

[6th December, 2000] RAJYA SABHA

observed that with the present rate of electrification of villages, it will take nearly 702 years to complete the electrification of all the villages in one of the States.

(c) The priorities for Rural electrification programme are determined and decided by the State Governments/Power Utilities who own and operate the distribution system in the States, as per the policies and directions of the State Governments. The time-frame for complete electrification of villages in the country would largely depend upon the availability of financial resources for creating infrastructure/strengthening the distribution system are availability of power in the States.

From the current financial year, the funds under Rural Electrification Programme (MNP) are being released directly to the States as part of Normal Central Assistance instead of the earlier practice of routing through the Rural Electrification Corporation (REC). The Government have approved a scheme for extending 7.5% interest subsidy for electrification of 415 tribal villages and 2440 dalit bastis during the current year. Further, the Government has also taken up a special programme called Accelerated Power Development Programme (APDP), which has a component for strengthening of distribution and sub-transmission system. An allocation of Rs. 1000 crore has been made under the programme for the current year.

World Bank Assistance for Power sector

1842. SHRI BHAGATRAM MANHAR: SHRI RAJU PARMAR:

Will the Minister of POWER be pleased to state:

(a) whether Government have sought World Bank's assistance for modernizing existing facilities and improving power generation and distribution in the country;

(b) if so, the details thereof;

(c) whether Government have also discussed the problems of the power sector with the leading Financial Institutions (FIs); and

(d) if so, the outcome thereof and to what extent these FIs have agreed to support on power reforms?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) and (b) The world Bank has assisted a number of power generation and transmission projects in the country in the past.

The present priority of World Bank is on reforms and restructuring of the power sector and the Bank has sanctioned loans for reform linked programmes in the States of Orissa, Andhra Pradesh, Haryana and Uttar Pradesh. Negotiations are in progress for loans for reforms in the State of Rajasthan.

During the recent visit of the President of the World Bank to India, it has been suggested that the World Bank continues support to generation and transmission projects and also support in particular run of the river hydro projects which involve minimal submergence and population displacement, besides making available structural adjustment loan to reforming States to tide over the transitional period of reform.

(c) and (d) Yes, Sir. A Crisis Resolution Group (CRG) has been set up under the chairmanship of Minister of Power to resolve the 'last mile' problems of power projects and to expedite their financial closure. The financial institutions have indicated in the meetings of the CRG that they will not insist on escrow immediately and that Independent Power Producers (IPP) financing should be linked to the progress of reforms undertaken by the State Governments. Accordingly, a road map is being evolved linking IPP financing with milestones for reforms.

Power projects aided by foreign promoters

1843. DR. C. NARAYANA REDDY:

SHRI C. RAMACHANDRAIAH:

Will the Minister of POWER be pleased to state:

(a) whether it is a fact that in some of the power projects, foreign promoters have exited;

(b) if so, the details thereof;

(c) what is the present status of those projects; and

(d) what will be the fate of those projects?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTIMEHTA): (a) Yes, Sir.

(b) The details, as per specific information available, are mentioned below:—

M/s. Cogentrix Energy Inc., who were one of the main promoters of the 1013.2 MW Mangalore Power Project in Karnataka, informed that with effect