Utility, (b) ropeways, (c) railway siding, and (d) communication infrastructure.

The Dibang Multi Purpose Project (MPP) was the only project in the North Eastern Region whose first major package was awarded after 08.03.2019. However, as of the present date, the project has not achieved the requisite 25% financial progress. Consequently, no project developer in the region is currently eligible to avail the grant for the cost of enabling infrastructure.

Furthermore, in addition to the Dibang MPP, developers of upcoming projects in the North Eastern Region, viz. Heo, Tato-I, Etalin, Attunli, Kamala, etc., will become eligible to receive budgetary support for enabling infrastructure only after achieving 25% financial progress in relation to their approved project costs.

Government of India has notified the scheme of Budgetary Support for flood Moderation with objective to reduce tariff of the projects by ensuring that consumers are charged cost related to power component only. Till date an amount of ₹595.24 Crore towards Budgetary Support for Flood Moderation/Storage Hydro Electric Projects has been released for Dibang MPP (2880 MW) in Arunachal Pradesh.

In accordance with MoP O.M. dated:08/10/2024, the Central Financial Assistance (CFA) would be released in four instalments of 25% each during the construction of the projects based on the achievement of the certain milestones by the developers i.e. (i) achievement of river diversion for construction of dam/barrage (ii) excavation of Power House (iii) concreting of Dam/Barrage till spillway crest level from foundation level, and (iv) concreting of Dam/Barrage till 80% of Dam/Barrage height from foundation level. Currently no project developer in the region is eligible to avail the grant for the cost of enabling infrastructure.

Further, as per recommendation of Delegated Investment Board (DIB) chaired by Secretary (Power), in its meeting held on 09th December 2021, the grant of Rs. 188.24 crore to NHPC Ltd. towards cost of balance downstream protection works of Subansiri lower hydroelectric project in Arunachal Pradesh was recommended. The approval of the competent authority was conveyed to NHPC Ltd. on 03.01.2022. An amount of Rs. 175.03 crores has been released till date.

[Ministry of Power
O.M. No. 10/1/2025-Budget, Dated: 22/05/2025]

Recommendation No. 11

The Committee note that the fundamental key to effective functioning of the Central Electricity Authority is the availability of comprehensive and qualitative statistics from all the stakeholders which would enhance the planning and operational interventions of CEA for coordinated development of the Power Sector. It is understandable that the subject 'Electricity' falls under the Concurrent List and Generation being the delicensed activity have resulted into innumerable stakeholders in this Sector. However, the Committee feel that delay in availability of data in the today's technologically advanced time and age is incomprehensible. The Committee, therefore recommend that a dedicated online portal may be created at the earliest in order to ensure seamless submission, validation and monitoring of the data by all the stakeholders in order to ensure real-time accessibility of desired statistics.

Reply of the Government

Ministry of Power has noted the recommendations of the Committee.

For online monitoring of under construction thermal power projects in the country, IT based project management i.e PROMPT Portal (Portal for Online Monitoring of Projects-Thermal) has been developed. It is designed to facilitate availability of online status and analysis of physical progress of under construction thermal power projects.

Comments of the Committee
(Please see Para No. 14 of Chapter – I of the Report)

Recommendation No. 12

The Committee note that the Budgetary Estimates for National Power Training Institute have been substantially decreased at the time of Revised Estimates, barring the financial year 2023-24. The allocations were reduced by about 68.47% during the financial year 2020-21, about 77% during 2021-22, about 40% during 2022-23 and about 50% during 2024-25. The Committee observe that the NPTI has not been able to fully utilize even the decreased allocations during these financial years. The Government of India provide funds to NPTI for meeting the requirement of its pension liabilities and for creation/upgradation of infrastructure in its Institutes spread across the Country. Finding it strange that funds remain un-spent by NPTI which needs to act as a resource centre for Training and Capacity Building in highly dynamic Power Sector, the Committee recommend that the NPTI should ensure exhaustive utilization of the allocated funds for creation and upgradation of its training facilities and infrastructure in order to get the required workforce trained, equipped and prepared to steer the Power Sector forward.

Reply of the Government

Ministry of Power has noted the recommendations of the Committee. Government of India provide funds to NPTI to meet the requirement of its pension liabilities and for creation/upgradation of Infrastructure in its institutes spread across the country. Due to Covid Pandemic the allocated funds at Budget Estimate (BE) stage were not fully utilized and subsequently decreased at RE stage during the years 2020-21 and 2021-22. Further, due to delay in conceptualization and preparation of DPR of the new projects, the allocations were reduced during the year 2022-23 and 2024-25. Although the allocations had been reduced at the RE stage, the overall expenditure by the institute has been considerably increased from Rs 14 crore in 2022-23 to Rs 23 crore in 2023-24 and to Rs 25 crore in 2024-25 respectively. Moreover, to ensure full utilization of the allocated funds, Ministry of Power has advised the institute to submit proposals well in advance along with utilization certificates regularly so that funds could be released in time.

CHAPTER – III

Observations/Recommendations which the Committee do not desire to pursue in view of the Government's Replies

Nil

CHAPTER – IV

Observations/Recommendations in respect of which the Replies of the Government have not been accepted by the Committee and which require Reiteration

Nil

CHAPTER – V

**Observations/Recommendations in respect of which the final Replies of
the Government are still awaited**

Nil

**New Delhi
30th July, 2025
8 Shravana, 1947 (Saka)**

**Shrirang Appa Barne
Chairperson,
Standing Committee on Energy**

STANDING COMMITTEE ON ENERGY

**MINUTES OF SEVENTEENTH SITTING OF THE STANDING COMMITTEE ON
ENERGY (2024-25) HELD ON 30TH JULY, 2025 IN COMMITTEE ROOM-62,
SAMVIDHAN SADAN, NEW DELHI**

The Committee sat from 1500 hours to 1530 hours

MEMBERS - LOK SABHA

Shri Shrirang Appa Barne - Chairperson

2. Shri Shyamkumar Daulat Barve
3. Shri Devusinh Chauhan
4. Shri Malaiyarasan D.
5. Dr. Shivaji Bandappa Kalge
6. Dr. Kirsan Namdeo
7. Shri Nilesh Dnyandev Lanke
8. Shri Dulu Mahato
9. Shri Ramprit Mandal
10. Shri Jagdambika Pal
11. Dr. Shrikant Eknath Shinde
12. Shri Abhay Kumar Sinha

MEMBERS - RAJYA SABHA

13. Shri Ajit Kumar Bhuyan
14. Shri R. Dharmar
15. Shri Javed Ali Khan

SECRETARIAT

- | | | |
|----|------------------------------|------------------|
| 1. | Shri Ramkumar Suryanarayanan | Joint Secretary |
| 2. | Shri Kulmohan Singh Arora | Director |
| 3. | Shri Ajitesh Singh | Deputy Secretary |
| 4. | Ms. Deepika | Under Secretary |

2. At the outset, the Chairperson welcomed the Members of the Committee and apprised them about the agenda of the sitting. The Committee then took up for consideration and adoption the following draft Reports:

- (i) Report on 'Action-taken by the Government on observations/recommendations contained in the 1st Report (18th Lok Sabha) on Demands for Grants (2024-25) of the Ministry of Power'.
- (ii) Report on 'Action-taken by the Government on observations/recommendations contained in the 2nd Report (18th Lok Sabha) on Demands for Grants (2024-25) of the Ministry of New and Renewable Energy'.
- (iii) Report on 'Action-taken by the Government on observations/recommendations contained in the 4th Report (18th Lok Sabha) on Demands for Grants (2025-26) of the Ministry of Power'.
- (iv) Report on 'Action-taken by the Government on observations/recommendations contained in the 5th Report (18th Lok Sabha) on Demands for Grants (2025-26) of the Ministry of New and Renewable Energy'.

3. After discussing the contents of the Reports in detail, the Committee adopted the abovementioned draft Reports without any amendment/modification.

4. The Committee authorized the Chairperson to finalize the above-mentioned Reports and present the same to both the Houses during the current session.

The Committee then adjourned.

(Vide Introduction of the Report)

**Analysis of action-taken by the Government on Observations/
Recommendations contained in the Fourth Report (18th Lok Sabha) of
the Standing Committee on Energy**

(i)	Total number of Recommendations	12
(ii)	Observations/Recommendations which have been accepted by the Government: Sl. Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 Total: Percentage:	12 100 %
(iii)	Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies: Sl. No. Nil Total: Percentage:	Nil 00
(iv)	Observations/Recommendations in respect of which the replies of the Government have not been accepted by the Committee and which require reiteration: Sl. No. Nil Total: Percentage:	Nil 00
(v)	Observations/Recommendations in respect of which final replies of the Government are still awaited: Sl. No. Nil Total: Percentage:	Nil 00