

CESC to supply power in Bikaner

OUR SPECIAL CORRESPONDENT

Calcutta, Feb. 6: CESC Ltd has won a bid to provide electricity in Bikaner, the third city in Rajasthan where the flagship of the RP-Sanjiv Goenka group will distribute power.

The company received the letter of intent from the state government for the distribution franchisee following a competitive bidding process. It will sign a formal agreement for the 20-year contract within two months.

Earlier, it had secured licences for Kota and Bharatpur.

Sanjiv Goenka, chairman of CESC, said he was "delight-

ed" with the experience of Kota and confident of repeating the same in Bikaner.

"We are delighted to expand our new business opportunity in Rajasthan. The company plans to invest Rs 135 crore over the next two years to spruce up the infrastructure and offer the best-in-class user experience for customers," Goenka said over phone.

The Bikaner franchisee, spread over 155 square kilometres, has 1.42 lakh consumers even as the population stood at 6.44 lakh and a peak load of 130 megawatt. While the state authority estimated the transmission and distribution losses at 24.5 per cent, they could be much higher.



Goenka: Growth drive

The company expects peak demand to rise once it is able to plug the transmission and distribution loss and record the sale of power through meters.

CESC, which supplies

power to Calcutta and its adjoining areas, will see a demand of 400MW from the three cities of Rajasthan.

According to the contract, the company has to buy power from the state utility and distribute it among consumers, unlike in Calcutta where the company supplies from its own generation station.

Consequently, uninterrupted supply to the three cities will depend on the state's ability to provide power. In Bikaner, it is going to buy power at Rs 5.17 a unit and sell at an average of Rs 6.20 a unit.

Bikaner is the fourth distribution licence outside Calcutta for CESC, the first being

in Greater Noida, which has turned profitable. The peak demand, which has now reached 170MW, could double in the next 2-3 years.

Sources said the company was bidding for several more distribution licences across India, including Rajasthan.

CESC has an installed 1,725MW thermal power capacity in Bengal and 600MW in Chandrapur, Maharashtra, apart from 141MW from renewable sources.

However, one of the units in Chandrapura is not functioning in the absence of a power purchase agreement. The other unit will supply 100MW to Tamil Nadu and 170MW to Noida.