

private power projects. The principles of competitive bidding would be adhered to as far as possible while obtaining tariff offers for private sector mega projects. These projects are being given certain concessions and are being linked to reforms. It is expected that these projects would result in low tariffs and would also help in catalysing reforms and accelerating the establishment of systems that would transfer power across states and regions.

In accordance with the policy, a Power Trading Company (PTC) would be established with majority equity participation by Power Grid Corporation of India Ltd. (PGCIL), along with National Thermal Power Corporation (NTPC), Power Finance Corporation (PFC) and other financial institutions. Concerned State Governments/State Electricity Boards (SEBs) would also be co-opted, if found feasible. The PTC would purchase power from the identified private projects and sell it to the identified State Electricity Boards. This would help in project development as the project developer would have to deal with only one agency.

World Bank's Aid to Nathpa Jhakri Power Project

1824. SHRI ANIL SHARMA: Will the Minister of POWER be pleased to state:

(a) the conditions imposed by the World Bank for granting aid to the Nathpa Jhakri Project;

(b) the conditions which remained unfulfilled resulting in the stoppage of aid from the World Bank;

(c) the steps being taken to fulfill the conditions laid by the World Bank so that the project can be completed at the earliest; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF POWER (SHRI P.R. KUMARAMANGALAM): (a) to (d) Nathpa Jhakri HB Project (6x250=1500 MW) is being executed by

Nathpa Jhakri Power Corporation (NJPC) — a Joint Venture of Government of India and Government of Himachal Pradesh, both sharing the cost in the ratio of 3:1. The project is being executed with partial financial assistance of US\$ 437 million from World Bank. The extended date of loan agreement with World Bank is due to expire on 31st December, 1998. In order to consider further extension of the date for utilisation of World Bank assistance, World Bank has, inter-alia, desired that (i) the financing plan should be firmed up; (ii) Commitment of the Government of Himachal Pradesh should be obtained to release the equity based on the equity released by the Central Government. The World Bank assistance is being utilised by NJPC for the execution of the project.

The revised cost estimates of Rs. 7666.31 crores and revised commissioning schedule of March, 2002 have been firmed up and approved by the Public Investment Board. Government of Himachal Pradesh have agreed to provide equity to the extent of Rs. 958 crores against the equity contribution of Rs. 2875 crores by the Central Government. The funding gap of Rs. 1564 crores after taking into account the equity contribution of the two Governments, internal resources and External Commercial Borrowings by NJPC, is to be made up by raising loan from Power Finance Corporation and/or State Bank of India. The Government of India has recommended to the World Bank to extend the loan closing date upto March, 2002, based on the revised commissioning schedule.

New Infrastructure in Power Sector

1825. PROF. VIJAY KUMAR MALHOTRA: SHRI RAGHAVJI:

Will the Minister of POWER be pleased to state:

(a) whether any decision has been taken for creation of new/additional infrastructure in the power sector; and