

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:2573

ANSWERED ON:04.12.2009

FUNDS FOR POWER PROJECTS BY PGCIL

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

- (a) the details of power projects proposed to be set up by the Government in the near future to increase power generation in the country;
- (b) whether the Power Grid Corporation of India Limited (PGCIL) proposes to make available the funds for various power projects in the country;
- (c) if so, the details thereof, State-wise;
- (d) whether the PGCIL has concluded an agreement with the World Bank for the development of power and other infrastructure projects in the country;
- (e) if so, the details thereof; and
- (f) the estimated power generation capacity likely to be added as a result thereof?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI BHARATSINH SOLANKI)

(a): Planning Commission had fixed a capacity addition target of 78,700 MW during the 11th Plan Period. Central Electricity Authority (CEA) has recently reviewed the likely capacity addition during 11th Plan after meeting with project developers. Based on the inputs provided by the project developers and suppliers, CEA has assessed that a total capacity addition of 62,374 MW is likely to be commissioned with a high level of certainty during 11th Plan. List of projects totaling to 62,374 MW is enclosed as Annex. In addition projects totaling to 12,590 MW are being attempted on best efforts basis.

(b) & (c): Power Grid Corporation of India Limited (PGCIL) has been assigned the role of the Central Transmission Utility and is responsible for the Inter-State Transmission Projects. For implementing the Inter-State Transmission Projects allotted to the PGCIL, funds are raised by the PGCIL in the form of equity and loans. The PGCIL adopts the financing pattern of 70:30 (Loan: Equity) for implementation of Transmission system. The Equity is put in from internal resources and the loan is borrowed from multilateral funding agencies like World Bank, Asian Development Bank etc. and even through domestic borrowings. No funds are made available by the PGCIL for transmission projects of other Utilities/ States.

(d) & (e): The PGCIL has signed a Loan Agreement for an amount of USD 1000 million with the World Bank on October 13, 2009. This loan will be utilized for implementing transmission schemes associated with Sasan, Mundra & Krishnapatnam UMPPs and South-West Interconnection.

(f): The Loan taken would be utilized by the PGCIL for implementing the transmission system and as such would not result in increase of generation capacity with utilization of this loan.