

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:991

ANSWERED ON:23.11.2007

MOBILIZATION OF FUNDS

Adsul Shri Anandrao Vithoba;Pandey Dr. Laxminarayan;Tripathi Shri Chandramani;Verma Shri Ravi Prakash

Will the Minister of POWER be pleased to state:

(a) whether the Union Government has mooted floating bonds on the lines of Kisan Vikas Patra to raise Rs.50,000 crore for funding projects envisaged during 2007-12 Plan period as reported in the Times of India dated October 23, 2007;

(b) if so, the details thereof;

(c) whether there is any proposal to create a power fund by parking proceeds from sale of Government equity in public sector firms to raise Rs.33000 crore;

(d) if so, the details thereof; and

(e) the steps taken by the Union Government in this regard?

Answer

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (e) : In pursuance of the announcement made by the Hon'ble Prime Minister in the Conference of Chief Ministers` on power sector issues held on May 28, 2007, a Sub- Committee of the Standing group of Power Ministers has been constituted to look at financial issues, including upgrading transmission and distribution networks. The Terms of Reference of the Sub-Committee, inter-alia, include making appropriate recommendations regarding broad policy measures and instruments for mobilizing long tenure finances for meeting investment requirements of the power sector particularly the hydroelectric projects. The Sub-Committee is yet to submit its recommendations.