
PFC to raise INR 90,000 crore

Tuesday, 04 Aug, 2009

PTI reported that Power Finance Corporation will soon approach banks and financial institutions to raise INR 90,000 crore as part of the National Electricity Fund which was set up for the development of the power sector.

Last year the government announced setting up of the Fund entailing a total corpus of INR 2,25,000 crore.

Power ministry sources said that “Of the total corpus of INR 2,25,000 crore, PFC is likely to raise INR 90,000 crore adding that a Cabinet note had been circulated among the ministries.”

According to the terms of reference, the Fund would be utilized to reduce transmission and distribution losses to 15% in the next three years by setting up new electricity transmission lines, transformers, replacing overloaded lines and using new technology.

Power Finance Corp and Rural Electrification Corp are the nodal agencies to finance state utilities.

The Planning Commission had suggested that the support of the World Bank and the Asian Development Bank could be sought for improving the electricity transmission and distribution network in the country.

(Sourced from PTI)

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