

**International Flights From Raja Sansi Airport, Amritsar**

1983. S. ATINDER PAL SINGH: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government propose to resume international flights from Raja Sansi Airport, Amritsar, which were suspended earlier for the convenience of foreign tourists and Indian tourists;

(b) if so, the details as to when the international flights are likely to be resumed; and

(c) if not, the reasons therefor?

THE MINISTER OF STEEL AND MINES AND MINISTER OF LAW AND JUSTICE (SHRI DINESH GOSWAMI): (a) No, Sir.

(b) Does not arise.

(c) The traffic potential ex-Amritsar is inadequate to sustain economically viable operations.

[English]

**Setting Up of Growth Centres**

1984. SHRI P. NARSA REDDY:  
KUMARI UMA BHARATI:  
SHRI LALIT VIJOY SINGH:  
SHRI RAJENDRA AG-  
NIHOTRI:  
SHRI MADHAVRAO SCINDIA:

Will the Minister of INDUSTRY be pleased to state:

(a) whether Government propose to have a fresh review of its scheme for setting up of industrial growth centres in the backward areas of the country;

(b) if so, the details thereof;

(c) whether proposals have been received from State Governments for the selection of sites for growth centres;

(d) if so, the salient features thereof; and

(e) the outcome of the review in the light of the proposals received from the state Governments?

THE MINISTER OF INDUSTRY (SHRI AJIT SINGH): (a) to (e). The Government in June, 1988 announced a Scheme to set up 100 growth centres in various parts of the country. It was intended to develop 70 growth centres in various State/Union Territories in the first phase. Based on the proposals received from State Governments, the location of 50 growth centres was also identified. The growth centres scheme is proposed to be taken up for implementation during the 8th Plan period. All locations will be reviewed before final approval is accorded.

**Electricity Undertakings to Foreign Multinationals**

1985. SHRI R. PRABHU: Will the Minister of ENERGY be pleased to state:

(a) whether Government propose to open up Electricity Undertakings to foreign multinational by offering special incentives and liberalisations;

(b) whether Government have formulated any policy decision in this regard; and

(c) if so, the details thereof?

THE MINISTER OF STEEL AND MINES AND MINISTER OF LAW AND JUSTICE (SHRI DINESH GOSWAMI): (a) to (c). The Government have decided to encourage private sector participation (including for-

oreign private investment) in generation, supply and distribution of power as one of the means to bring in additionality of resources to the power sector and contribute towards greater availability of power. The details of the incentives offered by the Government in this regard are given in the statement given below.

### STATEMENT

The following incentives have been approved by the Government to encourage Private Sector participation in Generation and distribution of Power:

- Debt equity ratio has been raised upto 4:1.
- Increase in the prescribed rate of return for the licences has been approved from the existing 12% to 15%.
- Capitalisation of interest during construction has been permitted at the actual cost (instead of at present 1% above the Reserve Bank rate) for the initial project as well as for the subsequent expansions.
- Period of initial validity of the license has been increased to 30 years from the existing 20 years on each occasion.
- Exemption to private licences from obtaining clearance under the MRTP Act has been approved.
- To ensure additional resource mobilisation, it has been proposed that at least 60% of the outlay is to come from sources other than public financial institutions; and atleast 11% is to come through promoters contribution.
- Private sector companies have been allowed to operate as generating company independently like NTPC or in associate with Central Government/State Government/SEB.
- Such generating companies are permitted to sell power on the basis of standardised two part tariff determined with reference to operational norms and optimal PLF prescribed by the Central Electricity Authority/Government and higher rate of depreciation notified by Central Government.
- It is expected that efficient operation of the generating companies will bring in better rate of return for them.
- All licences/generating companies are to operate within the provisions of Electricity (supply) Act, 1948 and under the discipline of integrated grid operations.
- To consider encouraging foreign private investment in the power sector and include provisions for such participation within the ambit of the general policy framework of liberalisation of foreign investment in the country, it will be necessary that as an integral part of liberalisation measures simplification of the procedure for considering applications for foreign private sector participation in the power sector is achieved by establishment of a High Powered Board for single point

clearance of applications in this regard. The High Powered Board would comprise of Secretaries of the concerned Ministries/Departments in the Union Government co-opted of senior State Government representatives as required.

- Captive generating units are being encouraged to sell/distribute surplus power to SEBs on the basis of contractual agreement and standardised two part tariff.
- Necessary amendments to the Electricity Acts are being brought out shortly.
- A special Cell is proposed to be created in Department of Power of deal with proposals expeditiously for private sector participation.

#### **Indian Airlines on Foreign Routes**

1986. SHRI KUSUMA KRISHNA MURTHY: Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Indian Airlines is also operating on foreign routes;
- (b) if so, the reasons therefor; and
- (c) whether there is any proposal to leave the operational activities on all foreign routes exclusively to Air India and if not, reasons therefor?

THE MINISTER OF STEEL AND MINES AND MINISTER OF LAW AND JUSTICE (SHRI DINESH GOSWAMI): (a) Yes, Sir.

(b) and (c). Operations on regional

routes by India Airlines were envisaged in the Statement of Objects & Reasons attached to the parent Act namely the Air Corporations Act, 1953.

#### **Air Strip in Sikkim**

1987. SHRI NANDU THAPA: Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether Government have any plans to provide an Air Strip in Sikkim;
- (b) if so, the steps taken in this regard; and
- (c) when it is likely to be provided?

THE MINISTER OF STEEL AND MINES AND MINISTER OF LAW AND JUSTICE (SHRI DINESH GOSWAMI): (a) National Airports Authority have no plans to construct an air strip in Sikkim during the 8th Plan period.

(b) and (c). Do not arise.

#### **Power Shortage in Karnataka**

1988. SHRI V. KRISHNA RAO: SHRI J.C.P. MUDALAGIRI-YAPPA:

Will the Minister of ENERGY be pleased to state:

- (a) whether Karnataka is facing an acute shortage of power;
- (b) whether power cut in some industrial centres in Karnataka is more than 50%;
- (c) whether the Union Government propose to expedite the setting up of a thermal power plant at Mangalore;

(d) if so, the details thereof; and