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KOLKATA, September 9, 2015

DVC to start power supply to south

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Damodar Valley Corporation (DVC) will make a foray into the southern region this year supplying power to the discoms in Karnataka and Kerala for the first time. While 450 MW will be sent to Karnataka within this year around 150 MW will go to Kerala through the Southern grid by January 2016, DVC Chairman Andrew WK Langstieh said.

DVC has an installed capacity of 6,357.2 MW of which 6,210 is thermal and the rest hydel. It now supplies power to Delhi, Haryana, Punjab and Madhya Pradesh besides its own command area. However, company, owned by the States of West Bengal and Jharkhand and administered by the Union Power Ministry, is often left parentless and is currently passing through a difficult financial condition due to a massive Rs.30,000-crore debt burden on account of its greenfield projects, payment dues and surplus capacity of around 1,000 MW.

DVC, entered a loss-making phase from 2013-14, reporting a Rs.995-crore net loss, which increased to around Rs.1,200 crore from 2014-15.” We have readied a revival plan for DVC, Union Power Minister Piyush Goyal said here recently.

To transfer project to NTPC

As part of this process, DVC's Raghunathpur power project is proposed to be handed over to NTPC. Currently, the due diligence is being done. DVC has already spent Rs.6,000 crore on the first phase of the 1,520 MW project in West Bengal. While around 3,000 acre was acquired for the project, a critical 147 acre is yet to be acquired, Mr. Langstieh said.

Handover is to begin from December 2015, if all goes according to plan and all approvals are received.

Transferring the assets of this plant, restructuring its loans and selling additional power to the Railways are important tenets of the plan to revive DVC. The corporation is expecting to turnaround this fiscal if all these measures are put in place.
