

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:94  
ANSWERED ON:22.11.2012  
POWER TRANSMISSION LINK PROJECT  
Bhagora Shri Tarachand

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

- (a) whether a Government owned Chinese Firm has conducted a preliminary study for a power transmission link project in the country and has already put bid for another corridor through the competitive bidding route;
- (b) if so, the details thereof;
- (c) the current rules regarding foreign players unfettered access in the strategic transmission sector;
- (d) whether the Government has taken precautionary measures in the interests of the nation in this regard; and
- (e) if so, the details thereof and if not, the reasons therefor?

**Answer**

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF POWER ( SHRI JYOTIRADITYA M. SCINDIA )

(a) : Yes, Madam. M/s State Grid International Development Limited a subsidiary of State owned State Grid Corporation of China had submitted their bid in response to Request for Qualification (RfQ) for selection of developer as Transmission Service Provider to establish `Transmission System associated with IPPs of Vemagiri area : Package A`. On detailed evaluation, the response to RfQ submitted by SGIDL was found to be non-compliant to the provisions of Request for Qualification document and hence, the response of SGIDL was rejected and the bidder was declared disqualified.

(c) to (e) : Government guidelines for tariff based competitive bidding for transmission service prescribes International Competitive Bidding (ICB) for transmission service procurement without any restrictions. As per the extant policy, Foreign Direct Investment (FDI) upto 100%, under automatic route, is permitted in the power sector (except atomic energy). This includes generation, transmission and distribution of electricity as well as power trading, subject to the provisions of the Electricity Act, 2003.