RESEARCH ARTICLE

ARE WE REALLY “ATMA NIRBHAR” (SELF-DEPENDENT) WITHOUT CHINESE SUPPORT IN INDIAN POWER TRANSMISSION SECTOR

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Abstract

Ever since the news of Chinese interferences came into limelight, talks are on regarding banning Chinese products in all sectors, Power Transmission being one of them. Even if one wants to adopt this stance, it is nearly impossible to ban Chinese entry in the current scenario. Like any other sector, India imports a large range of products from China, like raw materials such as steel, minerals, etc., or equipments for Power Transmission or Operation & Maintenance related products. It would not be economically beneficial to India if it tries to stop the import of goods related to O&M. Also, in the case of raw materials such as steel, imports can't be stopped since India imports large quantities from China. As of now, it has been a difficult task to find a substitute source that can match the cost and availability of Chinese products. It is a known fact that a lot many MoUs were signed between potential Chinese Power sector developers & Indian developers/stakeholders under the “Vibrant Gujarat” & “Make In India” campaign over the last decade. Accordingly, several Chinese companies have set up their Indian operations keeping in to account the upcoming prospects. Huge employment opportunities were created and infrastructure facilities were set up. Most of them are interested in getting attached to their Indian counterparts on back to back basis as and when a project is envisaged. A boycott of Chinese goods would result in these companies also facing pressure from China to stop production in India, leading to a considerable loss of employment thereby leading to loss in economy. Not to mention the scarcity of raw materials and technically skilled Chinese manpower engaged at various levels of a project commissioning. Within equipment suppliers, there are two types. The first type is one that has domestic manufacturing facilities in India, where they've setup huge factories for easy supply and delivery, and the second where the supplier caters to the Indian market through exports from China. At this point, it is still not clear if India actually prohibits Chinese companies from setting up manufacturing facilities in India. In summary, there will little impact from the “developer” angle as very few of them are inclined towards becoming an independent developer. By and large, Chinese companies are not interested in owning and managing transmission lines except a few of them. It is unlikely that Chinese equipment suppliers that have already set up plants in India will be affected due to these restrictions.
What remains is the fate of various O&M facilities which still require Chinese manpower and machinery to fulfill the requirements of O&M contracts signed with the Indian client. Another area which can be problematic is when a particular developer bids for extension packages of an already existing Transmission line, the feeding substation extension becomes a bottleneck if a Chinese equipment has been used in the original one. Chinese design is too typical when it comes to space requirements and building measurements. Their buildings are tailor made with spacings to accommodate only their make of equipment. It might take lot of efforts and engineering excellence to cater to the requirements of specific Indian make equipment inorder to do such projects successfully. So the fact remains that all said and done, it might take too much efforts and skills to compete with the Chinese in general to reach a point where we become “aatmanirbhar” in almost all sectors if not Power Transmission sector alone.

Introduction:

Ever since the news of Chinese interferences came in to limelight, talks are on regarding banning chinese products in all sectors, Power Transmission being one of them. Even if one wants to adopt this stance, it is nearly impossible to ban Chinese entry in the current scenario. Like any other sector, India imports a range of products from China, be it raw materials such as steel, minerals, etc. or equipments for Power Transmission or Operation & Maintenance related products. It would not be economically beneficial to India if it tries to stop the import of goods related to O&M. Also, in the case of raw materials such as steel, imports can't be stopped since India imports large quantities from China. As of now, it has been a difficult task to find a substitute source that can match the cost and availability of Chinese products.

It's a known fact that lot many MoUs were signed between potential chinese Power sector developers & Indian developers / stakeholders under the "Vibrant Gujarat" & "Make In India" campaign over the last decade. Accordingly, several Chinese companies have set up their Indian operations keeping in to account the upcoming prospects. Huge employment opportunities were created and infrastructure facilities were set up. Most of them are interested in getting attached to their Indian counterparts on back to back basis as and when a project is envisaged.

A boycott of Chinese goods would result in these companies also facing pressure from China to stop production in India, leading to a considerable loss of employment thereby leading to loss in economy. Not to mention the scarcity of raw materials and technically skilled Chinese man power engaged in various levels of a project commissioning.

Within equipment suppliers, there are two types. The first type is one that has domestic manufacturing facilities in India, where they've setup huge factories for easy supply and delivery, and the second where the supplier caters to the Indian market through exports from China. At this point, it is still not clear if India actually prohibits Chinese companies from setting up manufacturing facilities in India.

In summary, there will little impact from the “developer” angle as very few of them are inclined towards becoming an independent developer. By and large, Chinese companies are not interested in owning and managing transmission lines except a few of them. It is unlikely that Chinese equipment suppliers that have already set up plants in India will be affected due to these restrictions. What remains is the fate of various O&M facilities which still require Chinese manpower and machinery to fulfill the requirements of O&M contracts signed with the Indian client.

Another area which can be problematic is when a particular developer bids for extension packages of an already existing Transmission line, the feeding substation extension becomes a bottleneck if a Chinese equipment has been used in the original one. Chinese design is too typical when it comes to space requirements and building measurements. Their buildings are tailor made with spacings to accommodate only their make of equipment.
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So the fact remains that all said and done, it might take too much efforts and skills to compete with the Chinese in general to reach a point where we become "aatmanirbhar" in allmost all sectors if not Power Transmission sector.