

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:4423  
ANSWERED ON:19.05.2006  
NATIONAL POWER TARIFF POLICY  
Mohite Shri Subodh;Panda Shri Prabodh

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

- (a) whether the Government proposes to review the National Power Tariff Policy in the country;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Confederation of Indian Industries (CII) has also raised objection to the existing policy;
- (d) if so, the objection raised by CII;
- (e) the reaction of the Government thereon; and
- (f) the time by which revised policy is likely to be introduced?

**Answer**

THE MINISTER OF POWER ( SHRI SUSHILKUMAR SHINDE )

(a) & (b) : The Electricity Act, 2003 requires the Central Government, from time to time, to prepare the Tariff Policy and also to review and revise the policy in consultation with the State Governments and the Central Electricity Authority. The Tariff Policy has been notified on 6th April, 2006. At present there is no specific proposal to review or revise the Tariff Policy.

(c) & (d) : The CII has written to the Ministry of Power welcoming various provisions of the Tariff Policy and also giving observations on some of the provisions of the Policy. The following main observations with regard to the Policy have been made by CII:

1. Requirement of competitive bidding for future generation and transmission schemes in respect of private sector companies vis-À-vis public sector are different.
2. Doubt has been raised about adherence to various time schedules mentioned in the Policy with regard to various actions to be taken by the Electricity Regulatory Commissions (ERCs).

(d) to (f) : The Tariff Policy has been prepared after extensive consultations with the State Governments, CEA and various other stake holders. Presently, there is no specific proposal under consideration to review or revise the Policy.