

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:443

ANSWERED ON:22.02.2006

SETTING UP OF SPECIAL COMPANIES FOR POWER GENERATION

Patle Shri Shishupal Natthu;Rawat Shri Ashok Kumar

Will the Minister of POWER be pleased to state:

- (a) whether the Government proposes to set up special companies to undertake four major power projects for power generation as reported in the Rashtriya Sahara dated January 13, 2006;
- (b) if so, the facts of the matter reported therein;
- (c) whether the task of distribution of electricity to the various buyers would be entrusted to the independent power producers through the international bidding process after commissioning of power projects by these companies;
- (d) if so, the details thereof along with the total megawatts of electricity to be created through these projects;
- (e) whether these companies have obtained No Objection Certificate (NOC) from the concerned bodies;
- (f) if so, the details thereof; and
- (g) if not, the time by which the NOC is likely to be obtained?

Answer

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (g) : The Government has taken an initiative for facilitating the development of five Ultra Mega Power Projects of about 4,000 MW capacity each under tariff based competitive bidding route in the sites to be located in the States of Madhya Pradesh, Gujarat, Chhattisgarh, Karnataka and Maharashtra.

Power Finance Corporation has been entrusted with the work relating to formation of shell companies, which are envisaged to carry out developmental activities including tie up of various inputs/clearances before handing over the projects to the final developers. Both Independent Power Producers and Public Sector Companies are allowed to participate in the international competitive bidding process. Distribution licensees would procure power from the project developers for distribution to the consumers.

The shell companies have initiated action for tying up various inputs, clearances/no objection certificates from concerned agencies.