

which has now been revised to Rs. 1223 crores. The Phase-I of the Scheme will be completed by 1993-94. Phase-II of the R&M programme covering 46 old thermal power plants, comprising 203 generating units aggregating to a total capacity of 20581 MW at an estimated cost of Rs. 1610 crores has also been launched for implementation during the Eighth Plan period.

As regards renovation, modernisation and uprating of hydro power station, 54 schemes have been identified at an estimated cost of Rs. 1242 crores. Out of 54 schemes, 28 schemes have already been cleared at an estimated cost of Rs. 565 crores. Out of 28 cleared schemes, 4 schemes have been completed at an estimated cost of Rs. 17 crores, and the remaining 24 cleared schemes are in various stages of execution.

(c) and (d) The Indian Electricity Act, 1910 and the Electricity (Supply) Act, 1948 have been amended to encourage greater private sector participation in the electricity generation, supply and distribution. Under the amended provisions, the private sector can set up thermal projects (coal/gas) and hydel projects and wind/solar energy projects of any size. The private sector companies can set up enterprises to operate either as licensees or as generating company. The Government has also offered a number of incentives to the generating companies as well as the licensees. For the generating companies the normative parameters have been notified which, inter-alia, provide for 16 per cent rate of return on the paid up and subscribed equity. The 16 per cent rate of return on the equity, included in the fixed cost, as an element in the final tariff could be denominated in US \$ in respect of foreign equity only. For the licensees, a high rate of return of 5 per cent in place of the previous 2 per cent above the RBI rate has been specified. The private sector companies have expressed

interest in 46 power projects aggregating to a capacity of 25120.50 MW at an estimated cost of Rs. 76025.39 crores.

(e) and (f) The issues raised by some foreign investors/private companies are being resolved through discussion between private companies and SEBs/State Governments.

Securing German Development aid for utilisation of Fly-ash waste

@2689. SHRI B. K. HARIPRASAD: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that German development aid has been secured for the disposal and economic utilisation of fly-ash waste accumulated in thermal power plants all over the country for making bricks, mortar and concrete material; and

(b) whether Government would ensure setting up of such projects in rural areas to provide employment to rural people and also to utilise the end-products for rural development schemes

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) No, Sir.

(b) With a view to accelerating the process of disposal of fly ash produced by thermal power plants, the Central Government has issued guidelines to various power generating establishments, both under the Central and the State Governments, so as to encourage involvement of private entrepreneurs in setting up manufacturing facilities using the fly ash.

@Previously Unstarred question No. 1510 transferred from 5th August, 1993.