

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:215
ANSWERED ON:16.11.2007
EQUITY INVESTMENT BY PGCIL
Saradgi Shri Iqbal Ahmed

Will the Minister of POWER be pleased to state:

- (a) whether the Power Grid Corporation of India Ltd. (PGCIL) is planning equity investments to the tune of Rs.16,500 crore over the next five years to fund transmission projects;
- (b) if so, the details thereof;
- (c) whether the Government is aiming to achieve a national power grid with inter-regional power transfer capacity of over 37,000 MW during the Eleventh Plan;
- (d) if so, whether the PGCIL has decided to invest about Rs.55,000 crore on transmission infrastructure during the next five year period; and
- (e) if so, the extent to which it would help in checking the power transmission losses?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) & (b) : Yes, Sir. The Power Grid Corporation of India Ltd. (PGCIL) is planning an equity investment of about Rs.16,500 crore during the XIth Plan (i.e. by 2012) to fund transmission projects. This would be met through internal resources expected to be generated from the company's operations, proceeds from the Initial Public Offering (IPO), enhanced business activities in Consultancy and Telecom, short term loans for meeting working capital requirement, sale of securitized bonds etc.

(c) : Yes, Sir. The development of the National Grid is aimed at optimizing the utilization of available natural resources in the country by integrating the five regions in a phased manner, matching with generation capacity addition and growth in power demand. Presently, National Grid has an inter-regional power transmission capacity of more than 16,000 MW. This is planned to be enhanced to over 37,700 MW during the XI Plan i.e. by 2012.

(d) : Based on the anticipated generation capacity addition, an investment of about Rs.55,000 crore is planned by the PGCIL during the XI Plan.

(e) : The present level of energy losses in the Extra High Voltage (EHV) transmission network at 220 kV and above are of the order of 3-4% which are at par with international standards.