

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:275  
ANSWERED ON:06.07.2004  
LOSS TO NTPC DUE TO SEBS  
Boianapalli Shri Vinod Kumar

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

- (a) whether National Thermal Power Corporation has criticized the new package proposed by an expert committee for settlement of dues of SEBs;
- (b) if so, the losses suffered by NTPC as a result thereof;
- (c) whether various irregularities caused by SEBs are at the cost of NTPC; and
- (d) if so, the corrective measures taken by the Government to save NTPC from losses?

**Answer**

THE MINISTER OF POWER ( SHRI P.M. SAYEED )

(a) to (d) : The problems of outstanding dues payable by State Electricity Boards (SEBs) to the Central Public Sector Undertakings (CPSUs), as a result of insufficient cash generation by the SEBs was tackled by the scheme for one time settlement of outstanding dues under which the outstanding dues as of 30th September, 2001 were securitized by issue of 8.5% long term Tax free power bonds to the extent of Rs.29,606 crores to CPSUs by the respective State Governments. National Thermal Power Corporation (NTPC) has received bonds worth Rs.16,410 crores under this scheme. In case of NTPC, a further amount of Rs.2,331.26 crore remains to be securitized by a few states. Due to improved financial performance of a good number of SEBs, the collection efficiency of CPSUs, including that of NTPC, has significantly improved.