

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:1634  
ANSWERED ON:06.03.2000  
PRIVATE SECTOR PARTICIPATION IN HYDEL POWER PROJECTS  
AKBOR ALI KHANDOKER

**Will the Minister of POWER be pleased to state:**

- (a) the response of the private sector to the Hydel Power Projects;
- (b) the details of incentives offered by the Government to attract private investors in the development of Hydel Power Projects during the Eighth Plan;
- (c) whether the Government propose to offer better incentives to the private sector during the Ninth Plan; and
- (d) if so, the details in this regard?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF POWER

( SHRIMATI JAYAWANTI MEHTA )

(a) : The following schemes for setting up hydro electric power projects in the private sector have been accorded techno-economic clearance of Central Electricity Authority (CEA):

S. No.	Name of the Project/Promoter/State (MW)	Capacity
1.	Baspa Stage-II HEP, M/s. Jaiprakash Hydro Power Ltd. Himachal Pradesh	300
2.	Malana HEP, M/s. Malana Power Company Limited, Himachal Pradesh	86
3.	Vishnuprayag HEP, M/s. Jaiprakash Power Ventures Ltd. Uttar Pradesh	400
4.	Srinagar HEP, M/s. Duncans North Hydro Power Co. Ltd. Uttar Pradesh	330
5.	Maheshwar HEP, M/s. Shree Maheshwar Hydel Power Corpn. Ltd., Madhya Pradesh	400

The following schemes for setting up hydro electric power projects in the private sector have been accorded `in-principle` clearance of CEA and the promoters of these projects are required to submit the complete Detailed Project Report to CEA for accord of techno-economic clearance:

S. No.	Name of the Project/Promoter/State (MW)	Capacity
1.	Allain Duhangan HEP, M/s. Rajasthan Spinning & Weaving Mill, Himachal Pradesh	192

2. Karcham Wangtoo HEP, M/s. Jai Prakash Industries Limited, Himachal Pradesh	1000
3. Dhamwari Sunda HEP, M/s. Dhamwari Power Company Himachal Pradesh	70
4. Upper Krishna HEP, M/s. Chamundi Power Corporation Limited., Karnataka	1107

(b) to (d) : Government has taken several measures for accelerating the growth of hydro power development. These include higher budgetary support to Central Public Sector Undertakings like National Hydroelectric Power Corporation Ltd. (NHPC), North Eastern Electric Power Corporation (NEEPCO) and Tehri Hydro Development Corporation (THDC), advance action for new hydel projects, liberalised policy to attract private sector participation and action plan for hydro power development in North Eastern Region.

Government of India has announced a Policy on Hydro Power Development in August, 1998 in order to accelerate the pace of hydro power development. The policy, inter-alia envisages the following measures for this purpose:

- (i) Providing a differential pricing for peaking power to facilitate greater investment in hydel projects which have the capability to supply peaking power in a cost effective manner.
- (ii) Providing an institutional mechanism for dealing with geological risks.
- (iii) Utilising the joint venture frame work for promoting hydel projects.
- (iv) Simplification of procedures relating to transfer of clearances from State Government to Central Public Sector Undertakings and State Government to private sector.
- (v) Enhancing the ceiling limit for Techno-economic clearance by CEA in respect of projects promoted on the MoU route.
- (vi) Transfer of work relating to the development of small hydel projects upto 25 MW capacity from Ministry of Power to Ministry of Non-conventional Energy Sources and providing a suitable incentive package.