

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:3074

ANSWERED ON:31.07.2014

EQUITY FUND FOR POWER SECTOR

Mahadik Shri Dhananjay Bhimrao;Patil Shri Vijaysinh Mohite;Sule Smt. Supriya Sadanand

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

- (a) whether the Government proposes to set up mega crore equity fund for the power sector to supply 24x7 electricity supply in villages;
- (b) if so, the details thereof;
- (c) whether the Government has made any provision to raise the initial corpus for this fund;
- (d) if so, the details thereof;
- (e) whether the Government is also working on an asset reconstruction company for the power sector;
- (f) if so, the details thereof and the purpose for which it is being set up; and (g) the other steps taken/being taken by the Government to boost the power sector in the country?

**Answer**

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, COAL AND NEW & RENEWABLE ENERGY ( SHRI PYUSH GOYAL )

(a) to (f) : While there is no concrete proposal at this stage for setting up of an Equity Fund/Asset Reconstruction Company for the stressed power projects, the proposal was discussed in the meeting held on 23rd June 2014 with the Banks and Financial Institutions. The Department of Financial Services has since informed that SBI has been requested to examine the proposal further.

(g): Steps taken/ being taken by the Government to boost the power sector in the country are as follows:

- i) Acceleration in generation capacity addition during 12th Plan with a proposed target of 88,537 MW from conventional sources and about 30,000 MW from renewable energy sources.
- (ii) Undertaking a massive programme for strengthening of inter- state and inter-regional transmission capacity for evacuation of power.
- (iii) A new scheme has been announced in this year's Budget for strengthening of sub-transmission and distribution networks and for segregation of agricultural feeders. This is in addition to the existing scheme of Restructured Accelerated Power Development Reforms Programme (R-APDRP), under which upgradation of existing distribution networks is taken up in collaboration with States.
- (iv) Expeditiously resolving issues relating to environmental and forest clearances for power projects under implementation.
- (v) Bridging the gap of indigenous coal availability through coal imports for increased generation by thermal plants.
- (vi) Promoting energy conservation, energy efficiency and demand side management measures.