



**Mr Shrirang Karandikar**  
CEO, India Power Corporation Ltd

## 'Privatization will positively impact India's power sector, which is certainly not in a healthy stage'

"As it happens with any other industries, privatization will reduce dependency on public players. The sector will become competitive and the consumers will have more options to choose from. Increased thrust on efficiency and innovative to remain profitable can benefit the sector in the long run. As of now, only 4% of the country's total power distribution is happening through private sector players. It means there is a huge scope of privatization in this space".

India Power Corporation Ltd. (IPCL), formerly known as DPSC Limited was incorporated in 1919. The company is set to become India's leading power generation and utility company. IPCL has actively forayed into a diversified portfolio, with renewable and conventional modes of power generation, transmission, distribution & power trading. The Company currently operates 95.2 MW of wind assets in Rajasthan, Gujarat and Karnataka, and has also developed a 2 MW grid connected solar power plant along with West

Bengal Green Energy Development Corporation Ltd. in Asansol.

Energetica India catches up with Mr Shrirang Karandikar ; CEO, India Power Corporation Ltd to discuss the trends in India's power distribution sector

### **ENERGETICA INDIA: How is privatization impacting the power distribution space in India?**

SHRIRANG KARANDIKAR: Privatization will positively impact India's power sector, which is certainly not in a healthy stage. There have

been problems on all fronts – be it generation, transmission or distribution. Due to high regulations, entry barriers and the high cost of set up of a generation plant or a distribution network, the sector was not favorable for the private players.

As it happens with any other industries, privatization will reduce dependency on public players. The sector will become competitive and the consumers will have more options to choose from. Increased thrust on efficiency and innovative to remain profitable can benefit the sector in the long run.

## Mr Shrirang Karandikar

Mr Shrirang Karandikar is a M. E. in Electrical and PG Diploma in Project Management with over 3 decades of multidimensional experience in business operations & development, project management, start-up operations and leadership & team management in various Power Sector Utilities. He started his career with MSEB and has sailed through organizations like Kalpataru Power, Torrent Power, NDPL (Tata

Power), NTPC etc. His last stint was in Crompton Greaves Ltd where he made remarkable contribution in acquiring Franchisee businesses while heading the Distribution Business. He brings with him sound knowledge of both acquisition and implementation of start-up operations with exposure to managing processes & procedures and compliance & quality.



Central Office ICPL.



Solar plant at Seebpore receiving station.

As of now, only 4% of the country's total power distribution is happening through private sector players. It means there is a huge scope of privatization in this space.

**ENERGETICA INDIA: What are India Power Corporation's growth plans in the power distribution space?**

SHRIRANG KARANDIKAR: We are hereby to give quality service to consumers with competitive power tariff. Therefore in coming years we wish to have certain areas for power distribution through Parallel Licensee mode. We will also participate across the country in various States for power distribution improvement projects like Distribution Franchisees and Public Private Partnerships.

**ENERGETICA INDIA: How will Open Access impact distribution companies and their growth plans?**

SHRIRANG KARANDIKAR: Our country though is the 4th largest consumer of energy, is however far behind its immediate competitors (US, China & Russia) in terms of the availability and abundance of energy resources. This has led to a huge cost burden on the energy providers that have always had to depend largely on energy imports and at the same time meet the energy requirements of the consumers at an "affordable" rate. The dichotomy can be resolved to some extent by the adoption of Open Access, empowering the consumers with a right to choose their own source of power.

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While some distribution companies may find it threatening to lose premier customers to Open Access, it is from a long term perspective which is only beneficial for them. Regulated and licensed trading of power is bound to lead to innovative pricing and subsequently a competitive landscape. Most importantly, after paying for the power to the utility, these companies can directly transmit it to individual houses. This way the distribution companies can fully utilize the power and electricity infrastructure of the country and in turn help reduce the tax burden.

**ENERGETICA INDIA: What are your expectations from Uday Scheme?**

SHRIRANG KARANDIKAR: The power distribution sector in India has been reeling under huge losses – to the tune of lakhs of crores of rupees-for decades now. The launch of a programme like UDAY, in such a scenario, is certainly a breath of fresh air for these companies that are perpetually upto their neck in debt.

We need to ensure that as promised the UDAY SCHEME for Government owned discoms will help boost the operational efficiencies for the same by opening up financial options for them and help us supply consistent, reliable & affordable power to citizens. The scheme has already been adopted in 15 States in the country.

**ENERGETICA INDIA: The Chairman, Mr. Hemant Kanoria has recently said that the company will focus on backward integration. How does the company plan to do this?**

SHRIRANG KARANDIKAR: Backward integration would enable services to consumers. We have already in this service by making a joint venture with a German giant Uniper. We will improve efficiencies of power generating stations. We have already in power trading to facilitate Open Access power to consumers. Therefore, for end to end service from generators to consumers would be made available.

**ENERGETICA INDIA: What kind of changes or trends do you expect to see in India's power distribution space with the growth of renewable energy?**

SHRIRANG KARANDIKAR: Grid connections were considered only option for power distribution in India. However, Renewable Energy options has opened gates for distribution and generation. Power will be available to remotest corner of the country with solar/wind generation. We can also use this power back to grid with newer technologies in case of surplus availability locally ◀◀