



resurgent rajasthan

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New Year New Horizons

The new year is sure to bring quite some good news, especially for the investor community.

The Government already recently has constituted the Rajasthan Investment Promotion Board under the chairmanship of Hon'ble Chief Minister. It is an empowered committee and its decisions shall be complied with by all the concerned departments. Any further examination, scrutiny and approvals at various levels by the departments concerned shall not be necessary.

The Government has also decided to further reform and strengthen the Single Window System. A draft of the proposed legislation to give statutory status to the Single Window System in the State has already been prepared. The State Government also proposes to institute an "electronic" single window system.

A process drafting a new Investment Promotion Policy is also in the offing, which will be comprehensive in its approach and reach to cover not only industrial investments, but also service sector investments and will lay special emphasis on infrastructure development.

These new initiatives are sure to further increase the attractiveness of Rajasthan as an investment destination and accelerate the process of development.

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Home to a rich resource of renewable energy, Rajasthan is a highly potential reservoir for tapping solar energy for power generation. The State is set to derive substantial support for its existing power capacity using solar power. With nearly 72 power companies registering with the 'Rajasthan Renewable Energy Corporation', a total investment of Rs45000 crore is on the anvil, along with an additional power generation of 2500 MW.

Mr Naresh Pal Gangwar, Chairman & Managing Director - 'Rajasthan

Renewable Energy Corporation, said, "We have received proposals from several companies like Reliance Industries Limited, Par Solar, Jindal Power, GVK Power & Infrastructure Limited, Moser Baer Photovoltaic Limited, and Zoom Developers, for setting up solar plants in the State".

Presently, the process of finalising the tariff per unit is underway for the initial phase of 56 MW to be produced by 11 companies, for which the applications have already been forwarded to Rajasthan Energy Regulatory Commission (RERC). "We will take up



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Cover Story: Powered Naturally

these projects as per the guidelines of the recently announced Jawahar Lal Nehru Solar Mission", Mr Gangwar added.

Once this process is complete, these companies will plan to set up their respective plants across Rajasthan, in the districts of Barmer, Jaisalmer, Bikaner and Jodhpur. These plants will be based on different technologies like solar photo-voltaic, solar thermal and thin film.

Reliance Industries Limited and Par Solar are setting up solar plants of 5 MW each in Nagaur and Jodhpur respectively. RIL has already signed up a 'power purchase agreement' with three power companies of the State - Jaipur Discom, Ajmer Discom and Jodhpur Discom. RG Gupta, Chairman - Jaipur Discom, said that the agreement is first-of-its-kind to tap solar energy for the benefit of consumers in the state. Besides this, two more plants of 50 MW each based on the photo-voltaic technology and solar thermal technology are also to be set up through cost bidding by the developers, who will then select the site for the plant.

Solar Energy Potential & Costs

Rajasthan receives the highest solar radiation in the country. According to an estimate, the State holds an untapped solar energy reserve of a whopping 1.5 lakh MW in the country. According to the scientists, solar energy production is in its early stage of research and the high unit cost of solar energy is still the biggest impediment in the success of solar energy generation plants.

As a matter of fact, solar thermal potential is highest in Rajasthan but unfortunately, it still remains untapped. Mr Gangwar said that the only discouraging factor for exploring the segment is the high energy-generation cost. But, these are bound to decline once plants start their operations, he added.

Steps to Promote Renewable Energy Generation

The Government of Rajasthan has taken keen steps towards promoting renewable power generation. The Government has formulated a mix of fiscal and financial incentives and other policy/regulatory measures. These include capital/interest subsidy, accelerated depreciation, nil/concessional excise and customs duties.

'Generation-based Incentives Scheme' for solar power have been introduced on a pilot basis, to attract private investment by independent power-producing companies.

The Way Ahead

The Central Government has set up a Solar Mission, with the targeted solar energy generation of staggering 20000 MW by 2017, with a major focus on Rajasthan. Now the stress is being laid on the renewable sources of energy, as conventional sources are exhausting and the Government believes that acting now will pave way for more research and technological innovations. The foray of leading power companies into Rajasthan has given a much-needed boost to this initiative. Apart from additional generation of power, adoption of an environment-friendly route to achieve power generation targets is equally important. The initiatives undertaken by the governments at the Central and State levels indicate the scope of opportunities in the sector.

Promote Emission-Free Energy Generation

Eminent environmentalist and Noble Laureate, Mr R K Pachauri has advocated adequate utilisation of solar resources by states, including Rajasthan, instead of using fossil fuel that adds to global warming.

"Solar energy is a viable alternative for power, especially for states like

Rajasthan which can fulfil their energy needs without digging for fossil fuels", Mr Pachauri said.

He said that he was in consultation with the State Government to set up solar power plants in the state. "Plans have been made to set up solar power plants, and the discussion with the Rajasthan Government is going on. The Energy and Research Institute (Teri) and Clinton Climate Initiative will collaborate to set up this project," he added.

Power Facts

- Rajasthan's untapped solar energy reserve: 1.5 lakh MW
- Investment of Rs45000 crore in sector on the anvil
- Central Government's 'Solar Mission'; targets solar energy generation of 20000 MW by 2017

News Bytes

Power Upswing: 6 more power plants in state

Mr Ashok Gehlot, Chief Minister, Government of Rajasthan, announced the setting up of six more power plants. With a combined capacity of 4780 MW, these projects have been devised as a part of the 12th Five-Year Plan.

The 'Keshorai Patan Gas Project' in Bundi District, and second phase of 'Dholpur Gas Project' at Dholpur would each get one power plant of 330 MW. Three power plants, of 1320 MW each, would come up at Suratgarh Super Thermal Power Station as 9th and 10th units, Kalisindh Project's 3 and 4th units, and Banswara Power Project's 1st and 2nd units. Further, Ramgarh Power Project's 4th unit of 160 MW would be expanded in the stipulated year.



IIT-R comes to Jodhpur

The Indian Institute of Technology - Rajasthan (IIT-R) will be shifting its operations from IIT - Kanpur to Jodhpur in June 2010. IIT-R was operating from IIT-Kanpur for the past two years. The Human Resource Development Ministry has identified 700 acres of land at Nagore near Jodhpur for setting up the IIT-R campus.

Till the campus gets ready, the institute will function from Mungiram Bange Memorial (MBM) Engineering College in Jodhpur. The MBM Engineering College was instituted in 1951 by the Government of Rajasthan,

and is affiliated to J N Vyas University of Jodhpur.

NCDEX to set up storage complexes in Rajasthan

National Collateral Management Services Ltd (NCMSL), a management and warehousing arm of the National Commodity & Derivatives Exchange (NCDEX), will set up modern warehousing-cum-market yards in Rajasthan at eight locations, with the most modern facilities.

These new warehouses will be in partnership with National Warehousing Corporation (NWC) which is promoted by Netherlands-based Agricore & a shareholder in NCMSL. Each warehouse, with a storage capacity of up to 40,000 tonnes of food grains, will entail an investment of Rs 20 crore and spread over 30 acres.

The warehouses envisaged will be beyond 30 metres height each as compared to 13 metres of the existing ones. The facilities each will have are currently available only in East Asian countries.

The locations selected are Bikaner, Kota, Bundi, Chomu (near Jaipur), Kotputli, Jodhpur, Bharatpur and Sawai

Madhopur. "This is an experiment and will be extended to other states if successful," said Sanjay Kaul, MD and CEO of NCMSL. "These warehouses will contain all facilities of a most modern market", he added.

Milestone for state's energy scenario

In a significant development for the Rajasthan's energy sector, Unit 5 of Rajasthan Atomic Power Project (RAPP 5 & 6) attained its first criticality. This means that now onwards the unit will sustain nuclear fission chain reaction in the reactor core on its own. It will supply 44 MW power of the 220 MW generated to the state from next month after it gets synchronised with the Northern PowerGrid.

"It is a milestone, with the completion of the project (RAPP 5 & 6), which comprises two Pressurised Heavy Water Reactors (PHWRs) of 220-MW each. We are hopeful that Unit 6 will achieve its criticality next month," said P P Jhamb, site director.

With this, the number of operating nuclear power reactors in India has gone up to 18, increasing the total atomic power generating capacity from 4,120 MW to 4,330 MW.



News Bytes

Speaking to TOI, Nuclear Power Corporation (NPC) chief engineer, N Nagaich said, "After conducting some tests, Raps-5 will be synchronised with the state electricity grid in a month, and will be ready for commercial operations. It will supply power to the northern electricity region."

With Unit 5 being operational next month and Unit 6 set to achieve criticality during the same time frame, 440 MW power will be added to the atomic power generating capacity which stands today at 4,120 MW. This will also mean that the state gets an additional 88 MW power which will help to meet ever increasing power demand.

The project was set up in September 2002 and took six years to complete. It remained unused for a few months owing to non-availability of the fuel. "It was only 10 months ago that we procured fuel to start our operations. This could happen only after we signed the much-debated Indo-US nuclear deal," said Jhamb.

Of the 2,000 tonnes of fuel procured from Russia, about 120 tonnes has been earmarked for Raps-5. Nagaich said the

total nuclear power capacity will be increased to 7,280 MW by commissioning projects in Rajasthan, Karnataka and Tamil Nadu. He said in all probability Raps-6, another 220 MW reactor in Rajasthan, will become operational next month. The plan envisages attaining a target of 60,000 MW around 2020 through diverse reactor technologies and designs.

A statement of NPCL said that based on the experience of 540 PHWRs, NPCL has designed 700 MW PHWRs and will be coming up with four such projects in the country, two of which will be in Rajasthan. It read 'Four 700 MW PHWRs, including two at Rawatbhata site, have been approved by the government and the construction is being taken up'. "These are slated for a gestation period (first pour of concrete to criticality) of 60 months," said Nagaich.

State to spend Rs2000 crore under R-APDRP

The Government of Rajasthan is set to start the centre-funded 'Restructured Accelerated Power Development and Reform Programme' (R-APDRP) across 87 cities in the State, under the 11th

Five-Year Plan. A total of Rs2000 crore would be spent over 3 years for facilitating reduction of AT&C losses and bringing it down till 15% through strengthening and up-gradation of Sub-Transmission and Distribution network. Infosys has been appointed by Government-run power companies — Jaipur Discom, Ajmer Discom and Jodhpur Discom — as their consultant for rapid implementation of the programme.

Mr R Gupta, Chairman-National Committee on R-APDRP and CMD-Jaipur Discom, said the IT consultant would have to handhold and guide power utilities from concept-to-commissioning for facilitating this programme. "IT work will involve setting up data centres, disaster recovery back-ups, GIS mapping, and entail applications for reading meters, billing & collection, energy accounting & auditing and consumer grievance redressal", he said.

R-APDRP is a flagship programme of the Government of India, with a total outlay of Rs51,577 crore. Power Finance Corporation Limited has been appointed as the nodal agency for the programme. "We will be setting up supervisory control and data acquisition system in cities like Jaipur, Ajmer, Udaipur, Jodhpur and Kota for close monitoring", Mr Gupta added.



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